

SIDE LETTER: SETTLEMENT AGREEMENT – UNFAIR LABOR PRACTICE CHARGES

LBNL IS EXCEPTED FROM THIS SIDE LETTER

SF-CE-877-H

UPTE agrees to withdraw this ULP in exchange for the following:

- Effective the first pay period following sixty (60) days from the date of ratification or 7/1/10, whichever is later; a one (1)-time payment of one thousand dollars (\$1,000) will be paid to each full-time employee who is in the RX or TX unit on the date of ratification and on the date of payout. The one thousand dollars (\$1,000) payment will be pro-rated based on the appointment percentage (pre-START appointment percentage), is not base building or covered compensation for retirement, etc.
- All TX and RX employees who would have been subject to the systemwide furlough/salary reduction plan and who have not yet been temporarily laid off in relation to this program in order to effectuate the State Budget shortfall for FY 09-10, will:
 1. Have the opportunity to enroll in the START Plan at their location to effectuate the savings required by the system-wide furlough/salary reduction plan.
 2. This understanding does not cover temporary layoffs of RX and TX unit employees for reasons other than the temporary budget shortfall.
 3. Employees who opt to do this will begin such START reduction on the pay period following the date of ratification through 12/31/10.
 4. As an example, if an employee would have received a four percent (4%) reduction in pay and eleven (11) days of furlough then the employee would need to effectuate the annual equivalent of the four percent (4%) reduction in pay through the START program. (\$40k, four percent (4%) equal to sixteen hundred dollars (\$1,600) annual savings so this would need to be spread out among the months remaining from date of ratification to 12/31/10.)

SF-CE-896-H

UPTE agrees to withdraw the portion of this ULP related to Blue Cross health plan participants. The portion related to paybands will continue through the process.