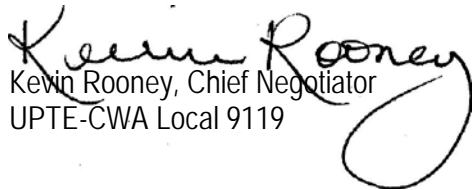


March 4, 2010

SIDE LETTER OF UNDERSTANDING: ARTICLE 4 – UNIVERSITY BENEFITS

This side letter of understanding shall provide for an additional circumstance under which the University must provide UPTe with notice and an opportunity to bargain under Article 4 – University Benefits during the term of this contract.

Article 4 – University Benefits provides that the University may make changes to its Health and Welfare Programs and Retirement Programs without bargaining except in those defined situations in which the University is obligated to provide UPTe notice and an opportunity to bargain over specific proposed changes to the Health and Welfare programs (See Article 4, Part I, Section A.1) and the Retirement System (Article 4, Part II, Section A. and B.). For the duration of this agreement, if the University proposes major structural changes to the Health and Welfare program, retiree health insurance, or the University of California Retirement Plan, the University would be obligated to notify UPTe and UPTe may demand to bargain or may accept the changes as proposed. Such notice and demand to bargain will be handled under the same language in the Duration article as it will be for the other potential bargaining obligations under Article 4 – University Benefits mentioned above. (See Section B. of the Duration Article.)


Kevin Rooney, Chief Negotiator
UPTe-CWA Local 9119


Renee Mayne, Senior University Negotiator
University of California Office of the President