

Vehicle Practice

Kelly Ewasiuk
December 4, 2013

Company vehicles

Cenovus employees and contracted personnel hired for field operations positions may be assigned a company vehicle. Calgary and field office employees may also have access to a company pool vehicle for business-related activities. Company vehicles are considered a tool necessary to perform assigned job tasks and are not for personal use.

For the purposes of this Practice, the term *Operator* will be used to represent Cenovus employees and contracted personnel assigned a company vehicle or Calgary and field office employees who have access to and drive a company pool vehicle. *Company vehicle* shall include a company pool vehicle for the purposes of this Practice.

All Operators are expected to operate and maintain and care for company vehicles in a manner which is representative of the company and according to all applicable provincial and federal laws and regulations.

Specific requirements must be met for a company vehicle to be issued to an Operator, as outlined below.

Groups or Business Units requiring company vehicles must contact the Cenovus Fleet Administrator.

Driver's license and driver's abstract/motor vehicle record

As a condition of employment, Operators who drive a Cenovus fleet vehicle must possess a valid Class 5 operator's license in good standing.

When driving is a condition of employment for a particular position, Operators must provide a copy of their current driver's abstract as a condition of hire and on a semi-annual basis thereafter, which will be subject to review for continued compliance with the conditions of employment outlined in this Practice.

Accidents and insurance

It is the Operator's responsibility to ensure there is a valid insurance slip and registration in the company vehicle at all times.

In the event of an accident Operators of company vehicles are required to report accidents as follows:

1. Contact police (call 911)
2. Advise their supervisor
3. Advise the Field Safety Coordinator and submit an incident report using the EH&S Incident Management System.
The report should include the unit number of the company vehicle involved as well as the estimated damage amount.
4. Advise the Cenovus Fleet Administrator



The Cenovus Fleet Administrator is responsible to contact the Fleet Management Company and submit a damage/incident report.

If questioned by police, Operators must be truthful in their responses in responding to questions regarding facts related to the accident. Operators should not make statements that admit fault or define the cause of the accident.

If a third party is involved in an incident in any form, then the driver of the company vehicle must provide Cenovus's Fleet Administrator with the third party's information, including:

1. Their contact information (name, number, address)
2. Their insurance company's name and broker information
3. Their insurance policy number

Generally, Cenovus's vehicle insurance policy will cover third-party bodily injury, property damage and accident benefits as required by law in the applicable province where the vehicle is operated. Any first-party property damage incurred, including acts of nature, is at the expense of the Business Unit.

Contractors or Service Providers operating their own vehicles are required to obtain and maintain insurance as part of their Consulting Services Agreement or Master Service and Supply Agreement.

Vehicle operation, personal use and infractions

Company vehicle usage is restricted to the following:

- Any travel required to perform company business
- Driving to and from work and place of residence

Any company vehicle usage outside of these parameters is considered personal use and is strictly prohibited.

Operators are solely responsible for all traffic or parking violations incurred in company vehicles under their care and control. All Area Superintendents will be made aware of infractions occurring within their operating groups. Operators who violate the terms of this Practice will be subject to disciplinary action up to and including termination of employment or contract for services.

Vehicle maintenance

Operators of company vehicles are responsible for maintaining the vehicle in accordance with the manufacturer's warranty and preventative maintenance schedule through an authorized service centre. All vehicle-related expenses must be charged to the assigned fleet card.

Operators must use the Fleet Management Provider's list of preferred vendors for vehicle repairs whenever possible so that Cenovus with the greatest discounts and contributes to the lowering of overall vehicle costs. The Cenovus Fleet Administrator will be responsible for communicating the list of preferred vendors.

Repairs or maintenance exceeding a Cenovus-established dollar limit require approval by the Area Coordinator or Cenovus Fleet Administrator. The Cenovus Fleet Administrator will be responsible for communicating the established dollar limit.

Personal usage and taxable benefits

Personal use of a company vehicle is a taxable benefit to Operators who are employees, pursuant to the Canada Revenue Agency. Driving between home and work is considered personal use for tax purposes.

Each year, Operators will be required to record and report to the Cenovus Fleet Administrator their kilometres driven between their place of residence and work so personal use can be determined and a taxable benefit reported.

Cenovus will tax protect the employee for the taxable benefit incurred.

Vehicle replacement

Operators will be required to review and recommit to Cenovus's safety guidelines and vehicle policies prior to receiving a new vehicle.

Company vehicles will be replaced when they reach the prescribed mileage limit.

Replacement vehicles must comply with established divisional standards.

All standard vehicle orders must be approved by the Area Production Coordinator or Superintendent.

Vehicles considered to be outside of Cenovus's standard specifications will require Superintendent approval.

Vehicle purchase or sale

Company vehicles are leased by Cenovus and, as such, are not available for private sale or disposition. Company vehicles must be returned to the Fleet Management Company for sale or disposition.

Questions

If you have any questions regarding this Practice, please contact the Cenovus Fleet Administrator.