

Alcohol and Drug Free Workplace Policy Pagoda Electrical, Inc.

Pagoda Electrical, Inc. values its employees and recognizes their need for a safe and healthy work environment. Furthermore, employees abusing drugs and alcohol are less productive and are often a risk to the safety, security and productivity of our Company. The establishment of a Substance-Abuse Policy is consistent with Pagoda Electricals' desired culture and is in the best interest of the Company.

Policy

It is the policy of Pagoda Electrical, Inc. to maintain a workplace free of the use of 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, Pagoda Electrical, Inc. 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 Bernie Wrobel, President.

Prohibited Conduct

“Illegal Drug” means any drug (1) which is not legally obtainable, or (2) which is legally obtainable but has not been legally obtained, or (3) which is a controlled substance. The term includes prescribed drugs not legally obtained and prescribed drugs not being used for prescribed purposes.

1. Any employee involved in any of the following activities at any time during the hours between the beginning and end of the employee's workday, whether or not on Company business, premises or property, is in violation of Company policy:
 - a) Bringing illegal drugs onto Company premises or property, including Company owned or leased vehicles, or customer's premises.
 - b) Having possession of or being under the influence of illegal drugs or submitting a specimen that results in a positive test result for drugs and/or alcohol; or
 - c) Using, consuming, transforming, distributing or attempting to distribute, manufacture or dispensing illegal drugs.

2. In addition, Pagoda Electrical, Inc. strictly prohibits the abuse of alcohol or prescription drugs. Under the influence of alcohol means reporting for duty or remaining on duty with an alcohol concentration of 0.020 or greater. Employees may not report to work with any illegal drugs or substances in his/her system. The Pagoda Electrical, Inc. Drug and Alcohol Policy will consider any controlled substance test result equal to or in excess of levels outlined by the Federal Motor Carrier Safety Regulations as a positive test.

3. Off-the-job illegal drug use which could adversely affect an employee's job performance, jeopardize the safety of others, the public, or Company equipment, or

adversely impact the Company's reputation, is proper cause for disciplinary action up to and including termination of employment.

4. Employees who are convicted of off-the-job drug or alcohol related activity may be considered to be in violation of this policy. In deciding what action to take, management will take into consideration the nature of the charges, the employee's present job assignment, and the employee's record with the Company and other factors relating to the impact and circumstances of the employee's arrest.

5. Employees are required, as a condition of employment, to submit to a Post-Accident/Incident/Injury, Reasonable Suspicion/Cause, Return-to-Duty, Follow-up alcohol and/or drug test when required. Refusal to test will be considered a positive and may result in suspension and/or termination of employment.

Drug and Alcohol Testing

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

The following circumstances will require drug and alcohol testing in accordance with this policy:

1. Post Accident:

a) An employee involved in a work-related accident resulting in a lost time injury, or injury requiring medical attention to themselves, or another employee will be required to provide a Drug and Alcohol Test. In the event an employee is so seriously injured that he/she cannot provide a specimen at the time of the accident, the employee must provide necessary authorization to the Company to obtain medical records or other documents that may be necessary in an attempt to determine whether controlled substances or alcohol were present in the employee's system at the time of the accident that would indicate that he/she was in violation of the provisions of this policy.

b) **In the case of property or equipment damage caused by an employee in the course of their work, the Company will evaluate circumstances to determine if the incident warrants drug and alcohol testing. Variables such as the extent of damage, job site requirements, employee behavior, and incident details will be considered in this determination.**

c) **An employee who is operating a non-CDL required Company Vehicle and who is involved in a vehicular accident, must follow the Fleet Safety Program protocol for contacting the Police for an incident report. This employee driver may be required to submit to drug and alcohol testing as determined by the law enforcement officer.**

d) Any employee operating a Company Vehicle that requires a CDL Class A or Class B license to operate, whether during business hours or after business hours, who is involved in a vehicular accident that requires any of the following:

- Who was performing safety-sensitive functions with respect to the vehicle, if the accident involved the loss of human life; or
- Who receives a citation within 8 hours of the occurrence under State or local law for a moving traffic violation arising from the accident, if the accident involved:
 - Bodily injury to any person who, as a result of the injury, immediately receives medical treatment away from the scene of the accident; or
 - One or more motor vehicles incurring disabling damage as a result of the accident, requiring the motor vehicle to be transported away from the scene by a tow truck or other motor vehicle.

Type of accident involved	Citation issued to the CMV driver	Test must be performed by employer
Human fatality	Yes	Yes
	No	Yes
Bodily injury with immediate medical treatment away from the scene	Yes	Yes
	No	No
Disabling damage to any motor vehicle requiring tow away	Yes	Yes
	No	No

e) As soon as practicable following an accident involving a company motor vehicle operating on a public road in commerce, each employee shall be tested for alcohol (within 8 hours) and controlled substances (within 32 hours) for each of its surviving drivers.

f) When an employer receives an alcohol test result of 0.04 or higher alcohol concentration, the employer must **immediately** remove the employee involved from any safety-sensitive functions. Do not wait to receive written verification confirming the test results.

g) When the motor carrier receives an employee’s alcohol test result showing an alcohol concentration of 0.02 to 0.039, the employer must **immediately** remove the employee from any safety-sensitive functions until the start of the employee’s next regularly scheduled duty period; but not less than 24 hours following the administration of the test.

h) Refusal to submit to drug and alcohol testing as described in this policy will be considered a positive test and a violation of this policy.

2. Reasonable Suspicion / Cause:

Any affected employee must report to a collection site and provide a specimen if, in the opinion of a Company official (who has received training covering the indications of probable drug and/or alcohol abuse), there is reasonable cause to suspect the use of drugs and/or alcohol. Their observations must be documented.

Reasonable suspicion testing may take place when an employee's error appears, on the basis of a preliminary investigation, to have caused an accident, injury or damage to Company or employee property or vehicle(s). Reasonable suspicion testing may also take place when based on their appearance, speech, body odor or actions, a supervisor reasonably suspects that the employee's ability to work may be impaired by alcohol and/or drugs, or the withdrawal effects of alcohol and/or drugs. Employees will be required to undergo testing when his/her conduct and/or actions cause concern that he/she may be unfit for duty.

An agent of the Company will escort the employee to the collection site and arrangements will be made for them to be transported to his/her home after the specimen is collected. A person who receives reasonable suspicion testing will be placed on unpaid suspension pending the test results. If the test is negative, the employee will be reimbursed for the time of the suspension.

3. Return-to-Duty (or for Self-Identification Program):

An employee who has self identified to the Company or has a positive test, regarding a drug and/or alcohol problem, will be required to submit to a return-to-duty test and achieve a negative result, provide a course of treatment plan and be provided a release from the certified substance abuse professional before he/she can return to work. The Company will pay for return-to-duty testing that is confirmed as a negative result. Any return-to-duty testing that is found to be positive will be grounds for termination of employment.

4. Follow up testing (or for Self Identification Program):

Following a determination that an employee is in need of assistance in resolving problems associated with alcohol misuse and/or use of controlled substances, an employee will be required to submit to unannounced follow-up testing for Drug and/or Alcohol for up to (24) twenty-four months. Negative tests will be paid for by the Company. Positive test results must be paid for by the employee. Any positive test result during the Follow-up testing period will result in immediate termination of employment.

Drug Testing

Drug testing will be performed through urinalysis and will test for the presence of drugs and/or metabolites of the following controlled substances: Marijuana, Cocaine, Opiates, Amphetamines, and Phencyclidine, Methadone, Barbiturates, Benzodiazepines, Propoxyphene and Methaqualone.

All positive screens will be confirmed through GC/MS Testing before any discipline is imposed. A Medical Review Officer (MRO) will review all drug tests performed by the laboratory. The MRO is to determine whether positive test results indicate illegal drug use or whether other medical explanations could account for the result. The MRO will inform the employee of his/her findings.

Alcohol Tests

All alcohol tests conducted under the Policy will be collected by a breath specimen. The employee must take either a breath or blood specimen, as directed by a law enforcement officer following an auto accident.

Positive Tests and Policy Violations:

Any employee who violates the provisions of this policy or engages in prohibited conduct as set forth herein may be subject to:

1. First violation will result in referral to the Company's Employee Assistance Program. Upon referral, an employee is suspended from employment without pay until such time that a Certified Substance Abuse Professional determines that it is safe for the employee to return to the workplace. A negative test result must be collected prior to re-entry into the work environment. Referred employees must complete the duration of counseling as determined by the Substance Abuse Professional. Failure to complete counseling as recommended by a Substance Abuse Professional will result in termination of employment.
2. A second violation of the policy will result in immediate termination of employment.
3. Any employee who refuses to test under this policy may be suspended and/or terminated. A refusal to test is considered a positive test result.
4. Employees who are referred into the Employee Assistance Program for Substance Abuse Counseling are responsible for all costs associated with the treatment that are not covered as a benefit under the Company's Health and Medical Benefits Plan. The initial Substance Abuse evaluation will be paid for by the Company.

Consent

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