

NCI MFG. INC.

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DRUG-FREE WORKPLACE SUBSTANCE USE POLICY AND PROCEDURES

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1. GENERAL POLICY

NCI Manufacturing, Inc. recognizes that our employees are our greatest asset. Our goal is to provide the best possible product and service to our customers. Our employees are the key to achieving this goal. It is important that every employee of NCI Manufacturing understand the dangers of substance use and be aware of state and/or federal requirements concerning substance use. NCI Manufacturing's policy and procedures are not a contract of employment. NCI Manufacturing reserves the right to depart from this policy and procedures where management deems it is appropriate, and all employees are at will employees. Except where specifically prohibited by law, the guidelines contained within the policy and procedures may be changed by management at any time. Employees covered by NCI Manufacturing's policy and procedures will be informed of any changes.

2. DEFINITIONS:

A. Alcohol is ethyl alcohol or spirits of wine, from whatever source or by whatever process produced.

B. Breath Alcohol Concentration (BrAC) is the alcohol in a volume of breath expressed in terms of grams of alcohol per 210 liters of breath.

C. Confirmation Test or Confirmed Test is a second analytical procedure used to identify the presence of a specific drug or metabolite or alcohol in a specimen. The confirmation test shall be different in scientific principle than that of the initial test procedure. The confirmation method shall be capable of providing requisite specificity, sensitivity, and quantitative accuracy.

D. Drugs as used in this policy include illegal use of controlled substances, drugs which are not legally obtainable, or the improper use of prescriptions. Unless otherwise stated, this term refers to amphetamines, cannabinoids, phencyclidine (PCP), methadone, opiates, cocaine, methaqualone, barbiturates, benzodiazepines, propoxyphene, or a metabolite of any of these substances.

E. Evidential Breath Testing Devices (EBT) is used for alcohol testing which has been approved by the National Highway Traffic Safety Administration (NHTSA) and placed on NHTSA's "Conforming Products List of Evidential Breath Measurement Devices."

F. Medical Review Officer (MRO) is a licensed physician (medical doctor or doctor of osteopathy), certified by either the American College of Occupational and Environmental Medicine or The American Association of Medical Review Officers, responsible for receiving laboratory results generated by an employer's drug testing program. The MRO shall have knowledge of substance abuse disorders and appropriate medical training to interpret and evaluate an individual's confirmed positive test, medical history, and other relevant biomedical information.

G. Prescription Medication (Prescription Drug) is a drug or medication lawfully prescribed by a physician for an individual and taken by that individual in accordance with the prescription.

H. Safety Sensitive Functions includes positions that involve any of the following: all areas within the production facility, operation of company vehicles, machinery, or equipment (the mishandling of which may place fellow employees or the general public at risk of serious injury, or the nature of which would create a security risk in the workplace); or the handling of hazardous material.

I. Substance is drugs or alcohol.

J. Substance Test or Test is any chemical, biological, or physical instrumental analysis administered for the purpose of determining the presence of a drug or alcohol.

3. DRUG USE/DISTRIBUTION/POSSESSION:

All employees are prohibited from possessing, distributing, manufacturing, or having a detectable presence of any drug substance, abused prescription drugs or any other mind altering or intoxicating substances in their system while at work or on duty.

4. ALCOHOL USE/POSSESSION:

All employees are prohibited from possessing, drinking, or having a detectable presence of alcohol in their body while at work or on duty. Evidential breath testing devices (EBTs) on the National Traffic Highway Safety Administration Conforming Products List will normally be used to determine BrAC. When using EBTs the Department of Transportation (DOT) 49 Code of Federal Regulation (CFR) Part 40 procedures shall be followed in administering and documenting the BrAC test.

5. OFF-DUTY CONDUCT:

Off-duty use of drugs, alcohol or any other prohibited substances which results in impaired work performance, which may include absenteeism, tardiness, poor work

performance, damage to the employer's reputation, or inferior quality of work, is prohibited.

Employees who are arrested for off-the-job drug activity may be in violation of this policy. In deciding what action to take, the company will consider the nature of the criminal charges, the employee's current job assignment, the employee's record with the company and the impact of the employee's arrest on the conduct of company business. Employees charged with possession of an illegal or controlled substance will automatically be required to submit to a drug screen with negative results before being permitted to return to work.

6. DRUG CONVICTIONS:

Any employee who violates any criminal drug law and is convicted of the violation must report his or her conviction to the company within three days after conviction. Employees so convicted are subject to discipline up to and including discharge.

7. PRESCRIPTION MEDICATIONS:

The proper use of medication that is legally prescribed by a physician is not prohibited. Employees performing duties in (all areas of the production facility, operation of company vehicles, machinery, or equipment) shall notify their supervisor, whenever a prescription medication is taken. Employee should discuss the medication with their physician to determine if it may affect the employee's ability to safely perform the job without a risk of harm to the employee or to others.

Employees must not report to work or work while under the influence of legally obtained drugs, such as doctor-prescribed medication, if the drugs render the employee unfit for duty.

8. SUBSTANCE USE TESTING PROGRAM:

A. Conditions for which testing shall be conducted.

I. Pre-Employment Testing shall be required of all applicants that receive an offer of employment. Prior to testing, the applicant shall be afforded the opportunity to voluntarily sign a Substance Use Testing Consent Form. If the applicant refuses to sign the Substance Use Testing Consent Form, consideration for employment shall be withdrawn. If an applicant tests positive for the use of drugs or alcohol, consideration for employment shall be withdrawn. The applicant has five days to contest or explain a confirmed positive test after written notification of such result from the employer. It is the current use of alcohol and drugs, not the past history that prevents the applicant from being accepted for employment. The applicant that tested positive may, after a period of at least six months, seek employment with NCI, but the applicant must present themselves free of substance as evidenced by NCI Pre-Employment Testing.

II. Reasonable Suspicion Testing shall be required when it is believed that an employee is using or has used drugs or alcohol in violation of NCI's policy. Testing shall be based upon specific objectives and articulable facts and reasonable inferences as identified on

the "Reasonable Suspicion Report Form", Such facts and interferences may be based upon, but not limited to, the following:

- Direct observation of substance abuse or of the physical symptoms or manifestations of being impaired due to substance use.
- Abnormal conduct or erratic behavior while at work or a significant deterioration in work performance.
- A report of substance use provided by a reliable and credible source.
- Evidence that an individual has tampered with any substance use test during his or her employment with the current employer.
- Evidence that an employee has used, possessed, sold, solicited, or transferred drugs while working or while on the premises of NCI or while operating NCI's vehicle, machinery, or equipment.
- Causing or contributing to a workplace accident.

The supervisor requesting testing shall complete, explain in detail the circumstances and evidence warranting testing, and sign the "Reasonable Suspicion Report Form" at the time testing is requested, if feasible, but within 24 hours of testing in any event. The supervisor should have the corroboration of another supervisor, when possible, before the employee is requested to be tested. In the absence of another supervisor, another employee may be requested to witness the observation and the "Reasonable Suspicion Report Form."

If use is suspected, the employee will be transported to the collection site for testing. Under no circumstance shall the employee be permitted to drive if the employee appears to be impaired, disoriented, or confused.

III. Post-accident Testing shall be conducted when an employee causes or contributes to any accident resulting in injury requiring more than simple first-aid treatment, damage to company property, or when the employee causes or contributes to a loss-time accident. For alcohol testing, the employee shall be tested within eight-hours of the accident. Drug testing shall be conducted within 32 hours of the accident.

IV. Post Rehabilitation Testing shall be conducted at least once a year during a two-year period after an employee returns to work upon the completion of a voluntarily requested rehabilitation related to substance use.

V. Random Testing will be conducted on a monthly basis. All employees regardless of position will be subject to random testing. The employer will test 12% of the total work force over the course of a year.

*To ensure the success of this drug and alcohol policy, the company may require employees to undergo drug or alcohol tests. Usually, tests will be in the form of a urinalysis, but they may also be in the form of a blood test or physical examination. A certified laboratory will perform all confirmed test.

A positive drug test result means an employee (or applicant) has illegal or illegally used drugs in his or her system. All positive test results will be confirmed using another drug

testing technique and shall be reviewed by a specially trained medical review officer (MRO) designated by the company.

A positive alcohol test result means an employee (or Applicant) has an impermissible amount of alcohol in his or her system.

When Employees Are Subject to Testing:

- An employee is subject to drug or alcohol testing whenever the company has reasonable cause to believe the employee is unfit for duty due to drug or alcohol use.
- An employee is subject to drug or alcohol testing whenever the company has reasonable cause to believe the employee uses or has used illegal drugs, legal drugs, or alcohol in violation of this policy.
- Employees involved in work-related accidents, injuries, property damages, or accidents involving company vehicles, are subject to drug and alcohol testing. Note: All accidents or injuries must be reported on a timely basis. Failure to do so can result in disciplinary action up to and including discharge.
- Employees who return to work after completing a voluntary drug or alcohol rehabilitation program are subject to unannounced testing at any time during the five years following their return to work.
- Employees who test positive for drugs or alcohol use will be terminated.
- An employee is subject to drug testing on a random basis when their social security number and name is pulled from a pool of all employees by an outside contracted agency.

Upon notification that a drug/alcohol test is required, an employee will proceed to the designated agency where staff will collect a urine sample and possibly a breath alcohol screen. To protect employee privacy, individual test results are considered confidential information to be shared only with the employee and other company officials/representatives having a legitimate need to know. Upon written requests, an employee will be given access to his/her test records. The Medical Review Officer will confirm all results positive or negative.

VI. Searches:

When there is reason to believe, in the opinion of management, that an employee under the influence of intoxicants, drugs, or narcotics, or is in possession of any intoxicants, drugs, narcotics or equipment, products or material which are used, intended for use or designated for use with non-prescribed controlled substances, the company may request that the employee submit to a search of his/her person and/or property, including, but not limited, work stations, offices, lockers, desks, cabinets, closets, and vehicles brought onto premises.

A. Specimen Collection and Analysis

Specimens shall be collected in a manner that will afford the individual privacy, yet be reasonably calculated to prevent substitution or adulteration of the specimen. The donor

will be given the opportunity, after specimen collection, to record any information considered relevant to the test, current or recently used prescription or nonprescription medication or other medical condition, on the back of the donor's copy of the chain of custody control form.

The employee/applicant shall observe the collector prepare the chain of custody control form and the specimen for shipment. The employee/applicant shall initial and/or sign the appropriate labels and control form for transporting the specimen as verification of the collector preparation of the control form and specimen.

The (Laboratory Corporation of America, 1120 Main St, South Haven, Miss. 38671) will analyze all specimens in Alabama. All initial tests having a positive result shall be confirmed. The laboratory will forward the results of all tests to (Neil J. Dash MD, D.R.S.) medical review officer (MRO). The (Providence Occupation Health Partners, 37595 Seven Mile Road, Livonia, MI. 48152) will analyze all specimens in Michigan. The laboratory will forward the results of all test to (Dr. Andrew Vosburgh) medical review officer (MRO).

The MRO will attempt to contact the donor within 72 hours of notification to ascertain if there is a medical reason for a positive result. If the MRO cannot contact the donor within 72-hours, the test will be reported to the employer as positive. The employee/applicant may request another analysis of the original specimen at his or her own expense. If a medical reason caused a positive test result and would not affect the employee's ability to perform his or her duties, the MRO will report the test to the employer as a negative.

B. Sanctions

An employee who voluntarily admits to a drug or alcohol problem seeking assistance, prior to being requested to submit to a substance use test, may not be terminated for requesting help.

The company recognizes the value of its human resources and encourages employees to seek help for drug or alcohol problems. We believe that seeking help before the problem becomes a performance or disciplinary matter is beneficial for both the employee and the company.

Employees who notify the company that they have a drug or alcohol problem before their problem becomes a disciplinary matter will be granted, upon request, an unpaid personal leave of absence after they have received a recommendation from a qualified substance abuse professional to seek the necessary rehabilitation. The opportunity to enroll in a rehabilitation program will be limited to those who voluntarily request such assistance prior to testing positive for drugs/alcohol under the provisions outlined in this policy. Employees may seek assistance independently or request appropriate referrals from the Human Resources Manager.

Employees choosing to participate in a rehabilitation/treatment program must notify the Human Resources Manager immediately upon their enrollment. Employees who notify the company of their drug or alcohol problem only after the company has begun

investigation whether they are in violation of this policy remain subject to termination for policy violations.

The employee has five days to contest or explain a confirmed positive test after written notification of such result from the employer.

Any employee testing positive for drugs or alcohol will be terminated.

To assist us in providing a safe and healthy workplace, a resource file of information on various means of employee assistance in the community, including but not limited to drug and alcohol abuse programs, is maintained in Human Resource Office. This information will be distributed to employees for their confidential use.

Any employee who refuses to submit to testing or who refuses to cooperate shall be terminated.

According to Code of Alabama, 1975 Section 25-5-51:

1. No compensation shall be allowed for an injury due to the injured employee being intoxicated from the use of alcohol or being impaired by illegal drugs, if the intoxication or impairment caused or contributed to the accident.
2. No compensation shall be allowed if the employee refuses to submit to or cooperate with a blood or urine test.

9. EDUCATION AND TRAINING

A. All employees shall semiannually receive one hour of education which will include at a minimum the following subjects:

- I. An explanation of the disease model of addiction;
- II. The effects and dangers of commonly abused substances in the workplace; and
- III. NCI's policy and procedures regarding substance use.

B. Supervisors shall receive an additional two hours of annual training which will include at a minimum the following subjects:

- I. How to recognize signs of employee substance abuse;
- II. How to document and corroborate signs of employee substance abuse; and
- III. How to refer substance abusing employees to the proper treatment providers.

10. CONFIDENTIALITY OF INFORMATION

All information, interviews, reports, statements, memoranda, and test results, written or otherwise, received through NCI's substance use testing program shall be held as confidential communications by NCI, MROs, laboratories, drug and alcohol rehabilitation programs, employee assistance programs, and their respective agents. These communications may be used or received in evidence, obtained in discovery, or disclosed in any civil or administrative proceeding. However, information on test results

shall not be released or used in any criminal proceeding against the employee or applicant. Release of such information under any other circumstance shall be solely pursuant to a written consent form signed voluntarily by the individual that was tested, unless the release is compelled by an agency of the state or a court of competent jurisdiction or unless deemed appropriate by a professional or occupational licensing board in a related disciplinary proceeding.

11. POLICY VIOLATIONS

Employees are subject to termination if they violate any provisions of this policy, refuse to take, or delay taking a required drug or alcohol test, or refuse to cooperate with a company investigation of policy violations.