

Drug-Free School and Work Place Policy

Aveda Institute New York embraces the spirit of the public law that requires schools to provide a drug-free campus and work place. As part of our institutional philosophy, we are dedicated to the advancement and well-being of the population we serve. As such, all students and employees are encouraged to abstain from the use of illegal drugs and irresponsible use of alcohol.

The institute will abide by the policy outlined below, which applies to both students and employees. Employees are also subject to The Estee Lauder Companies Inc. drug/alcohol free workplace policy, which is incorporated by reference herein.

Standards of Conduct

The possession, distribution, or consumption of alcoholic beverages is prohibited on all Aveda Institute New York property, whether owned or leased. The institute also prohibits students from being under the influence of alcohol at school. At Aveda Institute New York sponsored functions where alcohol may be served, the institute prohibits unlawful or irresponsible possession, distribution and consumption of alcoholic beverages, regardless of location and regardless of age. Aveda Institute New York enforces the drinking laws of the state of New York, including the prohibition of use by persons younger than 21 years of age.

The Aveda Institute New York prohibits the unlawful possession, distribution, use, or being under the influence of illegal drugs and/or controlled substances on any property leased or owned by the Aveda Institute New York or in any program or activity sponsored by Aveda Institute New York in any location. Although New York law allows those with certain medical diagnoses to use medical marijuana in some circumstances, the possession of marijuana is prohibited under federal law. Aveda Institute New York accordingly prohibits possession, distribution, use, and being under the influence of marijuana on any property leased or owned by the Aveda Institute New York or in any program or activity sponsored by Aveda Institute New York in any location.

Disciplinary Sanctions

Aveda Institute New York will impose disciplinary sanctions on students and employees (consistent with federal, state, or local law) for violations of the standards of conduct set forth in this policy. Disciplinary sanctions may include expulsion or termination of employment and referral for prosecution.

As a condition of enrollment, students must abide by the terms of the policy or one or more of the following actions will be taken within 30 days:

- reporting the violation to law enforcement officials;
- taking appropriate disciplinary action against such student, up to and including expulsion; and
- requiring such student to participate in a substance abuse rehabilitation program approved for such purposes by a federal, state, local health, law enforcement, or other appropriate agency.

If an employee is not terminated after violating the Aveda Institute New York's alcohol and drug policy, he or she may be required to participate in a substance abuse assistance or rehabilitation program as a condition of continued employment.

Legal Sanctions

This description is intended to provide a basic, general understanding of the range of serious legal

sanctions which can arise from the unlawful possession, distribution and/or use of illicit drugs and alcohol. Individuals who are concerned about specific circumstances should consult applicable laws and/or seek legal counsel.

In addition to the federal and state sanctions outlined below, secondary civil consequences may also flow from criminal drug violations. Property associated with the criminal acts, including homes and vehicles, can be confiscated by the state or federal government. Those who are convicted of felony violations may be barred from governmental employment or from licensed professions such as law, medicine and teaching. In addition, individuals may face a variety of penalties imposed by municipal ordinances.

Federal Sanctions. Federal anti-drug laws could affect a number of areas on the lives of our students and employees. Students could lose eligibility for financial aid, could be denied other federal benefits such as Social Security, retirement, welfare, health, disability, and veterans benefits. The Department of Housing and Urban Development, which provides funds to states and communities for public housing, now has the authority to evict resident members of their household who are involved in drug-related crimes on or near the public housing premises.

Federal Drug Offenses and Penalties, 21 U.S.C. § 841 et. seq.

§ 841(b)(1)(A) Distribution, manufacture, possession, and dispensing of 1 kilogram or more of a mixture containing a detectable amount of heroin; 5 kilograms or more of a mixture containing a detectable amount of coca leaves or cocaine; 280 grams or more of a mixture which contains cocaine base; 400 grams or more of a mixture containing a detectable amount of fentanyl or 100 grams or more of a mixture containing a detectable amount of a fentanyl analogue; 100 grams or more of PCP or 1 kilogram or more of a mixture or substance containing a detectable amount of PCP; 10 grams or more of a mixture containing a detectable amount of LSD; 1,000 kilograms of a mixture containing a detectable amount of marijuana or 1,000 or more marijuana plants; or 50 grams or more of methamphetamine or 500 grams or more of a mixture containing a detectable amount of methamphetamine, is a felony punishable by not less than 10 years in prison nor more than life in prison; and if death or serious bodily injury results, not less than 20 years nor more than life in prison; and not more than a \$10 million fine for a first offense. A second offense is punishable by not less than 20 years nor more than life in prison and a fine of not more than \$20 million. Two or more prior offenses may result in life in prison and a fine of not more than \$20 million.

§ 841(b)(1)(B) In the case of distribution, manufacture, possession, and dispensing of 100 kilograms or more of a mixture containing a detectable amount of marijuana or 100 or more marijuana plants; 100 grams or more of a mixture containing a detectable amount of heroin; 500 grams or more of a mixture containing a detectable amount of coca leaves or cocaine; 28 or more grams of a mixture which contains cocaine base; 40 grams or more of a mixture containing a detectable amount of fentanyl or 10 grams or more of a mixture containing a detectable amount of a fentanyl analogue; 1 gram or more of a mixture containing a detectable amount of LSD; 10 grams or more of PCP or 100 grams or more of a mixture containing a detectable amount of PCP; 5 grams or more of methamphetamine or 50 grams or more of a mixture containing a detectable amount of methamphetamine, one may be sentenced to not less than 5 years in prison nor more than 40 years; and if death or serious bodily injury results, not less than 20 years nor more than life in prison; and fined not more than \$5 million for a first offense. A second offense is punishable by not less than 10 years and not more than life in prison and a fine of not more than \$8 million.

§ 841(b)(1)(C) For distribution, manufacture, possession, and dispensing of 50 to 99 kilograms of a mixture containing a detectable amount of marijuana, or 50 to 99 marijuana plants; more than 10 kilograms of hashish; more than 1 kilogram of hashish oil; any amount of other schedule I or II substances; any drug product containing gamma hydroxybutyric acid; or 1 gram or less of

flunitrazepam, one may be sentenced to not more than 20 years in prison. If death or serious bodily injury result, one may be sentenced not less than 20 years nor more than life in prison. In addition, one may be fined not more than \$1 million. A second offense is punishable by not more than 30 years, or if death or serious bodily injury result, life in prison, and a fine of \$2 million.

§ 841(b)(1)(D) For distribution, manufacture, possession, and dispensing of a quantity of marijuana less than 50 kilograms, or 1 to 49 marijuana plants, less than 10 kilograms of hashish, or less than one kilogram of hashish oil, one may be sentenced to not more than 5 years and fined not more than \$250,000. A second offense is punishable by not more than 10 years in prison and a fine of not more than \$500,000.

§ 841(b)(1)(E) For distribution, manufacture, possession, and dispensing of any amount of other schedule III drugs, one may be sentenced to not more than 10 years in prison, or if death or serious bodily injury result, not more than 15 years in prison. One may be fined not more than \$500,000. A second offense is punishable by not more than 20 years in prison, or if death or serious bodily injury result, not more than 30 years, and a fine of not more than \$1 million.

§ 841(b)(2) For distribution, manufacture, possession, and dispensing of any amount of all other schedule IV drugs (other than one gram or more of flunitrazepam), one may be sentenced to not more than 5 years in prison and fined not more than \$250,000 for a first offense. A second offense is punishable by not more than 10 years in prison and a fine of not more than \$500,000.

§ 841(b)(3) For distribution, manufacture, possession, and dispensing of any amount of all schedule V drugs, one may be sentenced to not more than 1 year and fined not more than \$100,000 for a first offense. A second offense is punishable by not more than 4 years in prison and a fine of not more than \$200,000.

§ 848(b) If one is the head of a "drug ring" of 5 or more persons engaged in a criminal enterprise involving the manufacture, acquisition, transportation, distribution, or sale of illegal substances, one may be sentenced to life in prison in certain circumstances.

§ 853(a) All of the above include the possibility of forfeiture of property derived from or used in the distribution of illegal drugs, or used in the manufacture of such drugs.

§§ 859-60 Distribution of controlled substances to persons under 21 years of age may be punishable by twice the above sentences, as may distribution within 1,000 feet of a school, college, or university.

Federal law also imposes penalties for simple possession of controlled substances, as set forth in 21 U.S.C. § 844(a). A first conviction may result in a term of imprisonment of not more than one year, a minimum fine of \$1,000, or both. A second conviction will result in imprisonment for not less than 15 days but not more than 2 years and a fine of at least \$2,500. Penalties for a third conviction include imprisonment for not less than 90 days but not more than 3 years, and a minimum fine of \$5,000.

State Law Sanctions for Drug Offenses. New York laws defining offenses related to drugs and controlled substances may be found in New York Penal Law Sections 220 and 221. Penalties for felony offenses are set forth in New York Penal Law Section 60.04.

Penal Law §§ 220.21, 220.43 Controlled substance offenses in the first degree include possession of 8 ounces or more of a mixture containing a narcotic drug and 5,760 milligrams or more of methadone; and sale of 2 ounces or more of a mixture containing a narcotic drug or 2,880 milligrams or more of methadone. First degree offenses are punishable by imprisonment of not less than 8 years and not more

than 20 years and a \$100,000 fine.

Penal Law §§ 220.18, 220.41 Controlled substance offenses in the second degree include possession of 4 ounces or more of a mixture containing a narcotic drug, 2 ounces or more of a mixture containing methamphetamine, 10 grams or more of a stimulant, 625 milligrams or more of hallucinogen, 25 grams or more of a hallucinogenic substance, and 2,880 milligrams or more of methadone. Second degree offenses also include the sale of 0.5 ounce or more of a mixture containing a narcotic drug, 0.5 ounce or more of a mixture containing methamphetamine, 5 grams or more of a stimulant, 125 milligrams or more of hallucinogen, 5 grams or more of a hallucinogenic substance, and 360 milligrams or more of methadone. Second degree offenses are punishable by imprisonment of not less than 3 years and not more than 10 years and a \$50,000 fine.

Penal Law §§ 220.16, 220.39 Controlled substance offenses in the third degree include possession of a narcotic drug with intent to sell it, 1 gram or more of a stimulant with intent to sell it, 25 milligrams or more of a hallucinogen with intent to sell it, 1 gram or more of a hallucinogenic substance with intent to sell it, 1/8 ounce or more of a mixture containing methamphetamine with intent to sell it, 5 grams or more of a stimulant, 125 milligrams or more of a hallucinogen, 5 grams or more of a hallucinogenic substance, and 0.5 ounce of a mixture containing a narcotic drug. Third degree crimes also include sale of a narcotic drug, 1 gram or more of a stimulant, 25 milligrams of a hallucinogen, 1 gram or more of a hallucinogenic substance, and 1/8 ounce of a mixture containing methamphetamine. Third degree offenses are punishable by imprisonment of not less than 1 year and not more than 9 years and a \$30,000 fine.

Penal Law §§ 220.09, 220.34 Controlled substance offenses in the fourth degree include possession of 1/8 ounce of a mixture containing a narcotic drug, 0.5 ounce of a mixture containing methamphetamine, 2 ounces or more of a mixture containing a narcotic preparation, 1 gram or more of a stimulant, 25 milligrams or more of a hallucinogen, 1 gram or more of a hallucinogenic substance, 10 ounces or more of a dangerous depressant, 2 pounds or more of a depressant, and 360 milligrams or more of methadone. Fourth degree crimes also include the sale of a narcotic preparation, 10 ounces or more of a dangerous depressant, 2 pounds or more of a depressant, and methadone. Fourth degree offenses are punishable by imprisonment of not less than 1 year and not more than 5.5 years and a \$15,000 fine.

Penal Law §§ 220.06, 220.31 Controlled substance offenses in the fifth degree include possession of a controlled substance with intent to sell it, 0.5 ounce of a mixture containing a narcotic preparation, 50 milligrams or more of PCP, and 500 milligrams or more of cocaine. Fifth degree crimes also include sale of any controlled substance. Fifth degree crimes are punishable by imprisonment of not less than 1 year and not more than 2.5 years and a \$5,000 fine.

Penal Law § 220.03 Seventh degree possession of a controlled substance includes unlawful possession of any controlled substance. Seventh degree possession of a controlled substance is punishable by imprisonment of not more than one year and a fine of not more than \$1,000.

Where a sentence of imprisonment is imposed, a court may also order comprehensive alcohol and substance treatment or may enroll the sentenced person to the state's shock incarceration program.

New York also prohibits possession of marijuana. Possession of less than 25 grams of marijuana is punishable by a fine of not more than \$100. Possession of more than 25 grams of marijuana and the sale of two grams or less without consideration are punishable by imprisonment of not more than 3 months and a fine of not more than \$500. Possession of more than 2 ounces of marijuana and the sale of any amount of marijuana are punishable by imprisonment of not more than 1 year and a fine of not more than \$1,000. Possession of more than 8 ounces of marijuana and the sale of more than 25 grams of marijuana are punishable by imprisonment of not less than 1 year and not more than 1.5 years and a fine of not more than \$5,000. Possession of more than 16 ounces of marijuana, the sale of more than 4 ounces of marijuana, and the sale of marijuana to a person under the age of 18 are punishable by imprisonment of not less than 1 year and not more than 2.5 years and a fine of not

more than \$5,000. Finally, possession of more than 10 pounds of marijuana and the sale of more than 16 ounces of marijuana are punishable by imprisonment of not less than 1 year and not more than 5.5 years and a fine of \$15,000.

State Law Sanctions for Alcohol Offenses. New York State Law imposes criminal penalties for misuse of alcohol. Procuring an alcoholic beverage for a person under the age of 21 is punishable by imprisonment of up to 5 days and/or a \$200 fine. New York law also prohibits any person under the age of 21 from possessing alcoholic beverages with the intent to consume them. Each violation is punishable by a \$50 fine and/or completion of an alcohol awareness program and/or community service (beverages may also be confiscated and destroyed). In addition, persons under 21 can be fined up to \$100 and/or required to perform community service and/or complete an alcohol awareness program when presenting falsified proof to purchase alcoholic beverages. If a driver's license is used in the attempt to purchase alcohol illegally, the license can be suspended for 90 days.

Driving while intoxicated or while ability impaired by drugs is a misdemeanor punishable by up to one year in prison and/or \$1,000 fine for a first offense plus six-month license revocation. A second or subsequent offense constitutes a felony. Driving while impaired by alcohol (DWA) is also a violation, punishable by up to 15 days imprisonment and/or a \$500 fine plus a 90-day license suspension. Under the State's Zero Tolerance Law, the State will suspend or revoke the driver's license of any person under the age of 21 who is found to have driven after drinking any quantity of alcohol. Blood alcohol content of .02 is considered conclusive evidence that the person has consumed alcohol. The NYPD will immediately seize and impound the vehicle of an intoxicated driver. Also, if the driver causes bodily and/or property damage to others, he/she may be liable for monetary damages and criminal penalties if serious injuries or death occur.

Health Risks

Drugs and alcohol can be highly addictive to the body and can cause harmful effects to virtually every aspect of a person's life, i.e., relationships, family, job, institute, physical, and emotional health. People who use drugs and alcohol may lose their sense of responsibility, become restless, irritable, paranoid, depressed, inattentive, and anxious or experience sexual indifference, loss of physical coordination and appetite, coma, convulsion, or even death. Persons who use drugs and alcohol face not only health risks, but their ability to function in their personal and professional lives can be impaired as well. Some examples of this are a hangover or feeling "burnt out," being preoccupied with plans of the next drink or "high," or slowed reflexes that can be especially dangerous while driving. Alcohol-related driving deaths are the top killer of 15- to 24- year-olds.

The signs that could indicate when someone is in trouble with drugs or alcohol, including:

- abrupt changes in mood or attitude;
- continuing slump at work or school;
- continuing resistance to discipline at home or school;
- inability to get along with friends or family;
- unusual temper flare-ups;
- increased borrowing of money;
- heightened secrecy;
- a complete new set of friends.

Counseling, Treatment and Rehabilitation

Students can obtain drug and alcohol education information and a list of counseling and support services from the Student Services Manager. Employees should contact Human Resources for assistance. Resources for students and employees struggling with alcohol and or substance abuse problems include:

- Alcohol Drug Interventions and Drug Treatment 888-762-3750
- Alcohol and Drug Abuse Helpline and Treatment 800-234-0420
- Help Hotline for those who live with alcoholics 888-4AL-ANON or 888-425-2666
- Marijuana Anonymous Hotline 800-766-677
- www.newyorkcitydrugrehab.org

Standard Violations and Internal Grievance Procedure

Minor Standard Violations

Minor violations include the following:

- Refusal to service clients unless for a legitimate legal reason;
- Unprofessional behavior;
- Failure to clock in or out; or
- Any behaviors deemed to be disruptive.

Five repeated violations of minor standards will result in termination.

Major Standard Violations

Major standard violations include:

- Using, under the influence of, or in possession of controlled substance or alcohol;
- defacing or destroying property;
- stealing personal or company property;
- cheating;
- falsifying documents or timekeeping;
- threats;
- committing fraud;
- abusing and/or causing physical harm to others;
- harassing or bullying behaviors;
- Aveda product diversion;
- possession of handguns or other weapons; and
- violating local, state, or federal laws

Anytime during the student's program, the violation of a major standard will result in termination. If a student is terminated from a program for a major violation, he or she will not be considered for reentry into any program.

Terminations

The Student Services Manager will manage all terminations. Students must be current on all fee and payment obligations in order to receive an official transcript. The student may be required to complete and return loan exit paperwork to the financial aid department. The student's locker and assigned station must be vacated five school days after the institute's determined date of termination. The student must contact the facilities lead to arrange for removal of items. The Aveda Institute New York reserves the right to send via a traceable method items left in the students locker and/or station to the address listed on file. Aveda Institute New York is not responsible for lost or missing items after the student has been terminated. If a student is terminated from the institute, they are not eligible to enroll into any future programs at the school.

Internal Student Grievance Procedure

The institute will make every attempt to resolve any student complaint that is not frivolous or without merit. Evidence of final resolution of all complaints will be retained in school files to determine the frequency, nature, and patterns of complaints for the institute.

Grievances regarding Institute

- *Step 1:* Students are required to share solutions to challenges that they observe in their classrooms and on the clinic floor by submitting the Challenge/Solution form in the locked box outside the

- administration office. Students can obtain the form from any member of administration.
- *Step 2:* After submitting the form, the student will meet with the Director to discuss the grievance(s). The Director and Student Services Manager will then create a plan toward resolution of the grievance within 10 school days of submission of the form. The decision will be reported to the student.

Complaints regarding Policy Decisions, including Student Termination

If a student is terminated or disagrees with an institute policy decision, he or she can appeal within five business days from the institute's determination on the form provided by the Student Services Manager.

Reasons for which students may appeal a negative determination include death of a relative, an injury or illness of the student, or any other allowable special or mitigating circumstance. The student's appeal must contain the following:

- Reason(s) why the policy determination was incorrect or the student failed to adhere to the policy;
- Reason(s) why the policy determination should be overturned, along with supporting documentation;
- If a Satisfactory Academic Progress (SAP) determination, the appeal must include a response on what has changed about the student's situation that will allow him or her to achieve SAP by the next evaluation point, or if based on the institute's internal academics/attendance policy, what changed about the student's situation that will allow him or her to be successful if granted the appeal to return to school.

Appeal documents will be reviewed by the Director and a decision will be made and reported to the student within 10 business days of the Director's receipt of the appeal. The appeal and decision documents will be retained in the student's file.

A student can also file a complaint with the institute's accreditor or state regulatory agency. The institute's accreditor can be reached at National Accrediting Commission of Career Arts & Sciences, Inc. ("NACCAS"), 3015 Colvin Street, Alexandria, VA 22314, (703) 600-7600. The student can also write to the New York State Education Department, Bureau of Proprietary School Supervision (BPSS), at 116 West 32nd Street, 5th floor, New York, New York 10001, (212) 643-4760. For information regarding complaint procedures pursuant to New York Education Law section 5003 and a description of the process for obtaining a tuition refund from the tuition reimbursement fund pursuant to section 5007 of the New York Education Law see Addendum A.

The Estee Lauder Companies Inc. is committed to providing a safe and productive environment for all employees and is committed to maintaining a workplace free from the influence of illegal drugs and alcohol. We regard the illegal use of drugs and the abuse of alcohol as serious problems. It is, therefore, the policy of the Company to prohibit the unlawful manufacture, storage, distribution, dispensation, possession, sale or use of alcohol or any controlled substance in the workplace. Reporting to work or working while under the influence of alcohol or illegal drugs is also prohibited. Further, the use of alcohol on Company property is prohibited except in the limited case of Company-sponsored social activities. All of us are expected to adhere to this policy as a condition of employment. Violation of this policy is serious and can lead to termination of employment.

The Company reserves the right to conduct reasonable searches of employees' property when there is reason to suspect violation of this policy. The Company also reserves the right to require that an employee undergo a urine drug screening test or blood alcohol test when there is reasonable suspicion that an employee is or has been under the influence of illegal drugs or alcohol while on Company property or on Company business. Additionally, the Company reserves the right to require all applicants for employment and all employees returning from disability leaves for alcohol and/or drug-related medical conditions to undergo a urine drug screening test or blood alcohol test. Further, any conviction for an alcohol or drug-related criminal offense, as the result of conduct on or off the job will be considered grounds for discipline, up to and including termination. Employees who are convicted of such violations are required to notify Human Resources no later than five (5) days after their conviction.

If an employee is not terminated after violating the Company's alcohol and drug policy, including but not limited to failing a drug screening test or blood alcohol test, he or she may be required to participate in a substance abuse assistance or rehabilitation program as a condition of continued employment.

The Company provides an Employee Assistance Program which offers employees and members of their immediate households, information and professional, confidential counseling regarding drug or alcohol abuse. The Employee Assistance Program is fully described in the folder titled, "Estee Lauder Employee Assistance Program." The folder is available from Human Resources in your facility.

Please consult with your supervisor or Human Resources representative if you have questions about the Company's policy on the use of drugs or alcohol in the workplace.

No actions are to be taken without the prior approval of Human Resources (including searches or testing).