

Memorandum Regarding Safety Initiative

Introduction

The Environmental Contractors Association ("ECA"), the Mason Tenders District Council ("MTDC") and Asbestos Handlers Local 78 ("Local 78") hereby agree to create a joint safety compliance program that will protect the public and ensure workers' safety during the abatement of toxic materials (the "Program"). The Program will train company supervisors, foremen and union shop stewards to ensure their full understanding of Department of Environmental Protection ("DEP") regulations, Environmental Protection Agency ("EPA") requirements and Occupational Health and Safety ("OSHA") standards. Contractors will be expected to strive for state of the art safety practices, and Local 78 shop stewards will help monitor their performance on specific job sites. Companies, supervisors, foremen and handlers who ignore or evade their obligations will be sanctioned; those who achieve full compliance will be rewarded.

I. Training

All shop stewards and company supervisors shall attend and complete a training course on safety and regulatory standards to be provided by the Mason Tenders Training Fund.

II. Job Site Compliance Process.

Foremen, supervisors and shop stewards have joint responsibility to ensure that all work involved in the removal of hazardous material is performed safely and in full compliance with any applicable regulatory or collectively bargained procedures. Supervisors and foremen shall immediately inform and, if appropriate, discipline any handler who is violating any required procedures. Shop stewards shall also inform handlers on the job when they violate any such procedures (a "Safety Violation") and request them to cease the violation. A shop steward shall promptly bring to the attention of the foreman, any failure by a handler to discontinue a Safety Violation; if the foreman fails to take appropriate action, the shop steward shall immediately refer the matter to the Company supervisor. Shop stewards shall be provided adequate time during the work-day to investigate the job for purposes of monitoring compliance with applicable safety standards. The Union shall promptly investigate any claims by an Employer that a Shop Steward is unwilling or unable to police safety violations, and shall replace the Shop Steward if it considers such action warranted.

In the event a shop steward's efforts to discontinue a Safety Violation on a job are not successful, or in the event the violation is of a nature that requires further redress, the shop steward shall contact the Union. An officer of the Union and a principal of the Employer shall promptly confer to resolve the issue. Likewise, in the event a supervisor's efforts to discontinue a Safety Violation on a job are not successful, or in the event the supervisor believes a violation by a handler requires further redress, he/she

shall contact the principals of the Employer. A principal of the Employer and an officer of the Union shall promptly confer to resolve any such issues.

III. Sanction Process

A. Joint Safety Board.

A Joint Safety Board ("Joint Board") shall be established consisting of two representatives of the Association (and two alternate representatives) and two representatives of the Union (and two alternate representatives) who shall promptly meet to confer regarding incidents in which an alleged Safety Violation brought to the attention of an Employer's principal and the officer of the Union has not been resolved. The Board shall, by majority vote, have authority to impose sanctions on a foreman or supervisor for a period determined by the Board, and to fine an Employer for its misconduct. The Joint Board shall further have authority to suspend handlers who commit safety violations for periods of time the Board deems appropriate. The Joint Board may also recommend to the Union that a Shop Steward who fails to police safety violations, or abuses his/her authority, be retrained or removed as a Shop Steward. The Union shall have full authority, however over the status of any Shop Steward. Notice of any disciplinary action shall be immediately sent by the ECA to all employers which are signators with Local 78 and shall also be immediately sent by Local 78 to all its shop stewards.

B. Arbitration.

In the event resolution is not reached by the Joint Board within five days of the initial notice of the dispute to the Board, the matter may be submitted for expedited arbitration by either party before Arbitrator Roger Maher or his designee ("Arbitrator").

The Arbitrator shall have authority to hear all matters arising with respect to a given Employer as a consolidated case, and shall convene a hearing on any matter submitted to him promptly. Oral decisions on cases shall be made at the conclusion of the hearing. The Arbitrator shall determine whether a Safety Violation has occurred, and if so, shall impose appropriate fines, penalties, suspensions, modifications of applicable referral ratios, or other sanctions as he deems appropriate. Notices of any decisions by the Arbitrator shall be sent by the ECA, to all employers which are signators with Local 78 and also sent by Local 78 to all its shop stewards.

1. Supervisor Safety Violations.

If the Joint Board or Arbitrator orders the suspension of a Supervisor, and an Employer employs the supervisor during the period of his/her suspension, the Union shall have the right without limitation under Article XI of the CBA, to request that handlers not work under the direction of the suspended supervisor for the period of the such suspension.

2. Handler Violations.

In the event the Joint Board or Arbitrator suspends a Handler/Foreman for committing one or more safety violations, the Handler/Foreman shall not be employed by any Employer for the period of time specified by the Joint Board or Arbitrator.

3. Employer Safety Violations.

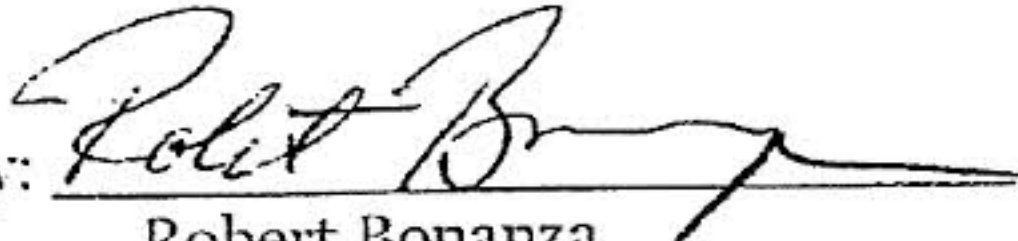
In the event the Joint Board or Arbitrator finds that an Employer knew of and tolerated, or should reasonably have known of one or more safety violations¹ (collectively a "Knowing Violation"), or in the event an Employer is found to have employed a suspended Supervisor or suspended Handler/Foreman during the period of his/her suspension, the Joint Board or Arbitrator may impose on such Employer an appropriate fine, and/or modify the referral ratio applicable to such Employer under the collective bargaining agreement, for an appropriate period of time.

All fines shall be payable as contributions to the ECA Industry Advancement Fund and shall be used exclusively to promote safe practices in the environmental abatement industry.

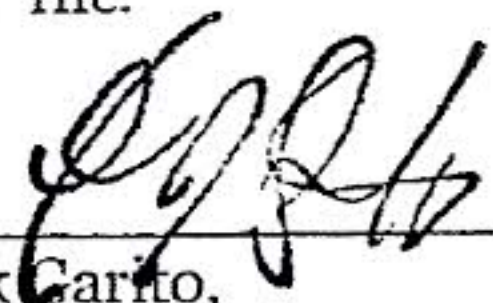
IV. Term

The parties acknowledge this Memorandum Regarding Safety Initiative ("MRSI") may require revision and agree to monitor its effectiveness in improving safety practices on individual job sites and shall reconvene periodically, but not less frequently than once every three months, to consider necessary changes to the MRSI, and practices under it. The MRSI shall be considered an amendment to the 2003-2007 collective bargaining agreement between the ECA and MTDC (the "CBA"), and shall run concurrently with the CBA, except the MRSI shall be subject to termination by either the ECA or MTDC by written notice to the other given during the month of July 2006. Its provisions shall supersede any inconsistent provisions in the CBA.

For The Mason Tenders District Council
Of Greater New York

By: 
Robert Bonanza,
Business Manager

For The Environmental Contractors
Association, Inc.

By: 
Frank Carito,
President

¹ The Joint Board or Arbitrator may, among other things, consider the records under the Program of Supervisors employed by an Employer in evaluating any defense that an Employer did not know of, or could not reasonably have known of, a violation.