MEMORANDUM OF UNDERSTANDING
BU 03, Article 18 - Uniforms and Equipment
Safety Shoes Guidelines

THIS MEMORANDUM OF UNDERSTANDING (MOU) is entered into on this 12th day of December, 2007, by and between the State of Hawaii ("Employer") and the Hawaii Government Employees Association ("Union") on behalf of employees in Bargaining Unit 3.

WHEREAS, the Employer and the Union, mutually agreed on Safety Shoes Guidelines, dated on or about October 16, 1992, based on competitive bidding procedures.

WHEREAS, in lieu of the Employer utilizing the competitive bidding procedures, the Employer and the Union, have mutually agreed on a revised safety shoe guideline (attached hereto) based on established allowances to encourage compliance with the Occupational Safety and Health Act and, to allow employees to choose the brand or model of shoes which meet the specifications of the current American National Standard Institute Z41 and for which, shoes are required in connection with the employee's official duties by the codes and rules and regulations of the Department of Labor and Industrial Relations.

NOW, THEREFORE, the parties agree as follows:

1. Effective July 1, 2007, the attached Safety Shoes Policy and Purchasing Guidelines shall be followed to assess foot hazards, to determine the appropriate foot personal protective equipment required by the OSHA rules, and to permit employees to select and obtain the proper foot protection.

2. Effective July 1, 2007, the Employer shall pay, up to the applicable allowances listed below for employees on each island, for the purchase of safety shoes which meet the required specifications for the types of shoes they are required to wear in the performance of their duties and responsibilities. If the actual cost of safety shoes is less than the applicable allowance, the Employer shall only be responsible for the actual cost of safety shoes. If the actual cost of safety shoes exceeds the applicable allowance, employees shall be responsible for the cost in excess of the applicable allowance except for those situations described in the Safety Shoes Policy and Purchasing Guidelines or Physical Anomalies.

<table>
<thead>
<tr>
<th>Safety Shoes Category</th>
<th>Hawaii</th>
<th>Maui</th>
<th>Kauai</th>
<th>Oahu</th>
</tr>
</thead>
<tbody>
<tr>
<td>Impact &amp; Compression Resistance</td>
<td>$84.00</td>
<td>$84.00</td>
<td>$79.00</td>
<td>$79.00</td>
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<tr>
<td>Metatarsal Footwear</td>
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<td>Electrical Hazard Footwear</td>
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<tr>
<td>Sole Puncture</td>
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<td>$90.00</td>
<td>$90.00</td>
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<tr>
<td>Water Resistance Rubber Boots*</td>
<td>$21.00</td>
<td>$21.00</td>
<td>$21.00</td>
<td>$21.00</td>
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<tr>
<td>Water Resistance Rubber Boots with Safety Toe</td>
<td>$31.00</td>
<td>$31.00</td>
<td>$31.00</td>
<td>$31.00</td>
</tr>
</tbody>
</table>
*This is not a safety shoe. Where safety shoes or boots with water resistance is required, use impact and compression category (plus water resistance requirement).

THIS MOU SHALL BE EFFECTIVE from July 1, 2007, to and including June 30, 2009, unless either of the parties terminates this MOU by giving a minimum of thirty (30) days written notice prior to the proposed date of termination.

IN WITNESS WHEREOF, the parties hereto, by their authorized representatives, have executed this MOU on the day and year first written above.

FOR THE EMPLOYER:

[Signature]
Marie C. Ladeta, Director
Department of Human Resources Development and Chief Negotiator, Office of Collective Bargaining

FOR THE UNION:

[Signature]
Russell K. Okata, Executive Director
Hawaii Government Employees Association

APPROVAL AS TO FORM:

[Signature]
Deputy Attorney General