

**HILAND DAIRY FOODS COMPANY L.L.C.
ALCOHOL & CONTROLLED SUBSTANCE
USE, ABUSE & TESTING POLICY**

POLICY

It is the policy of Hiland Dairy Foods Company L.L.C. to provide safe, dependable, and economical products and services to its customers and to provide safe working conditions for its employees, and to comply with the requirements of federal law and regulations related to the Drug Free Work Place Act of 1988 and the Omnibus Transportation Employee Testing Act of 1991. It is also the policy of Hiland Dairy Foods Company L.L.C. to provide healthy, satisfying, working environments for its employees.

To meet these goals, it is the policy of Hiland Dairy Foods Company L.L.C. to ensure that its employees are not impaired in their ability to perform assigned duties in a safe, productive and healthy manner; to create a work place environment free from the adverse effects of alcohol and controlled substance; and to encourage employees to seek professional assistance when personal problems, including alcohol and controlled substance dependency, adversely affect their ability to perform assigned duties.

PURPOSE

The purpose of this policy is to assure worker fitness for duty and to protect employees and the public from the risks posed by the use of alcohol and controlled substances. It is also the purpose of this policy to comply with all applicable federal and state regulations governing work place alcohol and controlled substance abuse programs mandated under the above-noted acts. These acts mandate urine controlled substance testing and breathalyzer alcohol tests for safety sensitive positions and prevent performance of safety-sensitive functions when there is a positive test result. The federal law has also established standards for collection and testing of urine and breath specimens, the reporting of certain drug-related offenses, protective measures for certain employees tested, for the preservation of confidentiality, and for certain reporting.

APPLICABILITY

This policy applies to all safety-sensitive employees who perform safety sensitive functions as these persons and activities are defined in the Omnibus Transportation Employee Testing Act and its implementing regulations, including but not limited to persons who are required to possess a CDL license for the operation of a commercial vehicle.

DEFINITIONS

Alcohol Testing: Testing done to check for the presence of Alcohol in deep lung breath. An EBT or Evidential Breath Testing device is used to capture and analyze air that is blown into the apparatus by a submitting employee. All testing is conducted by a certified Breath Alcohol Technician (BAT). The equipment used is of the type approved by NHTSA, and capable of printing out the results, date and time, a sequential test number, and the name and serial number of the EBT to ensure the reliability of the results. A second or confirmatory test is run whenever the first is reported positive. Tests must be confirmed using methods outlined in Part 40 of the rule.

Controlled Substance testing: Testing done to check for the presence of Marijuana, Cocaine, Amphetamines, Opiates, and Phencyclidine in the urine of a submitting employee. It should be noted that controlled substances include both illegal drugs and the illegal or unauthorized use of prescription drugs. The analysis is performed at laboratories certified and monitored by the Department of Health and Human Services (DHHS). Stringent rules as outlined in 49 CFR Part 40 are followed to ensure the integrity of each sample.

Refuse To test: (for alcohol or controlled substances) means that a driver (1) fails to provide adequate breath for testing without a valid medical explanation after he or she has received notice of the requirement for breath testing as required, (2) fails to provide adequate urine for controlled substances testing without a valid medical explanation after he or she has received notice of the requirement for urine testing as required, or (3) engages in conduct that clearly obstructs the testing process.

Safety-Sensitive Employees: Those individuals in positions defined as such by applicable law, to include but not limited to, those employees who are required to possess a CDL license for the operation of a commercial motor vehicle such as Sales Route Drivers, Transport Drivers, Hot Shot Drivers, and Garage Mechanics.

The Employer: Hiland Dairy Foods Company L.L.C. / DBA, Hiland.

POLICY ADMINISTRATOR

This policy is written for and administrated by Hiland Dairy Foods Company L.L.C. Randal Hyde, Director of Human Resources for Hiland Dairy Foods Company L.L.C. is hereby named to carry out the day to day tasks necessary for the proper implementation of this policy. MEDTOX Scientific, Inc., 402 West County Road D, St. Paul, Minnesota 55112, is currently processing the DHHS approved controlled substance screens. Alcohol tests will be conducted by approved testing facilities at each individual location where testing needs to be done.

ALCOHOL & CONTROLLED SUBSTANCES PROHIBITIONS

The unlawful manufacture, distribution, dispensation, possession or use of a controlled substance on company premises or while conducting company business off company premises is absolutely prohibited.

Performance of safety sensitive functions is prohibited, while having a breath alcohol concentration of 0.02 percent or greater as indicated by an alcohol breath test, while using alcohol, or within four hours after using alcohol. In addition, refusing to submit to an alcohol or controlled substance test and or using alcohol within eight hours after an accident or until tested (for drivers required to be tested) is prohibited. The unmanifested possession of alcohol by a driver is prohibited.

CONTROLLED SUBSTANCE AND ALCOHOL TESTING PROVISIONS

Employees covered by this policy shall be subject to controlled substances and alcohol testing including the following types of tests: pre-employment testing (controlled substance only), random testing, reasonable suspicion testing; post-accident testing; return to work testing; and follow-up testing.

Pre-Employment Testing

All employees of Hiland Dairy Foods Company L.L.C. must submit to pre-employment controlled substance testing as a condition of employment before commencing work for the first time. Controlled substance tests are also required when employees transfer to a safety sensitive (driver) position. Positive results or refusal to submit will be grounds to withdraw the job offer or terminate.

Reasonable Suspicion Testing

Controlled substance and alcohol tests shall be administered to an employee when there is reason to believe that such employee has violated the rules pertaining to the illegal use of controlled substances or alcohol. Reasonable suspicion shall be based on observable activities of the employee, and documented in a written report by at least one supervisor or manager who has been trained to recognize such activities. Reasonable suspicion may be based on testimony of a law enforcement officer.

Reasonable suspicion testing shall be required and completed within two (2) hours of the observation, but in any case no later than eight (8) hours after the observation for breath alcohol testing and thirty-two (32) hours for controlled substance testing. Any time testing is done more than 2 hours after observation, the employer must document the reason for delay. It shall be the employers' responsibility to ensure that the driver is transported to a site where the tests may be conducted.

Post-Accident Testing

Post-accident testing shall be required to test employees after a vehicular accident has occurred in which a fatality has occurred, or when a traffic citation is issued after an accident, or testing may be required where injury to a person requires transport to a medical treatment facility, or disabling damage to one or more vehicles requires towing from the accident site to occur. Testing shall include both breath alcohol and urine controlled substance testing of the employee(s). Employees tested under this provision shall include not only the personnel involved in the accident, but any other employee whose performance may have contributed to the accident.

Post-accident testing shall be required and completed whenever possible within two (2) hours of the accident occurrence, but in any case no later than eight (8) hours after the accident for breath alcohol testing and thirty-two (32) hours for controlled substance testing. An employee involved in an accident shall refrain from alcohol consumption for eight (8) hours following the accident.

Any employee who leaves the scene of an accident without appropriate authorization prior to submission to controlled substance and alcohol testing shall be considered to have refused the tests and the employee's employment may be terminated for such action.

A driver who is seriously injured and cannot provide authorization for testing at the time does by receipt of this policy authorize the treating medical facility to conduct necessary tests and release hospital reports and other documents to indicate whether there were any controlled substances or alcohol in the employees system.

Random Testing

Random testing for both alcohol and controlled substances shall be conducted in accordance with current Federal guidelines. Testing shall be done on a quarterly basis, through a random selection process. Tests shall be unannounced and spread during the calendar year. Employees selected through the random process will be notified and must test immediately. Testing must be conducted just before, during or just after performance of safety sensitive functions.

Return to Work Testing

All employees returning to work after a violation of the policy are required to test prior to engaging in a safety sensitive position.

Follow-up Testing

Any employee who is determined to be in need of assistance with an alcohol or controlled substance problem is required to do follow up testing. Such follow up testing shall be conducted for a period of no less than 12 months, with a minimum of 6 tests conducted during that time period. At management's discretion more random tests may be given.

Any employee who questions the results of a required urine controlled substance test under this policy may request that an additional test be conducted. The test may be conducted on a split sample that was provided at the same time as the original sample and the test analysis shall be conducted at a different qualified laboratory than where the original test was conducted. All costs for employee-requested

testing shall be paid by the employee unless the second test invalidates the original test. An employee's request for a re-test must be made to the Medical Review Officer (MRO) within seventy-two (72) hours of the notice to the employee of the initial test result. Requests made after the seventy-two (72) hour limit will only be accepted if the delay was due to documentable facts that were beyond the control of the employee.

The method of collecting, storing, and testing the split sample required under this policy shall be consistent with the procedures established in 49 CFR Part 40.

Failure to test

Any failure to test after being properly notified will be considered a positive test, unless the individual can provide documentation proving that he did not test for reasons completely beyond his control.

TESTING DEVICES AND CONTROLS

ALCOHOL:

Alcohol testing will be conducted using an approved Evidential Breath Testing (EBT) device. All testing will be done by a certified Breath Alcohol Technician (BAT). The equipment used will be of the type approved by NHTSA, and capable of printing out the results, date and time, a sequential test number, and the name and serial number of the EBT to ensure the reliability of the results. All positive tests must be confirmed using methods outlined in Part 40 of the rule.

CONTROLLED SUBSTANCES:

Controlled substance testing will be done in DHHS certified laboratories. Urine samples will be taken by trained technicians following guidelines as set forth in 49 CFR Part 40. Specimen's security will be ensured by proper identification and chain of custody as outlined. Split specimen procedures will be followed as prescribed. All urine specimens are analyzed for the following drugs:

1. Marijuana (THC metabolite)
2. Cocaine
3. Amphetamines
4. Opiates (including heroin)
5. Phencyclidine (PCP)

The testing shall be conducted in a two-stage process. First, a screening test is performed. If it is positive for one or more of the controlled substances, then a confirmation test is performed for each identified controlled substance using gas chromatography/mass spectrometry (GC/MS) analysis. GC/MS confirmation ensures that over-the-counter medications or preparations are not reported as positive results.

EMPLOYEE ASSISTANCE PROGRAM (EAP)

The employer will provide assistance to employees who voluntarily come forward and seek help for controlled substance or alcohol abuse prior to any discovery by the company that the employee has a related problem. This assistance will be provided on a one time only basis. All conversations of this nature will be kept in the strictest of confidence. Such an employee may contact his supervisor who will in turn contact the Director of Human Resources, or if the employee prefers he may contact the Director of Human Resources directly. The Director of Human Resources will then work with the employee to facilitate rehabilitation and coordinate medical benefits and leaves of absence available through applicable health plans and company policies. If the employee fails to meet all conditions of the rehabilitation contract, the company will terminate his / her employment.

REHABILITATION EFFORT

Employees who violate the alcohol and controlled substance misuse rules will be referred to a substance abuse professional for evaluation. The employer is not required under the law to provide rehabilitation, pay for treatment, or reinstate the driver. Any employee who the employer allows to undergo rehabilitation and return to a safety-sensitive job must first be evaluated by a substance abuse professional, comply with any recommended treatment, take a return-to-duty alcohol test (with a result less than 0.02) and prove negative on a controlled substance screen, subject to unannounced follow-up alcohol and controlled substance tests for a period of time determined by the employer but not less than 12 months and 6 tests, and adhere to conditions as set forth in a rehabilitation contract. The rehabilitation contract shall include the following terms and conditions to be adhered to by the employee who is granted rehabilitation assistance:

1. The employee shall agree to undertake and successfully complete the rehabilitation assistance plan established for the employee by the SAP or by a rehabilitation professional accepted by the employer; and
2. The employee agrees to refrain from any violation of this policy and the use of controlled substances and alcohol consistent with the plan of rehabilitation and this policy; and
3. The employee provides a release of all medical records for use and review by the employer relating to the rehabilitation assistance plan for the assistance undertaken and compliance; and
4. The employee agrees to unannounced random testing for employer determined periods of time subsequent to the employee's return to work consistent with this policy; and
5. The employee agrees to submit to return to work testing demonstrating that the employee is negative under controlled substance and/or alcohol tests standards; and
6. The employee agrees that any future controlled substance or alcohol violations shall be considered as a resignation of the employee from service without recourse.

CONTRACTUAL SUPPORT PROFESSIONALS

The employer will provide to the employee, upon request, the names of professional organizations, which the employer will contract with, for testing and referral.

EDUCATION & TRAINING

Hiland Dairy Foods Company L.L.C. will provide educational materials that explain the requirements of 49 CFR Part 382, including, but not limited to, controlled substance use and alcohol misuse to safety-sensitive employees (drivers). All persons designated to supervise drivers of the company will attend at least one hour of training on the signs and symptoms of controlled substance abuse, and one hour of training on the signs and symptoms of alcohol misuse. This training will qualify those supervisors for making appropriate determinations for reasonable suspicion testing.

CONFIDENTIALITY

All driver controlled substance testing results and records will be maintained under strict confidentiality by Hiland Dairy Foods Company L.L.C., the controlled substance testing laboratory, and the medical review officer. Likewise, results of all alcohol tests will be maintained under strict confidentiality. These records will not be released to others without the written consent of the affected employee.

Exceptions to these confidentiality provisions are limited to a decision-maker in arbitration, litigation or administrative proceedings arising from a positive controlled substance test, or as otherwise required by law.

EMPLOYER MANDATED DISCIPLINARY ISSUES

Any employee found to be in violation of this policy will be subject to disciplinary action up to and including discharge.

Those individuals testing positive for controlled substances through any of the above mentioned testing methods will be terminated.

Individuals testing above 0.04 on an EBT alcohol test for any reason will be terminated.

Those individuals testing between 0.02 and 0.039 will be removed from their work and shall be suspended without pay, on their first offense, for a time period of no less than 24 hours. Additional instances of this nature will result in termination. At the end of the suspension the driver who previously tested between 0.02 and 0.039 must be re-tested and measure 0.02 or less. Failure to measure below 0.02 on the retest will result in termination.

Refusal to test will be considered the same as a positive test.

Any individuals testing positive on a pre-employment test for a controlled substance will not be hired.

COORDINATION WITH OTHER LAWS & POLICIES

This policy shall be administered in compliance with other federal, state and local laws related to employee health & welfare policies, leave policies, benefit programs and other related policies of the employer. In the case of apparent conflicts between this policy, other policies, and applicable laws, the policy administrator shall make the appropriate rulings to resolve the potential conflicts, whenever possible.

In the event that any part of this policy is judicially determined to be in conflict with any law or to be in violation of any law or is rendered ineffective because of some state or federal legislative enactment, that part(s) shall be void, but the remainder of the policy shall remain in effect. Parts that are void or voided shall be replaced as soon as possible so as to maintain the full effect of this policy and/or to bring it into compliance with relevant laws.

AMENDMENTS

This policy is subject to amendment by the policy administrator from time to time. Amendments that are made shall be provided to employees upon adoption and shall become effective as provided by the policy administrator.

Alcohol/Controlled Substance Rehabilitation Program

I understand that my continued employment with Hiland Dairy Foods Company L.L.C. is contingent upon and constrained by the following terms:

1. I agree to undertake and successfully complete the rehabilitation assistance plan established for me by the SAP or by a rehabilitation professional accepted by the employer; and
2. I will comply with all the Program requirements including, but not limited to, refraining from any violation of this policy and the use of controlled substances and alcohol consistent with the plan of rehabilitation and this policy, to their successful conclusion, as follows:
 - a. Undergoing detoxification in a designated or approved facility for a designated time, according to my needs; and
 - b. Returning to work immediately after detoxification and/or other treatment in accordance with the prescribed procedures; and
 - c. Attending the scheduled meetings of the agency, for example, Alcoholics Anonymous, or a local support group, to which I am referred to by the medical authorities, in accordance with their directives; and
 - d. Keeping counseling and consultation appointments with my counselor; and
 - e. Providing the employer with the information necessary for him to assess my medical status and consult with other medical resources, such as my personal physician concerning my treatment and recovery. I hereby authorize access to, and release of, any and all medical, counseling or other information concerning the scope, course, and progress of my condition and treatment program, to Hiland Dairy Foods Company L.L.C., and its agents; and
 - f. Submitting to a minimum of six (6) unannounced random tests for employer determined periods of time subsequent to my return to work consistent with this policy; and
 - g. Submitting to return to work testing demonstrating that I am negative under controlled substance and/or alcohol standards; and
 - h. Agreeing that any future controlled substance or alcohol violations shall be considered as my resignation of employment without recourse.
3. I understand that my continued employment must meet all established standards of conduct and job performance and that I will be subject to the Company's disciplinary procedures for any failure to meet those standards.
4. I understand that I will be subject to the terms of this condition of employment until I have completed at least twelve (12) months of work. Upon completion of twelve (12) months of work, the appropriate parties will review my job performance and treatment progress and determine if the terms of this condition of employment will be removed, modified, sustained or added to.

I understand and agree that my continued employment is contingent upon my meeting satisfactorily all of the above terms of this condition of employment and that my failure to do so eliminates all defense on my part and will subject me to discipline, up to an including immediate termination of my employment with the company.

Signature of Employee

Witness

Date

Date