



For United States Employees Only

The Scoular Company General Drug and Alcohol Policy

Scoular operates in more than twenty states, each with varying legal requirements with respect to pre- and post-employment drug and alcohol testing. This policy represents Scoular's attempt to incorporate our practices and as many of those legal requirements as possible in one place, with state specific memoranda also being issued for those few states where this general policy alone is insufficient. In addition to our commitment to complying with the law, we are committed to providing a safe working environment to protect our employees and others, providing the highest level of quality and service, and minimizing the risk of accidents and injuries. This policy furthers this commitment as well.

General Policy. Each Scoular employee has a responsibility to co-workers and the public to deliver services in a safe, productive, high quality and conscientious manner. Continuing research and practical experience have proven that even limited quantities of narcotics, abused prescription drugs or alcohol can impair reflexes and judgment. This impairment, even when not readily apparent, can have catastrophic results. For these reasons, as a condition of employment, all employees must report to work completely free from the presence of drugs and any impairment caused by the use of alcohol.

1. Drug Use/Distribution/Possession/Impairment.

- (a) All employees are prohibited from manufacturing, cultivating, distributing, dispensing, possessing or using illegal drugs or other unauthorized or mind-altering or intoxicating substances (including unauthorized controlled substances) while on Scoular property (including parking areas and grounds) or while otherwise engaging in activities related to their employment by Scoular. Included within this prohibition are lawful controlled substances which have been illegally or improperly obtained.
- (b) All employees are also prohibited from having any illegal drugs or other unauthorized or mind-altering or intoxicating substances (including unauthorized controlled substances) or excessive amounts of otherwise lawful controlled substances in their system while on Scoular property (including parking areas and grounds) or while otherwise engaging in activities related to their employment by Scoular.
- (c) All employees are always prohibited from engaging in illegal drug related activities both while on Scoular property or otherwise engaging in activities related to their employment by Scoular and while engaging in activities outside of those related to their employment by Scoular.

2. **Prescription and Over the Counter Medication.** The proper use of medication prescribed by your physician or purchased over the counter is not prohibited; however, the misuse of prescribed or other medication is prohibited. Employees using prescribed or other medication are required to notify their supervisor when the medication may affect their job performance, such as by causing dizziness or drowsiness. In addition, employees should report their use of prescription or other medications which may affect drug tests by completing a written consent form at the time of testing. It is the employee's responsibility to determine from the employee's physician whether a prescribed medication may impair job performance.

3. Alcohol Use/Distribution/Impairment.

- (a) All employees are prohibited from distributing, dispensing, possessing or using alcohol while on Scoular property (including parking areas and grounds), or while otherwise engaging in activities related to their employment by Scoular. All employees are also prohibited from having alcohol in their system at a level that causes impairment while on Scoular property (including parking areas and grounds), or while otherwise engaging in activities related to their employment by Scoular.
- (b) Employees may use and have alcohol in their system on Scoular property only at Scoular sponsored social occasions that have been previously approved by the manager of the applicable facility or office; provided the employees do not anticipate needing to return to perform work duties prior to any impairment caused by the use of alcohol having cleared their system.
- (c) From time to time, employees may be “on call,” with the possibility of needing to report to perform work duties. In those cases, employees are expected to be able to report with no alcohol in their system at a level that causes impairment and if there is an occasion when an employee is called to work and has alcohol in his or her system at a level that causes impairment, the employee must inform the employee’s manager prior to performing any work.

4. **Notification of Impairment Required.** If an employee observes or has knowledge of another employee (a) in a condition which impairs the employee in performing the employee’s job duties; (b) who presents a hazard to the safety and welfare of others; or (c) who is otherwise in violation of this policy, the employee who observes or has such knowledge is required to immediately report the situation to the employee’s supervisor or another management official. Unlawful retaliation against any employee who brings a possible violation of this policy to our attention or otherwise participates in an investigation is prohibited.

5. **Notification of Crime Required.** If an employee is convicted of or pleads guilty to any felony crime involving drugs or alcohol, the employee is required to immediately notify the employee’s supervisor or another management official of such plea or conviction within 5 calendar days.

6. **Who is Tested.** In order to enforce this policy and to determine the presence of substances prohibited by this policy, drug/alcohol tests may be conducted in the following circumstances:

- (a) Applicants for Non-Exempt Laborer Positions at Facilities. Job applicants for a non-exempt laborer position at a facility must submit to pre-employment drug/alcohol tests following a conditional job offer. Refusal to submit or a positive confirmed drug/alcohol test may be used as a basis for refusal to hire the applicant.
- (b) Applicants for Other Positions at Facilities or Offices. Job applicants for positions other than a non-exempt laborer position at a facility may be asked to submit to pre-employment drug/alcohol tests following a conditional job offer. Refusal to submit or a positive confirmed drug/alcohol test may be used as a basis for refusal to hire the applicant.
- (c) Employees Post-Accident. Employees involved in a workplace accident or vehicular accident while on company business in which there was a human fatality or bodily injury with immediate medical care by a professional will be required to submit to drug/alcohol tests.
- (d) Employees. Employees may be required to submit to drug/alcohol tests under a variety of circumstances. Some of those circumstances are listed below:
 - (i) *Random or Periodic Drug/Alcohol Testing.* All employees are subjected to the possibility of being requested to submit to random or periodic testing.

- (ii) *Reasonable Suspicion.* Reasonable suspicion that substances prohibited by this policy are in an employee's system may also lead to testing. Reasonable suspicion may arise from, among other factors, supervisory observation, co-worker reports or complaints, performance decline, attendance or behavioral changes, or involvement in a workplace or vehicular accident.
- (iii) *Job Related Purposes.* Drug/alcohol testing may occur for any proper job related purpose, including any one or more of the following:
- Investigations of possible individual employee impairment;
 - Investigations of accidents in the workplace (or while otherwise engaging in activities related to employment by Scoular) or incidents of workplace theft. Employees who Scoular believes may have contributed to an accident or incident of theft may be required to submit to drug/alcohol tests following the accident;
 - Maintenance of safety for employees, customers, clients or the public at large;
 - Maintenance of productivity, quality of products or services, or security of property or information;
 - Reasonable suspicion that an employee may be affected by the use of drugs or alcohol and that the use may adversely affect the job performance or work environment; and
 - Return to work from a leave of absence or otherwise.
- (iv) *Follow-up Testing.* Employees who in the course of employment enter an employee assistance program for drug or alcohol-related problems, or a drug or alcohol rehabilitation program, or following a positive drug or alcohol test, may be required to submit to testing as a follow-up on a random, quarterly, semiannual, or annual basis thereafter.
- 7. Enforcement Policy.** In order to enforce this policy, Scoular reserves the right to investigate potential violations and require personnel to undergo substance testing, including urinalysis, blood tests or other appropriate tests. Employees are prohibited from interfering with the testing process or tampering with specimen samples. Employees will be subject to discipline up to and including termination of employment for (a) refusing to cooperate with searches or investigations; (b) refusing to submit to testing; (c) tampering or altering specimen samples; or (d) failing to execute consent forms when required.
- 8. Investigations/Searches.** Where a manager or supervisor has reasonable suspicion that an employee has violated this policy, the manager or supervisor may search and inspect all areas on Scoular's premises, including vehicles, personal articles, lockers, work areas, desks, purses, briefcases, tool boxes and other locations or belongings without prior notice, in order to ensure a work environment free of prohibited substances and promote safety in the work environment. An employee may be asked to be present and remove a personal lock. Where the employee is not present or refuses to remove a personal lock, Scoular may do so for the employee, and compensate the employee for the lock. Any such searches will be coordinated with a representative of management.
- 9. Time of Testing.** Job applicants and employees must report to the testing collection facility at the time designated by Scoular. Failure to report at the designated time may result in a refusal to hire the applicant or termination of the employee's employment.
- 10. Potential Substances Tested For.** To the extent permitted by applicable law, a drug/alcohol test may test for the following substances: Alcohol, Amphetamines (ex: Binhetamine, Desoxyn, Dexedrine), Cannabinoids (example: marijuana, hashish), Cocaine, Phencyclidine ("PCP", "angel dust"), Methadone, Opiates (ex: opium, heroin, codeine), Barbiturates (ex: Phenbarbital, Tuinal,

Amytal), Benzodiazophines (ex: Ativan, Azene, Clonopin, Dalmane, Diazepam, Halcion, Librium, Poxipam, Restoril, Serax, Tranxene, Valium, Vertron, Xanax), Propoxyphene (ex: Darvocet, Darvon N, Dolene), and/or any other substance prohibited by law. Employees may consult the testing laboratory for technical information regarding prescription and nonprescription medications.

- 11. Collection & Testing Procedures.** All drug/alcohol tests will be conducted by a testing facility which conforms to scientifically accepted analytical methods and procedures and applicable law. The collection of specimens will also comply with industry standards for such collections, including the standards established for sanitary conditions and proper labeling of specimens. The applicant or employee will be given the opportunity to provide notification of any information which the applicant or employee considers relevant to the test, including identification of currently or recently used prescription or non-prescription medications or drugs, or other relevant medical information. Urine sample testing will be performed by a laboratory that is certified by the United States Department of Health and Human Services under the National Laboratory Certification Program. These collection and testing procedures may be modified to the extent required to comply with applicable law.
- 12. Confirmation Testing.** All urinalysis drug tests will utilize an initial immunoassay methodology or an equivalent. All positive results shall be confirmed by a licensed laboratory using gas chromatography, gas chromatography/mass spectrometry (GC/MS) or other comparably reliable analytical method. Testing also may be done on hair follicles by qualified laboratories.
- 13. Discipline.** Violation of this policy or any of its provisions may result in discipline up to and including termination of employment.
- 14. Medical and Employee Assistance Benefits.** Scoular's medical insurance includes coverage for substance dependence and abuse treatment, and the Employee Assistance Program includes drug and alcohol risk assessments, counseling and information about substance abuse. For further information, please contact the HR Helpline at 1-877-675-0625.
- 15. Confidentiality & Access to Records.** Scoular complies with all federal and state laws requiring confidentiality related to drug/alcohol testing and test results. Upon request of an applicant or employee, Scoular will release that applicant's or employee's drug/alcohol test results to the applicant or employee or any other person designated in writing by the applicant or employee.
- 16. Compliance with the Law.** Scoular complies with all federal and state laws applicable to drug/alcohol testing or any other aspects of this Drug and Alcohol Policy, including any such laws that limit the situations when employees may be tested and the maintenance of a separate Drug and Alcohol Testing Program for employees regulated by the United States Department of Transportation. Under various federal or state laws, some employees may receive supplemental information beyond this General Drug and Alcohol Policy and the application of some parts of this policy may be adjusted to comply with federal or state law.
- 17. Distribution of this Policy.** Scoular provides a copy of this policy to each current employee as well as each new employee. In addition, this policy will be posted at each Scoular facility and office. The policy will become effective 60 days following distribution. The policy will be posted in the workplace and an additional copy will be available for review by employees upon request to management. The policy may be rescinded by notice posted in the workplace 60 days prior to the effective date of the rescission.

To: United States Employees
Date: April 13, 2016
Re: State Specific Information regarding The Scoular Company Drug and Alcohol Policy

As part of Scoular's efforts to provide a safe work environment, provide the highest level of quality and service, and minimize the risks of accidents and injuries, Scoular implemented a General Drug and Alcohol Policy. The Policy requires employees to report to work completely free from the presence of drugs and any impairment caused by the use of alcohol, addresses the distribution or possession of drugs or alcohol while on Scoular property or while otherwise engaged in activities related to their employment and provides for drug and alcohol testing. A copy of the Policy was provided to each current employee and will be provided to each new employee.

This memorandum provides supplemental information regarding Scoular's General Drug and Alcohol Policy that is applicable to employees in the following states.

ARKANSAS EMPLOYEES:

- 1) The Drug and Alcohol Policy is being implemented pursuant to the provisions of Section 11-14-101 of Arkansas law.
- 2) If an injured employee refuses to submit to a test for drugs or alcohol, the employee forfeits eligibility for workers' compensation, medical and indemnity benefits.
- 3) An employee or applicant may confidentially report to a drug testing officer the use of prescription or nonprescription medications after being tested, but only if the testing process has revealed a positive result for the presence of drug or alcohol use.
- 4) An employee or applicant who receives a positive confirmed test result: (a) may contest or explain the result to the drug testing review officer within 5 working days after receiving written notification of the test result; (b) if an employee's or job applicant's explanation or challenge is unsatisfactory to the drug testing review officer, the drug testing review officer must report the positive test result back to Scoular; and (c) a person may contest the drug or alcohol test result pursuant to rules adopted by the Workers' Health and Safety Division of the Workers' Compensation Commission.
- 5) An employee may secure information on employee assistance programs and rehabilitation programs through the Employee Assistance Program by contacting the HR Helpline at 1-877-675-0625.
- 6) An employee or applicant has an obligation to notify the testing laboratory of any administrative or civil action brought.
- 7) An employee or applicant has the right to consult with a drug testing review officer for technical information regarding prescription or nonprescription medication.
- 8) For reasonable suspicion testing, an employee may receive upon request a copy of the written record of the observations leading to reasonable suspicion.
- 9) An employee who is not in a safety-sensitive position may be tested for alcohol only when the test is based upon reasonable suspicion. An employee in a safety-sensitive position may be tested for alcohol in other circumstances.

FLORIDA EMPLOYEES:

- 1) The Drug and Alcohol Policy is being implemented pursuant to the provisions of Florida workers' compensation law.
- 2) If an injured employee refuses to submit to a test for drugs or alcohol, the employee forfeits eligibility for workers' compensation medical and indemnity benefits.
- 3) An employee or applicant may confidentially report to a drug testing officer the use of prescription or nonprescription medications both before and after being tested.
- 4) An employee or applicant who receives a positive confirmed test result: (a) may contest or explain the result to the medical review officer within 5 working days after receiving written notification of the test result; (b) if an employee's or job applicant's explanation or challenge is unsatisfactory to the medical review officer, the medical review officer must report the positive test result back to Scoular; and (c) a person may contest the drug or alcohol test result pursuant to rules adopted by the Agency for Health Care Administration.
- 5) An employee may secure information on employee assistance programs and rehabilitation programs through the Employee Assistance Program by contacting the HR Helpline at 1-877-675-0625.
- 6) An employee or applicant has an obligation to notify the testing laboratory of any administrative or civil action brought pursuant to the drug-free workplace provisions of Florida workers' compensation law.
- 7) An employee or applicant has the right to consult with a drug testing review officer for technical information regarding prescription or nonprescription medication.
- 8) Below is a list of the most common medications that may alter or affect a drug test.

Over the counter and prescription drugs which could alter or affect drug test results*

Alcohol	All liquid medications containing ethyl alcohol (ethanol). Please read the label for alcohol content. As an example, Vick's Nyquil is 25% (50 proof) ethyl alcohol, Comtrex is 20% (40 proof), Contact Severe Cold Formula Night Strength is 25% (50 proof) and Listerine is 26.9% (54 proof)
Amphetamines	Obetrol, Biphedamine, Desoxyn, Dexedrine, Didrex, Ionamine, Fastine
Cannabinoids	Marinol (Dronabinol, THC)
Cocaine	Cocaine HCl topical solution (Roxanne)
Phencyclidine	Not legal by prescription
Methaqualone	Not legal by prescription
Opiates	Paregoric, Parepectolin, Donnagel PG, Morphine, Tylenol with Codeine, Emprin with Codeine, APAP with Codeine, Aspirin with Codeine, Robitussin AC, Guiatuss AC, Novahistine DH, Novahistine Expectorant, dilaudid (Hydromorphone), M-S Contin and Roxanol (morphine sulfate), Percodan, Vicodin, Tussi-organidin, etc.
Barbituates	Phenobarbitol, Tuinal, Amytal, Nembutal, Seconal, Lotusate, Fiorinal, Fioricet, Esgic, Butisol, Mebral, Butabarbital, Butalbital, Phenrinin, Triad, etc.
Benzodiazepines	Ativan, Azene, Clonopin, dalmine, Diazepam, Librium, Xanax, Serax, Tranxene, Valium, Verstran, Halcion, Paxipam, Restoril, Centrax
Methadone	Dolphine, Metadose
Propoxyphene	Darvocet, Darvon N, Dolene, etc.

*Due to the large number of obscure brand names and constant marketing of new products, this list cannot and is not intended to be all-inclusive.

CALIFORNIA EMPLOYEES:

For current employees, testing will be limited to the following situations:

- 1) Random testing for employees in safety sensitive positions with legitimate and substantial reasons for testing.
- 2) Reasonable suspicion based on specific objective facts and rational inferences drawn from those facts that indicate drug or alcohol abuse.
- 3) Post serious accident which provides a reasonable basis to test.

IOWA EMPLOYEES:

- 1) Any adverse action taken against an employee or prospective employee will be based only on the results of the drug or alcohol test.
- 2) For a first time positive alcohol test, Scoular will not take adverse employment action against the employee so long as the employee complies with the requirements of rehabilitation and successfully completes rehabilitation.
- 3) The standard for alcohol concentration in violation of the policy is .04 or greater, expressed in terms of grams of alcohol per 210 liters of breath, or its equivalent. The alcohol testing will be done based on standards consistent with the regulations adopted as of January 1, 1999 by the U.S. Department of Transportation governing alcohol testing required to be conducted pursuant to the federal Omnibus Transportation Employee Testing Act of 1991.
- 4) Scoular shall provide the employee or prospective employee with information in the form of an awareness program on the dangers of drug and alcohol use in the workplace.
- 5) Testing may be conducted in the following circumstances:
 - a) On the entire employee population at a work site or the entire full time active employee population at a work site, except for employees who are not scheduled at the time testing is conducted or otherwise excused from work.
 - b) On all employees at a particular work site who are in a pool of employees in a safety-sensitive position, other than employees not scheduled at the time testing is conducted or otherwise excused from work.
 - c) During and after completion of drug or alcohol rehabilitation.
 - d) Based on reasonable suspicion.
 - e) On prospective employees.
 - f) As required by federal law or regulation or by law enforcement.
 - g) In investigating accidents in the workplace in which the accident resulted in an injury to a person for which injury, if suffered by an employee, a record or report could be required under Iowa's occupational safety and health law, or resulted in damage to property, including to equipment, in an amount reasonably estimated at the time of the accident to exceed \$1,000.

MINNESOTA EMPLOYEES:

- 1) An employee or applicant may refuse to undergo a drug or alcohol test, but will be subject to termination of employment for such a refusal.
- 2) An employee or applicant has the right to explain a positive test result on a confirmatory test, or request and pay for a confirmatory retest.
- 3) Random testing may be required only for employees in safety sensitive positions, which are positions in which an impairment caused by drug or alcohol usage would threaten the health or safety of any person.
- 4) Testing may be conducted when there is reasonable suspicion that an employee:
 - a) is under the influence of drugs or alcohol;
 - b) has violated Scoular's written policy prohibiting the use, possession, sale, or transfer of drugs or alcohol while the employee is working or while the employee is on the employer's premises or operating the employer's vehicle, machinery, or equipment;
 - c) has sustained a personal injury or has caused another employee to sustain a personal injury; or
 - d) has caused a work-related accident or was operating or helping to operate machinery, equipment, or vehicles involved in a work-related accident.
- 5) Testing may be required during and for two years following a chemical dependency treatment or evaluation program under Scoular's employee benefit plan or a program to which Scoular referred the employee.
- 6) An employee will not be discharged for a first positive test unless the following conditions are met:
 - a) Scoular first gave the employee an opportunity to participate in, at the employee's own expense or pursuant to coverage under an employee benefit plan, either a drug or alcohol counseling or rehabilitation program, whichever is more appropriate, as determined by Scoular after consultation with a certified chemical use counselor or a physician trained in the diagnosis and treatment of chemical dependency; and
 - b) the employee has either refused to participate in the counseling or rehabilitation program or has failed to successfully complete the program, as evidenced by withdrawal from the program before its completion or by a positive test result on a confirmatory test after completion of the program.
- 7) An employee has the following rights:
 - a) Prior to any test, Scoular shall provide the employee or applicant with a form to acknowledge that the employee or applicant has seen Scoular's drug and alcohol testing policy.
 - b) If an employee or applicant tests positive, Scoular shall provide written notice of the right to explain the positive test and may request that the employee or applicant indicate any over-the-counter or prescription medication that the individual is currently taking or has recently taken and any other information relevant to the reliability of, or explanation for, a positive test result.
 - c) Within 3 working days after notice of a positive test result on a confirmatory test, the employee or applicant may submit information to the employer, in addition to any information already submitted as described above, to explain that result, or may request a confirmatory retest of the original sample at the employee's or job applicant's own expense.
 - d) An employee or applicant has the right to request and receive from the employer a copy of the test result report on any drug or alcohol test.
 - e) Within 5 working days after notice of the confirmatory test result, the employee or applicant must notify the employer in writing of the employee's or job applicant's intention to obtain a confirmatory retest.

MONTANA EMPLOYEES:

- 1) Reasonable suspicion testing may be required when there is a reason to suspect that an employee's faculties are impaired on the job as a result of the use of a controlled substance or alcohol consumption.
- 2) Follow up testing may be conducted if the employee has had a verified positive test for a controlled substance or alcohol, up to one year after the positive test.
- 3) Post accident testing if Scoular has reason to believe that the employee's act or failure to act is a direct or proximate cause of a work-related accident that has caused death or personal injury or property damage in excess of \$1,500.
- 4) An employee will be provided with a copy of any positive test report and the opportunity to rebut or explain the results of any test. No adverse action will be taken if the employee presents a reasonable explanation or medical opinion indicating that the original test results were not caused by illegal use of controlled substance or alcohol consumption (unless the adverse action is allowed under state law related to the medical use of marijuana).
- 5) Under federal, state and local law, there are criminal sanctions for the unlawful manufacture, distribution, possession or use of a controlled substance.
- 6) Scoular shall provide education and information on the health and workplace safety risks associated with the use of controlled substances and alcohol.
- 7) All information, interviews, reports, statements, memoranda, and test results are confidential communications that may not be disclosed to anyone except the tested employee, the designated representative of Scoular, or in connection with any legal or administrative claim arising out of Scoular's implementation of Montana's Workforce Drug and Alcohol Testing Act or in response to inquiries relating to a workplace accident involving death, physical injury, or property damage in excess of \$1,500, when there is reason to believe that the tested employee may have caused or contributed to the accident.
- 8) Information obtained through testing that is unrelated to the use of a controlled substance or alcohol must be held in strict confidentiality by the medical review officer and may not be released to Scoular.
- 9) A breath alcohol test result must indicate an alcohol concentration of greater than 0.04 for a person to be considered as having alcohol in the person's body.