



# **Nationwide Equipment Control (NEC) Carrier Qualification & Safety Management Manual**

## **1. Purpose Statement**

Nationwide Equipment Control (“NEC”) is committed to utilizing only qualified, properly authorized, adequately insured, and safety-conscious motor carriers for the transportation and relocation of customer-owned trailers throughout the United States.

This Carrier Qualification & Safety Management Program establishes NEC’s standardized procedures for initial carrier onboarding, safety evaluation, insurance verification, regulatory compliance monitoring, ongoing carrier performance review, and removal or suspension of unsafe carriers.

NEC applies these standards consistently and without exception in an effort to reduce risk, promote highway safety, and protect the public, customers, and property entrusted to NEC.

## **2. Scope of Operations**

NEC operates as a nationwide transportation broker specializing in the relocation of dry van and refrigerated trailers throughout the continental United States. NEC coordinates one-way trailer repositioning projects for trailer dealers, leasing companies, and motor carriers.

NEC’s operational model involves customer-owned equipment, interstate transportation, time-sensitive relocation requirements, and the utilization of load-out freight to improve transportation efficiency and reduce empty mileage.

## **3. Minimum Carrier Qualification Standards**

All carriers utilized by NEC must maintain active FMCSA operating authority, active USDOT registration, and legal authority to engage in interstate commerce.

### **Carriers must:**

- Maintain a minimum fleet size of ten (10) power units
- Utilize properly licensed CDL drivers
- Maintain compliant driver qualification files
- Operate as an asset-based carrier
- Prohibit unauthorized re-brokering or subcontracting
- Maintain required insurance coverage
- Comply with all applicable FMCSA regulations

## 4. Insurance Requirements

### Minimum insurance requirements include:

- \$1,000,000 automobile liability coverage
- Cargo insurance as required
- Trailer interchange coverage
- Workers compensation coverage where applicable

Insurance certificates must be provided directly from the carrier's insurer or authorized agent. NEC reserves the right to request additional documentation at any time.

## 5. Safety Qualification Standards

NEC evaluates carrier safety performance using FMCSA safety data, inspection history, claims history, roadside violations, customer complaints, and operational performance metrics.

### Automatic disqualification may occur for:

- FMCSA Unsatisfactory safety ratings
- Active out-of-service orders
- Fraud indicators
- Cargo theft concerns
- Repeated safety violations
- Insurance lapse
- Double brokering activity
- Material misrepresentation

## 6. Trailer Pickup Procedures

### Drivers must:

- Verify trailer number and VIN
- Inspect tires, lights, brakes, and overall roadworthiness
- Photograph trailer condition at pickup
- Report pre-existing damage immediately
- Verify trailer is legal and safe for transport prior to departure

## 7. Delivery Procedures

### Drivers must:

- Obtain signed proof of delivery (POD)
- Photograph delivered trailer condition
- Verify final delivery location
- Immediately report any damage, delay, or incident
- Submit required delivery documentation promptly

## 8. Ongoing Carrier Monitoring

NEC performs ongoing carrier monitoring through periodic safety reviews, insurance verification, internal performance analysis, customer feedback, and regulatory compliance checks.

Carriers may be suspended or removed from the approved carrier network at NEC's discretion based upon safety, operational, compliance, or reputational concerns.

## 9. Incident & Claims Management

All accidents, claims, damage events, cargo incidents, or law enforcement interactions involving NEC-coordinated transportation must be reported immediately.

NEC reserves the right to suspend carrier utilization pending investigation and corrective action review.

## 10. Carrier Performance Management

**Carrier performance metrics may include:**

- On-time pickup percentage
- On-time delivery percentage
- Claims frequency
- Communication responsiveness
- POD compliance
- Trailer condition compliance
- Customer service performance
- Safety trends

## 11. Double Brokering Prevention

NEC strictly prohibits unauthorized re-brokering or subcontracting of shipments.

**Carrier verification procedures may include:**

- FMCSA verification
- Identity confirmation
- Dispatch consistency review
- Banking verification
- Insurance verification
- Email domain review
- Operational contact verification

## 12. Records Retention

Carrier qualification records, insurance documentation, safety reviews, claims records, and operational performance data shall be retained in accordance with NEC internal retention policies and applicable legal requirements.

## 13. Management Authority

NEC reserves the sole right to approve, reject, suspend, or terminate any carrier relationship based upon safety, compliance, operational, financial, insurance, or reputational concerns.

## 14. Annual Review & Policy Revision

This manual shall be reviewed periodically by NEC management and may be revised at any time to reflect operational improvements, regulatory updates, legal developments, or safety enhancements.

## Appendix A – Carrier Qualification Checklist

CHECKLIST ITEM	COMPLETE
FMCSA authority verified	<input type="checkbox"/>
USDOT active	<input type="checkbox"/>
Insurance verified	<input type="checkbox"/>
W-9 received	<input type="checkbox"/>
Broker-carrier agreement executed	<input type="checkbox"/>
Fleet size requirement verified	<input type="checkbox"/>
Safety review completed	<input type="checkbox"/>
No active out-of-service order	<input type="checkbox"/>
No known double brokering concerns	<input type="checkbox"/>
Approved by NEC management	<input type="checkbox"/>