Drug Testing Policy of the Larry H. Miller Group of Companies  
Revised 1/1/2015

The Larry H. Miller Group of Companies is aware of the significant social and production costs of drug and alcohol abuse. Concern regarding the detrimental effects of alcohol and drug dependency, particularly to the extent that drug or alcohol dependency can cause increased hazards to employees and others, has led the Larry H. Miller Group of Companies to adopt the following drug and alcohol testing policy. This drug and alcohol testing policy is revised and will take effect January 1, 2015.

All employees are hereby informed that they may be, as a condition of their employment, subject to testing under certain circumstances. Employees are advised:

1. **Purposes for Drug Testing.** The Larry H. Miller Group of Companies may require the collection and testing of samples for the following purposes:
   - Investigation of possible individual employee impairment;
   - Reasonable suspicion that an employee may be affected by the use of drugs or alcohol and that the use may adversely affect the job performance or the work environment.
   - Investigation of accidents in the work place;
   - Maintenance of safety for employees and the general public;
   - Maintenance of productivity, quality of products and services, or security of property or information; and
   - Maintenance of favorable reputation and public good will.

2. **Pre-employment Testing.** Each prospective employee or transferring employee will be tested for drugs prior to the commencement of employment with an entity of the Larry H. Miller Group of Companies. All prospective employees must have a negative drug test in order to be hired by an entity of the Larry H. Miller Group of Companies. No prospective employee is considered an employee pending a negative drug test. An individual who previously tested positive and wishes to apply for a future available position for which s/he is qualified, may be considered eligible for employment following a minimum of six (6) months from positive test date if s/he can then show a certificate of completed treatment for substance abuse from an in-person state approved and licensed substance abuse treatment or counseling program.

The Larry H. Miller Group of Companies reserves the right to conduct additional drug or alcohol testing as a condition of employment up to six months or longer after the employee is hired. If an employee, in this situation, has a subsequent, positive drug test, s/he will be terminated with no possibility of rehire at any entity of the Larry H. Miller Group of Companies.

3. **Random Testing.** Unless restricted by State or Local law, employees are subject to random drug testing. The purpose of random testing is to be a deterrent to all employees for drug abuse. Random testing will be unscheduled providing minimal advanced notice,
and all employees will be subject to testing. The random selection method, as well as the percentage of employees who will be tested will be determined by the Group. The means of random selection will be confidential. Random testing is done on employees who are under no suspicion, but specifically to satisfy the random criteria.

4. **Reasonable Suspicion (For Cause) Testing.** Employees are subject to alcohol and drug testing when reasonable suspicion occurs. Supervisors and managers will be trained to look for behaviors, which may indicate drug or alcohol usage. These behaviors include, but are not limited to: direct observation of drug or alcohol use, drug paraphernalia, abnormal or erratic behavior such as accidents, stealing, or repeated errors on the job, or unsatisfactory time and attendance patterns, any of which are coupled with a specific contemporaneous event that indicates probable drug or alcohol use. An employee may be required to provide a urine sample, as defined below, when such reasonable suspicion arises by an authorized manager(s) and concur that a reasonable suspicion of drug or alcohol use exists. Once the authorized manager(s) has determined that a reasonable suspicion exists, testing is done as soon as possible. Testing for alcohol will be conducted using an evidential breath testing device. Signs of possible alcohol or drug use (not all-inclusive) may include the following:

- Abnormally dilated or constricted pupils; glazed stare, redness of eyes
- Flushed face; redness under nose; constant sniffing
- Sudden weight loss; increased appetite for sweets
- Needle marks; smell of alcohol
- Borrowing money from coworkers or seeking an advance of any or other unusual display of need for money
- Change in personality (e.g., paranoia)
- Forgetfulness, performance faltering, poor concentration
- Constant fatigue or hyperactivity
- Dulled mental processes; slowed reaction rate
- Excessive, unexplained or increased absences
- Changed or slurred speech

5. **Post-Accident Testing.** Employees will be tested for drugs within 32 hours and/or alcohol within 8 hours, following a work-related accident which results in personal injury or property damage.

6. **Discipline for Refusal or Adulteration of Sample.** An employee who fails to submit to required testing will be subject to discipline up to and including termination. Attempts to alter or substitute any specimen provided by the employee will be deemed as a refusal to submit to the required testing. If at any time, a collector detects an adulterant or tampering mechanism, the test will cease and will automatically be considered a refusal to test.

7. **Costs of Testing.** All drug and alcohol testing by the Larry H. Miller Group of Companies will occur during or immediately after the regular work period of current employees and will be deemed work time for purposes of compensation and benefits for
current employees. All costs of testing for drugs and alcohol will be borne by the Larry H. Miller Group of Companies.

8. **Substances to be Tested.** The Larry H. Miller Group of Companies will test prospective and current employees for the following substances: marijuana, cocaine, opiates, phencyclidine, amphetamines/methamphetamines, barbiturates, benzodiazepines, methadone and propoxyphene. The Larry H. Miller Group of Companies reserves the right to test for additional drugs, add or delete drugs based on societal conditions, or to change the cut off levels in Section 10, with reasonable notice to employees at any time at Company discretion.

9. **Collection and Testing.** All sample collection and testing for drugs and alcohol conducted on behalf of the Larry H. Miller Group of Companies will be performed by contracted and licensed businesses specializing in drug and alcohol testing. Only collectors instructed in the proper methods of collection will conduct specimen collections. The collector will utilize proper chain of custody documentation provided by the laboratory; will ensure the donor’s specimen is provided in a location and manner that protects a donor’s privacy; and the specimen is properly identified, sealed, and protected against tampering. Direct observation of a donor providing a urine specimen will only be conducted when there is evidence that a donor has submitted or attempted to submit an adulterated or false specimen. Specimen collection, storage and transportation to the laboratory will be conducted in a manner that precludes specimen contamination or adulteration.

- **“Shy Bladder.”** If an individual is unable to produce a sample that is greater than 30mL, “shy bladder” procedures are initiated. The individual will have up to a maximum of three hours to provide an adequate specimen. The collector will encourage the individual to drink up to 40 oz. of fluids. The collector will maintain accurate time records. The individual may be required to go to the Group’s on-site drug testing facility, accompanied by office management personnel, for the purpose of providing a specimen collection. Should an individual refuse to remain at the collection site until s/he has provided an adequate sample, refuse to be accompanied to the drug testing facility, or until the three hours have elapsed, it will be deemed a “refusal to test.”

- **Dilute Specimen, Temp Out of Range, or Adulterated Sample.** To obtain accurate and reliable test results, the employee or prospective employee must not dilute the urine sample by the ingestion of excess fluids (hereinafter referred to as a “dilute specimen”) before providing a sample. A urine sample will be considered a dilute specimen if, (1) the test results indicate that the urine sample contains creatinine levels less than 20mg/dl and/or a specific gravity of less than 1.003, and (2) there is no medically sufficient explanation for dilute specimen, which explanation must be judged as satisfactory to the designated Medical Review Officer in his/her sole but reasonable discretion.
If the specimen is determined to have a creatinine level of greater than or equal to 2mg/dl but less than or equal to 5mg/dl, a recollection will be done under direct observation. If the specimen is determined to have a creatinine of less than 2mg/dl the specimen will be considered “substituted,” and the prospective employee will not be offered employment with the Larry H. Miller Group of Companies. If an active employee has a “substituted” sample, s/he will be subject to "Disciplinary or Rehabilitative Action" as set forth in Section 11 of this policy.

If the first urine sample provided by a prospective employee or an employee is determined after appropriate testing/collection to be a dilute specimen, temperature out-of-range, or to have been adulterated, the prospective employee or employee will, at the discretion of the Larry H. Miller Group of Companies be required to provide another urine sample (the "second sample") at a time and under conditions and requirements that are within the sole discretion of the company. In addition, when any sample that is deemed by the collector at the time of collection to be a temperature out-of-range, or to have been adulterated, the prospective or current employee will immediately produce a second specimen for testing, which may be subject to direct observation. If a prospective employee refuses to provide a second specimen, s/he will not be offered employment with the Larry H. Miller Group of Companies. If an active employee refuses to provide a second sample, s/he will be subject to "Disciplinary or Rehabilitative Action" as set forth in Section 11 of this policy.

In the event the second sample is determined after appropriate testing/collection to be a dilute specimen, temperature out-of-range, or to have been adulterated, a prospective employee will not be offered employment with the Larry H. Miller Group of Companies. A second sample provided by an employee determined after appropriate testing/collection to be a dilute specimen, temperature out-of-range, or to have been adulterated will be subject to "Disciplinary or Rehabilitative Action" as set forth in Section 11 of this policy.

10. Positive Test Results.
   - Alcohol: Testing for alcohol will be conducted using an evidential breath testing device. A donor test above .04 (BrAC) Breath Alcohol Concentration on the initial alcohol test will be subject to a confirmation alcohol test following the initial test. The confirmed test result will be considered final. A test result for alcohol will be considered as positive, and an employee will be considered "under the influence" if the confirmed test result equals or exceeds .04% (BrAC) Breath Alcohol Concentration.

   - Drugs: A test result for marijuana, cocaine, opiates, phencyclidine, amphetamines or methamphetamines, barbiturates, benzodiazepines, methadone and propoxyphene will be considered as positive if the test result contains a sufficient concentration level as specified using the guidelines of a Substance Abuse and Mental Health Services Administration (SAMHSA) certified laboratory.
11. Disciplinary and Rehabilitative Actions. Upon receipt of a verified or confirmed positive drug or alcohol test result indicating a violation of this policy, or upon the refusal of an employee or prospective employee to provide a sample, the Larry H. Miller Group of Companies may use that test result or refusal as the basis of disciplinary or rehabilitative actions, which may include the following:

- Refusal to hire a prospective employee;
- The requirement that the employee enroll in an in-person state approved and licensed substance abuse or counseling program, which may include additional drug or alcohol testing, as a condition of continued employment;
- Suspension of the employee without pay for a period of time;
- Termination of employment;
- Other disciplinary measures.
- An employee who has been terminated may be considered for a “one-time” rehire by the Larry H. Miller Group of Companies after a minimum of six months from termination date for an available position which the individual is qualified, if according to the Group, s/he has successfully completed an in-person state approved and licensed substance abuse treatment or counseling program, which may include additional drug or alcohol testing as a condition of employment.
- A prospective employee who tests positive will not be considered eligible for employment with any Larry H. Miller entity. An individual who previously tested positive and wishes to apply for a future available position for which s/he is qualified, may be considered eligible for employment following a minimum of six (6) months from the positive test date, if s/he can then show a certificate of completed treatment for substance abuse from an in-person state approved and licensed substance abuse treatment or counseling program. If anyone violates this provision, and that fact is discovered after the person has been hired, that employee is subject to disciplinary action, up to and including termination.
- Any deviation from the policy requires the approval of the Senior V.P. of Human Resources and the respective Group division head.

12. Voluntary Participation in Rehabilitation.

- Any employee who feels he or she has developed an addiction or dependence to alcohol and/or drugs is encouraged to seek assistance prior to a random drug test. Employees are encouraged to contact their human resource representative for referral into the Group’s Employee Assistance Program for an appropriate assessment and applicable treatment program. Requests for assistance will be confidential. Rehabilitation itself is the responsibility of the employee. Eligible employees seeking medical attention for alcoholism or drug addiction may be entitled to benefits under the Company's group medical insurance plan on the same eligibility basis and with the same restrictions and limits as other illnesses.
- Requests for assistance or inquiries regarding the rehabilitation program shall be directed to the respective Human Resource representative and/or the Senior V.P. of Human Resources for the Larry H. Miller Group of Companies.
13. Confidentiality.

- All information, interviews, reports, statements, memoranda, or test results received by the Larry H. Miller Group of Companies, through this drug and alcohol testing program, will be considered confidential communications and are not to be used or received as evidence, obtained in discovery or disclosed in any public or private proceeding, except to those having a demonstrated need to know, or in a proceeding related to an action taken by the Larry H. Miller Group of Companies under Section 11, or in defense of any action brought against the Larry H. Miller Group of Companies, or as required by law. The Larry H. Miller Group of Companies will endeavor to preserve the confidentiality of information obtained pursuant to the policy.
- The information described in the above paragraph will be the property of the Larry H. Miller Group of Companies.
- The Larry H. Miller Group is entitled to use a drug or alcohol test result as a basis for action under Section 12.


- Employees who possess, dispense, manufacture, or distribute alcohol, drugs or drug paraphernalia on company premises, or on company time, may be subject to disciplinary action, up to and including termination.
- Employees undergoing prescribed medical treatment with a drug that may alter physical or mental abilities must report this to their supervisor.
- A copy of the Larry H. Miller Group of Companies Drug and Alcohol Testing Policy will be distributed to and posted for all employees. Copies will be made available to prospective employees.
- Employees may obtain their written test result upon written request. (Results may be obtained from the Senior V.P. of Human Resources.)
- Upon request, employees will be given the opportunity to explain a positive test result to the Company in a confidential setting.
- This policy applies to management as well as other employees.
- Any employee convicted of violating a criminal drug or alcohol statute must notify the personnel office within five days of conviction. The Larry H. Miller Group of Companies may take appropriate disciplinary or rehabilitative actions as set forth in Sections 11 and 12, as a consequence. This obligation to disclose alcohol-related convictions is in addition to disclosure obligations which may arise pursuant to other policies of the Larry H. Miller Group of Companies.

15. Work Place Rules.

- An employee or prospective employee will be considered to be "under the influence" of drugs, alcohol or a controlled substance if the results of the employee's, or prospective employee's, drug or alcohol test equals or exceeds the measurement criteria set forth in Section 10.
- No employee may use, distribute, or be under the influence of alcohol on the premises, or in company or customer vehicles. No employee may manufacture, distribute, dispense, possess, use or be under the influence of drugs or a controlled substance on the premises of the Larry H. Miller Group of Companies, in
company vehicles, or in a customer's vehicle, except in cases involving a current, prescribed medication or over-the-counter drugs.

- The Larry H. Miller Group of Companies has enacted a drug free workplace program and in doing so prohibits employees from coming to work impaired because of the use of drugs such as marijuana, cocaine, methamphetamine, etc. While there are specific states which have enacted legislation decriminalizing marijuana or when a person’s use is done with a valid doctor prescription, any prospective employee who is using marijuana due to a medical prescription is on notice that s/he is not eligible for employment with this company. Any current employee who is using marijuana with a physician prescription is notified that s/he is violating the terms of the Group’s drug free workplace. If the respective employee is found to be using or possessing marijuana, or test positive for marijuana in a drug test, employment with the Group is subject to discipline up to and including termination.

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The Larry H. Miller Group of Companies reserves the right to amend or change this policy at any time. This policy does not limit or alter the company’s right to terminate any employee at any time for any reason.