DRUG, ALCOHOL AND SEARCH POLICY For

For Downstream Contractors, Suppliers and Other Third Parties

Pursuant to its applicable contract" or "agreement" (hereafter referred to as the "Agreement") with the Chevron entity or Affiliate of Chevron as identified in the Agreement (e.g., Chevron Products Company, a division of Chevron U.S.A. Inc. and hereafter referred to as "Chevron"), CONTRACTOR, Supplier or other third party, as applicable (collectively referred to as "Contractor"), and its subcontractors have agreed to, and shall, comply with this Drug, Alcohol, and Search Policy as set forth below with respect to work, equipment, materials, parts, Services or Products provided to Chevron or any of its Affiliates, unless prohibited by applicable laws.

1. General. Throughout this DRUG, ALCOHOL AND SEARCH POLICY (the "Policy"), Contractor shall mean and include any third party that has agreed to perform work or provide Services, materials, parts or Products (throughout this Policy, any reference to any of these activities includes all of these activities whether specifically identified or not), either directly or indirectly, to or for Chevron. Contractor shall also include, but is not limited to, Contractor's employees and other personnel, the employees and personnel of any of Contractor's subcontractors (subcontractors include any suppliers and other third parties) who have been retained by Contractor to perform work or services for Chevron on Chevron's property or Area of Operations or perform work or services that may have a health, environmental or safety risk to Chevron. Contractor shall require its employees and other personnel (e.g., subcontractors) to comply with the requirements set forth in this Policy. Contractor (or any subcontractor) shall also have its own written controlled substance and alcohol policies, implementation programs, and training that its employees and personnel are required to meet and such a policy, at a minimum, shall require compliance with the same requirements, restrictions and conditions contained in this Policy.

Note: The requirements, obligations and duties contained in this Policy apply to all Chevron locations (including Chevron's U.S. locations). Any "Drug, Alcohol and Search Policy (or similar document at a particular Chevron location) shall govern any conflict between this Policy and such similar document at the specific Chevron location.

When required by law, Contractor shall comply with U.S. Department of Transportation (DOT) or equivalent State procedures for transportation workplace drug and alcohol testing programs, 49 CFR Part 40, et seq., and applicable DOT or equivalent State rules and regulations (or their equivalent), while performing work or services for Chevron and while on Chevron property or in the Area of Operations, as applicable. Nothing in this Annex shall be construed to require Contractor to violate any Federal, State or local laws, ordinances or regulations.

Contractor employees and personnel are specifically prohibited from engaging in the following activities while on Chevron premises, engaged in Chevron business, or while operating Chevron equipment (or equipment for Chevron's benefit):

- (i) using, possessing, distributing, purchasing, or selling any alcohol or illegal drugs (including, without limitation, possession of alcohol in parked cars in Chevron parking lots);
- (ii) being under the influence of alcohol or any illegal drug;
- (iii) using or possessing (in violation of a lawful prescription), distributing, purchasing or selling prescription drugs;
- (iv) with respect to jobs or functions that involve safety-sensitive functions, using over-the-counter or prescription drugs that include warnings about driving, operation of machinery, or

any other potentially dangerous operations, if a physician has not made a determination that the use of the substance is consistent with the safe performance of the individual's duties; the substance is not used at the dosage prescribed or authorized; or in the case of DOT regulated work, the substance is prohibited by applicable DOT drug and alcohol regulations; and

(v) using, possessing, transporting, or selling explosives, unauthorized flammable materials, firearms or other weapons.

In the event that it is determined that any employee or personnel of Contractor (or its subcontractors) have violated any of the above prohibitions, Contractor (or its subcontractor) shall remove that individual from Chevron's premises and may prevent or be required to prevent that individual from doing any further work for Chevron. Moreover, notwithstanding any of the above, if Chevron, in its sole discretion determines that use or possession of any alcohol, prescription medication, over-the-counter drug or illegal drug is causing or contributing to unacceptable job performance or unusual job behavior or may jeopardize the safety of the individual, others or the facility, Chevron may direct that individual to leave Chevron's premises or have that individual removed from Chevron's premises (and/or prevent that individual from coming onto Chevron's premises).

- 2. **Definitions**. If a term is capitalized but not defined in this Annex, then that term shall have the same meaning as that term is defined in the body of the Agreement. If the capitalized term is not defined in the body of the Agreement, then the capitalized term in this Policy shall have the same meaning as defined in another Annex or Exhibit that is part of the Agreement and is most closely related to this Annex (e.g., the Annex entitled Independent Contractor Health, Environmental and Safety Guidelines).
- 3. Notice. Contractor shall provide a copy of the NOTICE TO CONTRACTOR EMPLOYEES AND PERSONNEL (e.g., subcontractors) that is attached hereto as Appendix A to this Policy to all of its employees and personnel, including the personnel of its subcontractors (or require its subcontractor to provide a copy of this Policy to its personnel) prior to assigning them to work or perform Services for, or provide parts, materials or Products to, Chevron, and in addition, Contractor shall inform and advise its employees and other personnel that they shall comply with the requirements, obligations and procedures contained in this Policy, including complying with Chevron's and Contractor's right to search.
- 4. **Search.** Chevron and Contractor shall have the right to perform reasonable, unannounced searches of Contractor's personnel at any time while on Chevron's property and the scope of such searches shall include the person, personal and business vehicles and personal and business effects that are on or about to enter Chevron's property or Area of Operations. Contractor and Chevron shall notify each other either prior to or as soon as reasonably practical that such a search has been or will be conducted of an individual[s] retained or employed by Contractor.

5. Testing.

A. Pre-Work Testing – Safety Sensitive Positions. Contractor shall require a negative prework controlled substance test prior to hiring or retaining any individual to be assigned to work in a position in which the individual 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 the new Agreement becomes effective; provided, however, that: (i) the individual has already been tested and the test results were negative within one year of the Effective Date of the new Agreement between Chevron and Contractor; and (ii) Chevron in its sole discretion is satisfied with the information provided

by Contractor or relating to that individual is accurate and meets the requirements of this Policy with respect to the individual's test and the test results being negative. In the event that the individual already working on Chevron's premises or in the Area of Operations was not tested, the information about the individual's testing was not satisfactory, or the individual was not tested in the previous year prior to the Effective Date of the Agreement, then Contractor shall have the individual tested for controlled substances as soon as practical, but not later than thirty (30) days after the Effective Date of the Agreement, to confirm that the individual is in compliance with this Policy. Any one who tests positive (i.e., non-negative) for controlled substance or alcohol shall immediately be removed from Chevron's premises and will not be reinstated by Contractor except pursuant to the Reinstatement Procedure stated below. Unless Contractor has received prior written consent from an authorized representative of Chevron, Contractor shall not assign any individual to perform any work or services for Chevron (including providing parts, materials or Products to Chevron): (i) who tests positive or refuses, delays, or fails to have a requested test (i.e., non-negative) for controlled substances or alcohol; or (ii) who has tested positive or refused, delayed, or failed to have a requested test (i.e. non-negative) for controlled substances or alcohol within three (3) months prior to that individual being assigned or proposed to perform work or services for Chevron. Chevron shall have the right to withhold such consent in its sole discretion. Contractor shall advise Chevron that all individuals working in a safety sensitive position have tested negative within three (3) months of the Effective Date of the Agreement, or in the event that someone is hired or retained after the Agreement is in effect, Contractor shall advise Chevron of the test results within thirty (30) days of receiving the test results of the applicable individual.

B. For Cause and Random Testing for Controlled Substances or Alcohol.

- (i) General Right to Test While on Chevron's Premises. Chevron shall have the right at any time to, or instruct its Contractor to, perform reasonable, unannounced controlled substance test(s) and/or alcohol test(s) on any of Contractor's or its subcontractors' employees or personnel while such individuals are on Chevron's premises and/or engaged in Chevron business or operating Chevron owned or controlled equipment.
- (ii) For-Cause Testing -- Individuals Subject to Testing. Chevron and Contractor shall have the right to perform controlled substance and alcohol tests, and shall perform such tests, whenever Contractor or Chevron (or upon request by Chevron to Contractor) has a reasonable belief 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 is presently under the influence of alcohol. The individual must be tested by Contractor immediately for drugs and alcohol.

In the event an individual is subject to testing, Contractor shall immediately suspend the individual(s) performing work or services for Chevron and remove the individual(s) from Chevron's premises. The individual(s) shall not be returned to perform work or services for Chevron: (i) unless the controlled substance test and/or alcohol test was negative, Contractor has advised Chevron of the test results (and the circumstances as how and when the test was conducted), and Chevron does not object to the results of the test(s) or the reinstatement of the individual; or (ii) in the event of a positive test result, Contractor has advised Chevron of the test results and requested reinstatement (pursuant to the procedure below) and received Chevron's written consent to reinstate the individual.

Contractor shall treat any individual that refuses or fails to submit to a controlled substance or alcohol test (whether the test was being conducted for cause, it is random or it is a prerequisite to work for Chevron) under this Policy as if that individual submitted to a test and the test results were positive.

- (iii) Random Testing. Where legally permissible, upon request of Chevron, Contractor and its subcontractors shall conduct unannounced random testing for controlled substances (and alcohol) of employees in safety-sensitive positions or situations governed by DOT testing (or all employees performing services under the Contract). 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 applicable Agreement in safety-sensitive or DOT positions (or of the total population of all employees working under the Contract). Contractor personnel testing non-negative (or positive) or refusing to test shall be subject to at a minimum any action that may be taken by Chevron under this Policy.
- (iv) Universal Random Testing. Notwithstanding anything required in Section 5(B)(iii) above, Contractor and its subcontractors shall conduct unannounced random testing for controlled substances and alcohol of all employees performing Services and/or supplying Product under the Agreement unless it is legally permissible for Chevron to waive this requirement and Chevron does indeed waive this requirement. Any such waiver should be in writing and signed by an authorized representative of Chevron. Universal random testing shall be performed pursuant to a random selection method with a minimum annual testing rate of fifty percent (50%) of the total population of personnel performing Services and/or supplying Product for Chevron under the Agreement and such testing shall be reasonably spread-out throughout the year. This section shall not apply to Contractor's personnel covered under Section 5(B)(iii) -- Random Testing. Contractor personnel testing non-negative (or positive) or refusing to test will be subject to at a minimum any action that may be taken by Chevron under this Policy.
- (v) Small Contractors and Non-Safety Sensitive Positions. In the event that Chevron determines that Contractor is performing work or providing services that Chevron deems non-safety sensitive or Contractor's business is too small to implement Random or Universal Random Testing, Contractor shall not be obligated to engage in such activities. However, any such exception shall have to be approved in writing by an authorized representative of Chevron. Notwithstanding the foregoing, even if Contractor is not obligated to comply with any Random or Universal Random Testing, Contractor's personnel shall still be subject to all other provisions of this Policy, including the obligation to undertake a controlled substance or alcohol test upon the request of Chevron.

(vi) Post-Accident Investigation and Testing.

(1) Contractor shall conduct an immediate preliminary investigation and evaluation into the circumstances of all accidents (e.g., automobile accidents, incidents causing damage to property, any environmental release, etc.), injuries (i.e., serious or minor injuries) and mishaps (including near misses that could have caused injury to a person, property or the environment) involving Contractor's personnel or arising out of Contractor's performance of its Agreement or its work on Chevron's premises. The investigation should include inquiries as to whether the appropriate procedures, precautions, work set-up or judgment were employed and a review of the conduct and behavior of relevant individuals involved in the incident or near miss to determine whether the

- incident could have been caused by or resulted from drug or alcohol abuse by any individual.
- (2) Contractor shall require an alcohol and/or drug test(s) of an individual when facts are discovered that indicate reasonable cause or suspicion that alcohol or controlled substances may have been involved in the incident.
- (vii) Reinstatement Procedure. Chevron has no duty or obligation to allow (or even entertain a request for) any individual to return to work for Chevron if that individual tested positive for drugs or alcohol and it is within Chevron's sole discretion as to whether to allow an individual to return to work for Chevron. In the event that Contractor requests that the individual be reinstated or returned to work on Chevron's premises (or on any Chevron project) and Chevron agrees to entertain such a request, the request for reinstatement shall certify the following in a writing signed by Contractor's authorized representative:
 - (a) if applicable; CONTRACTOR is (and the individual at issue) is in compliance with U. S. Department of Transportation (DOT) Procedures for Transportation Workplace Drug and Alcohol Testing Programs, 49 CFR Part 40;
 - (b) the individual was tested for alcohol and/or controlled substances (the "return to duty test(s)"), as applicable, after the individual was relieved from performing work for Chevron but prior to any reinstatement (i.e., the date and time that the specimen was collected/test conducted):
 - (c) the individual's results of the "return to duty" test(s) was (were) negative;
 - (d) if applicable or requested by Chevron, the individual shall also be evaluated by a Substance Abuse Professional (SAP); complete the SAP recommended rehabilitation program for substance abuse and/or alcohol abuse; take any additional drug and/or alcohol "return to duty test(s)" requested by Chevron or SAP and the results of such a "return to duty" test(s) must be negative; and be subject to a more stringent alcohol/drug testing program, e.g., a series of follow-up drug/alcohol tests as recommended by the SAP and/or requested/required by Chevron such as a weekly "follow up" testing for the duration of working on Chevron premises; and
 - (e) any additional information Contractor wishes Chevron to consider.

Contractor shall pay for all costs of any alcohol and/or substance abuse testing of the individual seeking reinstatement. Under no circumstances whatsoever shall Chevron reimburse Contractor for lost time for an individual who has been removed from, or prevented from entering or working on, Chevron's premises for the suspicion of being under the influence of drugs or alcohol or tests positive or refuses, delays or fails to have a requested test or for time spent in rehabilitation programs and the like.

Again, at all times, Chevron shall have the sole discretion to determine whether the individual, who has tested positive or refused (or failed to submit to) testing, will be reinstated to perform work or services for Chevron.

6. **Controlled Substance Tests.** As a minimum, the controlled substance tests conducted under this Policy by Chevron or Contractor shall be capable of detecting the following classes of drugs: marijuana, mescaline, peyote, cocaine, opiates, amphetamines, phencyclidine, barbiturates and benzodiazepines. Contractor shall use and follow the guidelines of the latest version of the U. S. Department of Transportation (DOT) Procedures for Transportation Workplace Drug and Alcohol Programs, 49 CFR Part 40, et. seq., in conducting any test. These guidelines cover specimen collection procedures, chain-of-custody procedures, laboratory qualifications and 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 Substance Abuse and Mental Health Association (SAMSHA) of the U. S. Department of Health and Human Services (DHHS) (formerly the National Institute of Drug Abuse (NIDA)).

Contractor may utilize on-site testing techniques as a preliminary indication of possible drug use for Non-DOT tests only, provided that the non-negative specimen is sent to a certified laboratory as provided above for confirmation. 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. The individual who submitted the non-negative result shall be removed from work/the premises pending the confirmation result from the certified laboratory.

7. **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 in accordance with this Policy. Contractor personnel testing positive or failing to participate in a requested test (will then be treated as if they tested positive) will be subject to at a minimum any action that may be taken by Chevron under this Policy.

Contractor (and subcontractor) employees and personnel who are governed by DOT and test as .02 to .039% BrAC shall be considered "under the influence of alcohol" and removed from work, and at a minimum, will not be allowed to return to work until the start of the next shift or twenty-four (24) hours, whichever is later. . If any Contractor personnel (DOT or non-DOT) has a subsequent alcohol test result between .02 to .039% BrAC or higher, this shall be deemed a positive test and such individual shall be removed from Chevron premises. Moreover, any Contractor personnel (whether governed by DOT or is considered non-DOT personnel) who has a blood alcohol concentration level of 0.04% (BrAC) or higher is considered to be "under the influence of alcohol" (i.e., have tested positive) and shall be removed from Chevron's premises.

- 8. **Prohibited Workers.** Contractor shall not assign any individual who has tested non-negative to perform work or services for Chevron until Contractor has first notified the applicable Chevron facility contract office or applicable Chevron personnel that the individual(s) who had been previously disqualified from performing work or services for Chevron has completed a substance abuse rehabilitation program and/or followed the Reinstatement Procedure stated in Section 5 (e.g., a program recommended by a SAP; completed negative return-to-duty test(s) as required, and/or is subject to a more stringent weekly "follow up" tests while working on Chevron premises as recommended by the SAP and/or requested/required by Chevron). Chevron shall have the right to remove or exclude (or demand that Contractor remove or exclude) any individual who has tested non-negative from performing work or services for Chevron under any agreement or circumstance in its sole discretion.
- 9. Training. CONTRACTOR shall provide training and information to its employees and other personnel who will perform work and services for Chevron prior to performing such work or services on at least this Policy and Contractor's own drug, alcohol, controlled substances and search policies. Contractor's training and/or the information provided by Contractor should include, but is not limited to:

- (i) a discussion on how the use of drugs, alcohol and controlled substances effect and impact personal health, safety, and the work environment:
- (ii) the details of Contractor's employee assistance program, if any, and available treatment resources such as rehabilitation for chemical dependency;
- (iii) the consequences to anyone failing to comply with this Policy and/or a similar policy of Contractor; and
- (iv) the physical, behavioral and performance indicators and manifestations that may indicate that someone is under the influence of a drug, alcohol or controlled substance.

With respect to point (iv), Contractor shall provide training to its supervisors and supervisors of any third party (e.g., subcontractors) that it has retained to perform work or services for Chevron within thirty (30) days of the Effective Date of the Agreement) and reasonable follow-up training during the term of the Agreement (but no less than once every two years) to make certain that each supervisor can and will comply with this Policy.

10. Records and Right to Audit.

- 10.1 Records. Contractor shall maintain records of how it is complying with this Policy, including identifying the employees and other personnel who have received training and information about this Policy. Contractor shall maintain such records for a period of at least twenty-four (24) months after the termination of its applicable Agreement with Chevron that required the compliance and implementation of this Policy.
- **10.2 Right to Audit.** In addition to any right that Chevron may have to audit in the applicable Agreement with Contractor, Chevron or its representatives shall have the right to audit Contractor's records upon reasonable notice; provided however, that Chevron or its representative shall not have access to individual controlled substance or alcohol test results without the individual's written consent or where such access is prohibited by applicable law.
- 11. **Reports.** As a part of an initial review and on or before January 31st of each calendar year thereafter, Contractor shall provide Chevron with a written report of its activities under this Annex and make a representation and warranty that it is in compliance with this Policy. Contractor's report shall include:
 - ---- DOT information such as:
 - 1. Drug and Alcohol Plans;
 - 2. Drug and Alcohol Testing Statistics:
 - 3. a list of covered employees (including the name, job titles, and date of negative preemployment or any access drug test and/or the most recent negative random drug test, and the date of completion of the previous employer drug testing history verification);
 - 4. a list of supervisors and employees that have received drug and alcohol training and education (e.g., names, job titles, and the date that each individual participated in the drug training and /or of alcohol training); and
 - 5. a sample of a blank or unused Custody and Control Form that will be used for the analysis on the individual(s) (this form should contain the Contractor's name, address and telephone number and the MRO name, address and telephone number).

---- Non-DOT information such as:

- 1. Drug and Alcohol Plans;
- 2. Drug and Alcohol Testing Statistics;
- 3. a list of covered employees (including the name, job titles, and date of negative preemployment access drug test and/or the most recent negative random drug test);
- 4. a list of supervisors and employees that have received drug and alcohol training and education (e.g., names, job titles, and the date that each individual participated in the drug training and/or of alcohol training); and
- 5. a sample of a blank or unused Custody and Control Form that will be used for the analysis on the individual(s) (this form should contain the Contractor's name, address and telephone number and the MRO name, address and telephone number).
- 12. Consequences, Actions and Remedies. If Contractor or its subcontractors fail to comply with the provisions of this Annex, Chevron shall have the right to suspend (work or performance) or terminate the Agreement with Contractor for material breach in addition to any other remedies that Chevron may have available by law.

APPENDIX A

CHEVRON DRUG, ALCOHOL, AND SEARCH POLICY NOTICE TO CONTRACTOR EMPLOYEES and PERSONNEL (e.g., SUBCONTRACTORS)

CHEVRON and all of its affiliated companies (collectively, "Chevron") have and maintain a DRUG, ALCOHOL AND SEARCH POLICY (the "Policy") that oversees and governs the conduct of its Contractors, Suppliers and other third parties (collectively, "Contractors"), including the Contractor's employees and other personnel (e.g., subcontractors). Chevron requires its Contractors to notify its employees and other personnel (subcontractors) of, and implement and enforce, this Policy.

Below is a summary of the Policy. If you want additional details or want to review the entire Policy, please make a request to your supervisor/manager who can ask Chevron for a copy of the entire Policy.

All Contractor employees and personnel (e.g., its subcontractors) shall comply with this Policy.

- I. PROHIBITED ACTIVITIES WITH RESPECT TO DRUGS, ALCOHOL AND FIREARMS. Chevron has comprehensive policies that prohibit alcohol and illegal drugs at jobsites. Chevron also has comprehensive policies addressing the use of over-the-counter and prescription drugs in jobs that involve safety-sensitive functions. Among other things, Contractor employees and personnel are specifically prohibited from engaging in the following activities while on Chevron premises, engaged in Chevron business, or while operating Chevron equipment (or equipment for Chevron's benefit):
 - 1. using, possessing, distributing, purchasing, or selling any alcohol or illegal drugs (including, without limitation, possession of alcohol in parked cars in Chevron parking lots);
 - 2. being under the influence of alcohol or any illegal drug;
 - 3. using or possessing (in violation of a lawful prescription), distributing, purchasing or selling prescription drugs;
 - 4. with respect to jobs or functions that involve safety-sensitive functions, using over-the-counter or prescription drugs that include warnings about driving, operation of machinery, or any other potentially dangerous operations, if a physician has not made a determination that the use of the substance is consistent with the safe performance of the individual's duties; the substance is not used at the dosage prescribed or authorized; or in the case of DOT regulated work, the substance is prohibited by applicable DOT drug and alcohol regulations; and
 - 5. using, possessing, transporting, or selling explosives, unauthorized flammable materials, firearms or other weapons.

In the event that it is determined that any employee or personnel of Contractor (or its subcontractors) have violated any of the above prohibitions, that individual shall be removed from Chevron's premises and may be prevented from doing any further work for Chevron. Moreover, notwithstanding any of the above, if Chevron, in its sole discretion determines that use or

possession of any alcohol, prescription medication, over-the-counter drug or illegal drug is causing or contributes to unacceptable job performance or unusual job behavior or may jeopardize the safety of the individual, others or the facility, Chevron may remove that individual from Chevron's premises (and/or prevent that individual from coming onto Chevron's premises).

II. CONSEQUENCES FOR VIOLATIONS OF THIS POLICY.

Any person violating this Policy shall be removed from Chevron premises and may be denied future access to any premises of Chevron and its affiliated companies in Chevron's sole discretion. In addition, Chevron may suspend work or terminate a contract with a Contractor as a result of a violation of this Policy. In appropriate cases and in the discretion of Chevron, local law enforcement agencies will be advised of the violation(s).

Any individuals shall be considered "under the influence of alcohol" (i.e., whether the individual is considered DOT or non-DOT personnel) if their blood alcohol concentration (%BrAC) is 0.04% or higher. Such a circumstance shall be considered a positive test and the individual shall be removed from Chevron premises.

For personnel governed by DOT testing, any individual shall be considered "under the influence of alcohol" if they have a blood alcohol" concentration of .02 to .039% BrAC and in such an event, such individuals shall be removed from Chevron's premises and will not be allowed to return until the start of the next shift or twenty-four (24) hours, whichever is later. If any personnel of contractor (DOT or non-DOT personnel) have a subsequent alcohol test in which the results are between .02 to .039% BrAC or higher, this shall be deemed a positive test and the individual shall be removed from Chevron's premises.

Notwithstanding the foregoing, if Chevron and/or Contractor believe that the employee is not fit to return to work or perform services for Chevron in the sole discretion of Chevron and/or Contractor, the employee will not be allowed to return to work on Chevron's premises until Chevron grants reinstatement. Any reinstatement of individual shall be in Chevron's sole discretion.

- III. CHEVRON'S RIGHT TO SEARCH AND CONDUCT CONTROLLED SUBSTANCE AND ALCOHOL TESTING. In support of this Policy, Chevron may conduct or require searches and/or tests as follows:
 - 1. <u>Searches.</u> Unless prohibited by applicable law, Chevron may, or direct its Contractor to, at any time and without prior announcement, carry out reasonable searches of individuals and their personal effects (including an individual's motor vehicle, purses, tool case, brief cases, etc.) upon or when entering Chevron's premises, while on Chevron's premises, and when leaving Chevron's premises. Chevron may require or direct Contractor to search its employees or personnel (e.g., subcontractor's employees) before entering or leaving Chevron's premises, engaging in Chevron's business or operating Chevron's equipment.
 - 2. Consent from the Individual. Entry onto Chevron's premises by any individual constitutes and shall be deemed informed and voluntary consent by that individual to Chevron to allow a search of himself/herself and his/her personal effects, including, without limitation, packages, briefcases, purses, lunch boxes and vehicle(s), or any office, locker, closet or desk. An individual may elect to decline to cooperate and submit to a search; however, refusal to cooperate shall be cause for: (i) not allowing that individual onto the premises of Chevron or any of its affiliates; (ii) immediate removal of that individual from the premises of Chevron or its affiliates; or (iii) being restricted or disqualified from performing work or services for Chevron or its affiliates.

- 3. <u>Testing.</u> Unless prohibited by applicable law, Chevron may conduct or require a Contractor to conduct a controlled substance and/or alcohol test(s) on any of Contractor's employees or personnel, including personnel of its subcontractors, before entering or while on Chevron's premises, engaging in Chevron business or operating Chevron equipment. Prior written consent shall be obtained from any person who is to be tested.
- 4. Positive Test or Failure to Allow Testing. In addition to anything stated above, a positive test on any Contractor employee or other personnel (e.g., a subcontractor employee) or the failure by such individual(s) to give written consent for a test shall be cause for removal from Chevron's premises and shall result in the individual being restricted or disqualified from performing work or services for Chevron.

IV. DEFINITIONS.

As used herein, "controlled substance" specifically includes: (a) opiates (including heroin), hallucinogens (including marijuana, mescaline, and peyote), cocaine and PCP (phencyclidine); (b) prescription drugs, including amphetamines, benzodiazepines and barbiturates, which (i) are not obtained and used under a prescription lawfully issued to the person possessing them; or (ii) are not authorized by the Chevron's medical staff and/or have been prohibited by Chevron in general for use on Chevron's premises or in performing the work or services for Chevron; and (c) any other substance included in the Federal Controlled Substances Act or its regulations that is not permitted and used in compliance with a prescription or is otherwise unlawful under applicable law.

As used herein, a controlled substance or alcohol "test" means any collection and analysis using urine, breath, hair 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, refineries, 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.