Logistics - is the process of storing and transporting goods from the manufacturer to the customer. It has two major functions, transportation and warehousing.

*Transportation management involves the planning and executing of the complex process of moving goods in the air and ocean, over rails and roads.

*Warehousing includes inventory management, order fulfillment, as well as infrastructure and process management

There are several main transportation modes in the freight shipping industry:

- Railway
- Water
- Air
- Pipeline
- Truck
- Intermodal

Trucking industry participants

Shipper (Consignor) - The party who originates a shipment of goods (shipper). The sender of a freight shipment, usually the seller.

Receiver (Consignee) - The party to whom goods are shipped and delivered. The receiver of a freight shipment.

Broker - A truck broker, also known as a freight broker, is the middle man. He's in an agreement between a shipper who has goods to transport and a carrier who has the ability to move the load.

Freight factoring - Freight factoring, also called transportation factoring, trucking factoring, or freight bill factoring, is a process in which the person or business that delivers a load sells their invoice to a factoring company. The factoring company then pays the carrier the full amount of the invoice, minus a small percentage, within as little as 24 hours of receiving the invoice, rather than waiting a month or longer for a broker to pay the invoice.

B. O. L. or B/L (Bill-of-Lading) – Documentation received at the pick-up point indicating the carrier has accepted the load, checked it, and is responsible for its condition and delivery. Once the carrier signs the B. O. L. it becomes a legal contract. It is: 1) A document that establishes the terms of a contract between a shipper and a transportation company. It serves as a document of title, a contract of carriage and a receipt for goods; 2) Shipping document or shipping instructions sent from a shipper that initiates the movement of a vehicle.

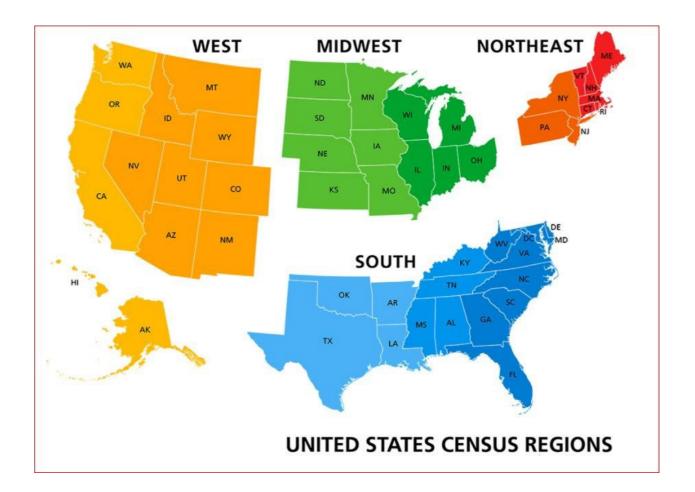
Rate confirmation - a rate confirmation is an agreement of pay between the freight broker and carrier that is legally binding. A freight broker must provide a rate confirmation for the carrier to sign before proceeding. The rate confirmation portion may be included in the load tender form or included on a separate sheet.

USA MAP

States and abbreviation

US State	Abbreviation	US State	Abbreviation
Alabama	AL	Montana	MT
Alaska	AK	Nebraska	NE
Arizona	AZ	Nevada	NV
Arkansas	AR	New Hampshire	NH
California	CA	New Jersey	NJ
Colorado	CO	New Mexico	NM
Connecticut	СТ	New York	NY
Delaware	DE	North Carolina	NC
Florida	FL	North Dakota	ND
Georgia	GA	Ohio	OH
Hawaii	HA	Oklahoma	OK
Idaho	ID	Oregon	OR
Illinois	IL	Pennsylvania	PA
Indiana	IN	Rhode Island	RI
lowa	IA	South Carolina	SC
Kansas	KS	South Dakota	SD
Kentucky	KY	Tennessee	TN
Louisiana	LA	Texas	TX
Maine	ME	Utah	UT
Maryland	MD	Vermont	VT
Massachusetts	MA	Virginia	VA
Michigan	MI	Washington	WA
Minnesota	MN	West Virginia	WV
Missisippi	MS	Wisconsin	WI
Missouri	MO	Wyoming	Wy

Regions



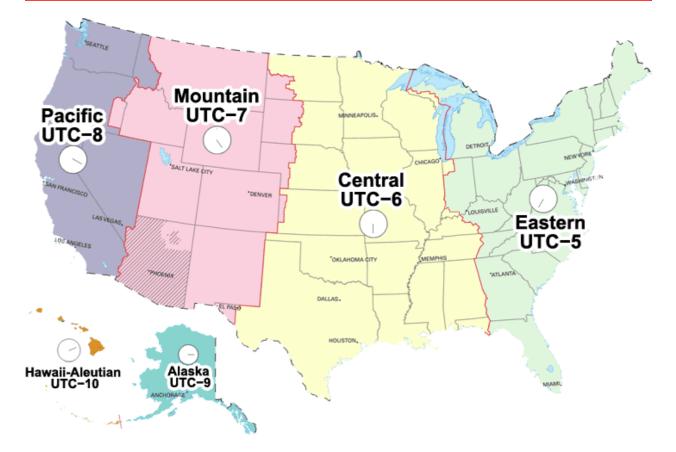
Time zones:

There are six time zones in the USA altogether, but we mainly use only four of them in trucking industry. In the following tables you can find the state and the appropriate time zone. There are states that lie in two zones (e.g. Florida). We set the clocks back, when we go west.

Time Zone	Abbreviation	States	GMT = 12.00 pm
Eastern Standard Time	EST	Connecticut, Delaware Georgia, Maine, Maryland, Massachusetts, Michigan, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, South Carolina, Vermont, Virginia, Washington DC, West Virginia	07:00 am
Central Standard Time	CST	Alabama, Arkansas, Illinois, Iowa, Louisiana, Minnesota, Mississippi, Missouri, Nebraska, Oklahoma, Wisconsin	06:00 am
Mountain Standard Time	MST	Arizona, Colorado, Montana, New Mexico, Utah, Wyoming	05:00 am
Pacific Standard Time	PST	California, Nevada, Washington	04:00 am

The following states lie in two time zones:

Time Zone	States	
Eastern Standard Time and Central Standard Time	Florida, Indiana, Kentucky, Tennessee	
Central Standard Time and Mountain Standard Time	Kansas, Nebraska, North Dakota, South Dakota, Texas	
Mountain Standard Time and Pacific Standard Time	Idaho, Oregon	



Daylight saving time (Summertime) in the USA

The summertime (daylight saving time) in den USA starts on the second Sunday in March and ends on the first Sunday in November. This has been used since 2007.

ZIP codes

A ZIP Code - is a postal code used by the United States Postal Service (USPS). Introduced in 1963, the basic format consisted of five digits. The term *ZIP* is an acronym for Zone Improvement Plan



A truck stop - is known as a travel center by major chains in the United States, is a commercial facility which provides refueling, rest (parking), and often ready-made food and other services to motorists and truck drivers. Truck stops are usually located on or near a busy road.

A weigh station - is a checkpoint along a highway to inspect vehicular weights. Usually, trucks and commercial vehicles are subject to the inspection.

Weigh stations are equipped with truck scales, some of which are weigh in motion and permit the trucks to continue moving while being weighed, while older scales require the trucks to stop. There are many different scales used, from single axle scales to multi-axle sets. Signal lights indicate if the driver should pull over for additional inspection or if they are allowed to return to the highway.

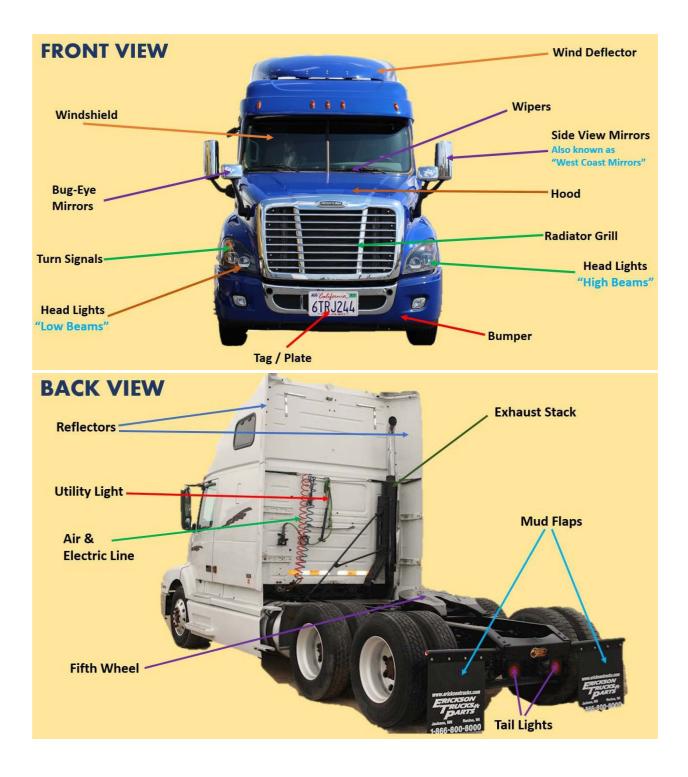
Rest - area is an area adjacent to a highway at which restrooms and refreshments are usually available

Tow away zone - an area where parking is not allowed and where a parked car will be towed

Sleeping truck – A sleeping truck is a form of truck with a sleeper cabin on its back. A sleeper cab is a small room behind the driver's seat. If you look at trucks used for long-distance haulage, you will notice a small compartment behind the driver's seat. That is where OTR drivers sleep at night.

Day cab truck - A day cab truck is a form of truck without a sleeper cabin on its back. This truck includes only a single compartment that is located over the engine portion of the truck. These trucks are also known by the names of without sleeper trucks

PO - Power Unit or Power Only - Indicates a tractor only – (i.e. used to move abandoned trailers or continue a load if the original tractor is disabled.) Bobtail - Tractor operating without a trailer. Also refers to straight truck.



Mud flap - a flap that hangs behind the wheel of a vehicle and is designed to prevent water, mud, and stones thrown up from the road from hitting the bodywork of the vehicle or any following vehicles.

Fifth Wheel - is a hitch that allows the driver to connect a cargo attachment to the back of a large vehicle, like a tractor or truck. If you've seen a transport on the highway, then that's a prime example of the fifth wheel design.

Types of the trailers





Double Drop Livestock Trailer

Log or Pole Trailer



Dry van - is a type of semi-trailer that's fully enclosed to protect shipments from outside elements. Designed to carry palletized, boxed or loose freight, **dry vans** aren't temperature-controlled (unlike refrigerated "reefer" units) and can't carry oversized shipments (unlike flatbed trailers)

Trailer length: 28', 32', 36', 40', 42', 43', 45', 48', 53'. The most used size 53' Trailer height: 12.5'-13.5' overall Maximum load weight: 45,000 lbs

Options:

Roll up door - are doors that are operated by a mechanism that lets the panels move vertically. The panels are then gathered into a roll.

Swing door - a door that can be opened in either direction and is closed by a spring device when released

E-tracks - is essentially long rails of high-strength 12-gauge steel with multiple anchor points that support various tie-down equipment. People commonly install E-track inside enclosed trailers, cargo vans, or dry van semi trailers

Rollerbeds – small wheels mounted on the floor of trailer to move freight front and back

Side doors - make a moving-floor trailer extra flexible. With side doors large or indivisible part loads are easy to load and unload. Side doors mean you can transport loose material to a plant and bring back finished products from the plant as return cargo.

Translucent roof - can provide a great deal of interior lighting for loading and unloading. However, in warmer climates, they can create a 'greenhouse' effect, in which the trailer interior gets very warm.

Plated trailer - is made up of fiberglass or other composite panels that are secured between poststhose posts usually have E tracking in them to use logistics bars or straps

Wooden walls trailer – is made of wooden panels. *Wooden floor trailer* – the trailer's floor is made of wooden panels.

Vented Van - this is usually a standard van with vents in the front and rear of the trailer to allow airflow through the unit. The vented van can be loaded with certain types of produce as well as dry freight.

A liftgate - is a fold away metal platform that mounts to the back of a dry van trailer or a freight truck, when the lift gate is extended out from under the truck it acts as a platform to lift freight from the ground level up to the height of the bed of the trailer.

Air ride trailer -means air bags for a suspension in lieu of springs. Air ride means a softer ride for the freight being hauled, rather than spring suspensions

Food Grade Trailer – Trailer that is specialized to haul clean, odor free product, mostly food products.

Skirted trailer - Typical trailer skirts, or side skirts for trailers, are a well-known device for semi-trucks used to help reduce drag and therefore help with fuel savings and improved trailer stability.

Make and model – the manufacturing year and model of the trailer

VIN number - A vehicle identification number (VIN) (also called a chassis number or frame number) is a unique code, including a serial number, used by the automotive industry to identify individual motor vehicles, towed vehicles, motorcycles and trailers

Refrigerated Van – or - "REEFER" - this is an "Insulated Van" with a self-contained temperature control unit mounted on the front of the trailer. The T.C.U. is capable of heating and/or cooling the load. The most common use of this trailer is for hauling

produce, fresh or frozen products such as meats, chicken, and ice cream and even some temperature sensitive chemicals and HAZMAT materials.

Refrigeration unit is the basis of the refrigeration system. These units can be used to create a cold in the different temperature ranges: for an air conditioning of premises; for a medium-temperature cooling of warehouses; for a low-temperature cooling in the freezer compartment

Trailer length: 28', 48', 53'. The most used size 53' Maximum load weight: 48,000 lbs

Cooling for a reefer container is achieved through different methods, which can include:

•Diesel powered generators –These attach to the container being pulled

•Cryogenic Cooling –Melts frozen carbon dioxide ice to keep content cool

Reefer trailer's modification is pretty same as dry van trailer, but bulk head is intended for reefer trailer. Bulk heads are used to divide products, protect odor mixing and prevent shifting.

A flatbed trailer is a typical open deck equipment that has no roof nor sides. It is mainly used for transporting heavy, oversized, wide and indelicate goods such as machinery, building supplies or equipment.

Trailer length: 40', 48', 53', 65'-70'. Maximum load weight: 48,000 lbs

Options: Air ride trailer Side kits Conestoga's

Side kits are made to shelter cargo items from the elements during the transportation of a flatbed load.

Conestoga refers to a special type of flatbed trailer used in freight shipping which maintains a rolling tarp system to protect from the elements of Mother Nature.

Stepdeck (drop deck) trailer - A flatbed trailer modified, flat from the rear toward the front with a "step-up" platform at the front that will allow the tractor to connect to the trailer at the fifth wheel. The upper platform will vary in length as will the lower platform. It will be important on some flatbed loads to know those dimensions if your carrier has a step deck; also freight weight can be critical when loading a step. It is typical for this trailer to be constructed with smaller wheels and tires to lower the chassis to accommodate taller loads – without being permitted - such as end-loaders or other pieces of heavy equipment.

Max Load Weight: 48,000 Lbs

Options:

Air Ride Trailers

- Extendable Trailer Lengths To 150'
- Ramps
- Load Levelers
- Conestoga Stepdeck

Ramps are made to move machinery or vehicles down from step deck platform.

Load leveler bridges are an essential tool for truckers transporting flatbed loads on a step deck trailer through leveling low platform side to gooseneck.

Chassis – trailer is intended to haul container load or any other load mounting on chassis. Chassis length also can be different.

Tanker trailers – are designed to carry a wide variety of fluid cargo. Some liquid cargo requires specially designed tanker trailers. Tankers designed to transport caustic soda and certain acids require sidewalls, exterior paint and fittings that will withstand the corrosive effects of the cargo.

Car hauler - A car carrier trailer, also known as a car-carrying trailer, car hauler, or auto transport trailer, is a type of trailer or semi-trailer designed to efficiently transport passenger vehicles via truck. Modern car carrier trailers can be open or enclosed.

Axle – is a central shaft for a rotating wheel or gear. On wheeled vehicles, the axle may be fixed to the wheels, rotating with them, or fixed to the vehicle, with the wheels rotating around the axle

Federal law controls maximum gross vehicle weights and axle loads on the Interstate System. Federal limits are 80,000 pounds gross vehicle weight, 20,000 pounds on a single axle, and 34,000 pounds on a tandem axle group.

Truck scale - or railroad scale is a large set of scales, usually mounted permanently on a concrete foundation, that is used to weigh entire rail or road vehicles and their contents. By weighing the vehicle both empty and when loaded, the load carried by the vehicle can be calculated.

CAT scale is now the largest truck scale network in the world, with over 1,800 locations in 47 states and offers the Weigh My Truck® app that allows drivers to weigh and pay from their smartphone or tablet.

Floor loaded - A container or truck is floor loaded when it is stacked with freight from the floor to the roof without the utilization of a shipping pallet, which enables crews to use forklifts and pallet jacks to unload and move the freight.

Palletized - Loads that are on pallets, either secured by strapping or enveloped in plastic wrap by a palletizing machine.

Pallets - A small platform that can be 48" x 40" x 8" or 48" x 48" x 8" upon which freight is placed to facilitate movement in a warehouse or a trailer.

Totes - is a container that's used to transport or store a large volume of liquid, semisolids, or solids. Other names for a tote include plastic agricultural cases and bulk bins.

Drums - is a cylindrical container used for shipping bulk cargo. Drumscan be made of steel, dense paperboard (commonly called a fiberdrum), or plastics, and are generally used for the transportation and storage of liquids and powders. Drums are often certified for shipment of dangerous goods.

Skids - is another term for a single deck pallet, which means it has a top deck but not a bottom deck. Examples of skids include nestable plastic pallets, which have top decks for placing goods onto and undersides that are molded so as to be stackable.

Supersacks - it's simply a really big bag used for filling a wide variety of bulk goods, from manufacturing materials like sand to fertilizer and other flowable products.

Crates - is a large shipping container, often made of wood, typically used to transport or store large, heavy items. Steel and aluminium crates are also used. Specialized crates were designed for specific products, and were often made to be reusable, such as the "bottle crates" for milk and soft drinks.

FTL - commonly referred to as FTL, is a type of shipping mode whereby a truck carries one dedicated shipment. In other words, the journey is reserved for one shipment only. FTL trucking has several advantages over the alternative trucking shipment mode, LTL, or less than a full truckload shipment.

LTL - Truckload and less than truckload are both excellent options, but what are they? The transport of freight that does not require the entire space of a truck is also known as less than truckload (LTL) shipping, whereas full truckload (TL) shipments take up the space or weight limit of an entire trailer. Depending on your specific freight requirements, one option is likely better suited than the other.

Partial truckload - Partial truckload is a freight mode for large shipments that may not require the use of a full truckload trailer.

Partial truckload falls between LTL and full truckload, typically involving shipments over 5,000 pounds or 6 or more pallets.

Bulk freight - Unpacked product shipped in quantities such as raw ore, liquids, etc. Typically freight not in packages or containers; shipped loose in a freight car, container, trailer, or the hold of a ship. Grains, coal, and chemicals are some examples bulk freight.

Hazmat (Hazardous materials) - Materials as defined by the DOT in the Code of Federal Regulations (49 CFR) as hazardous materials, hazardous wastes and hazardous substances.

Overweight and over dimensional load - In over the road transport, overweight and over dimensional loads are those that exceed the standard legal size or weight limits for a specified portion of a road, highway or other transport infrastructure. Restrictions include such factors as load per axle, height, and width.

Route - A route is a way for travel or movement, the path from point A to point B

Pilot car - An escort vehicle, also called a pilot vehicle in most areas, is an automobile used to escort trucks with large loads, convoys of large vehicles, guide motorists through construction sites, and assist aircraft in taxiing from the runway to the tarmac at many airports.

Refrigerated freight - is a method for shipping freight that requires special, temperature controlled vehicles. The vehicle transporting the products being shipped has a built-in refrigeration system that keeps products at a desired temperature throughout the transportation process

Mixers - These are loads which will have multiple different types of produce contained within the trailer. They may run at the same temperature and are a favorite of produce wholesalers. They will generally involve multiple pickups and multiple drops. These loads are "FLAT RATE" loads.

Hundred Weight CWT - These loads are paid according to weight too. You will be compensated by your shipper for each 100# of freight transported. When loading this type of freight you should compensate your carrier in the same manner.

Placard - Signs on the exterior of a trailer that indicates the type of freight onboard.

Straps - commonly used in the packaging industry to secure or fasten items. It may be made from a wide range of materials, such as plastic, steel, paper, or fabric. Usually the strap is secured to itself through various means, but it may also be secured to other items, such as pallets.

Load bars - are a key element in keeping heavy or bulky items confined to one area of your cargo space. Load lock cargo bars can prevent cargo from shifting and causing damage to the interior of your truck or other transport items in the event a truck rolls over a curb or hits a bump.

Load locks - are used in the trucking industry to secure cargo while in transit; they are telescoping bars that have ratcheting mechanisms inside, and are typically constructed out of steel or aluminum.

Blocking - means preventing the load from moving laterally (side-to-side, front-and-back) and "Bracing" means preventing the load from moving vertically (up-and-down). Without proper bracing, a load can jump over its blocks. And without proper blocking, the braces will not hold.

Seal - A thin metal or plastic strip fastened to the doors of a trailer to determine if there was unauthorized entry during shipment.

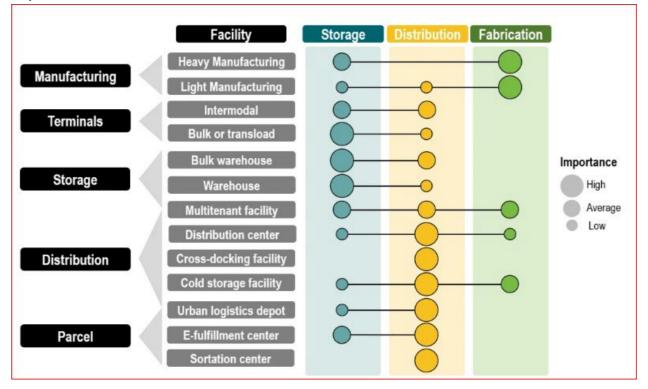
Chains and binders – chain and device to tighten chain when securing a load for transport. Chains and binders are used for secure freight on flatbed or step deck trailer.

Dunnage airbags – airbags that are usually placed between pallets in order to stabilize cargo

Blankets - are intended to protect freight from scratches. Mostly blankets are used to haul furniture

King ping lock – an item to prevent trailer movement, either a king pin lock or gladhand lock is most often used by trucking companies and professional drivers. The former is designed to prohibit fifth wheel attachment to the trailer; the latter is designed to prohibit release of the trailer brakes.

Freight facilities are punctual fixed infrastructures used to support freight transportation and have a wide variety of shapes, sizes, and functions. They serve a combination of three standard functions, each having a respective degree of importance:



Fabrication. Involves assembling goods out of parts, fabricating parts, or performing a task changing the physical characteristics of a good (packaging, labeling, etc.). This is usually a transformation-related function.

Storage. Holding goods in inventory for an extended period of time and releasing them on demand. This is usually a buffer related function and related to intermediate goods. *Distribution.* Consolidating, deconsolidating, sorting a cargo load, or changing the load unit. This is usually a throughput related function involving final goods.

The main difference between the storage and distribution functions relates to the time the inventory is spending within the facility, usually less than a few days and less than 48 hours in high throughput facilities. Based on these three functions (fabrication, storage, and distribution), freight facilities are of five main types:

Manufacturing facilities. A pure fabrication facility is essentially considered as a factory, which is associated with a storage function. While the main purpose of manufacturing facilities is fabrication, light manufacturing systems are usually more integrated to supply chains (e.g. just-in-time inventory management), implying that they rely on distribution capabilities to effectively operate. This requires the goods to spend some time in the manufacturing plant's warehouse, with some parts being stored before assembly. Heavy manufacturing tends to have more storage-based inventory management, mainly because of the ponderous characteristics of their inputs and outputs.

Terminal facilities. Terminal facilities are freight facilities as well. Outside their standard role of transferring cargo from one mode to another, they also act as a buffer in the

transport chain with a significant storage function. While for a container terminal, this function is subject to dwell time considerations (usually less than 7 days for a port), for a bulk terminal, storage is part of the services offered by the facility and can last much longer. A transloading facility such as an automobile terminal is also highly storage-dependent. Therefore, terminal facilities are balancing the buffer and throughput functions with container terminals more throughput facilities, and bulk terminals more buffer facilities.

Storage facilities. The purpose of a storage facility is to hold inventory for a period of time. Bulk warehouses are usually single-purpose facilities for storing bulk materials (sometimes in break bulk forms such as stored in bags or drums) such as grain or fertilizers. Different types of storage models exist for a standard warehouse, such as racks and pallets, which are related to the goods they are storing. For instance, rack-supported warehouses are pure storage facilities with the rack system being the basic structural support for the building. They offer a high storage density along with a comparatively low land-use footprint, many of which are automated. The most general warehouse is the multitenant facility which is a general-purpose facility usually rented through short to medium term leases and where the tenant uses the facility depending on their respective supply chain requirements. When users reach a critical mass, they tend to build and operate their own facilities since they fit better their operational standards (custom-designed). Still, an active warehouse leasing market remains, and even large enterprises relying on it when it fits their strategies.

Distribution facilities. These facilities are more based on the concept of throughput of the inventory they carry, implying a much higher level of integration within supply chains. For instance, a distribution center temporarily holds the inventory for the market area its services, implying that some storage will take place, and on occasion light manufacturing activities will be performed such as inspection, packaging, labeling, and returns. Still, the main purpose of a distribution center is its ability to fulfill a variety of orders in a timely manner. A cross-docking distribution center is a good example of a pure distribution facility with no (or very little) storage function. Due to the perishable nature of many goods being shipped, such as food, cold storage facilities (mostly refrigerated warehouses) are jointly able to perform fabrication (e.g. packaging before final delivery) and distribution functions. The urban logistics depot is also a facility mostly focusing on distribution with the main purpose of deconsolidating cargo loads (mostly parcels) for urban deliveries (which are usually using adapted vehicles). Parcel facilities. While parcel delivery services have been around for close to a century, the surge brought by the growth of e-commerce has expanded parcel facilities substantially to the point that many are solely dedicated to e-commerce supply chains. First, the e-fulfillment center is a facility designed to handle a large number of online orders to be mostly put in parcels. Such a facility is storage-based (holding a very high range of goods) but also relies on a high level of throughput because of the timely nature of online orders. Sortation centers, particularly large parcel hubs, are facilities designed on the cross-docking principle with the main purpose of sorting parcels to a wide array of destinations, usually as part of a hub-and-spoke distribution system. This applies to air cargo operations as well as for last-mile deliveries.

USDOT – United States Department of Transportation

FMCSA - The Motor Carrier Safety Improvement Act of 1999 created the Federal Motor Carrier Safety Administration (FMCSA) as a separate administration within the U.S. Department of Transportation on January 1, 2000. The primary mission of FMCSA is to reduce crashes, injuries, and fatalities involving large trucks and buses.

DOT number - A Department of Transportation (DOT) number is a number the Federal Motor Carrier Safety Administration, or FMCSA, assigns to registered commercial vehicles. All carrier vehicles that weigh more than a certain amount, carry specific amounts of paying passengers or operate between state lines require DOT numbers

MC number - An MC number (Motor Carrier number) is also an interstate operating authority and unique identifier assigned by the FMCSA to moving companies operating in interstate commerce, in other words hauling cargo across state lines.

A US DOT number identifies carriers operating in interstate commerce while an MC number identifies a carrier who transports regulated commodities for hire in interstate commerce. Generally, items that have been changed from their natural state are regulated commodities requiring an MC number.

FMCSA Safety Portal - The FMCSA Portal provides single sign-on access to FMCSA systems via a single password and user ID. It enables Federal, State, and industry users to access the Agency's existing information systems with a single set of credentials and have easy access to safety data about the companies regulated by the FMCSA.

Satisfactory rating - means that a motor carrier has in place and functioning adequate safety management controls to meet the safety fitness standard prescribed in §385.5 of the Federal Motor Carrier Safety Regulations (FMCSR).A motor carrier that receives a satisfactory rating is found to comply with the applicable FMCSA agencies, state regulations, and hazardous materials regulations, if applicable. Carriers with a satisfactory rating also are found to have adequate safety management controls. The FMSCA will administer a satisfactory rating no later than 60 days following the completion of the compliance review.

Unsatisfactory safety rating - means a motor carrier does not have adequate safety management controls in place to ensure compliance with the safety fitness standard, which has resulted in occurrences listed in 49 CFR 385.5. Unrated means that a safety rating has been assigned to the motor carrier bv the not FMCSA.If a carrier is found to be unsatisfactory, the FMCSA will issue the notification no later than 45 days following the compliance review. Motor carriers receiving an unsatisfactoryrating have their operating authority suspended 15 days after the date of the unsatisfactory notice. An out-of service order is imposed, which prohibits the carrierfrom operating any motor vehicles in the United States, unless the carrier can prove errors in the compliance review within 10 days of the date of the notice.

Within 30 days of receiving the suspension order, the motor carrier must make the necessary corrections specified in the order to prevent the provisional operating authority from being revoked. A follow-up review may take place to ensure that all necessary corrective actions were taken.

Conditional safety rating means a motor carrier does not have adequate safety management controls in place to ensure compliance with the safety fitness standard that could result in occurrences listed in 49 CFR 385.5 (a) through (k).A conditional rating is issued by the FMCSA no later than 45 days following a compliance review. When a conditional rating is issued, the motor carrier's operating authority is revoked and an out-of-service order is imposed unless the carrier takes the necessary corrective action within 30 days of receiving the order. A follow-up review takes place to ensure that the motor carrier has made corrective actions.

Driver qualification file - Basically, a driver qualification file is a comprehensive file compiling the full historical employment, safety and certification history of each driver you employ. It's required by the FMCSA to maintain operating authority.

CDL – Commercial Driver's License

Drug test - looks for the presence of one or more illegal or prescription drugs in your urine, blood, saliva, hair, or sweat. Urine testing is the most common type of drug screening.

An MVR check - is a report of a person's driving history. The MVR record includes information, such as license expiration, status, license class, endorsements, restrictions, traffic violations, accidents, vehicular crimes, suspensions—even unpaid parking tickets and, in some states, unpaid child support.

A KYU number - is a tax license number issued for the Kentucky Weight Distance Tax. Under KRS 138.660(3), any carrier over 59,999 pounds traveling in Kentucky is subject to this tax.

A PUC Number - is the number provided by the Public Utility Commission of Pennsylvania for commercial carriers of property, excluding household goods, when providing transportation between points in PA.

IFTA - pertains to the cooperative agreement between 48 states in the U.S. It allows interjurisdictional carriers to report and pay taxes for the fuel their vehicles consume across states using a single fuel tax license.

Cab card - means an evidence of registration, other than a plate, issued for an apportioned vehicle registered under the plan by the base jurisdiction and carried in or on the identified vehicle.

A trailer can be defined as a vehicle without motor power designed for carrying property or passengers wholly on its own structure and that is drawn by a motor vehicle. Trailer registration documents must be kept in trailer nose box Vehicle inspection - is a procedure mandated by national or subnational governments in many countries, in which a vehicle is inspected to ensure that it conforms to regulations governing safety, emissions, or both. Most US inspection decals/stickers display the month's number and the year.

STATE MILEAGE PERMITS

Truckers that plan to haul through Kentucky, New Mexico, New York, or Oregon are required to have specific weight distance permits.Trucks hauling heavy loads across America's highways cause wear and tear on roads. To counterbalance that damage there are four states that require trucking companies to pay additional weight distance taxes to haul within their state lines. These additional taxes are used to keep their roadssmooth and safe. If you're planning to have New York, New Mexico, Kentucky orOregon in your trucking company's regular route, you'll likely want to complete these additional registration processes.

Kentucky highway use tax

Any carrier traveling through Kentucky with a declared vehicle weight equal to or greater than 59,999 pounds is required to register for the Kentucky Highway Use Tax (KYU).

New Mexico weight distance tax

If you're hauling within or through New Mexico and operate a vehicle with a gross vehicle weight over 26,000 pounds, you'll need to register and pay the New Mexico Weight Distance Tax.

New York highway use tax

New York imposes a Highway Use Tax (HUT) on any motor carrier using New York highways with a gross vehicle weight over 18,000 pounds. These carriers are required to register and obtain a New York HUT certificate and decal. Once carrier acquires NY HUT permit, it must have sticker.

Oregon weight-mile tax

Hauling through Oregon with a commercial vehicle having a combined weight of 26,000 pounds or more, will require payment to the Oregon Weight-Mile Tax. You'll need to fill out the Oregon Weight Receipt and Tax Identifier (OWRATI) application and mail to the Oregon Department of Transportation, Motor Carrier Transportation Division.

Insurance - Insurance is a way to manage your risk. When you buy insurance, you purchase protection against unexpected financial losses. An individual or company may get an insurance policy (making them the policyholder) that protects another person or entity (who is the insured).

Insurance agent - An insurance agent is a professional who sells an insurance company's products to consumers for a commission. An agent helps consumers select the right insurance to buy, but represents the insurance company in the transaction.

<u>General liability insurance</u> - For-Hire truckers and all Motor Carriers should consider purchasing Trucker's General Liability. It pays for injuries or property damage you cause as a result of business activities not directly related to operating your truck. This type of insurance may provide coverage for:

- a) Customers slipping / falling on your premises
- b) Erroneous delivery of products resulting in damage
- c) Actions of a driver while representing the insured and on the premises of others, such as: loading docks, truck stops, etc...
- d) Libel and slander exposures
- e) Fire on rental property due to insured's error

<u>Auto Liability Coverage</u> - In order to operate, all trucking companies must have Auto Liability coverage. This coverage consists of two main components: Bodily Injury and Property Damage. These coverages will react in the event of an at-fault loss.

a) Bodily injury will cover medical expenses, hospital bills, rehab/physical therapy, long-term nursing care, lost earnings, funeral expenses, pain and suffering, and other medical related expenses resulting from bodily injury or death of a third party when your equipment was at-fault.

b) Property damage will cover repair or replacement of damaged property, buildings, signs, etc. up to the policy limit which you are insured.

<u>Cargo insurance</u> - protects you from financial loss due to damaged or lost cargo. It pays you the amount you're insured for if a covered event happens to your freight. And these covered events are usually natural disasters, vehicle accidents, cargo abandonment, customs rejection, acts of war, and piracy.It is also different from the carrier liability and insurance policies that are usuallyavailable from dedicated cargo insurance companies, freight forwarders, agents, and large brokers.

Cargo insurance is mainly categorized into land and marine cargo insurance (which also covers air cargo).

Land cargo insurance - this type insures cargo that is moved by land transportation, which includes trucks and small utility vehicles. It covers theft, collusion damages, and other risks involved in land freight shipping. It is also typically used for domestic cargo since its scope is only within a country's boundaries.

Marine cargo insurance - this type insures ocean and air freight and it's mainly used for international shipping. It covers damage due to loading/unloading, weather conditions, piracies and other risks faced by ships and aeroplanes.

Some common coverages that a cargo policy generally includes are:

- Debris Removal: It covers costs of removing materials like paints or other cargo that may have dropped onto the roads or water bodies.
- Pollution Liability: It covers costs to clean up spilt goods like fuels.
- Theft and Hijacking: It covers losses caused when your goods are either stolen or hijacked.
- Earned Freight Coverage: It covers your income which you may have otherwise not lost if your goods were not damaged.
- Infidelity/Dishonesty Coverage: If your driver is at fault for stealing goods from a shipment, this covers for your loss.
- Water Damage: It insures you against damaged goods because of water leakages into the trailer.
- Loading/Unloading Coverage: It covers losses that occur when goods get damaged during loading and unloading.

Cargo insurance doesn't cover risks and problems that the shipper has a lot of control. It is important to keep this in mind so you lessen the chances of your freight being damaged or lost. And generally, policies exclude:

- Damage due to inadequate packaging. If any damage to your goods is traced back to improper packaging of your freight, the policy won't cover you.
- Damage due to flawed products. If the carrier can show you that the damage was because of faulty items inside your cargo, the policy won't pay you back.
- Specific kinds of freight. Some insurance providers don't insure hazardous materials, certain electronic products, and other highly-valuable or fragile products.
- Some modes of transportation. Some policies may only cover your freight when it is onboard a ship, a plane, or a truck.

<u>Workers' compensation insurance</u> for truckers or "trucking workers' compensation" is a mandatory insurance policy that many trucking companies or operators are required to have in place for the welfare of their employees. This insurance policy covers some of the following:

- Lost income/wages
- Medical expenses
- Rehabilitation costs
- Death benefits

Workers' compensation for truckers is a necessity for the business owner as well as the employees of the business. Like in any other industry, truckers are prone to injuries and maybe even more than employees in other industries due to the strenuous nature of the job. Trucking involves long hours of sitting with brief but labor-intensive breaks where the drivers are generally loading or unloading heavy goods.

Most drivers are also paid only while under dispatch and the number of hours and work can vary, sometimes extending into the night or early hours of the morning, resulting in irregular sleep patterns. Due to all of this, truckers lead very sedentary lifestyles with a lack of fitness and exercise. Additionally, the following types of injuries can also occur to drivers:

- Accidents (either on-road or while loading/unloading
- Back injuries from heavy-load lifting
- Slips and falls
- Musculoskeletal disorders
- Injuries from the load falling on the driver

Therefore, medical expenses play a huge part in the trucking industry and if you as a business owner had to foot all these bills out of pocket, you'd be facing bankruptcy sooner than you can say the word! Luckily, workers' compensation for truckers covers employees injuries while they work for you.

Lastly, workers' compensation is a requirement by law in almost every American state, ensuring that employers cover partly or entirely the medical expenses of injuries and even occupational diseases of their employees. Not having a workers' compensation policy in place could result in fines and penalties.

There are four states that do not allow businesses to purchase workers compensation coverage from private insurance carriers - North Dakota, Ohio, Washington, and Wyoming.

<u>A trailer interchange agreement</u> is a contract that organizes the transfer of a goods being transported between parties to ensure it arrives at the specified destination. It is common in the trucking industry for truckers to use trailers belonging to others in their business. A trailer interchange agreement is required if a trailer of goods is being hauledby different truckers and trucking companies along its path towards end delivery. Trailer interchange is the most common with the UIIA (Uniform Intermodal Interchange and Facilities Access Agreement).

Trailer interchange extends to liabilities an insured may incur for damages to a trailer while it is in his possession, and does not require that the trailer be attached at the time of loss. It also includes "containers" under the definition of trailers, so it is used most often for intermodal operations where the equipment includes both a trailer chassis and container. Trailer interchange does require a "written trailer or equipment interchange

agreement" be in place at the time of loss, so it may not extend to all situations when a trucker has a non-owned trailer in his possession.

In most cases, companies do not own all the transportation equipment involved in shipping goods to their final customer. It doesn't make sense for a company to own and manage fleets of ships, trains and trucks when other companies provide these services as their core business. Instead, companies contract transport out to third parties that handle shipping. These transport companies, in turn, operate in set networks. If a good starts in one logistical network, but ends in another, the transport companies will use a trailer interchange agreement to complete delivery.

A trailer interchange agreement makes the motor carrier – the trucker hauling the trailer – responsible for any physical damage caused to the trailer. Businesses involved in a trailer interchange agreement may require those hauling the trailer to have trailer interchange insurance. This type of insurance covers physical damage that may be caused to the trailer while it is being hauled by a party that does not own that trailer. The insurance coverage covers the trucker who is in possession of the trailer, and covers damage caused by fire, theft, vandalism, or collision. The policy has a deductible, and has limits to the amount of damage that will be covered. Alternatively, a company can purchase non-owned trailer physical damage which applies to non-owned assets even if there is no written trailer interchange agreement for the transport. This type of policy also has maximums as to the amount of damage that will be covered.

<u>Hazmat insurance</u> is a specialized form of commercial truck insurance that's uniquely designed for companies that move hazardous materials. Policies take into account both the risks associated with driving commercial trucks and those presented by handling hazardous materials.

Most hazmat truck insurance policies have common coverages that are found in lots of commercial truck insurance policies, as well as some coverages that are more closely related to transporting hazardous materials. Most businesses that transport hazardous materials via truck should carry hazmat insurance. This includes, but isn't limited to:

- Trucking companies that move hazardous materials
- Owner/operators who sometimes accept hazardous materials
- Labs and other facilities that sometimes move their own hazardous materials via commercial vehicle

Regardless of whether a business regularly transports hazardous materials long distances or moves these kinds of materials only occasionally, the business is still exposed to many risks that hazmat insurance may offer protection against.

<u>Trucking Physical Damage Insurance</u> is a general term for a group of insurance coverages that protect your vehicle. This general term includes Collision insurance, a Comprehensive insurance or the more limited Fire and Theft with Combined Additional Coverage (CAC) insurance.

- Collision insurance provides protection for your vehicle if it is damaged in an accident. Collision insurance pays to repair or replace your vehicle if it collides with another object or overturns or rolls
- Comprehensive insurance provides protection for your vehicle if it is damaged by something other than a collision with a vehicle or object, or if your vehicle is stolen.
- Fire and Theft with CAC provides similar protection to that of Comprehensive insurance, except its coverage is limited to certain specific, non-collision incidents.
 Fire and Theft with CAC does not cover windshield claims.

When choosing commercial trucking insurance, you have to remember that not all accidents occur on the road. Fire, theft, vandalism and other disasters present a very real danger as well. In order to protect against such occurrences, physical damage coverage or comprehensive coverage may insure you against unexpected events like these. Physical Damage coverage can also help pay for towing and storage expenses incurred after a covered accident subject to a certain limit.

Physical damage policies do not pay out for damage done to cargo. The standard Physical Damage policy does not cover driver's personal items, electronics, tarps, chains, binders, tools as well as any non-permanently attached equipment to the insured's tractor or trailer. Coverage for these items is optional and can be added for an additional premium.

<u>Trucking downtime coverage</u>, sometimes called just downtime coverage, provides you with financial protection in situations where it is going to be some time before you can get your vehicle back on the road. Let's say your vehicle was involved in an accident. You've already sent in your claim for the repairs and it's being processed. Your vehicle is getting repaired but it is taking time. That's time you are losing money.

With downtime, you can submit a claim to your trucking insurance provider to request financial compensation for that extra time and money lost on the road. That can be a very important benefit for businesses and owners.

There are many instances in which you'll wish you have a specific type of coverage or put in place some additional help. However, this type of insurance just makes sense.

- It can provide additional financial protection for long periods of downtime due to repairs. There's no way to know how long it will take.
- It can provide an ample amount of coverage. Policy options range from \$300 a day and up. Most have an upper limit.
- You can count on these funds to keep your business operational and debts paid even though you cannot deliver.

With downtime coverage, you gain a bit of financial protection and peace of mind. That's important in the complex insurance world. With the help of the right trucking insurance, you can keep maintaining profitability while reducing your financial risks even when you are facing expensive losses from accidents, extended downtime and repair costs.

ELD – Electronic logging device

An electronic logging device (ELD) is a piece of hardware used to record driving time for commercial motor vehicles. It plugs into a vehicle's onboard diagnostics (OBD) port and captures data on the vehicle's engine, location, speed, miles driven, and more. Under the ELD mandate, the Federal Motor Carrier Safety Administration (FMCSA) requires that most commercial vehicles have an ELD.

The Standard Carrier Alpha Code (SCAC) is a unique code used to identify transportation companies. It is typically two to four alphabetic letters long. It was developed by the National Motor Freight Traffic Association in the 1960s to help the transportation industry computerize data and records.

The UIIA is the only standard industry contract that outlines the rules for the interchange of equipment between intermodal trucking companies and equipment providers (ocean carriers, railroads & equipment leasing companies). Participation in the UIIA increases operational efficiencies and eliminates the need to manage multiple interchange contracts and insurance filings.

CDL Endorsements

As you earn your Class A, Class B or Class C Commercial Driver License, you can also earn endorsements. Endorsements allow you to operate certain types of commercial motor vehicles and transport special types of goods. You can think of endorsements as "extra permissions."

- **CDL Endorsement List**
- (P) Passenger Transport Endorsement
- (S) School Bus/Passenger Transport Combo Endorsement
- (T) Double/Triples Endorsement
- (N) Tank Vehicle Endorsement (Tanker)
- (H) Hazardous Materials Endorsement (HAZMAT)
- (X) Tanker/HAZMAT Combo Endorsement

Passengers. In most cases, a commercial driver's license does not allow you to drive with passengers. If it does, it only allows you to transport one or two passengers at a time. However, if you get a passenger endorsement on your license, you may be able tolegally transport a higher amount of passengers. This endorsement may qualify you for team driving jobs.

Tanker Vehicle / Tanker Endorsement. With a commercial driver's license, you can only transport dry goods. If you want to transport liquids of any kind, you need a tanker vehicle endorsement. This endorsement requires more training and education, as you must learn how to load your vehicle, how to ensure that your load is safe for transport, and how to handle any emergencies or leaks that may occur while you are on the road.

Double and Triple Trailer Endorsement (Two-pup or Three- pup). A typical CDL only allows you to drive a single trailer vehicle. If you pass a test in driving vehicles with multiple trailers, you can get a doubles/triples endorsement. Once you have a doubles/triples endorsement on your license, you can legally drive vehicles with multipletrailers. This may allow you to take on a greater variety of trucking jobs.

Hazardous Materials. A hazardous materials endorsement (also known as a HAZMAT endorsement) can open up many job opportunities for you, depending on where youlive. Many companies have hazardous materials to be transported, but there may not be enough HAZMAT drivers to meet this need. You must qualify for HAZMAT certification at a federal level by submitting fingerprints and passing a background check. As is the case with other endorsements, you must meet more stringent education requirements to qualify for a HAZMAT endorsement on your license.

Interstate CDL Endorsement. There are two types of commercial driver's licenses: intrastate and interstate. In many states, interstate driving is an endorsement that you can have added to any class of license. This permits you to drive over state lines and transport loads to other states. To qualify for an interstate license, you must be at least 21 years old. This is a federal requirement, so it does not matter which state you live in.

Intrastate means that the motor carrier does trade or transportation ONLY in their home state. Interstate means that the motor carrier does trade or transportation that meets one of the following criteria: From somewhere in one state to somewhere in a different state

TWIC Card - a tamper-resistant biometric credential to maritime workers requiring unescorted access to secure areas of port facilities, outer continental shelf facilities, and vessels. Mostly required when shipper or receiver facility is seaport. However if driver does not have TWIC card, escort fee can be paid.

TSA Certified - qualification for delivering/picking up freight in airports. it would allow drivers to drive up to a passenger/cargo plane and your freight loaded/unloaded on plane

Alcohol Permit – a permit that allows carriers to haul alcohol. Permit can be obtained through governmental or commercial agencies

US Citizenship Requirement – some governmental or military establishments requires US Citizenship except "no felonies" requirement

"No Felonies" Requirement – driver is required to have no criminal background in order to check in to governmental and military facility

Double brokerage - Double-brokering is when a carrier (or someone posing as a carrier) books a load through a broker, and then brokers it again to a different carrier. Double-brokering can happen in a variety of ways. In some instances, the carrier is hauling freight that paid so low that two parties were both able to take a cut before paying them. It can also happen when a carrier accepts a load from a broker and then gives it to another carrier that doesn't have the proper authority or insurance. There are

also fraudulent companies that book the load from the first broker with no intention of ever paying the carrier, instead sending their own invoice to the broker and thendisappearing.

Load hostage – Process when carriers might refuse to deliver a load until their demands are met. Not surprisingly, the demands are usually payment-related. A carrier might be looking for payment or guarantee of the payment before they release the load for a variety of reasons.

Back solicitation is understood to mean a practice where a delivering carrier or interline carrier obtains the freight business through another carrier, logistics company or broker and then uses the information obtained from this party to determine who the customer is and then solicits the business of the customer.

A W-9 form is used to collect information about you, or your business, that can be used by the person paying you to complete an informational report for the IRS, such as a 1099-MISC form.

Notice of assignment - is a simple letter that the factor company will send to your customers whose invoices you are factoring. The notice informs your customers in writing that the accounts receivable have been assigned and future payments should bemade payable to the factoring company.

RMIS - A little-known technology company in California automates carrier compliance and sources certificates of insurance for many of the largest freight brokerages in North America. RMIS, or Registry Monitoring Insurance Services, has the largest database of carrier certificates of insurance and leverages its data to help brokerages accelerate the carrier onboarding process.

RMIS launched as a third-party vendor for freight brokers that could help them track carrier insurance certificates. At that time, the benefit of outsourcing certain labor-intensive processes was less well understood by the freight brokerage industry, and many were reluctant to share their carrier data – brokers viewed the capacity in their networks as their most important resource and competitive differentiator.

<u>Accounts receivable</u> - Accounts receivable (AR) refers to the amount of money that's owed to a company for goods or services but hasn't yet been paid

<u>Accounts payable (AP)</u> is essentially the opposite of accounts receivable – it's the amount of money that a company owes to other businesses.

<u>Invoice</u> - is a time-stamped commercial document that itemizes and records a transaction between a buyer and a seller. If goods or services were purchased on credit, the invoice usually specifies the terms of the deal and provides information on the available methods of payment.

<u>Factoring</u> - is a financial transaction and a type of debtor finance in which a business sells its accounts receivable (i.e., invoices) to a third party (called a factor) at a discount. A business will sometimes factor its receivable assets to meet its present and immediate cash needs

<u>An EFS check</u> is a paper draft, similar in appearance and function to a personal check. This slip of paper is preprinted with labels and blanks for various fields, including the date, the company or person to whom payment is being made and the amount.

Comcheks - can be cashed at truck stops or any bank as long as Comchek blank is present. When depositing directly into the bank, the payee must call the toll free phone number provided by COMDATA to get authorization for that Express Code

<u>BOL</u> - A Bill of Lading (BOL, BoL, or B/L) is a legally binding document between a shipper and carrier that details all the information needed to process a freight shipment.

A BOL is essential because every shipment starts and ends with one. It also protects the seller, the shipper, and the recipient. It will help to ensure appropriate transportation of all goods intended to be shipped, and if there is a problem, the bill of lading can help the parties figure out where the issue occurred.

As a legal document, a BOL provides the following:

- Evidence: Represents the agreement/contract between the shipper and the carrier that spells out where the freight was collected, what is being transported, and when/where it is to be delivered.
- Receipt of Goods: Issuance and signing of the BOL is proof that the carrier has received the goods from the shipper and that goods are in satisfactory condition.
- Title to the Goods: A BOL can serve as the official document that gives control of the cargo to different parties along the route.

One important point of distinction is that a BOL is not a freight bill or an invoice. It is instead an official document that acts as evidence of the agreement between the shipper and the carrier. Freight bills typically include similar information as a BOL, but also spell out any accessorial charges and accounting details.

For a BOL to act for the above purposes, it needs to be signed at various points of transfer throughout the delivery process.

- By the seller, or the party who is shipping the goods
- By the driver, once they have accepted the freight from the shipper and it is loaded onto the truck
- By the recipient, when the freight is delivered

Before signing BOL paperwork, the freight should always be double checked. A signature confirms that all the details – quantity, condition, etc. – are correct. If a party signs off for the freight on the BOL without noting overages, shortages or damages, they may have little recourse available to them.

For example, if the BOL shows 15 skids and a carrier signs to confirm that, but there are actually just 14 skids loaded, the driver becomes responsible for that missing skid and its contents. If the other skid is never recovered, that driver may be required to repay its value, even if they are not at fault for its disappearance. Their signature is enough to transfer ownership.

The final signature on a BOL turns the document into a POD, or proof of delivery. Similar to the example above, if a receiver signs, saying that all goods were delivered in full and good condition, they cannot claim that something is incorrect, even a day later. Their signature acts as final proof that an order is complete and satisfactory. Any damage incurred after this point is no longer the responsibility of the carrier/driver. Therefore, receivers should also double check orders before signing and taking ownership.

<u>A blind shipment</u> is an instance when a consignee (receiver of the cargo) involved in a shipment is unaware of who the shipper or the seller is. This type of shipment is usually requested by a distributor who wants to avoid going through additional distribution channels and wants the goods to be shipped directly to the retailer. This is a means to conceal if a product or item was shipped from third party vendors.

As a result of blind shipment, the third-party vendor's information is removed from the shipping label and later replaced with the seller's information, thus making the customer 'blind' to where their order is coming from.

Most of the time Blind Shipments are requested by distributors who want their suppliers; manufacturers or importers, to drop ship directly to their customers. In such cases, customers who order from this distributor assume that the product ships from the distributor, versus a third-party manufacturer or shipper. The distributor's information may be left blank on the Bill of Lading. In other cases, the Bill of Lading will have the name of the distributor as the shipper.

For a typical Blind Shipment, you should create two different Bills of Lading. The first will be used by the shipper when picking up the goods. The second will be used by the carrier at the time of delivery. If the shipper is the blind party, your first Bill of Lading will be indicated as the 'blind' or 'dummy' BOL, and the second one will be considered the 'real' BOL.

On the other hand, if the consignee is the blind party, then the first Bill of Lading will be considered as the 'real' BOL and the second will be considered as the 'dummy' or 'blind' BOL. Once the shipment has been picked up and is in transit, the carrier will switch the BOLs to make sure that the shipment goes to the correct destination.

** Most carriers request notification in the case that the shipment is blind so that they can make sure to switch the BOLs. Other carriers require documentation to confirm the process.

Some carriers place restrictions on blind shipments to make sure that they bill correctly. In this case, carriers accept false names of businesses with incorrect addresses and phone numbers, however, the city and zip codes must always match with that of the actual business.

Other carriers only require that the zip code is correct when shipping the goods. Some other carriers allow for the entire address and contact information to be incorrect. All of this depends on the carrier, so it's important to ask them whenever you're booking your blind shipments.

During a Double-blind Shipment, the shipper is unaware of where a shipment will be delivered to and the consignee is unaware of the origin of the shipment. Essentially, both parties are 'blind' to the entire shipment process.

<u>A lumper fee</u> - is charged to the carrier when a shipper utilizes third-party workers to help load or unload the trailer contents. Lumpers are often used at food warehousing companies and grocery distributors. These fees are often reimbursable to the driver by the shipper or the freight broker.

<u>TONU</u> - is an acronym standing for "Truck Ordered, Not Used", is a cancellation charge for ordering a truck and then cancelling the order.

<u>Detention</u> - is when a driver's route is delayed at either the origin pick up, or the destination delivery location for more than the agreed upon free time. The purpose of detention charges is to compensate the driver and or carrier when they are held up.

<u>Layover</u> - is when a driver is delayed by a shipper or receiver for one or more days. The "layover pay" is the rate that the driver is paid by the trucking company or the company of the shipper or receiver.