



Ready Logistics

Carrier Compliance Policy

October 1, 2017

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Code of Conduct

As a carrier partner with Ready Logistics, you are an extension of our team and you represent Ready Logistics to our clients. As a result, **you are held to the same code of conduct, principles, and values as our employees.**

We require our carriers to conduct themselves in a manner consistent with the following:

- Ethical
- Honest
- Respectful
- Professional
- Courteous

Your conduct and how you represent Ready Logistics is the most important part of our relationship.

Carrier Registration

In order to become an approved carrier in the Ready Logistics network, each carrier must provide the following required credentials and authorization information:

- Completed Registration Form and Transport Service Agreement
- Insurance certificate provided directly from the carrier's agent, not the carrier
 - Business Automobile Liability/Truckers Liability Insurance: \$1,000,000
 - 1 Car Hauler: \$50,000
 - 2-3 Car Hauler: \$100,000
 - 4-5 Car Hauler: \$150,000
 - 6-8 Car Hauler: \$250,000
 - 9-10 Car Hauler: \$250,000
- Damage Claims Process Acknowledgement
- Operating Authority Certificate
- DOT Assignment Certificate
- Ready Logistics' Commercial Terms and Conditions as executed by carrier
- W9 Form
- A copy of the carrier's background check protocol, if multiple drivers

Mobile Application Compliance

As a condition of becoming a Ready Logistics carrier partner, **you are required to download and use our 1D Mobile App for ALL loads.**

The benefits of using our mobile app technology are:

- An efficient and optimal experience for you to manage your portfolio with Ready Logistics from anywhere, at any time
- Electronic records and ability to document the condition of a car at pick-up and also at delivery using pictures and condition descriptions via easy drop down menus
- A mechanism to protect you from damage claims and provide enhanced auditability and reporting
- Compliance with our client needs who require that our carriers use the mobile app for all of their moves
- Same day payment processing; any e-BOL received by 3:00 pm will be processed for payment that same day
- Reduced time and effort for the carriers and Ready Logistics to resolve damage claims and a material improvement in client response times

Vehicle Assignment Process

- Ready Logistics is notified of pick-up assignment, via AutoIMS, or other agreed upon means of order transmission.
- The verify team contacts pick-up location to confirm car status and availability, including drivability.
- Vehicles are assigned to carriers in two ways:
 1. The majority of cars are assigned automatically through our automated dispatch system based on carrier volume and performance of the top 5 carriers in the lane; OR
 2. Cars may also be dispatched manually in the same manner or to certain carriers depending on load requirements and geography.
 - If an automated dispatch, a carrier has 2 hours to accept or the car is automatically reassigned to another carrier, and so on.
 - If manually dispatched, a carrier still has 2 hours to accept a load, but it is manually re-dispatched at the dispatchers discretion based on other carrier availability.
 - Each morning, dispatchers have a list of all carriers who have lane availability for the day so they can assign cars accordingly.

- Requirements (i.e. do not drive, photos required, use of a mobile app is required, pick-up location hours, key receipt form, etc.) are printed on the transport order under 'carrier notes'.
- **Carriers MUST read and comply with all instructions as outlined on the transport order or provided by Ready Logistics via field communications, e-mails, or website/mobile application notifications**
- SLAs / days to deliver are gathered from the client and are maintained on file and are communicated to carriers both in writing, via e-mail, as well as verbally during the follow-up process.
- A "follow-up" report is generated every morning by dispatch team and is reviewed based on every date (i.e. dispatch date, pick-up date, delivery, etc.).
 - If any of those dates are missed, the carrier is contacted and status is obtained.
 - If car has not yet been picked up and valid reason is not available as to exact ETA, the car is immediately canceled and reassigned with "urgent" under carrier notes.
 - If the car is anticipated to miss its delivery date, the client is contacted immediately to inform of the reason.
- Once the car is delivered, an e-BOL is transmitted to Ready Logistics.

Compliance and Monitoring process

- Carrier's equipment description is validated to ensure that the insurance certificate contains the appropriate coverage based on carrier class. This is done at registration, at notification in change of equipment from the carrier, and at insurance renewal.
- MC/DOT/insurance license expiration and licensing dates are entered in our system and notifications are sent to carrier 30 days in advance of expiration. If renewal or submission of updated credentials is not received timely, the carrier is restricted.
- Carrier's background check process / protocol is reviewed and updated annually, coinciding with the annual insurance certificate renewal. Carrier is also required to report if any driver has had their driver's license suspended and provide proof of driver suspension/termination.
- Client requirements may also warrant additional scrutiny and auditing of carrier's records (e.g. monitoring of mileage to ensure the discrepancy between pick-up and delivery odometer reading is within the client's acceptable tolerance). Ready Logistics will monitor client requirements to ensure compliance and take appropriate action.
- Carrier metrics are monitored monthly to ensure service levels and compliance standards are met (i.e. on-time delivery, cancellations, damage claims, and dispatch to pick-up).
 - Because our automated dispatch system dispatches based on high performing carriers, any carrier whose performance is not within acceptable tolerance is excluded from the automated dispatch process.

- Carriers who are dispatched manually are contacted by the Carrier Relations team and are informed of their performance, on-time-delivery percentage and are given an opportunity to improve.
- If no improvement is confirmed within an agreed upon timeframe (depends on lane volume), the carrier is placed on the DNU list
- In the event of non-cooperation, unethical or unprofessional behavior, or other violations of Ready Logistics' values, the carrier is permanently restricted from both Ready Logistics and Central Dispatch and legal action is taken if the circumstances warrant it.

Incident Escalation Process:

In the event that a carrier violates Ready Logistics' stated compliance policies, the carrier must notify Ready Logistics immediately upon discovery of said violation. Additionally, the carrier must adhere to the following:

- The carrier must notify Ready Logistics immediately after any incident including but not limited to asset damage, theft, accident, inability to access the vehicle(s), inability to perform their normal duties in transporting the vehicle, or inability to meet the SLA
- The carrier must cooperate fully with the investigation and provide all facts and documentation related to the incident.
- If the carrier is responsible / liable for the incident, they must reimburse Ready Logistics for all costs associated with the incident (please refer to the Claims Process section for damage related incidents).
- At the discretion of Ready Logistics and depending upon the severity of the infraction/violation, the carrier may be given a chance to correct or improve performance/service. Failure to correct/improve performance/service within the time frame allocated by Ready Logistics will result in termination of the partnership with Ready Logistics.
- If the violation involves an unethical act, unprofessional conduct, a deliberate disregard to transport instructions, or any other severe infraction as determined by Ready Logistics, the carrier will be terminated.

Claims process

- Carriers are to notify Ready Logistics immediately in the event of damage or accident. A damage claim is also submitted from the auction through the auction's condition report process or the client upon receipt of car.
- If carrier does not inform Ready Logistics of damage and does not cooperate with the investigation, they are restricted from Ready Logistics' network.
- Carriers have 4 business days to submit all required documentation upon notification of a damage claim / incident. Carrier's report should include pictures of car at time of pickup and delivery; signed BOL with damage marked at pickup and delivery; police report or copy of law enforcement officer's report of accident

containing report number, if applicable; and, any other information relative to claim/incident.

- Carriers will receive one reminder during the 4-day window to submit missing documentation. Failure to do so will be deemed by Ready Logistics as non-compliance.
- If damage is proven to be transport related, Ready Logistics reimburses client immediately and recovers losses from the carrier based on the client's damage estimate.
- If the vehicle is deemed to be a total loss, Ready Logistics reimburses client immediately and pursues recovery from the carrier's insurance.

Do Not Use List (DNU)

In the event that a carrier violates Ready Logistics' compliance policies, performs outside the guidelines and expectations as defined by Ready Logistics or acts in an unprofessional or unethical manner, the carrier is placed on the Do Not Use List (DNU list).

A carrier who is placed on the DNU list is inactive and is restricted from all activity in 1Dispatch, HQ2, mobile app, or dispatch, automatically or manually. No one at Ready Logistics has the ability to dispatch a load or transact with an inactive carrier.

Exclusion List

Functionality also exists in Ready Logistics' system to restrict or exclude a carrier specifically from a client(s) account(s). In the event that a carrier is non-compliant with a specific client's requirements, that carrier may be restricted from that one client while still being able to transport cars for other clients.

The exclusion list restricts a carrier's ability from being dispatched or being able to accept a particular client's vehicles automatically through our system, manually, through our 1Dispatch load board, or the 1D Mobile App.