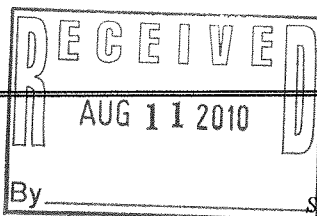


STATE OF CALIFORNIA

DEPARTMENT OF INDUSTRIAL RELATIONS
DIVISION OF WORKERS' COMPENSATION
1515 Clay Street 17th Floor
Oakland, CA 94612
(510) 286-7100



ARNOLD SCHWARZENEGGER, Governor

MAILING ADDRESS:
P. O. Box 420603
San Francisco, CA 94142-0603



August 10, 2010

William T. Callahan, Jr., Ph.D, Executive Director
Associated Roofing Contractors of the Bay Area Counties, Inc.
1425 Treat Blvd., Suite C
Walnut Creek, CA 94597

Steven Tucker, Business Manager
Roofers Local Union No. 40
150 Executive Park Blvd., Suite 3625
San Francisco, CA 94134-3309

Doug Ziegler, Business Manager
Roofers Local Union No. 81
400 Enterprise Way, Room 122
Oakland, CA 94621

Dan Smith, Business Manager
Roofers Local Union No. 95
293 Brokaw Road
Santa Clara, CA 95050

Rick Waldebaur, Business Representative
Roofers Local Union No. 27
5537 East Lamona Avenue, Suite 1
Fresno, CA 93727

Re: Letter of Eligibility Renewal - Associated Roofing Contractors of the Bay Area Counties, Inc. and United Union of Roofers, Waterproofers and Allied workers, Local 27, 40, 81 and 95 Agreement Pursuant to Labor Code Section 3201.5

Dear Dr. Callahan, Mr. Waldebaur, Mr. Tucker, Mr. Ziegler and Mr. Smith:

I am pleased to advise you that based on a review of the documents and materials submitted, I have determined that the parties continue to meet the eligibility requirements of Labor Code section 3201.5. The terms and conditions for continued eligibility, record keeping and reporting requirements outlined in the letter of October 9, 2003, remain in full force and effect. This letter of eligibility is effective July 31, 2010 and expires July 31, 2011.

Although the letter of eligibility will expire as to the group on July 31, 2011, the expiration date of the collective bargaining agreement with Roofers Locals 40 and 81, it may become ineffective as to an individual employer on an earlier date if that individual employer no longer carries the required workers' compensation insurance, or is no longer signatory to a current 3201.5 provision, or otherwise fails to meet the eligibility requirements of Section 3201.5.

Roofers Union –Locals 27, 40, 81 and 95

August 10, 2010

Page 2.

Please submit a letter annually outlining any changes as provided by California Code of Regulations §10204(a).

I hope that this alternative workers' compensation system will be beneficial to every party and to the people of California in the years to come and that it will provide high-quality medical care, full compensation to injured workers with minimum dispute, and substantial savings to be redirected to more productive uses.

Respectfully,

A handwritten signature in cursive script that reads "Carrie Nevans".

Carrie Nevans

Acting Administrative Director

CN/lt