PLAINTIFF'S EXHIBIT
WRG-1019

5/1/87
To ① Jay Hughes OK 5/7/87
② ~~Steve Vent~~ MAY 05 1987 OK 5/8/87
Please review and comment
Thanks —
③ John Hamilton

GRACE

Construction Products Division

W.R. Grace & Co.
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Somerville, NJ 08876
(201) 218-0500

April 15, 1987

RECEIVED BY
MAY 0[illegible] 1987
LEGAL DEPARTMENT
CAMBRIDGE

Mr. Don Bannon, R.A.
Robert Schwartz & Associates
322 Eighth Avenue
New York, NY 10001

File
Standard letters

Dear Mr. Bannon:

This letter is in response to your recent questions about our MONOKOTE Fireproofing. Such questions are currently especially pertinent because of the new regulations promulgated by the New York City Department of Environmental Protection for compliance with New York City Local Law 76. Before discussing the impact of these regulations upon the use of MONOKOTE some basic background information may be helpful.

MONOKOTE-5 should be considered asbestos free. When tested according to the United States Environmental Protection Agency (EPA), Interim Method for the Determination of Asbestos in Bulk Insulation Samples, no asbestos has been found in MONOKOTE. The attached EPA letter and Shimel and Sor independent test lab report attest to this fact.

One of the components of MONOKOTE-5 is vermiculite, a naturally-occurring mineral that may contain tremolite in the ore body. Except for minute amounts, the tremolite is removed from the vermiculite during processing. It is this purified vermiculite which is used in the manufacture of all of Grace's vermiculite-containing products, including MONOKOTE-5.

Using sophisticated, state-of-the-art electron microscopy analysis, it may be possible to detect fibrous tremolite in MONOKOTE at levels below .001% (10 parts per million) by weight. Attached are copies of independent laboratory test results by Arthur D. Little, Inc. and Mt. Sinai Medical Center. These extremely low levels are characterized by experts as "totally insignificant".

The EPA and some individual states such as California and New Jersey, have stringent standards covering the spray-application of fireproofing materials. With levels below .001% (10 parts per million), MONOKOTE is more than 1000 times below the EPA standard, and more than 250 times below the more stringent state requirements.

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We hope the information given here will be helpful. It is based on our best knowledge, and we believe it to be true and accurate. Please read all statements, recommendations or suggestions herein in conjunction with our conditions of sale which apply to all goods supplied by us. We assume no responsibility for the use of these statements, recommendations, or suggestions, nor do we intend them as a recommendation for any use which would infringe any patent or copyright.

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The United States Occupational Safety and Health Administration (OSHA) regulates occupational exposure to airborne asbestos fiber and has recently established a Permissible Exposure Level (PEL) of 0.2 fibers/cc (8 hr. time weighted average) and an action level of 0.1 fibers/cc. Grace frequently monitors jobsite exposure levels for workers applying MONOKOTE and all tests performed show exposure levels substantially below the OSHA action level and, in fact, below levels which can be quantified with statistical reliability.

OSHA has further officially informed Grace that its asbestos regulations are not meant to be enforced for any products which contain de minimus levels of naturally-occurring tremolite where exposure levels to employees can be demonstrated to not exceed the OSHA action level.

Local Law No. 76 of the City of New York (pertinent pages attached) now requires that renovation or demolition projects which disturb asbestos or "asbestos containing material" be controlled under regulations set forth by the Commissioner of Environmental Protection of the City of New York. That law defines "asbestos containing material" as asbestos or any material containing more than one percent asbestos by weight. In order to maintain the fire rating lost by the removal of any asbestos-containing fireproofing material, it is necessary to replace it with an acceptable replacement material. The New York City DEP, in Section 8101 of the regulations (as published on Page 754 of the 3/13/87 edition of "The City Record", copy attached) has defined "replacement material" as "any material used to replace 'asbestos containing material' that contains less than a .01% asbestos". With levels below .001% (10 parts per million) MONOKOTE-5 is more than 1,000 times below the New York City definition of "asbestos containing material" and more than 10 times below the New York City definition of an acceptable "replacement material".

Based upon the definitions now established by the City of New York; the test reports attached and the expert opinions of those who have conducted the tests, MONOKOTE should be considered asbestos-free. I trust that you will agree and that the information contained in this letter will enable you to continue to use Grace products with even greater confidence in their safety and performance than you have had in the past.

Sincerely,

Construction Products Division
W.R. Grace & Co.

Michael G. Lopinto
Fireproofing Product Manager

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