

Please review the following documents:

- Corporate Procedure H103: Dispute Resolution Process
- Corporate Procedure H103A: Employee Mediation/Binding Arbitration Program
- Corporate Procedure H404: Drug and Alcohol Testing

<b><i>NORTHROP GRUMMAN</i></b>  <b>CORPORATE PROCEDURE</b>  <b>Subject: DISPUTE RESOLUTION PROCESS</b>  <b>AUTHORIZED DOCUMENTS ARE PUBLISHED ONLINE ONLY.          VERIFY ANY COPY AGAINST THE ONLINE SYSTEM BEFORE USE.</b>	CO NO.	H103
	PAGE	1 of 14
	DATE	15 September 2006
	SUPERSEDES	30 January 2004
	REVISION	General

## Overview

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**Process Owner** Director of Employment and Workforce Relations

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**Purpose** This procedure describes Northrop Grumman's Dispute Resolution Process.

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**Applicable To** This Dispute Resolution Process covers all employees of Northrop Grumman, its subsidiaries, and its other affiliated entities, who are employed on or after 1 November 2006, except the following individuals:

- applicants not yet employed
  - employees represented by a labor union
  - employees not covered by U.S. law
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**In This Procedure** This procedure contains the following sections:

- [Overview](#)
- [Covered Claims](#)
- [Time Limits for Filing Claims](#)
- [Informal Review](#)
- [Administrative Officer Review](#)
- [Management Appeals Committee](#)
- [Mediation/Arbitration – General Information](#)
- [Mediation](#)
- [Arbitration](#)

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## Overview, Continued

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### Forms

The following Corporate forms may be used in the Dispute Resolution Process:

- [Form C-604](#), Formal Request for Administrative Officer Review
  - [Form C-605](#), Notice of Appeal to the Management Appeals Committee
  - [Form C-606](#), Request For Mediation
  - [Form C-607](#), Demand For Arbitration
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### General

Northrop Grumman values employees as its most important resource and places a high priority on ensuring fair and consistent treatment (see [CP No. H1](#), Human Resources). The company is committed to creating an environment of mutual trust and professionalism where problems can be fairly resolved through an interactive process that encourages better communication at all levels.

Employees are encouraged to work with their management to achieve resolution concerning any problems impacting the employee's work. Employees needing additional assistance should contact their Human Resources representative for advice and assistance regarding any work-related issues.

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**Dispute  
Resolution  
Process**

The Dispute Resolution Process includes five possible processes for resolving employee disputes:

- Informal Review
- Administrative Officer Review
- Management Appeals Committee
- Mediation
- Arbitration

The details of the Informal Review, Administrative Officer Review, and Management Appeals Committee processes are presented in the sections that follow. Details regarding Mediation and Arbitration processes are set forth in [CO No. H103A](#).

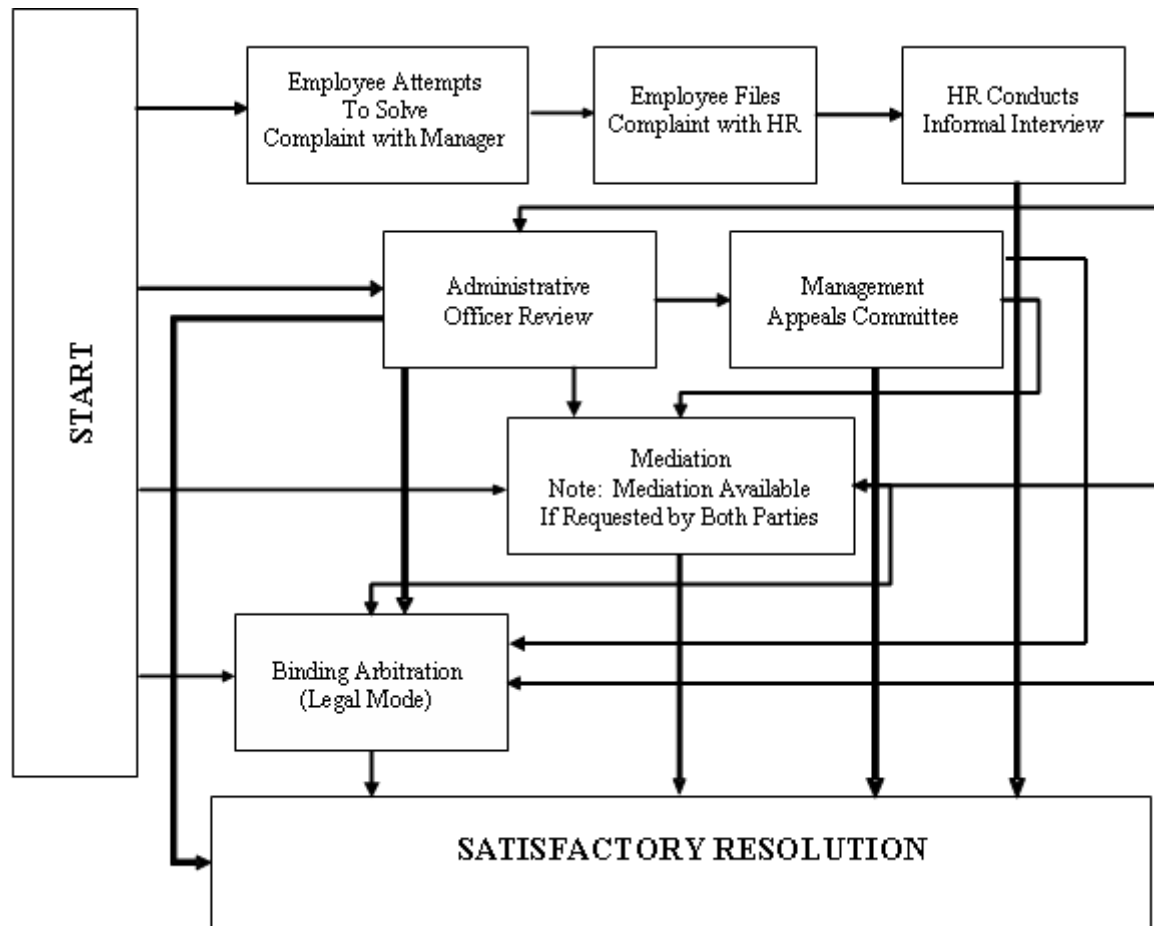
Employees are encouraged, but not required, to use the Informal Review, Administrative Officer Review, and Management Appeals Committee processes in the Dispute Resolution Process. The company hopes and expects that most claims by employees will be resolved swiftly by using these first three internal processes, without the need to proceed to mediation and/or arbitration. Use of these less formal, internal processes, however, does not stop the time running on the filing of a formal Demand for Arbitration. In order to preserve the right to pursue a claim through arbitration, a Demand for Arbitration must be made within the same time period which would apply if the employee were to bring that claim in court. Failure to make a timely Demand for Arbitration may result in the claim being lost forever.

**By accepting or continuing employment on or after 1 November 2006, all covered employees agree to submit any covered disputes to binding arbitration, rather than to have such disputes heard by a court or jury.**

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**Process  
Flowchart**

Below is a flowchart of the dispute resolution process.



## Covered Claims

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<b>In This Section</b>	This section discusses the types of claims that can be brought through the Dispute Resolution Process.
<b>Informal Review</b>	In the Informal Review process, employees may raise any issue that arises in the workplace, including claims excluded from the Administrative Officer Review and the Management Appeals Committee processes.
<b>Administrative Officer Review/ Management Appeals Committee</b>	<p>For the Administrative Officer Review and Management Appeals Committee processes, the only claims which may be brought are claims alleging that a specific employment action, such as layoff, demotion, discipline, or termination, violated a specific applicable company policy.</p> <p>The Administrative Officer Review and Management Appeals Committee processes are not available to address claims involving:</p> <ul style="list-style-type: none"><li>• Informal letters, memos, or verbal counseling, or other actions taken pursuant to management's right and discretion in counseling.</li><li>• Actions taken in reviewing or documenting an employee's performance.</li><li>• Decisions regarding the amount or effective date of pay adjustments.</li><li>• Actions taken in establishing or changing business and personnel policies, procedures, or practices.</li></ul> <p>Human Resources is responsible for interpreting these guidelines. If an employee submits a claim for Administrative Officer Review and that claim is not eligible for such review under these guidelines, Human Resources notifies the employee.</p>
<b>Mediation/ Arbitration</b>	For a description of the claims which may be brought through the Mediation or Arbitration processes, see <a href="#">CO No. H103A</a> .

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## Time Limits for Filing Claims

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<b>In This Section</b>	This section discusses the time limits for submitting claims within the Dispute Resolution Process.
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<b>Informal Review</b>	There is no time limit for bringing claims to the Informal Review process, but employees are encouraged to bring any issues forward as soon as they become aware of them.
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<b>Administrative Officer Review</b>	Claims must be submitted to Human Resources within 30 calendar days of the event on which the claim is based or within 30 calendar days of when the employee first became aware of the event.
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<b>Management Appeals Committee</b>	Claims may be brought to the Management Appeals Committee only after having gone through the Administrative Officer Review, unless waived by Human Resources, and must be appealed to the Committee within 10 calendar days after delivery to the employee of the written decision of the Administrative Officer.
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<b>Mediation/ Arbitration</b>	For the time limitations for submitting claims to the Mediation and/or Arbitration processes, see <a href="#">CO No. H103A</a> .
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Note: In order to preserve the right to pursue a claim through arbitration, a Demand for Arbitration must be made within the same time period which would apply if the employee were to bring that claim in court. Failure to make a timely Demand for Arbitration may result in the claim being lost forever.

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## Informal Review

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**In This Section** This section describes the steps in the Informal Review process.

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**Informal Review** Employees and managers are encouraged to keep open communications with each other and work through any employment-related issues should they arise. In the event they are unable to resolve a workplace issue, Human Resources is available to assist.

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**Process** The table below sets forth the process for the Informal Review.

<b>Responsibility/ Step</b>	<b>Action</b>
Employee 1	Contact the Human Resources representative at any time to discuss any claim or issue that arises in the workplace.
Human Resources 2	Listen to employee's issues and discuss ways of addressing.  Meet with employee's management if employee requests or if necessary to resolve the issue.



## Administrative Officer Review

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**In This Section** This section describes the steps in the Administrative Officer Review process.

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**Selection of Administrative Officer** The Administrative Officer is selected by Human Resources and is typically the next-level manager in the employee's functional area that did not participate in the decision that is being challenged by the employee.

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**Process** The table below sets forth the process for an Administrative Officer Review.

Responsibility/ Step	Action
Employee 1	Submit signed and dated formal claim to Human Resources within 30 calendar days of the event on which the claim is based, or within 30 calendar days of when the employee first became aware of the event. Ensure the claim is stated in a clear and concise manner. <u>Note:</u> <a href="#">Form C-604</a> , Formal Request for Administrative Officer Review, may be used for this purpose.
Human Resources 2	Select the Administrative Officer. Forward a copy of signed and dated formal claim to each of the following: <ul style="list-style-type: none"><li>• employee</li><li>• employee's manager</li><li>• Administrative Officer</li></ul> Retain a copy for file.
3	Arrange for the employee to meet with the Administrative Officer to present and discuss the claim.

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## Administrative Officer Review, Continued

Process (continued)

Responsibility/ Step	Action
Administrative Officer 4	Meet separately with the responsible manager.  Meet with the employee and manager together, if deemed appropriate.  Meet with others and/or gather additional relevant information, if deemed appropriate.  <u>Note:</u> Human Resources is generally in attendance at each of the above meetings, and is available to assist the Administrative Officer in gathering relevant information.
5	Schedule a conference with the employee to discuss possible resolution of the matter.
6	If the matter is not satisfactorily resolved in the conference, issue a decision within 10 working days of completing the review and forward a copy of the decision to each of the following: <ul style="list-style-type: none"><li>• employee</li><li>• employee's manager</li><li>• Human Resources representative</li></ul> Retain a copy for file.

## Management Appeals Committee

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**In This Section** This section describes the steps to appeal to the Management Appeals Committee.

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**Management Appeals Committee** An employee who is not satisfied with the decision rendered during the Administrative Officer Review may appeal the decision to the Management Appeals Committee within 10 calendar days after delivery to the employee of the written decision of the Administrative Officer.

Human Resources designates three members of the Management Appeals Committee, which is typically comprised of:

- employee's functional vice president or designee
- site Human Resources manager or designee
- sector Human Resources vice president or designee

Note: There must be at least one vice president on the Committee.

An employee who does not appeal an Administrative Officer decision in a timely manner forfeits the right to have the appeal heard by the Management Appeals Committee. The employee may, however, still request mediation and/or arbitration of the claim.

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**Process** The table below sets forth the process for a Management Appeals Committee review.

<b>Responsibility/ Step</b>	<b>Action</b>
Employee 1	Consult with Human Resources for assistance in preparing a Notice of Appeal. Ensure the appeal is stated in a clear and concise manner. <u>Note:</u> <a href="#">Form C-605</a> , Notice of Appeal to the Management Appeals Committee, may be used for this purpose.
2	Submit signed and dated "Notice of Appeal to the Management Appeals Committee" to Human Resources within 10 calendar days after receiving the Administrative Officer's decision.

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## Management Appeals Committee, Continued

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**Process** (continued)

<b>Responsibility/ Step</b>	<b>Action</b>
Human Resources 3	Designate three members for the Management Appeals Committee.  Forward to each Committee member a copy of the Notice of Appeal and the Administrative Officer's written decision appealed from, along with such other documents or information as may assist the Committee in resolving the dispute.
Employee; Management Appeals Committee 4	Attend appeal meeting to discuss the claim and attempt to reach resolution. <u>Note:</u> Human Resources is generally in attendance during the appeal meeting.
Management Appeals Committee 5	Meet with others and/or gather additional relevant information, if deemed appropriate.
6	Issue a decision in writing within 10 working days after the review is completed.
Human Resources 7	Forward a signed copy of the decision to each of the following: <ul style="list-style-type: none"><li>• employee</li><li>• employee's manager</li></ul> Retain a copy for file.

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## Mediation/Arbitration – General Information

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**In This Section** This section provides general information about mediation and arbitration. For more specific details of the mediation and arbitration processes under the Dispute Resolution Process, see [CO No. H103A](#). The information in this section is provided to assist employees in understanding what mediation and arbitration are, and how those processes can be used to resolve disputes. This information is not part of and does not modify the processes for mediation and arbitration contained in [CO No. H103A](#). The information in this section is not intended to be legal advice to employees, and any employee who desires to obtain legal advice should consult his or her own attorney.

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**General** Mediation is a process where an outside, impartial mediator – a person trained to help parties resolve disputes – meets with the parties and tries to bring about a voluntary and mutually agreeable resolution of the dispute.

Arbitration is a process where an outside, impartial arbitrator (who is sometimes a retired judge) hears evidence and argument and makes a binding ruling on the claim(s). Arbitration is a substitute for a court trial before a judge or jury.

An impartial mediator or arbitrator is generally selected by agreement of the parties, or by using the procedures of an outside organization which specializes in these forms of alternative dispute resolution, such as the Judicial Arbitration and Mediation Service (JAMS) or the American Arbitration Association (AAA).

Each employee is advised to read the Employee Mediation/Binding Arbitration Program (see [CO No. H103A](#)) carefully, since failure to comply with certain requirements contained in it may result in an employee forfeiting important rights, including the ability to pursue a claim.

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## Mediation

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**In This Section** This section provides a general overview of the mediation process.

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**Process** The table below sets forth the mediation procedure. Refer to [CO No. H103A](#) for more details.

Responsibility/ Step	Action
Employee; Law Department 1	Deliver a Request for Mediation to the other party pursuant to the procedures set forth in <a href="#">CO No. H103A</a> . <a href="#">Form C-606</a> , Request for Mediation, may be used for this purpose.
2	If both parties agree to mediation, choose a mediator pursuant to the procedures set forth in <a href="#">CO No. H103A</a> .
3	Participate in mediation conference as scheduled by the mediator.

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## Arbitration

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**In This Section** This section provides a general overview of the arbitration process.


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**Process** The table below provides a general overview of the arbitration procedure.  
Refer to [CO No. H103A](#) for more details.

Responsibility/ Step	Action
Employee; Law Department 1	Deliver a Demand For Arbitration to the other party pursuant to the procedures set forth in <a href="#">CO No. H103A</a> . Note: <a href="#">Form C-607</a> , Demand for Arbitration, may be used for this purpose.
2	Choose an arbitrator pursuant to the procedures set forth in <a href="#">CO No. H103A</a> .
3	Arbitrate the claim pursuant to the procedures set forth in <a href="#">CO No. H103A</a> .

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Issued by: Corporate Command Media (90/132/CC)

		CO NO. H103A
<b>CORPORATE PROCEDURE</b>		PAGE 1 of 12
<b>Subject: EMPLOYEE MEDIATION/BINDING ARBITRATION PROGRAM</b>  <b>AUTHORIZED DOCUMENTS ARE PUBLISHED ONLINE ONLY.          VERIFY ANY COPY AGAINST THE ONLINE SYSTEM BEFORE USE.</b>		DATE 15 February 2010
		SUPERSEDES 15 September 2006
		REVISION * Denotes (3 yr. review)

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**Process Owner**      Primary Responsibility – Corporate Vice President, Chief Human Resources and Administrative Officer

Functional Responsibility – Director of Compensation and Human Resources

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**Authorization of Currency and Accuracy**      This procedure is authorized by the Process Owner on **15 February 2010** for a period of three years from this date. At the end of this period, this procedure must be reauthorized by the Process Owner in accordance with [CO No. A101](#), Northrop Grumman Command Media System. Revisions published in the interim may not necessarily satisfy this requirement.

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**In This Procedure**      This procedure sets forth the process and requirements for mediation and binding arbitration as referenced in [CO No. H103](#), Dispute Resolution Process.

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**Applicable To**      This Program covers all employees of Northrop Grumman, its subsidiaries, and its other affiliated entities (the “Company”), who are employed on or after 1 November 2006, except the following individuals:

- Applicants not yet employed;
- Employees represented by a labor union; and
- Employees not covered by U.S. law.

By accepting or continuing employment on or after 1 November 2006, all covered employees agree to submit any covered disputes to binding arbitration, rather than to have such disputes heard by a court or jury.

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**Forms**      The following Corporate forms may be used in the Mediation and Binding Arbitration process:

- [Form C-606](#), Request For Mediation
  - [Form C-607](#), Demand For Arbitration
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**General**

This document describes in further detail the mediation and binding arbitration process referenced in [CO No. H103](#). Employees should read this document carefully to ensure a full understanding of the process, their rights, and the Company's rights. Employees should refer any questions about these processes to Human Resources at their business unit, or to the Law Department.

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**Claims Covered**

Either you or the Company are entitled to request mediation of any claim covered by this Program. Both you and the Company agree to submit all claims covered by this Program to binding arbitration, rather than to have such claims heard by a court or jury. The parties' obligation to arbitrate claims under this Program may be enforced in any court of competent jurisdiction, pursuant to the Federal Arbitration Act, 9 U.S.C. §§ 1-16, or applicable state law.

Except as expressly provided below, this Program covers and applies to any claim, controversy, or dispute, past, present, or future:

- Which in any way arises out of, relates to, or is associated with your employment with the Company, the termination of your employment, or any communications with third parties regarding or related to your employment; and
- As to which a court would be authorized by law to grant relief if the claim were successful.

This Program covers claims that the Company may have against you or your successors and assigns and covers claims that you may have against the Company or any of its successors and assigns. This Program also covers any claims that you may have against any agents or employees of the Company, if the Company could be liable, directly or indirectly, for such claims.

This Program does not apply to or cover claims:

- As to which an agreement to arbitrate such claims is prohibited by law;
- For workers' compensation benefits;
- For unemployment insurance benefits;
- Involving an employee's tax withholdings;
- Covered under the National Labor Relations Act and within the exclusive jurisdiction of the National Labor Relations Board; or

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**Claims Covered  
(continued)**

- For benefits under an Employee Benefits Plan, the terms of which contain an arbitration or ERISA claims procedure, in which case the provisions of that plan apply.

Examples of claims which are covered by this Program include, but are not limited to, claims for:

- Wages or other compensation due;
- Breach of any contract or covenant, express or implied;
- Personal injury, defamation, or other tort claims, except to the extent any such claim would be covered under applicable workers' compensation law;
- Unlawful discrimination or harassment, including but not limited to discrimination or harassment based on race, sex, religion, national origin, age, disability, or any other status as protected and defined by applicable law;
- Unlawful retaliation;
- Benefits, except as expressly excluded above; and
- Any violation of applicable federal, state, or local law, statute, ordinance, or regulation.

\* As set forth by this Program, no employee is required to arbitrate any claim under Title VII of the Civil Rights Act of 1964 or any tort related to or arising out of sexual assault or harassment, including assault and battery, intentional infliction of emotional distress, false imprisonment, or negligent hiring, supervision, or retention. Employees may, but are not required to, request arbitration of such claims. This paragraph is intended to implement the provisions of Public Law 111 P.L. 118, popularly known as the Franken Amendment, and shall be interpreted and applied consistently with the scope of the Franken Amendment. This paragraph applies to claims which arose before or after the date this Program was amended to add this paragraph.

The obligations set forth in this Program (both yours and the Company's) survive your employment relationship with the Company, and apply to any covered claim whether it arises or is asserted during or after termination of your employment with the Company.

By accepting or continuing employment, employees covered by this Program agree to submit any covered claims to binding arbitration, rather than to have such claims heard by a court, jury, or government agency. However, to the extent that applicable law permits the filing of a charge or complaint with a government agency notwithstanding an agreement to arbitrate, nothing in this Program shall be construed to limit your right to file such a charge or complaint with such a government agency.

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**Claims Covered  
(continued)**

If it is a legal requirement that you pursue or exhaust available remedies with a government agency before bringing a claim in court, you are **not required** to do so before demanding arbitration under this Program. The Company expressly waives any right to require you to pursue or exhaust remedies before any government agency as a condition to arbitrating covered claims under this Program.

To the fullest extent permitted by law in the jurisdiction where the arbitration is held and, if applicable, the jurisdiction where the parties' obligation to arbitrate claims under this Program is enforced, either party retains all rights to seek a preliminary injunction or other provisional relief to maintain the status quo pending the outcome of the arbitration.

Note that the claims covered by this Program are not identical to the claims which may be submitted to the internal dispute resolution process through the Informal Review, Administrative Officer Review, and Management Appeals Committee of the Dispute Resolution Process. See [CO No. H103](#) for more information).

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**Mediation**

Mediation is a process where an outside, impartial mediator, a person trained to help parties resolve disputes, meets with the parties and tries to bring about a voluntary and mutually agreeable resolution of the dispute. Mediation often results in the resolution of a dispute, and you are encouraged, but not required, to use mediation before demanding arbitration of a claim. However, mediation is not mandatory and either you or the Company can refuse to mediate a claim. You are encouraged, but not required, to use [Form C-606](#), Request For Mediation, to initiate this process.

Your request for mediation should be delivered to:

Office of the General Counsel  
1840 Century Park East  
Los Angeles, CA 90067

If the Company makes a request for mediation to you, it will be delivered to the last address recorded in your personnel file. Any request for mediation must be in writing and should describe the dispute sufficiently for the mediator and the other party to understand the issues.

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**Mediation  
(continued)**

In the event that both parties agree to mediation, the following procedures will be followed:

- You (or your representative) and the Company's representative will confer to select a mediator.
- If you and the Company are not able to agree on a mediator, then the parties will select a mediator by requesting a list of mediators supplied by an outside source, either the Judicial Arbitration and Mediation Service (JAMS) or the American Arbitration Association (AAA). The party who did not initiate the mediation can choose between JAMS or AAA.
- If there is a name on the list acceptable to both parties, then that person is selected as the mediator. If there is no person on the list acceptable to both parties, then the parties will strike names alternately from the list until only one name remains. A coin flip will determine which party shall strike first, with the employee calling "heads" or "tails."
- Once the mediator is selected, he or she schedules a mediation conference at a time convenient to all parties. Unless you and the Company agree otherwise, the mediation will be held in the city nearest to the work location where you are or were principally assigned. All matters of procedure, the location, and the conduct of the mediation conference will be determined by the mediator, in consultation with the parties.

Any time you spend preparing for or attending the mediation is not work time and will not be paid for by the Company.

The Company pays all the costs of mediation. Both you and the Company are entitled to use a representative, including an attorney, at the mediation. The expense of each party's representative will be the responsibility of that party.

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**Time And  
Method To  
Demand  
Arbitration**

Either you or the Company may demand arbitration of a covered claim within the same time limits which would apply if that claim were brought in court. Claims which would be barred by the statute of limitations, the doctrine of laches, or other applicable law if brought in court will also be barred in any arbitration under this Program.

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**Time And  
Method To  
Demand  
Arbitration  
(continued)**

If the time to file a covered claim in court would run from the date that you pursue or exhaust remedies before a government agency, and you elect not to pursue or exhaust your claim before that government agency, then a demand for arbitration of such claim must be made within thirty (30) days of the last day on which a claim, charge, or complaint could have been timely filed with the government agency.

The time to demand arbitration will not be affected by the fact that you may choose to pursue internal dispute resolution procedures under the Informal Review, Administrative Officer Review, and Management Appeals Committee processes of the Dispute Resolution Process, or may choose to pursue mediation under this Program. However, the time to demand arbitration may be extended by mutual agreement between you and the Company, if such agreement is in writing and is signed by you and by an authorized representative of the Law Department.

In order to demand arbitration under this Program, you must deliver your demand to:

Office of the General Counsel  
1840 Century Park East  
Los Angeles, CA 90067

In order to demand arbitration under this Program the Company must deliver its demand to the last address recorded in your personnel file. A demand for arbitration will be deemed delivered when it is actually delivered to the address specified herein, or when it is mailed to that address by certified or registered mail, return receipt request.

[Form C-607](#) may be used to demand arbitration, but is not required. However, a demand for arbitration must be in writing and must identify the claim or claims in dispute with the same specificity as would be required if the claim was asserted in court. If the claim is not identified or described with sufficient specificity, then the arbitrator shall have the power to require the party demanding arbitration to present a more detailed statement of the claim.

Note: If either you or the Company fail to deliver a timely Demand for Arbitration of a claim in the manner described above, the claim may be waived and forever lost.

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**Arbitration  
Procedures**

Any arbitration under this Program will be governed by those procedures which are required by law as a prerequisite to a valid and enforceable agreement to arbitrate claims in the jurisdiction where the arbitration is held and, if applicable, the jurisdiction where the parties' obligation to arbitrate claims under this Program is enforced. All such legally required procedures shall be deemed incorporated herein. To the extent that they are not inconsistent with such legally required procedures, the procedures set forth in this Program will apply.

Selection of Tribunal and Arbitrator

The party who did not initiate the arbitration can choose between either the JAMS or the AAA (the "Tribunal") to administer the arbitration. If the party who did not initiate the arbitration does not choose a Tribunal within twenty (20) calendar days after being served with the Demand for Arbitration, then the party who initiated the arbitration may choose the Tribunal. A Tribunal will be deemed chosen when notice of such choice is served on the other party by the same method provided herein for service of a Demand for Arbitration.

Except to the extent that they are inconsistent with those procedures which are required by law as a prerequisite to a valid and enforceable agreement to arbitrate claims in the jurisdiction where the arbitration is held and (if applicable) the jurisdiction where the parties' obligation to arbitrate claims under this Program is enforced, or are inconsistent with the express procedures set forth in this Program, the arbitrator will apply the Tribunal's then-current Arbitration Rules and Procedures for Employment Disputes, or equivalent. In other words, the arbitrator will first apply any legally required rules, which supersede all other rules if there is an inconsistency; the arbitrator will next apply the specific provisions set forth in this Program, which supersede the Tribunal's Rules if there is an inconsistency; and finally the arbitrator will apply the Tribunal's Rules. Copies of the rules of the Tribunals may be obtained through the employee's site Human Resources manager or at the websites of the AAA ([www.adr.org](http://www.adr.org)) and/or JAMS ([www.jamsadr.com](http://www.jamsadr.com)). The rules and procedures required by applicable law, this Program, and the Tribunal's Rules, are referred to herein collectively as "The Arbitration Rules."

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**Arbitration  
Procedures  
(continued)**

The parties will confer in an attempt to agree on a mutually acceptable arbitrator. If the parties are unable to agree on an arbitrator, then an arbitrator will be selected as follows:

- The parties request a list of proposed arbitrators. If there is a name on the list acceptable to both parties, that person will be selected as the arbitrator. If there is more than one name on the list acceptable to both parties, then the parties will each rank the mutually acceptable names in order of preference, with the person receiving the highest combined preference ranking being selected as arbitrator.
- If there is no person on the first list acceptable to both parties, then a second list will be requested from the Tribunal, and the same process will be followed as with the first list.
- If there is no person on the second list acceptable to both parties, then a third list will be requested, and the same process will be followed as with the first and second lists. If this does not result in the selection of an arbitrator then the parties shall alternately strike names from the third list until only one name remains. A coin flip will determine which party shall strike first, with the employee calling “heads” or “tails.”

Expenses of the Arbitration

The expense of the arbitrator will be borne entirely by the Company.

Each side will be entitled to use a representative, including an attorney, at the arbitration. Each side will bear its own deposition, witness, expert, attorneys' fees, and other expenses to the same extent as if the matter were being heard in court. If, however, any party prevails on a claim, which (if brought in court) affords the prevailing party attorneys' fees and/or costs, then the arbitrator may award reasonable fees and/or costs to the prevailing party to the same extent as would apply in court. The arbitrator will resolve any dispute as to who is the prevailing party and as to the reasonableness of any fee or cost.

Either party may request that a court reporter be used during the proceedings, at the requesting party's own expense.

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**Arbitration  
Procedures  
(Continued)**

Any time you spend preparing for or attending the hearing in connection with the arbitration of any claim is not work time and will not be paid for by the Company. However, if you are subpoenaed to appear as a witness in an arbitration where you are not a party, the normal Company rules applicable to paying for time spent as a witness will apply.

Authority Of The Arbitrator

To the fullest extent permitted by law, all matters of procedure, arbitrability of the issues, the location, and the conduct of the hearing will be determined by the arbitrator, consistent with The Arbitration Rules; provided, however, that, unless you and the Company agree otherwise, the arbitration will be held in the city nearest to the work location where you are or were principally assigned.

The arbitrator will have authority to decide any disputes regarding discovery. If any party seeks to notice more than three depositions in connection with a claim, the parties shall first hold a joint meeting with the arbitrator to discuss discovery issues, limitations, and scheduling.

The arbitrator may bifurcate the proceedings in order to rule first on whether any claim presented is arbitrable. The arbitrator may also bifurcate issues of liability from issues of damages or remedy.

The arbitrator may award any remedy that could be awarded by a court, including, for example, back pay, compensatory damages, preliminary and/or permanent injunctive relief, and/or punitive damages.

Decision of the Arbitrator

The arbitrator shall issue a written opinion stating the essential findings and conclusions upon which the arbitrator's award is based. The arbitrator shall serve the award by mail on you and the Company. The parties will jointly request that the arbitrator issue this written opinion within thirty calendar days after the close of the hearing or briefing.

The decision of the arbitrator will be final and binding upon you and the Company. A reviewing court may only confirm, correct, or vacate an award in accordance with the standards set forth in the Federal Arbitration Act, 9 U.S.C. §§ 1-16, or applicable state law.

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**Class Action  
Claims**

To the extent it is permissible to do so in the jurisdiction where the arbitration is held and (if applicable) the jurisdiction where the parties' obligation to arbitrate claims under this Program is enforced, both you and the Company waive the right to bring any covered claim under this Program as a class action. In jurisdictions where this is permissible, the arbitrator will not have authority or jurisdiction to consolidate claims of different employees into one proceeding, nor shall the arbitrator have authority or jurisdiction to hear the arbitration as a class action.

In any jurisdiction where the class action waiver described above is not permitted by law or is not enforceable, the issue of whether to certify any alleged or putative class for a class action proceeding must be decided by a court of competent jurisdiction. The arbitrator will not have authority or jurisdiction to decide class certification issues. Until any class certification issues are decided by the court, all arbitration proceedings shall be stayed, and the arbitrator shall take no action with respect to the matter. However, once any issues regarding class certification have been decided by the court, the arbitrator will have authority to decide the substantive claims on an individual or a class basis, as may be determined and directed by the court.

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**Modification of  
Program/  
Relationship to  
Other  
Agreements**

The Company reserves the right to modify this Program; provided, however, that any future modification will not apply to claims which arose prior to the effective date of the modification. A dispute "arises" with respect to a particular claim at the time that the statute of limitations on that claim begins to run. Notwithstanding any future modification of this Program, the obligation to arbitrate covered claims as set forth herein shall continue in effect as to all claims which arose prior to the effective date of the modification, unless you and an authorized representative of the Law Department agree otherwise in writing. Nothing in this section limits the Company's right to modify any policy, procedure, or business practice other than the provisions of this Program.

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*Continued on next page*

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**Modification of  
Program/  
Relationship to  
Other  
Agreements  
(continued)**

To the extent that you and the Company have previously entered into any agreement to arbitrate particular claims, such prior agreement will remain in effect notwithstanding this Program. To the extent that a particular claim is covered by an obligation to arbitrate under both this Program and such a prior agreement, the provisions of this Program shall govern any claims which arise on or after 1 November 2006, and the provisions of the prior agreement to arbitrate shall govern any claims which arose before that date. To the extent that this Program is found or held to be inapplicable to a particular claim or ineffective to require arbitration of such claim, then arbitration may be compelled under any prior agreement to arbitrate. To the extent that any prior agreement to arbitrate is found or held to be inapplicable to a particular claim or ineffective to require arbitration of such claim, then arbitration may be compelled under this Program.

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**Employment  
At-Will**

Nothing in the Dispute Resolution Process (see [CO No. H103](#)) or this Program creates or shall be construed to create a contract of continued employment, express or implied, or to alter the at-will nature of any employee's employment.

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**Severability**

In the event any court finds any portion of this Program to be unenforceable, the unenforceable section(s) or provision(s) will be severed from the rest, and the remaining section(s) or provisions(s) will be otherwise enforced as written.

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**References**

**Policies**

None

**Procedures**

[CO No. A101](#), Northrop Grumman Command Media System

[CO No. H103](#), Dispute Resolution Process

**Topical Manuals**

None

**Work Instructions**

None

**Forms/Checklists**

[Form C-606](#), Request For Mediation

[Form C-607](#), Demand For Arbitration

**Other**

[www.adr.org](http://www.adr.org)

[www.jamsadr.com](http://www.jamsadr.com)

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**Feedback**

Have feedback or suggested change regarding this procedure or a form?

[Click Here](#).

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Issued by: Corporate Command Media

		CO NO.	H404
<div style="background-color: #90EE90; text-align: center; padding: 5px;"> <b>CORPORATE PROCEDURE</b> </div>		PAGE	1 of 18
		DATE	27 August 2010
Subject: DRUG AND ALCOHOL TESTING		SUPERSEDES	26 June 2009
		REVISION	* Denotes
<div style="background-color: yellow; text-align: center; padding: 2px;"> <b>AUTHORIZED DOCUMENTS ARE PUBLISHED ONLINE ONLY.          VERIFY ANY COPY AGAINST THE ONLINE SYSTEM BEFORE USE.</b> </div>			

## Overview

<b>Process Owner</b>	Primary Responsibility – Director of Environmental, Health, and Safety  Functional Responsibility – Director of Environmental, Health, and Safety
<b>Authorization of Currency and Accuracy</b>	This procedure is authorized by the Process Owner on <b>27 August 2010</b> for a period of three years from this date. At the end of this period, this procedure must be reauthorized by the Process Owner in accordance with <a href="#">CO No. A101</a> , Northrop Grumman Command Media System. Revisions published in the interim may not necessarily satisfy this requirement.
<b>Purpose</b>	This document sets forth the company’s guidelines and minimum requirements: <ul style="list-style-type: none"> <li>• To comply with the Drug Free Workplace Act, and</li> <li>• For drug and alcohol testing of all applicants and employees, except those covered by Department of Transportation (DOT) regulations</li> </ul> <u>Note:</u> Collective bargaining obligations or agreements may significantly modify provisions of this procedure.
<b>In This Procedure</b>	This procedure contains the following sections: <ul style="list-style-type: none"> <li>• <a href="#">Overview</a></li> <li>• <a href="#">Definitions</a></li> <li>• <a href="#">General</a></li> <li>• <a href="#">Testing</a></li> <li>• <a href="#">Reporting and Searches</a></li> <li>• <a href="#">Responsibilities</a></li> <li>• <a href="#">References and Feedback</a></li> </ul>

## Definitions

**In This Section** This section sets forth terms and definitions used in this procedure

Acronym or Term	Definition
Applicant	* Prospective employees, including recalled and rehired employees who have been absent from the payroll for more than 180 days.
EAP	Employee Assistance Program. See <a href="#">CO No. H602</a> , Employee Assistance Program, for more information.
FAA	Federal Aviation Administration
Illegal/legal drugs	<u>Illegal drugs</u> refer to drugs which are: <ul style="list-style-type: none"><li>• Not legally obtainable</li><li>• Legally obtainable that have been illegally obtained</li></ul> <u>Legal drugs</u> refer to the following: <ul style="list-style-type: none"><li>• Prescribed drugs which have been legally obtained</li><li>• Over-the-counter drugs</li></ul>
Impairment	An employee's deteriorating physical, mental and/or behavioral condition which gives rise to health and/or safety concerns or performance and/or conduct issues.  Impairment may be indicated by such things as slurred speech, breath or body odor, dilated or constricted pupils, or unsteady gait. Impairment shall be conclusively established if a test detects a level of alcohol that meets or exceeds the state limit for driving under the influence in the state where the test was administered. A lesser level of alcohol, in connection with other factors, may also indicate impairment.
Medical Department	Includes third party designees for those locations where the company does not have medical personnel on site.
Medical Review Officer (MRO)	A person who is a licensed physician and who is responsible for reviewing drug or alcohol tests.
Positive test for alcohol	A test result that: <ul style="list-style-type: none"><li>• Meets or exceeds the state limit for driving under the influence in the state where the employee's test was administered, or</li></ul>

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## Definitions, Continued

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Acronym or Term	Definition
Positive test for alcohol (cont.)	<ul style="list-style-type: none"><li>Shows any level of alcohol in either of the following situations:<ul style="list-style-type: none"><li>a reasonable suspicion test is directed by the Medical department or EAP because an employee demonstrates signs of impairment which give rise to safety concerns, or</li><li>a random test is directed by the Medical department or EAP in accordance with the terms of this procedure for an employee with an identified alcohol dependency problem who has been the subject of a company-directed referral to EAP.</li></ul></li></ul> <p><u>Note:</u> A five panel test is used for pre-employment/post-offer tests. A ten panel test is used for reasonable suspicion tests; such tests include random tests administered by Medical/EAP in accordance with this procedure.</p>
Positive test for illegal drugs	A test result at a level at least as high as in the guidelines published by the National Institute for Drug Abuse. Such tests include random tests administered by Medical/EAP in accordance with this procedure.
Positive test for legal drugs	A level of legal drug(s) which causes impairment in the opinion of the MRO.
Positive test result	A test for alcohol, illegal, or legal drugs that meets the levels prescribed herein for each such test and which has been validated by a confirmatory test.

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## General

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<b>In This Section</b>	This section provides general information on the company's position for maintaining a drug free workplace and an assistance program for employees with alcohol/drug-related problems.
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<b>Safe Environment</b>	<p>To enable its employees to achieve the level of efficiency, productivity, and quality required to meet the needs of its customers, Northrop Grumman strives to provide a safe, healthful, and secure workplace environment which is free from the effects of drug/alcohol abuse and the activities associated with such conduct.</p> <p>The employment of individuals who engage in activities that jeopardize the safe environment constitutes a serious risk to the individual, other company personnel, property, products, and operations and is incompatible with the working environment established at Northrop Grumman.</p> <p>Therefore, applicants are required to submit to drug testing, and employees are required to submit to drug and/or alcohol testing, in accordance with the requirements set forth in this procedure.</p>
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<b>Prohibited Conduct</b>	<p>Northrop Grumman prohibits the introduction, manufacture, possession, sale, purchase, distribution, dispensing, solicitation for sale, or use of illegal drugs on company premises or during working hours, as well as the abuse of legal drugs. It is a violation of company practice for an employee or an applicant to:</p> <ul style="list-style-type: none"><li>• Test positive on a drug test administered in accordance with this procedure</li><li>• Report to work:<ul style="list-style-type: none"><li>• when impaired by alcohol or by legal or illegal drugs</li><li>• with illegal drugs in their systems</li></ul></li><li>• Refuse to:<ul style="list-style-type: none"><li>• be subject to drug and/or alcohol testing</li><li>• cooperate with fitness for duty evaluations</li><li>• cooperate with testing procedures or examinations</li></ul></li></ul>
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## General, Continued

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### Prohibited Conduct (continued)

- Attempt to refuse a test by:
  - falsifying or tampering with a test result
  - adulterating a specimen
  - failing to report within a reasonable amount of time
- Fail to notify the company of a conviction under a criminal drug statute no later than five days after such conviction

Employees are subject to disciplinary action up to and including termination of employment for failure to comply with company policy and the provisions of this procedure.

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### EAP

Northrop Grumman sponsors an EAP to help employees with personal and/or medical problems, especially those that relate to job performance. The EAP provides for the following:

- Drug and alcohol abuse prevention programs and early detection/intervention
- Problem assessment
- Recommendations and/or referrals for treatment
- Follow-up for substance abuse and/or behavioral health disorders
- Monitoring chemical dependency compliance and treatment of mandatory referral cases
- Psychological fitness-for-duty and/or return to work evaluations and recommendations

Employees may be referred to the EAP by:

- Management, Human Resources, or the Medical Department when indicated by deteriorating job performance or other factors
- Self-referrals

Participation in the EAP does not entitle an employee to any type of special status.

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## Testing

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**In This Section** This section provides requirements for drug/alcohol testing of employees.

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**General  
Requirements**

The Medical Department administers tests that are designed to:

- Comply with applicable laws and regulations
- Ensure test procedures for administering and evaluating tests are consistent and followed in a consistent manner
- Ensure the validity and correctness of all test results
- Prevent the submission of false or adulterated specimens

Company elements may impose broader testing requirements for all or part of their work force, e.g., testing on a post-accident basis or testing of employees in safety-sensitive or other designated positions, if such requirements are approved in advance by the corporate Director of Environmental, Health, and Safety and the Law Department.

Urine and hair testing are acceptable for post-offer/pre-employment testing. Hair testing must be approved in advance by corporate Human Resources and corporate Environmental, Health, and Safety. Urine testing for drugs is required for reasonable suspicion based testing.

Applicable regulations of the Federal Highway Administration, Department of Transportation, and the FAA set forth the requirements regarding special testing and forms for commercial drivers and those covered by the FAA.

A listing of the substances for which the company tests can be obtained from the Medical Department upon request.

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**Drug Testing  
Requirements**

Tests for illegal drugs are administered under the following circumstances:

- As a condition of employment for all applicants.
  - If there is a reasonable suspicion that an employee has an illegal drug in their system. This reasonable suspicion may be based upon impaired behavior or other evidence.
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## Testing, Continued

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### Drug Testing Requirements (continued)

- When directed by the EAP in connection with a company-directed referral of an employee to the EAP because of the employee's work related behavior and/or performance problems.

In such cases the EAP performs an assessment of whether or not an employee has a substance abuse problem. If a problem is determined, the EAP may direct the employee to attend a rehabilitation program, and may condition return to work from such program upon successful completion of the program and a negative drug test.

In addition, the EAP may require such employees to undergo random testing for a period not to exceed two years.

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### Alcohol and Other Legal Drug Testing Requirements

Tests for alcohol and other legal drugs are administered under the following circumstances:

- If there is a reasonable suspicion that an employee may be impaired by alcohol or legal drugs.
- When directed by the EAP in connection with a company-directed referral of an employee to the EAP because of the employee's work related behavior and/or performance problems.
- \* Following any break in service in excess of 180 days, e.g. interns and co-ops still on company payroll but in between assignments, except in cases where the individual has reinstatement rights following layoff or following a legally protected leave of absence. See [CO No. H402](#), Leaves of Absence, for more information.

In such cases the same assessment and testing requirements set forth in the [Drug Testing Requirements](#) portion of this section apply.

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## Testing, Continued

**Consent Forms** The following forms are to be used as indicated. Any deviation from these forms must be approved by the following:

- the Law Department
- \* corporate Director of Compensation and Human Resources
- corporate Director of Environmental, Health, and Safety

Form No.	Title	Used
<a href="#">Form C-378</a>	Applicant Drug Testing	For the testing of all applicants who have received employment offers and who are not covered by DOT drug testing regulations or collective bargaining agreements.
<a href="#">Form C-382</a>	Consent to Drug/Alcohol Testing	When the Medical Department or EAP directs random testing for employees with an identified substance abuse problem.
<a href="#">Form C-383</a>	Consent to Drug/Alcohol Testing - Reasonable Suspicion	When the Medical Department, or designee, determines that an employee's behavior creates a reasonable suspicion that an employee has illegal drugs in the system, or is impaired due to the use of legal drugs or alcohol.
<a href="#">Form C-383A</a>	Reasonable Suspicion/Possible Signs or Indication of Alcohol Intoxication and/or Drug Abuse	To document the basis for directing an employee to undergo testing based upon reasonable suspicion of alcohol intoxication and/or drug abuse.
<a href="#">Form C-419</a>	Consent to Drug/Alcohol Testing - Return from Medical Leave or Suspension for Positive Drug/Alcohol Test	When the Medical Department or EAP directs random testing for employees with an identified substance abuse problem.
<a href="#">Form C-422</a>	Authorization for the Release of Medical Information to or from the Northrop Grumman Medical Department	To authorize the release of medical information to or from Northrop Grumman, when signed by an employee.

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## Testing, Continued

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### Post-Offer/Pre-Employment

Every applicant receiving an offer of employment is required to undergo a five panel test for illegal drugs or illegally prescribed drugs as a condition of employment. This test includes amphetamines, cocaine, marijuana, opiates and PCP. Test results are in effect for six months.

Northrop Grumman does not hire applicants testing positive for illegal drugs. After testing positive on a drug test, an applicant must wait at least six months before reapplying for a position with the company.

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### Reasonable Suspicion

Employees are subject to drug/alcohol tests when there is evidence that reasonably indicates they have illegal drugs in their systems, or that their behavior or cognitive functioning is impaired by the use of alcohol or legal drugs.

Such evidence may include the employee's appearance or behavior, such as slurred speech, body or breath odor, dilated or constricted pupils, or unsteady gait, or the employee's possession of drugs or alcohol, or other observed conditions.

Such employees are referred to the Medical Department or designee for evaluation for a reasonable suspicion 10-panel drug and/or alcohol test. The request for the 10-panel test should be marked on the custody and control testing form, and the suspicious behavior must be documented on [Form C-383A](#) within 48 hours. Employees referred for reasonable suspicion testing are immediately removed from duty pending the results of test. Employees testing positive are subject to disciplinary action up to and including termination.

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### Positive Test Results

Employees testing positive for the presence of drugs or alcohol are immediately removed from duty and are subject to the following disciplinary actions:

IF it is the...	THEN...
FIRST offense,	<ul style="list-style-type: none"><li>the employee is immediately suspended;</li><li>a final warning notice is normally issued;</li><li>an EAP and/or medical evaluation is performed;</li><li>and,</li></ul>

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## Testing, Continued

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### Positive Test Results (continued)

IF it is the...	THEN...
FIRST offense (cont.),	<ul style="list-style-type: none"><li>• if appropriate, the employee is referred for rehabilitation and placed on random drug testing.</li></ul> <p><u>Note:</u> Discipline may be more severe depending on the circumstances of the case.</p>
SECOND offense,	the employee is normally terminated from employment.

The company considers any of the following actions to be in violation of company policy and equivalent to a positive test result:

- Refusal to
  - consent to a test.
  - cooperate with the testing procedures.
- Actual or attempted falsification of a test result.
- Tampering or adulteration of a test sample.
- Failure to report for testing within two hours after being notified of a random drug test.

An employee or applicant testing positive must be provided with a copy of the tests results and may request an opportunity to confidentially discuss the test results and/or the impact of any prescription medications on the test results with the MRO.

State law may require that an employee be given additional information or have the right to have their specimen retested.

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### Return To Work from Medical Leave or Suspension

Employees returning to work from a medical leave following the completion of a rehabilitation program for substance abuse which has been directed by the EAP or from suspension due to positive test results, must complete the following:

- Submit to and pass a drug/alcohol test as a condition of returning to work
- Receive clearance from the Medical Department and/or EAP, as appropriate, to return to work

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## Testing, Continued

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### **Return To Work from Medical Leave or Suspension (continued)**

If the test result is positive, the employee cannot return to work and is referred to the Medical Department or EAP. The employee may also be subject to disciplinary action, up to and including termination of employment.

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### **Random Testing - Identified Chemical Dependency Problems**

In cases where there has been a company-directed referral to the EAP based upon an employee's work related behavior and/or performance problem, at the direction of the Medical Department or the EAP, employees with identified chemical abuse or dependency problems must submit to random drug/alcohol testing. Tests are conducted on a random schedule at least monthly for up to a two-year period.

Participants must cooperate fully in their designated recovery programs. Failure to cooperate or continued unacceptable job performance may result in disciplinary actions, including termination of employment.

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### **Drug Free Awareness Training**

All newly hired employees receive training and information to meet the requirements of the Drug Free Workplace Act.

Training includes information about the dangers of drug abuse in the workplace, the company's policy/procedure of maintaining a drug-free workplace, available rehabilitation and EAP services, and the penalties that may be imposed upon employees in violation of the provisions of this procedure.

Periodic refresher training or information is provided to employees. In addition, management is trained to assist in identifying and addressing illegal drug use by employees.

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## Reporting and Searches

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<b>In This Section</b>	This section provides information regarding adverse information reporting and searches of employees' work areas and personal belongings in the workplace.
<b>Adverse Information Reporting for Employees with Security Clearances</b>	<p>When an employee holding a government security clearance tests positive on a drug and/or alcohol test ordered by the company, the Medical/EAP Department:</p> <ul style="list-style-type: none"><li>• Remind the employee of self-reporting responsibilities regarding adverse information under the company's Security Agreement with the government, and</li><li>• Inform the company site Security Director or the Facility Security Officer only that the specific employee has been referred to Security to meet reporting responsibilities.</li></ul>
<b>Searches</b>	<p>As a condition of continued employment, Northrop Grumman employees must submit to and cooperate with announced and unannounced searches of work areas, including desks, computers, file cabinets, etc. by authorized Northrop Grumman personnel.</p> <p>In addition, personal belongings on company property such as vehicles, packages, briefcases, toolboxes, and purses are subject to inspection at any time by authorized Northrop Grumman personnel.</p>

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## Responsibilities

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<b>In This Section</b>	This section defines individual responsibilities to ensure implementation of requirements contained in this procedure.
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<b>Staffing Department</b>	<p>Inform all applicants that they are subject to a post offer testing for illegal drugs.</p> <p>Arrange all testing of applicants receiving job offers.</p> <ul style="list-style-type: none"><li>• Provide all applicants with a copy of this procedure and any applicable sector procedure(s).</li><li>• Schedule local applicants for appointments with the Medical Department.</li><li>• Ensure out-of-state applicants are tested for illegal drugs during their out-of-state physical examination.</li></ul> <p>Inform applicants receiving job offers of medical clearance approval or denial. Advise those denied medical clearance that they may reapply for employment with the company after six months. Refer those with questions concerning their test results to the cognizant MRO or Medical Department.</p> <p>Communicate to the applicant prior to their drug testing that they may confidentially discuss any prescription medications they take with the Northrop Grumman medical doctor or designee.</p> <p>Ensure that applicant employment start dates are not scheduled prior to issuance of a medical clearance from the cognizant Medical Department.</p>
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<b>Medical Department</b>	Select U.S. Department of Health and Human Services, Substance Abuse and Mental Health Services Administration-certified laboratories, medical clinics, and doctors to perform drug and alcohol screening tests and or analysis.
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**Medical  
Department  
(continued)**

Ensure the following:

- Provide employees with copy of this procedure prior to conducting any reasonable suspicion testing.
- In advance of testing, all test subjects are informed that they may confidentially discuss the effect of prescription and over-the-counter medications on test results and provide a list of most common medications that may alter or affect a test results.
- Testing units are properly licensed and qualified.
- Methods and procedures used in administering the tests are appropriate, consistent, and include adequate chain-of-custody and quality control safeguards that prevent the submission of false or adulterated specimen.
- A test is only be reported as positive when it has been subject to confirmatory testing. Consult with Law Department in the event of a positive test to ensure compliance with applicable state law.
- Employees are provided, upon request, with a copy of their positive test results and with the opportunity to confidentially talk with the MRO or other Medical Department personnel about their results and/or the effect of prescription and over-the-counter medications on those results.

Ensure that strict confidentiality is maintained regarding drug and alcohol test results and that the results are not released to anyone without the written authorization of the applicant or employee unless otherwise authorized or permitted by law. In the case of applicants, provide the Employment department with only the following information:

- An applicant has been found to be medically qualified
- An applicant has been found to be medically unqualified

Note: In the case of employees testing positive on a drug and/or alcohol test ordered by the company, inform appropriate Human Resources personnel of the basis for the positive result. For cleared employees, also inform the company site Security Director or the Facility Security Officer, but only that a named employee has been referred to Security to meet self-reporting responsibilities.

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## Responsibilities, Continued

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### EAP

Advise and counsel management and the Human Resources organization regarding the appropriateness of rehabilitation or continued rehabilitation.

Serve as an interface between the company and treatment provider, as necessary.

Provide employees with information regarding treatment options and providers.

Maintain accurate and confidential records on employees evaluated for chemical dependency problems. Monitor treatment for compliance issues.

Note: In the case of cleared employees who test positive on a drug and/or alcohol test ordered by the company, inform the company site Security Director or the Facility Security Officer only that a named employee has been referred to Security to meet self-reporting responsibilities.

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### Human Resources

Advise and counsel management regarding the discipline, suspension, termination, and/or referral to the EAP of employees who are found abusing alcohol or drugs.

Coordinate, when necessary, with the Law Department and cognizant Security organizations to initiate investigations regarding the suspected possession or use of drugs or alcohol on company property or during working hours.

Coordinate, when necessary and acting as Medical Department designee, with the Law Department and cognizant Security organizations to initiate investigations regarding the suspected possession or use of drugs or alcohol on company property or during working hours.

Consult with the Law Department to ensure test results are communicated to the employee consistent with applicable state law when communicating positive test results as a designee of the Medical Department.

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## Responsibilities, Continued

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### Management

Refer employees exhibiting chronic job performance problems, such as unexplained deteriorating performance, attendance problems, unexplainable accidents, or negative behavioral changes, to Human Resources which coordinates with management and the Medical Department for evaluation or, if appropriate, refer such employees to the EAP.

Refer employee to the Medical Department, EAP, or designee for assessment if behavior is observed that indicates a reasonable suspicion that an employee has illegal drugs in their system, or is impaired by alcohol or legal drugs.

Discipline or terminate, as appropriate, employees found abusing legal drugs or alcohol or using illegal drugs as defined in this procedure.

Coordinate with Human Resources when requesting the cognizant Security organization to conduct investigations and/or searches of persons suspected of alcohol or drug abuse within their respective organizations.

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### Law Department

Provide Corporate Office and sectors with consultation and legal guidance that ensures that action taken to enforce the requirements of this procedure are legally supportable.

Inform sectors of changes in the law that affects the conduct of their substance abuse programs.

Administer all communications with attorneys representing applicants or employees on issues regarding this procedure.

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### Security

Post signs in facility lobbies and at entrance and exit points that set forth the company's practice regarding searches of personal belongings in the workplace such as vehicles, packages, briefcases, toolboxes, and purses, as a condition of entering Northrop Grumman premises.

Conduct investigations and/or searches of employees' work areas and personal belongings in the workplace in accordance with company procedures.

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## Responsibilities, Continued

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### Security (continued)

Report adverse information regarding cleared employees to the appropriate government agency in accordance with company, government, and any contract-specific security reporting requirements.

In conjunction with the cognizant Contracts organization, notify the cognizant contracting officer of an employee's conviction under a criminal drug statute for a violation occurring in the workplace no later than ten days after receiving notice thereof. Such notice must include the job classification of the employee.

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### Procurement

Ensure that indemnification provisions are included in contracts with all drug testing laboratories, medical clinics, and doctors performing applicant and employee drug and alcohol screening tests. These provisions should provide Northrop Grumman with indemnification in the event it is the subject of arbitration, an administrative proceeding, or lawsuit in whole or in part as a result of alleged negligent acts or other unlawful conduct by any contractor engaged by the company to perform drug/alcohol testing.

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### Each Employee

Seek assistance before substance abuse problems lead to disciplinary action.

Consult with the cognizant Medical Department or personal medical provider if there are any concerns that the taking of a prescribed drug is likely to affect job performance in a manner that poses a significant risk to the safety of the employee, coworkers, or the public, or impair job performance or behavior.

Adhere to the requirements of this document and any applicable laws or regulatory requirements.

Notify the cognizant Security organization of any conviction under any criminal drug statute for a violation no later than five days after such conviction.

Self-report any adverse personal information to the company site Security Director or the Facility Security Officer if in possession of a government security clearance. Note: A positive drug test result or determination of a chemical dependency problem constitutes adverse personal information in this regard.

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## References and Feedback

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**In This Section** This section sets forth references to other documents in this procedure and establishes a mechanism for providing feedback.

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### References

#### Policies

None

#### Procedures

[CO No. A101](#), Northrop Grumman Command Media System

[CO No. H402](#), Leaves of Absence

[CO No. H602](#), Employee Assistance Program

#### Topical Manuals

None

#### Work Instructions

None

#### Forms/Checklists

[Form C-378](#), Applicant Drug Testing

[Form C-382](#), Consent to Drug/Alcohol Testing

[Form C-383](#), Consent to Drug/Alcohol Testing - Reasonable Suspicion

[Form C-383A](#), Reasonable Suspicion/Possible Signs or Indication of Alcohol Intoxication and/or Drug Abuse

[Form C-419](#), Consent to Drug/Alcohol Testing - Return from Medical Leave or Suspension for Positive Drug/Alcohol Test

[Form C-422](#), Authorization for the Release of Medical Information to or from the Northrop Grumman Medical Department

[Form C-562](#), Post-Offer Medical Questionnaire

#### Other

None

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### Feedback

Have feedback or suggested change regarding this procedure or a form?

[Click here.](#)

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