



PER DIEM PLAN

PER DIEM OPT IN FORM¹

As an employee of Melton Truck Lines, Inc., you may be eligible for Per Diem compensation which is offered FOR YOUR CONVENIENCE as an alternative for reimbursement of business-related travel expenses. The program is completely VOLUNTARY. To understand the tax consequences of Per Diem compensation and your personal responsibility with regard to the election, please consult your tax professional.

Eligibility for per diem compensation is determined at two times only: 1) at the time of hire, and 2) during the annual enrollment period between October 15th and November 15th.

It is your choice whether to participate in the Per Diem Compensation plan. Please note, if you choose to participate, you may only opt in during your orientation period or annual open enrollment.

Once in the Per Diem plan, you may opt out at any time. You will remain in the plan continuously unless you opt out. To opt out, you must complete the Opt Out form and return it to your driver manager. Once you are out, you will not be able to opt back in until the enrollment period between October 15th and November 15th.

If you opt in during the annual enrollment period, per diem compensation will start the first full pay period following miles logged on or after January 1 and thereafter with the regular pay schedule.

There is a cost, \$2 per week, associated with the program designed to cover additional costs to the Company for administration of the Per Diem Program. By signing below and opting in to the Per Diem Program, you agree to permit the company to reduce your weekly pay by \$2.

In the event employment is terminated for any reason, you will be entitled to receive only the compensation and benefits which have accrued as of the date of such termination.

Nothing in this form is intended as tax advice. Please consult your tax professional for any questions regarding record-keeping requirements and tax consequences of per diem compensation.

_____ **{INITIALS}** I would like to OPT IN to the Per Diem Compensation plan. I agree to permit the company to reduce my pay by \$2 weekly for an per diem administrative cost.

_____ **{INITIALS}** I do NOT elect to participate in Melton's Per Diem plan at this time and understand I will not be able to enroll until the next open enrollment period if I'm interested at a later date.

Date: _____

Driver Code: _____

SIGNATURE

PRINTED NAME

¹The terms of the plan, including the timing of payouts and the cost to administer, are subject to change at Melton Truck Lines, Inc.'s sole discretion.

PER DIEM PAYMENTS

To understand how enrolling in the Per Diem plan will affect you, please see the online per diem savings calculator made available to each driver to anticipate potential savings of the program (located at: <https://meltontruck.com/perdiem.php>) and **consult a tax professional**.

There is no requirement to participate in the plan. It is **100% voluntary** and offered as a convenience and incentive for employment.

If you elect to participate in the Per Diem Plan, payments will begin no later than the first full pay period after election, except in the case of open enrollment when all benefits will begin the first full pay period of the new calendar year.

As an example, the Per Diem Payment will be itemized on your pay stub and look like this:

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*****
TYPE          ORD# DESCRIPTION MILES  QTY    RATE      TAXABLE      NON
              ORD# DESCRIPTION MILES  QTY    RATE      AMOUNT      TAXABLE
              ORD# DESCRIPTION MILES  QTY    RATE      AMOUNT      AMOUNT
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ACCESSORIAL 1995139 Tarp Pay          1.00   25.00000    25.00        .00
LINEHAUL    1995139 MILEAGE AD       341.00   .51000    173.91        .00
LINEHAUL    1995139 TRIP PAY        1501     .51000    765.51        .00
ACCESSORIAL 1995139 TRIP PAY          1.00    .10000    150.10-       .00
ACCESSORIAL 1996645 REPOWER CO        1.00   25.00000    25.00        .00
LINEHAUL    1996645 TRIP PAY        1712     .51000    873.12        .00
ACCESSORIAL 1996645 TRIP PAY          1.00    .10000    171.20-       .00
              1995139 PER DIEM                150.10
              1996645 PER DIEM                171.20
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GROSS EARNINGS                1541.24    321.30
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* REIMBURSEMENTS *
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What is the \$2 charge used for?

100% of the fee is used to for administration of the plan, including working with a company who monitors amounts paid out and qualifying nights out to help maintain and document IRS compliance.

Need more information? Please contact your driver manager or your tax professional.