

Substance Abuse Policy

Purpose

Dave Loden Construction Inc., henceforth referred to as DLC, values its employees and recognizes their need for a safe and healthy work environment. Employees abusing drugs and/or alcohol are less productive and are often a critical risk to the safety, security and productivity of our Company. The establishment of a Drug-Free Workplace Policy is consistent with our desired culture and is in the best interest of our company.

Policy

It is the policy of DLC to maintain a workplace free from the use and abuse of drugs and alcohol. Compliance with this policy is a condition of continued employment. It supersedes any other Company policy or practice on this subject. At any time, DLC may unilaterally, at its discretion, amend, supplement, modify, or change any part of this policy. The policy does not represent an expressed or implied contract, and it does not affect your status as an at-will employee. If you have any questions about this policy, please direct them to Erick Loden or Dave Loden.

To maintain a Drug and Alcohol-Free Workplace, DLC has established the following policy effective 6/11/12 with regard to the use, possession, and sale of drugs and/or alcohol. Testing of current employees will begin as appropriate. The policy covers all employees of DLC. Drug and alcohol testing practices will be adopted to identify employees or applicants using drugs and/or alcohol.

Drug and Alcohol Prohibitions

"Illegal Drug" means: any drug (1) that is not legally obtainable, or (2) that is legally obtainable but has not been legally obtained, or (3) that is a controlled substance. The term includes prescribed drugs not legally obtained, prescribed drugs not being used for prescribed purposes, or prescribed drugs exceeding the recommended prescribed dosage.

- 1. Any employee engaged in any of the activities listed below is in violation of Company policy and subject to disciplinary action:
 - b.) bringing illegal drugs onto Company premises or property, including Company owned or leased vehicles, or a DLC customer's premises;
 - c.) having possession of, being under the influence of, or having in one's system illegal drugs;
 - d.) using, consuming, transporting, distributing or attempting to distribute, manufacturing or dispensing illegal drug;
 - e.) Switching, tampering with, altering or adulterating any specimen or sample collected under this policy or attempting to do so.
 - f.) Operating a company vehicle, rental vehicle (under the company name), or personal vehicle used for company purposes under the influence of alcohol at any time while representing DLC.
- 2. The Company strictly prohibits the abuse of prescription drugs. (See "Illegal Drugs" previously mentioned.)
- 3. The company prohibits the use of alcohol on the job or use of alcohol prior to the start of the work day. No employee shall perform any work tasks for DLC while under the influence of alcohol.
- 4. Any employee refusing to cooperate with or submit to questioning, medical or physical tests or examinations, when requested or conducted by the Company or its designee, is in violation of Company policy and subject to disciplinary action.

Drug and Alcohol Testing

DLC asserts its legal right and prerogative to test any employee for drug and/or alcohol abuse. Employees may be asked to submit to a medical examination and/or submit to urine, saliva, breath, sweat, and/or hair testing for drugs and/or alcohol. Any information obtained through such examinations may be retained by DLC and is the property of DLC.

In particular, DLC reserves the right, in its discretion and within the limits of federal and state laws, to examine and test for the presence of drugs and alcohol in situations such as, but not limited to, the following:

- 1. **Pre-Employment:** All offers of employment will be made subject to the results of a drug test. Applicants will be required to voluntarily submit to a test and sign an acknowledgment form that will release DLC from liability. The Company will not discriminate against applicants for employment because of past drug abuse. It is the current abuse of drugs which prevents employees from properly performing their jobs.
- 2. **Post-Accident:** A drug and/or alcohol test will be conducted on all employees involved in accidents occurring during work time or while on company property. Covered accidents include, but are not limited to, accidents that the employee caused or contributed to that involve:

- a. personal injury to employees or others which necessitates medical attention (beyond first aid) or results in lost work time; and/or
- b. damage to company property.

Employees are expected to make themselves available for post-accident testing. If circumstances require an employee to leave the scene of an accident, the employee must make a good-faith attempt to be tested and to notify the company of his/her location.

Failure to report any accident that meets the post-accident testing criteria is in violation of Company policy and subject to disciplinary action. Employees testing positive may be ineligible for workers' compensation and unemployment compensation benefits.

- 3. **Random** All employees are subject to random, periodic, unannounced drug tests at any time the company deems necessary to maintain a Drug-Free Workplace. This testing is done to ensure public and employee safety; and to protect the company profitability, image, and reputation as a drug-free organization. The rate of random selection will be a percentage of the annual average employee or consortium base. Every employee has an equal chance of being chosen every time a random selection is made.
- 4. **Reasonable Suspicion:** Any employee may be asked to submit to a drug and/or alcohol test if reasonable cause exists to suggest that the employee's health, safety, or ability to perform expected job duties is currently impaired.
- 5. **Follow-Up:** Any employee who has been removed voluntarily or otherwise from his/her job duties on the basis of a verified positive drug test, and is later re-hired after passing the Pre-Employment test, will be subject to unannounced drug testing to determine whether he/she is under the influence of drugs. The testing can continue for up to 24 months from the return-to-work date.

Procedures

The drug test will be performed from specimens collected at a qualified collection site or at a company facility using an on-site testing kit. A breath or saliva test will be performed for all post-accident and reasonable-cause situations to determine alcohol levels.

The collection site will take necessary steps to avoid any dilution or alteration of specimens. However, the test shall be conducted in a professional and sanitary manner with due regard for the individual's privacy, dignity, and confidentiality. Proper handling of the specimens will be maintained so that the specimen results can be traced to the proper individual.

The specimen will be tested by Big Horn Urgent Care in Sheridan, WY. They will be tested with a 5 panel rapid test. This test covers the following controlled substances:

If the rapid test is positive for drug use, the test will be confirmed by a certified, professional laboratory. Any positive results from this test will be reviewed by a Medical Review Officer (MRO). The MRO will give the employee the opportunity to rebut a positive test result and provide evidence of the proper use of prescription drugs. This will ensure that positive results are not due to legally obtained prescription drugs or other factors which the MRO feels justify the presence of controlled substances.

Any employee who is tested will have the right, upon request, to see the results of his/her test. The employee may also request a retest of the original specimen at a different certified laboratory. The arrangements of this retest will be the employee's responsibility and the test will be performed at the employee's expense. The re-test must occur within 10 business days of being notified of a positive test result. All drug and alcohol information regarding the test results or failure to complete rehabilitation will remain confidential and will only be given out on a strict need-to-know basis. The company's workers' compensation carrier will be notified of results from post-accident tests that may affect compensability under DLC insurance program.

Disciplinary Actions

The Company reserves the right to use disciplinary actions, up to and including termination of employment, depending upon the seriousness of the violation, the employee's present job assignment, the employee's record with the Company, and other factors, including the impact of the violation upon the conduct of Company business.

DLC maintains a strict zero tolerance drug policy. A positive test result for the use of any illicit drug will result in termination of employment.

Positive test results confirming the use of prescribed drugs will initiate an investigation. The employee will be given an opportunity to provide an explanation and prescription for the drug's use. If it is found that the prescribed drugs are not prescribed to the individual in question, are being used for a purpose other than prescribed or in a dose greater than is prescribed employment will be terminated.

An individual who's employment has been terminated for substance abuse may later re-apply to be re-hired at a time when they can pass the pre-employment drug screening. Such an individual will then be subject to Follow-up testing as described above.

Acknowledgment

As a condition of continued employment, employees must sign the attached acknowledgment form.

Acknowledgment of Receipt and Agreement to DLC Drug Free Workplace Program

I hereby acknowledge receipt of Dave Loden Construction's Drug-Free Workplace Policy regarding drugs and alcohol. I have read and understand the policy. I understand that refusal to submit to any drug or alcohol test required by this policy or a positive test result is grounds for disciplinary action up to and including termination. Furthermore, I authorize the release of the test results to my employer, Medical Review Officer, applicable state unemployment agencies, and/or, on post-accident tests, the company's workers' compensation carrier and understand that refusal to release these results is grounds for disciplinary action up to and including termination. I understand that if I test positive for drugs or alcohol or refuse to submit to any drug and/or alcohol test required by this policy, I may be ineligible for workers' compensation and/or unemployment benefits.

I recognize that the Company's policy on drugs and alcohol does not constitute an expressed or implied

EMPLOYEE NAME _______ (Printed)

SOCIAL SECURITY NO.______

EMPLOYEE SIGNATURE ______ DATE

WITNESS SIGNATURE DATE