

DRUG, ALCOHOL, AND SEARCH POLICY
For
Contractor's Controlled Substance and Alcohol Program Requirements

CONTRACTOR and its subcontractors shall comply with CHEVRON's Drug, Alcohol, and Search Policy as set forth below, unless prohibited by applicable laws.

1. **General.** CONTRACTOR and its subcontractors shall have in place written controlled substance and alcohol policies, implementation programs, and training that meet or exceed the requirements detailed below. Nothing in this EXHIBIT shall be construed to require CONTRACTOR, or its subcontractors, to violate any Federal, State or local laws, ordinances or regulations.
2. **Notice.** CONTRACTOR shall provide a copy of NOTICE TO CONTRACTOR EMPLOYEES (Exhibit B2) to all of its employees and advise them prior to assigning them to work under this Contract of CHEVRON's right to search.
3. **Pre-Work Testing.** CONTRACTOR shall require a negative pre-work controlled substance test within 60 days prior to hiring any employee to be assigned to work in a position in which the employee performing the duties of the position has the ability to create hazards or danger to other individuals, the community, or the environment ("safety sensitive position"). Negative pre-work testing shall not be required for individuals already working in a CHEVRON facility at the time this Contract provision becomes effective. CONTRACTOR shall not assign any individual to perform any services under this Contract who tests positive or refuses, delays, or fails to have a requested test (i.e. non-negative) for controlled substance or alcohol within six (6) months prior to such assignment without CHEVRON's consent in writing. CHEVRON shall have the right to withhold such consent in its sole discretion.
4. **Search.** CONTRACTOR shall have the right to perform reasonable unannounced searches of its employees, including personal vehicles and personal effects, while on CHEVRON property. Prior to conducting a search and/or test of its or subcontractors' employees on CHEVRON premises, CONTRACTOR shall notify the local CHEVRON facility manager.
5. **Testing Requests.** CHEVRON shall have the right to request that CONTRACTOR perform or have performed a controlled substance test and/or alcohol test on any of CONTRACTOR's or its subcontractors' employees while on CHEVRON premises, engaged in CHEVRON business or operating CHEVRON equipment, whereupon CONTRACTOR shall immediately suspend services of such individual under the Contract and remove such individual from CHEVRON premises. Such individual shall not be returned to perform services under the Contract until the CONTRACTOR has requested reinstatement and received CHEVRON'S consent to reinstate such individual. Such request for reinstatement shall be in writing signed by CONTRACTOR's authorized representative and shall include if applicable; Contractor employees governed by DOT testing must comply with U. S. Department of Transportation (DOT) Procedures for Transportation Workplace Drug and Alcohol Testing Programs, 49 CFR Part 40.
 - (a) Certification by CONTRACTOR that the individual tested negative on the requested test for controlled substances and/or alcohol and the date and time that the specimen was collected,
 - (b) If such individual was not tested for controlled substances or alcohol, an explanation of the reasons,
 - (c) Certification by CONTRACTOR that the individual is participating in or has completed a rehabilitation program for substance abuse, and
 - (d) Any additional information CONTRACTOR wishes CHEVRON to consider.

CHEVRON shall reimburse CONTRACTOR for direct, actual out-of-pocket expenses for such tests requested by CHEVRON to be performed on specific employees, however, CHEVRON shall not reimburse CONTRACTOR for lost time for an individual who tests positive or refuses, delays or fails to have a requested test or for time spent in rehabilitation programs and the like. All such expenses shall be evidenced by documentation satisfactory to CHEVRON.

CHEVRON shall have the sole discretion to determine whether the individual will be reinstated to perform services under the Contract.

6. **For-Cause Testing.** CONTRACTOR shall have the right to perform controlled substance and alcohol tests based on a reasonable belief by CONTRACTOR or CHEVRON that an individual is using alcohol or drugs on the basis of specific physical, behavioral, or performance indicators. CONTRACTOR shall have the obligation to remove any employee from performing work if the individual exhibits unusual job behavior or unacceptable job

performance and it is believed by CONTRACTOR or CHEVRON that he/she may be using controlled substances or presently under the influence of alcohol. The individual must be tested immediately for drugs and alcohol.

7. **Random Testing.** Where legally permissible, CONTRACTOR and its subcontractors shall conduct unannounced random testing for controlled substances (and alcohol) of employees in safety-sensitive positions or governed by DOT testing. Such testing shall be performed pursuant to a random selection method with a minimum annual testing rate of fifty percent, reasonably spread throughout the year, of employees working under the Contract in safety-sensitive or DOT positions. Employees testing non-negative shall be subject to the provisions of Clauses 5 and 11.

Universal Random Testing. Where legally permissible, CONTRACTOR and its subcontractors shall conduct unannounced random testing for controlled substances (and alcohol) of all employees performing services under the Contract, except those covered under the preceding paragraph. Such testing shall be performed pursuant to a random selection method with a minimum annual testing rate of fifty percent, reasonably spread throughout the year, of the total population of all employees working under the Contract, except those covered under the preceding paragraph. Employees testing non-negative shall be subject to the provisions of Clauses 5 and 11.

8. **Post-Accident Testing.** CONTRACTOR shall conduct an immediate preliminary evaluation into the circumstances of all accidents, injuries, and mishaps. This evaluation shall include a review of the conduct and behavior of appropriate individuals following any incident or near miss involving such individuals to determine whether those incidents could have been caused or contributed to by drug or alcohol abuse by such individuals. Whether an injury or illness occurs as a result of the incident is not the controlling factor. When that evaluation reveals reasonable cause, alcohol and/or drug test(s) shall be requested by CONTRACTOR.

Post-accident testing should be considered for the following circumstances when the preliminary evaluation indicates appropriate procedures, precautions, work set-up, or judgment were not employed.

- (a) Serious incident causing injury to self and/or other person.
 - (b) Motor vehicle accident, whether or not there was significant damage to personal or private property.
 - (c) Significant release, which fouls the environment (air, land, or water).
 - (d) Any serious near-miss incident that could have caused injury to persons or the environment.
9. **Controlled Substance Tests.** As a minimum, the controlled substance DOT tests conducted under the CONTRACTOR'S policies shall be capable of detecting the following classes of drugs: marijuana, cocaine, opiates, amphetamines, and phencyclidine; non-DOT tests should be capable of detecting the foregoing classes of drugs and barbiturates and benzodiazepines. The CONTRACTOR shall use as guidelines the latest version of the U. S. Department of Transportation (DOT) Procedures for Transportation Workplace Drug and Alcohol Programs, 49 CFR Part 40. These guidelines cover specimen collection procedures, chain-of-custody procedures, laboratory qualifications, testing methods. All positive tests shall be confirmed by a second test using gas chromatography/mass spectrometry (GC/MS). CONTRACTOR shall use only laboratories certified by the U. S. Department of Health and Human Services (DHHS), Substance Abuse and Mental Health Association (SAMSHA) formerly the National Institute of Drug Abuse (NIDA).

CONTRACTOR may utilize on-site testing techniques as a preliminary indication of possible drug use, provided that individuals testing non-negative on site shall have the option of providing a urine specimen for testing as provided above. A non-negative result on an on-site test shall be treated as a non-negative test result unless subsequent confirmation testing is negative for controlled substances.

10. **Alcohol Testing.** Where legally permissible, CONTRACTOR and its subcontractors shall establish their right to perform, and develop their capability for performing, breath alcohol testing of their employees whenever requested by CHEVRON pursuant to Clause 5. The cut-off level for a positive alcohol test shall be a blood alcohol concentration of no more than 0.04 percent (%BAC). Contractor employees testing positive or failing to participate in a requested test will be subject to the provisions of Clauses 5 and 11. Contractor's employees governed by DOT testing who test .02 to .039 %BAC shall be removed and will not be allowed to return until the start of the next shift or twenty-four (24) hours, whichever is later.
11. **Prohibited Workers.** CONTRACTOR shall not assign any individual who has tested non-negative to perform services under any contract with CHEVRON until CONTRACTOR has first notified the Facility contract office that the employee who had been previously disqualified from performing services for CHEVRON has participated in

or completed a substance abuse rehabilitation program. CHEVRON shall have the right to exclude such individual from performing services under any such contract in its sole discretion.

12. **Training.** CONTRACTORS' employees shall receive communication and training on at least the following topics:

- (a) CHEVRON'S and CONTRACTORS drug and alcohol policies.
- (b) The effects and consequences of controlled substance use on personal health, safety, and work environment.
- (c) The details of CONTRACTOR'S employee assistance program, if any, and available treatment resources.
- (d) The consequences to CONTRACTORS' employees for failing to comply with CONTRACTOR'S and CHEVRON'S policies.

In addition, CONTRACTOR's supervisors shall receive annual training on the manifestations and behavioral causes that may indicate controlled substance use or abuse. CONTRACTOR shall develop and conduct its own training programs for all of its supervisors and employees.

13. **Employee Assistance.** CHEVRON encourages CONTRACTOR to make Employee Assistance Programs (EAP) and rehabilitation for chemical dependency available to its employees.

14. **Records.** CONTRACTOR shall keep books and records of all of its activities in compliance with the terms of this Exhibit and shall maintain such books and records for a period of at least twenty-four (24) months after termination of this Contract. CHEVRON or its representatives shall have the right to audit such books and records in the same manner provided for other books and records under the *Records and Audits* provisions of this Contract; provided however, that CHEVRON or its representative shall not have access to individual controlled substance or alcohol test results where such access is prohibited by applicable law.

15. **Reports.** Ninety (90) days after execution of this Contract and on that date every year thereafter, CONTRACTOR shall provide CHEVRON with a written report of its activities under this Exhibit. Such report shall include:

DOT:

1. Drug and Alcohol Plans
2. Drug and Alcohol Testing Statistics
3. List of covered employees (include name, social security number, job titles, and date of negative pre-employment access drug test)
4. List of Supervisors and employees that have received drug and alcohol training and education. (please provide the names, job titles, and date of drug training and of alcohol training)
5. Copy of Chain-of-Custody Form
6. List of employees hired after August 1, 2001 with the date of the completion of their two year previous employer drug testing history verification

Non-DOT

1. Drug and Alcohol Plans
2. Drug and Alcohol Testing Statistics
3. List of covered employees (include name, social security number, job titles, and date of negative pre-employment access drug test)
4. List of Supervisors and employees that have received drug and alcohol training and education. (please provide the names, job titles, and date of drug training and of alcohol training)
5. Copy of Chain-of-Custody Form

16. **Remedies.** If CONTRACTOR or its subcontractors fail to comply with the provisions of the Exhibit, CHEVRON shall have the right to terminate this Contract for material breach in addition to any other remedies that may be available by law.

Appendix A Notice To Contractor Employees

The Policy of CHEVRON (Chevron Ltd. and its affiliated companies) regarding illegal drugs and controlled substances, alcoholic beverages, and firearms is:

1. The use, possession, distribution, purchase, or sale of any illegal drugs or other controlled substances by any person while on CHEVRON premises, engaged in CHEVRON business, or while operating CHEVRON equipment is prohibited.
2. The use of any illegal drug or other controlled substance or alcohol which causes or contributes to unacceptable job performance or unusual job behavior is prohibited. Being under the influence of alcohol while on CHEVRON premises, engaged in CHEVRON business, or while operating CHEVRON equipment is prohibited.
3. The use, possession, transportation, or sale of explosives, unauthorized flammable materials, firearms, or other weapons by CONTRACTOR, its subcontractors or their employees while on CHEVRON premises, engaged in CHEVRON business, or while operating CHEVRON equipment is prohibited.
4. The unauthorized use, possession, transportation, or sale of alcoholic beverages by CONTRACTOR, its subcontractors or their employees while on CHEVRON premises, or while operating CHEVRON equipment is prohibited.

CONTRACTOR's and subcontractors' employees shall abide by this Policy. Any person breaching this Policy shall be removed from CHEVRON premises and may be denied future access to premises of CHEVRON and its affiliated companies. In addition, CHEVRON may suspend work or terminate a contract as a result of breach of this Policy. In appropriate cases, local law enforcement agencies may be advised of breaches. In support of this Policy, CHEVRON may conduct or require searches and require tests as set forth in the following:

Search Unless prohibited by applicable law, without prior announcement, and at any time, CHEVRON may carry out reasonable searches of individuals and their personal effects when entering CHEVRON premises, while on CHEVRON premises, and when leaving CHEVRON premises, and CHEVRON may require CONTRACTOR to search its employees or subcontractor's employees before entering CHEVRON premises, engaging in CHEVRON business or operating CHEVRON equipment. Entry onto CHEVRON premises constitutes consent to a search of the person and his/her personal effects, including, without limitation, packages, briefcases, purses, lunch boxes and vehicle, or any office, locker, closet or desk. An individual may elect to decline to cooperate; however, refusal to cooperate shall be cause for not allowing that individual on premises of CHEVRON or its affiliates.

Testing Unless prohibited by applicable law, CHEVRON may request CONTRACTOR to conduct a controlled substance and/or alcohol test(s) on any of its employees or subcontractors' employees while on CHEVRON premises, engaged in CHEVRON business, or operating CHEVRON equipment. In addition, CHEVRON may request CONTRACTOR to conduct a controlled substance and/or alcohol test(s) on any of its employees or subcontractors' employees before entering CHEVRON premises, engaging in CHEVRON business, or operating CHEVRON equipment. Prior written consent shall be obtained from any person who is to be tested. A positive test on a CONTRACTOR or subcontractor employee or failure to give written consent for a test shall be cause for removal from CHEVRON premises and shall result in the CONTRACTOR or subcontractor employee being restricted or disqualified from performing services for CHEVRON.

Definitions As used herein, "controlled substance" specifically includes opiates, including heroin; hallucinogens, including marijuana, mescaline, and peyote; cocaine; PCP; and prescription drugs, including amphetamines, benzodiazepines and barbiturates, which are not obtained and used under a prescription lawfully issued to the person possessing them or which are not authorized by the COMPANY Medical Staff; and any other substance included in the Federal Controlled Substances Act or its regulations or unlawful under applicable law.

As used herein, controlled substance or alcohol "test" means any collection and analysis using urine, breath, or other samples to determine the presence of controlled substances or alcohol in the body.

As used herein, "CHEVRON premises" is used in the broadest sense, and includes, but is not limited to, all land, property, buildings, structures, installations, CHEVRON operated service stations (but not CHEVRON owned stations operated by independent dealers), vehicles, equipment, aircraft, and water craft owned, leased, or in any other manner being used by CHEVRON for any purpose. As used herein, "under the influence of alcohol" is defined as having a blood alcohol concentration (%BAC) of 0.04% or above. Contractor employees governed by DOT testing who test .02 to .039 %BAC shall be removed and will not be allowed to return until the start of the next shift or twenty-four (24) hours whichever is later.

