

INCIDENT MANAGEMENT RULES

of the DiDb system

ISSUED BY: SECTRAN LTD.

Effective from 10th of February 2020 until withdrawal

Document number: SIMR-ENV20.01



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The following rules for the management of an incident shall be applied in the DiDb system by Sectran Ltd. (hereinafter Sectran) and also by all DiDb Cooperation Partners, as data processors of Sectran (hereinafter DCP).

Acceptance of the present 'Incident Management Rules' is a fundamental requirement for all clients contracted to perform DiDb database services (from hereinafter: DiDb Users) and for all the drivers in the database (from hereinafter: DiDb member or driver).

Sectran Ltd. is entitled to modify the content of the present 'Incident Management Rules' unilaterally, on the condition that data control regulations are not violated, and the 'Incident Management Rules' in effect are always published on the website of the DiDb system (www.didb.eu).

1. Definitions

1.1. Incident

An event linked to a freight task, which is reported by a DiDb user, based on a DiDb carriage number or a DiDb membership number or a name, and which assumes the violation of safe transportation regulations by the driver, and/or the instructions related to the transport assignment, as well as all intentional or negligent action of the driver, that causes or is intended to cause financial damage to any of the parties involved in the transport assignment.

1.2. DiDb carriage number

An identification number generated automatically by the DiDb system, which is given by pressing the 'start carriage' button after checking a driver profile in the DiDb system. It is a unique number by which a carriage registered in the DiDb system can be clearly identified.

1.3. DiDb membership number

Unique identification number generated during the registration of the drivers into the DiDb system. Its format is: 111111/AB99-yyyymm, from which the first six digits refer to the registration number of the driver, the following two letters indicate the country of birth of the driver, 99 is a technical number, and yyyymm indicate the year and the month in which the driver applied for the DiDb membership.

1.4. DiDb member

Driver registered in the DiDb database with a unique DiDb number.

1.5. *DiDb User*

A contractual client of Sectran or DCP who uses DiDb database services.

1.6. *Incident Reporter*

DiDb User's employee with an incident reporter authorization, who is entitled to register an incident in the DiDb system by using the incident reporting function of it, or to request the Incident Manager or DCP's Incident Contact Person to register an incident.

1.7. *Incident Manager*

An employee of Sectran with a wide range of experience regarding the processes, procedures, rules and deadlines of the incidents registered in the DiDb system. He/she has authorization to manage the incidents as well as to administrate all data, information and events connected to the incidents in the DiDb system.

1.8. *DiDb Cooperation Partner (DCP)*

A contractual partner of Sectran with complete but not exclusive right to launch and operate the DiDb system in those European countries where Sectran does not have its own operation.

1.9. *Incident Contact Person*

An employee of a DCP with a wide range of experience regarding the processes, rules and deadlines of the incidents reported in the DiDb system in the countries where a DCP is operating. He/she is in continuous contact with the Incident Manager and the DiDb User contracted with the DCP during the entire incident process.

2. Purpose, possible causes and consequences of the incident management procedure

2.1. *Purpose of the incident management procedure*

The purpose of the incident reporting and investigating in the DiDb system is to decide about maintaining, pausing, or terminating the DiDb membership of the driver in question, depending on the level of his/her involvement in the incident.

The exclusion of a driver from the DiDb system for a definite or an indefinite period of time shall enter into force in accordance with the rules stated in this document.

2.2. Driver's behaviour and events that serve as a basis for incident reporting:

- a) transport assignment fulfilled with cargo losses
- b) suspicion of crime or misdemeanor related to the transport assignment (in particular crime or misdemeanor related to the pallets, wrapping or packaging material or fuel);
- c) violation of safety regulations pertinent to road transportation;
- d) unjustified violation or non-fulfilment of instructions related to carriage assignments;
- e) violation of local safety regulations in effect at the location of loading/delivery of cargo;
- f) endangering the safety of the cargo by violation of the traffic rules, (in particular: driving under influence of alcohol and/or drugs, or exceeding the permitted time limit for driving);
- g) modifications of the transportation vehicle or any of its parts, without the consent of its owner;
- h) any other behaviour jeopardizing and/or violating the purposes of the DiDb system;

2.3. Sanctions applicable as a result of incidents:

- a) exclusion from the DiDb system for an indefinite period of time;
- b) exclusion from the DiDb system for a definite period of time.

3. Rules of the incident management procedure

3.1. Reporting an incident

3.1.1. DiDb User's operator with incident reporting authorization is entitled to report an incident based on either the DiDb carriage number, or the DiDb membership number, or the name, by using the incident reporting function of the DiDb software. Sectran is also entitled to record an incident in the DiDb system in case the driver's behavior violates the principles of the DiDb system or in case of a situation as mentioned in point 3.1.2.

3.1.2. DiDb User has the possibility to request the reporting of the incident in the DiDb system through Sectran or DCP. However, all investigative or informative tasks, responsibilities and obligations of the incident reporter, which are detailed in these Incident Management Rules, are still with the DiDb User.

3.1.3. An incident can only be reported against drivers with 'Approved', or 'Suspended', or 'Pending registration' status.

3.1.4. The starting date of the incident is the day when the incident has been reported by the DiDb User or Sectran in the DiDb system.

3.2. Justification of incident reporting, deadlines

3.2.1. Sectran or DCP shall assess the justification of the reported incident.

3.2.2. Sectran or DCP considers the reported incident justified, if based on the description of the case and/or any evidence submitted, the driver most likely acted/behaved in any way as listed under point 2.2. or any of the cases enumerated therein has been realised independently from the driver's behaviour.

3.2.3. Sectran or DCP may ask for more information and evidence from the incident reporter to be submitted in order to decide whether the reported incident was well-grounded, and may set a deadline for the DiDb User for the fulfilment of this requirement.

3.2.4. Sectran is the only party to make the final decision about the justification of the incident.

3.2.5. Sectran may consider the submitted information and evidence freely and is not obliged to explain its decision.

3.2.6. In order to make a decision about the justification of the reported incident, the Incident Manager or Incident Contact Person - independently from the DiDb User responsible for the investigation - may also get in contact with the driver involved in the incident and may initiate a personal interview, and may also claim extraordinary membership renewal.

3.2.7. In case none of the conditions listed in 2.2. appears to have materialised, Sectran immediately terminates the incident and sets back the DiDb status of the driver to his status preceding the incident.

3.2.8. In case the reported incident is justified, the Incident Manager or Incident Contact Person is obliged to inform instantly the DiDb User who reported the incident as well as the DiDb member concerned, about the Incident Management Rules and deadlines.

3.3. Contact between parties during the incident management procedure

- 3.3.1. When a DiDb User contracted with Sectran reports an incident - via e-mail or by the DiDb system – Sectran is obliged to contact the DiDb member concerned right after registering the incident and inform him/her about the change of his/her DiDb status in the DiDb system.
- 3.3.2. In case a DiDb User contracted with DCP requests DCP via e-mail to register an incident, then the Incident Contact Person is obliged to contact the Incident Manager and pass on all data and information about the circumstances in which the incident took place and about any other information received from the DiDb User. Furthermore, DCP is obliged to contact the DiDb member concerned and inform him/her about the change of his/her DiDb status in the DiDb system.
- 3.3.3. In case a DiDb User contracted with a DCP reports an incident via the DiDb system, then the Incident Manager is obliged to get in touch with the Incident Contact Person and to provide information about all data, information or circumstances that the DiDb User uploaded on the platform used for incident reporting.
- 3.3.4. During the incident management process, the DiDb User reporting the incident stays in contact with the Incident Manager and/or the Incident Contact Person and they inform each other about all relevant information, data, circumstances or evidence that supports the closure of the investigation.
- 3.3.5. The Incident Manager stays in continuous contact with the incident reporter and the DiDb member concerned.
- 3.3.6. The Incident Contact Person stays in continuous contact with the Incident Manager, the incident reporter and the DiDb member concerned.
- 3.3.7. Sectran and the DCP are entitled to involve a translator or interpreter in justified cases in order to enable contact with the DiDb member.
- 3.3.8. Communication between parties concerned can take place via e-mail, post or personal meeting, as long as the procedural deadlines are respected. An exception is the notification about the exclusion of the DiDb member in which case a letter informing the driver about the banned status must be posted via registered mail, with return confirmation of receipt.

3.4. Consequences of incident reporting, deadlines

3.4.1. The DiDb status of the DiDb member concerned shall change as follows:

- a.) in case the incident is reported against a driver with 'Approved' status, the 'Approved' status will be changed to 'Suspended' from the moment of registering the incident
- b.) in case a new incident is reported against a driver whose status is already 'Suspended', it will remain so, taking into account the provisions of present regulations,
- c.) in case the incident is reported against a driver with 'Pending registration' status, the 'Pending registration' status will be changed to 'Suspended' from the moment of registering the incident.

3.4.2. The DiDb User has 30 calendar days from the day of incident reporting to investigate the circumstances. As per request of the DiDb User this deadline can be prolonged one time with an additional 30 days. Therefore the 'Suspended' status can be maintained for maximum 60 days from the day of incident reporting, unless the DiDb User has provided enough data, information and evidence to Sectran during the time available to make a well-grounded decision before the deadline.

3.4.3. The 'Suspended' status can be terminated in accordance with the closure date of the incident.

3.4.4. A driver with 'Suspended' status in the DiDb system may perform a transport assignment only by the decision and on the responsibility of the DiDb User.

3.5. Data related to the incident

3.5.1. In case the incident reporter has not filled out all relevant data about the incident on the platform of the DiDb system, the reporter must contact the Incident Manager or Incident Contact Person and inform him/her about all data, circumstances and available evidence related to the incident. Failing this, the Incident Manager or Incident Contact Person may also contact the DiDb User reporting the incident, to call his attention to the provision of the details and data related to the incident.

3.5.2. In case the Incident Reporter - due to any reason - does not upload the data and details related to the incident to the incident management platform of the DiDb software, but provides the information to the Incident Manager or Incident Contact

Person in written form, then the Incident Manager is entitled to upload the provided data into the system.

4. Incident investigation

- 4.1. The aim of the incident investigation is to facilitate the decision making in relation to the future DiDb status of the driver concerned.
- 4.2. The investigation of the incident, therefore the collection of information and evidence which can detect the behaviour and involvement of the driver, is the task and responsibility of the DiDb User reporting the incident.
- 4.3. The deadline for the decision-making that is defined in point 3.4.2. is not definitive. In case any information or evidence, which may serve the modification of the previous decision, becomes known after the closure of the incident investigation, then this new information may serve as the basis to reconsider the previous decision. An amended decision has to be made in accordance with the provisions of the Incident Management Rules.
- 4.4. Both Sectran or DCP has the right to initiate the personal hearing of the driver involved during the investigation or take any steps that help to clarify the circumstances of the incident.
- 4.5. A driver shall be excluded from the DiDb database if based on the submitted documents, data, photographs, etc. the driver's involvement in the incident is proven, or if the driver refuses to cooperate in the incident investigation procedure.

5. Deadlines related to the incident investigation, proposal

- 5.1. Considering point 3.4.2. the Incident Reporter may ask for the prolongation of the 30-day deadline available for the investigation of the incident with an additional 30 days one time in case there is not enough data, information and evidence to make a well-grounded decision.
- 5.2. In case there is not enough data, information and evidence available to make a well-grounded decision either after the 60-day deadline, then the Incident Reporter is obliged to inform the Incident Manager or Incident Contact Person about a deadline by which he can make his proposal. The Incident Reporter must justify his/her request for extension and the Incident Manager may decide individually if the request can be

accepted and whether it is well-grounded. Latest one working day before the committed deadline the Incident Reporter is obliged to inform the Incident Manager or Incident Contact Person about his proposal concerning the DiDb member's future status.

- 5.3. The Incident Contact Person must inform the Incident Manager immediately about the DiDb User's (contracted with DCP) request to prolong the deadline.
- 5.4. The Incident Manager must administrate the prolongation of the suspended status in the DiDb system each time when the deadline available for the investigation is prolonged. The Incident Manager or Incident Contact Person must inform the driver about the prolongation of the deadline.
- 5.5. The DiDb User reporting the incident shall notify the Incident Manager or Incident Contact Person at any time after the incident reporting, but latest one working day before the deadline available for the incident investigation about the proposal that was made based on the investigation.
- 5.6. The proposal must cover the future DiDb status of the driver concerned and must also contain the information, data and evidence justifying this proposal. In case the DiDb User proposes the exclusion of the DiDb driver from the DiDb database, the evidence submitted must clearly confirm that the exclusion of the DiDb member is well-founded with regard to the purposes of the DiDb system.
- 5.7. In case of necessity, the Incident Manager or Incident Contact Person calls the attention of the DiDb user to its obligation detailed in point 5.5.
- 5.8. The DCP must immediately (within one working day) inform the Incident Manager about the DiDb User's proposal related to the incident.
- 5.9. During the incident management procedure, the contact between the parties involved happens according to point 3.3.8., however the Incident Reporter's proposal regarding the future DiDb status of the driver shall be provided in written form, e.g. via email.

6. Decision making, termination of the incident

- 6.1. Based on the proposal detailed in point 5 and on all the evidence, data and information submitted, Sectran makes the decision about the DiDb member's future DiDb status whereby Sectran will be accountable for a proportional weighing of interests of

organizations in ground transportation and the individual (the driver). The decision on said future membership status may result in the exclusion of the involved driver from the DiDb database for an indefinite or a definite period of time, or in setting back his 'Approved' status.

In case the incident investigation procedure results in a reasonable suspicion of crime or misdemeanour performed by the driver, or in case it is proven that the driver violated any of the Client regulations given in relation to the transport assignment in question, or violated any of the regulations of the European Commission regarding road transportation, in particular any of the following:

- https://ec.europa.eu/transport/modes/road/social_provisions/driving_time_en
- https://ec.europa.eu/transport/modes/road/social_provisions/working_time_en
- https://ec.europa.eu/transport/modes/road/weights-and-dimensions_en
- https://ec.europa.eu/transport/modes/road/social_provisions/tachograph_en

then the driver can be excluded from the DiDb system for an indefinite or for a definite period of time, considering the below listed criteria.

6.1.1. Exclusion for an indefinite period of time

The driver can be excluded from the DiDb database for an indefinite period of time (permanently) in case there is a reasonable suspicion of crime or misdemeanour against him/her, and/or it is proven that he/she intentionally and substantially violated the above mentioned regulations and/or provisions, particularly if this has resulted in damage and/or loss. Driver's behaviour can be considered as intentionally in case he/she foresaw the consequences of his actions, or he/she explicitly wanted those to occur, or was content to accept them.

6.1.2. Exclusion for a definite period of time

The driver can be excluded from the DiDb database for a definite period of time in case there is a reasonable suspicion of crime or misdemeanour against him/her, and/or it is proven that he/she negligently violated the above mentioned regulations and/or provisions, particularly if this has resulted in damage and/or loss. Driver's behaviour can be considered as negligent in case he/she could have foreseen the consequences of his actions, but he/she was improvidently reliant on those not to happen or acted with apparent indifference.

Depending on the value of the losses

- Negligent involvement in losses exceeding the value of EUR 2,000 may result in a 5-year fixed-term exclusion.
- Negligent involvement in losses up to a maximum value of EUR 2,000 may result in a two-year fixed-term exclusion.

After the exclusion period the driver's membership can be validated or reactivated.

- 6.2. During the decision-making process, Sectran may require relevant support from an independent expert by taking into consideration the protection of personal data and confidential business information.
- 6.3. The Incident Manager must notify the Incident Contact Person immediately about the result of the decision.
- 6.4. Sectran or the DCP immediately informs the DiDb User and DiDb member concerned of the result of the decision.
- 6.5. In case Sectran cannot make a well-grounded decision based on the proposals and/or evidence submitted, then Sectran may ask for further evidence and data and may set a deadline for their submission. In case the DiDb User and/or the DiDb member concerned fails to submit the requested evidence within the deadline specified, Sectran is entitled to close the incident without a substantive decision, and the DiDb member will get back the status he/she had before the incident was reported in the DiDb system, latest on the expiry date of the deadline as defined in point 3.4.2.
- 6.6. In case the Incident Reporter fails to make a proposal or fails to submit a claim for the prolongation of the deadline of the incident investigation to Incident Manager or Incident Contact Person, then the Incident Manager or Incident Contact Person may initiate to set back the DiDb status of the driver from 'Suspended' status to his/her previous status.

7. Appeal, Committee

7.1. Persons entitled to appeal

Both the DiDb User reporting the incident and the DiDb member concerned have the right to appeal against the incident closing decision, which in all cases results in the review of the incident at a Committee's hearing as well as a new decision-making process.

7.2. Deadline and ways of filing an appeal

- 7.2.1. Parties, defined in point 7.1., may appeal in written form within 30 days after receipt of the decision closing the incident. The appeal must always be justified with a detailed explanation of the grounds of the appeal.
- 7.2.2. During the entire appeal procedure the DiDb member can be represented by an authorised representative. The authorised representative is entitled to fully act on behalf of the DiDb member, excluding the personal attendance of the DiDb member at the Committee's hearing.
- 7.2.3. Ensuring an interpreter/translator's attendance necessary for the communication with the DiDb member, is the task and at the expense of Sectran or the DCP.

7.3. The Committee and the rules for its composition

- 7.3.1. The Committee is an independent body of non-permanent members which always consist of 1 DiDb member with valid membership and approved status, 1 representative from any of the DiDb Users excluding that one who is involved in the case, furthermore 1 representative of Sectran or DCP or an independent expert invited by Sectran or the DCP.
- 7.3.2. The Committee judging the appeal and reconsidering the decision, which was made during the incident management procedure, is an impartial body. Therefore the Committee shall be established by avoiding any conflicts of interest in relation to the circumstances (exclusion of personal connections/acquaintances, exclusion of economic connections/interests etc.).
- 7.3.3. Members of the Committee are not entitled to get any payment for taking part in the appeal procedure, however their expenses related to the hearing (e.g. traveling costs) must be covered by Sectran or the DCP.

7.4. Preparation of the Committee's hearing

- 7.4.1. Sectran or the DCP makes all preparations required for the Committee's hearing, determines the date, place and members of the Committee's hearing, also ensuring the availability of all the Committee members and of all the documentation.

7.4.2. The date of the Committee's hearing has to be determined within 30 days after the filing of the appeal, in such a way that the Committee's hearing should be realised within 60 days from the filing of the appeal and also in such a way that both the hearing and the decision making can take place in one session.

7.4.3. Sectran or the DCP ensures the personal conditions (e.g. recorder, interpreter) and the material conditions (e.g. the right place and other technical conditions) for the Committee hearing.

7.5. Rules of the Committee's hearing

7.5.1. Participants of the Committee's hearing: the DiDb member concerned, his/her representative (in case he/she has one), the representative(s) of the DiDb User reporting the incident, the members defined in point 7.3.1., the records keeper and the interpreter (if needed).

7.5.2. The Committee's hearing shall be led by the Chairperson, who is the representative of Sectran or the DCP. The chairperson ensures the observance of all rules during the entire hearing procedure. The opportunity of explaining their point of views and presenting their evidence shall be ensured for all concerned parties.

7.5.3. The Chairperson may order a break during the hearing, or - if justified - may initiate the postponement of the hearing to be continued at a later time. Members of the Committee shall decide by simple majority voting on the postponement of the hearing.

7.5.4. In case any of the members of the Committee stays away from the hearing, the Committee's hearing cannot be held and a new date shall be appointed.

7.5.5. In case the representative of the DiDb User, or the DiDb member will be absent from the Committee's hearing, the hearing has still to be held, and the decision can be made without the hearing of the DiDb member or the incident reporter.

7.6. Process of the Committee's hearing

7.6.1. The Chairperson opens the Committee's hearing and introduces the members of the Committee. The Chairperson calls upon each of the concerned parties to make themselves known to the other members, furthermore calls upon the participants to make additional statements (e.g. in case of audio recording).

7.6.2. The Chairperson describes the case history provided by the DiDb User on the incident in question, and also the evidence submitted by the Parties that serve as the basis for the decision, followed by an explanation of Sectran's decision on the status of the DiDb member. Afterwards he/she calls upon the appellant to explain the grounds of the appeal and to present his/her evidence. Finally, the opposing party gets the opportunity to present its standpoint.

7.6.3. After the concerned parties present their point of views, the Chairperson followed the other members may ask questions of both parties involved.

7.6.4. When the Chairperson concludes that all circumstances of the case have been clarified, he/she closes the hearing.

7.6.5. Members of the Committee make their final decision on the appealed case, after which the Chairperson orally announces the Committee's decision.

7.7. Decision and the rules of decision making

7.7.1. The Committee makes its decision behind closed doors by secret voting from which no member may abstain.

7.7.2. The Committee, during its decision-making, is not bound by the previous decision made earlier during the incident process.

7.7.3. In case it was the responsibility of the DCP to hold the Committee's hearing, then the DCP must inform the Incident Manager about the Committee's final decision immediately.

7.7.4. The decision of the Committee is final, and it shall have binding force for all parties concerned.

7.7.5. Sectran or the DCP concludes the decision made by the Committee in written form and informs all concerned parties without any delay.

7.7.6. The Incident Manager is obliged to administrate the DiDb member's status in the DiDb system immediately, as decided by the Committee.

8. Other provisions

8.1. The Incident Manager and/or Incident Contact Person is entitled to contact – independently from the DiDb User or the concerned driver – a third party who is

engaged with the fulfilment of the transport assignment directly or indirectly (e.g. carrier or the LSP partner of the DiDb User) in order to get necessary and relevant information and data in connection with the reported incident.

- 8.2. The Incident Manager and/or Incident Contact Person is obliged to treat all received information, data and fact relating to the transport assignment and the incident in strictest confidence and not to disclose such information to any third parties. Excepted are the data which are transferred to an external professional expert engaged by SECTRAN or the DCP or which are required to be transferred by an authority.
- 8.3. The Incident Manager and/or Incident Contact Person acknowledge that all data relating to the incident in connection with the fulfilment of the transport assignment may be linked to the concerned driver, therefore becomes personal data. All controlling and processing procedures of these data shall be fulfilled by taking into account the provisions of the effective data protection rules as well as point 7.14 of the manual of „Description of data control in the DiDb system“.