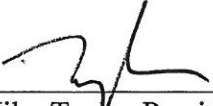


STATES INDUSTRIES, LLC.

SAFETY POLICY

- 1 States Industries, LLC. believes that safeguarding the health and welfare of our employees cannot be emphasized too greatly. It is the policy of this Company to provide and maintain a safe and healthful place of employment, to comply with all safety laws and regulations. To follow sound operating practices that will provide an environment of safe working conditions and efficient operations.
- 2 Safety and accident prevention must be a part of the normal routine operating functions which govern quality and quantity of goods, personnel relations, and communications between workers, supervisors, and management. Safety will take precedence over expediency or short cuts. Leads shall be directly responsible for a continuous effort toward the prevention of accidents, and management shall make every effort to uphold this policy.
- 3 The success of our safety and accident prevention program and processes depends upon the full cooperation and support of all employees. We are asking that each employee abide by the safety rules and follow safe work practices to keep our operation free of accidents and insure the safety of all employees.
- 4 Our objective is a Safety and Health program that will reduce the number of injuries and illnesses to an absolute minimum, not merely in keeping with, but surpassing, the best experience of other operations similar to ours. Our goal is zero accidents and injuries.
- 5 Our Safety and Health program will include at a minimum:
 - 5.1 Providing mechanical and physical safeguards to maximum extent possible.
 - 5.2 Conducting a program of Safety and Health inspections to find and eliminate unsafe working conditions, at risk behaviors, and to comply fully with the safety and health standards for every job.
 - 5.3 Training all employees in good safety and health practices.
 - 5.4 Providing necessary personal protective equipment and instructions for its proper use and care.
 - 5.5 Developing and enforcing Safety and Health regulations and requiring that employees cooperate with these rules as a condition of employment.
 - 5.6 Investigating, promptly and thoroughly, every accident to find out what caused it and to correct the problem so that it won't happen again.

- 6 We recognize that the responsibilities for the safety and health are shared:
- 6.1 States Industries, the employer, accepts the responsibility for leadership of the Safety and Health Program, for its' effectiveness and improvement, and for providing the safeguards required to ensure safe conditions.
 - 6.2 Supervisors' are responsible for developing the proper attitudes toward safety and health in themselves and in those they supervise. For ensuring that all operations are performed with the utmost regard for the safety and health of all personnel involved, including themselves.
 - 6.3 Employees are responsible for wholehearted, genuine cooperation with all aspects of the Safety and Health Program, including compliance with all rules and regulations, and for continuously practicing safety while performing their duties.



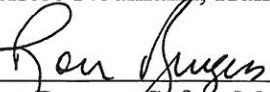
Mike Taylor President

12/8/10
Date:



Kristee Neumann, Human Resource Manager

11/5/10
Date:



Ron Burgess Safety Manager

11/5/10
Date: