SUBSTANCE ABUSE POLICY

Dow Hydraulic Systems is committed to providing reliable and safe service to our customers and a safe and productive work environment for all employees. Employees shall not be involved in the unlawful use, possession, sale, or transfer of narcotics or drugs that may impair their ability to perform assigned duties or otherwise adversely impact the company's business. Further, employees shall not possess alcoholic beverages in the workplace or consume alcoholic beverages during working time. Any employee who tests positive on a drug or alcohol test will be terminated.

Additionally, Dow Hydraulic Systems is committed to complying with the regulations set forth by the Department of Transportation (DOT) and the Federal Aviation Administration (FAA). Accordingly, the scope of our commitment to ensure a drug-free work environment is broadened by specific drug-testing regulations.

Consequences of Using Drugs While Performing Safety-Sensitive Functions

An employee who has engaged in prohibited drug use during the performance of a safety-sensitive function will be immediately removed from performing safety-sensitive functions and is permanently precluded from performing that safety-sensitive function for Dow Hydraulic Systems. (14 CFR Part 121, Appendix I, VI, E)

Consequences of Receiving a Verified Positive Drug Test Result

A covered employee who receives one (1) verified positive drug test result on a FAA required test will be immediately removed from performing safety-sensitive functions (49 CFR §40.23(a)). Dow Hydraulic Systems will take this action upon receiving the initial report of the verified positive test result. The company will not wait to receive the written report or the result of a split specimen test. An employee who has violated a FAA drug and/or alcohol regulation cannot return to the performance of safety-sensitive functions until or unless the employee successfully completes the return-to-duty process outlined in 49 CFR Part 40, Subpart O. (49 CFR §40.23(d))

A covered employee who receives a second verified positive drug test result on a FAA required tests will be immediately removed from performing safety-sensitive functions and is permanently precluded from performing that safety-sensitive function for Dow Hydraulic Systems. (14 CFR Part 121, Appendix I, VI, E)

Consequences of Refusing to Submit to a Required Drug Test

A covered employee who refuses to submit to a required drug test will be immediately removed from performing safety-sensitive functions. A verified adulterated or substituted drug test result will be considered a refusal to test (49 CFR §40.23(b)) and the employee will be immediately removed from performing safety-sensitive functions. Dow Hydraulic Systems will take this action upon receiving the initial report of the verified adulterated or substituted test result. The company will not wait to receive the written report or the result of a split specimen test. An employee who refuses to submit to a required drug test or who receives a verified adulterated or substituted drug test result cannot return to the performance of safety-sensitive functions until or unless the employee successfully completes the return-to-duty process outlined in 49 CFR Part 40, Subpart O. (49 CFR §40.23(d))

Dow Hydraulic Systems <u>must</u> notify the FAA within 5 working days of any employee who holds a certificate under 14 CFR Part 61, Part 63, or Part 65 and who has refused to submit to a FAA required drug test. This does not apply to refusals to submit to pre-employment or return to duty tests (14 CFR Part 121, Appendix I, VI, D1 & D2).

Notifications of refusals should be sent to:

FAA / Drug Abatement Division / AAM-800 800 Independence Avenue, SW Room 806 Washington, DC 20591

Performing a safety-sensitive function: an employee is considered to be performing a safety-sensitive function during any period in which he or she is actually performing, ready to perform, or immediately available to perform such functions. (14 CFR Part 121, Appendix I)

Notice to the Federal Air Surgeon: Any covered employee who holds an airman medical certificate issued under 14 CFR Part 67 and violates the provisions of these rules will be reported to the Federal Air Surgeon. (14 CFR Part 121, Appendix I, VII, C)