

### Side Letter on Compensation

This offer is contingent on agreement by June 26, 2007 to the entire proposed side letter below.

A. Each populated TX title code that has, effective as of the February 2007 snapshot of the Corporate Personnel System (CPS), a full time equivalent annualized weighted average base salary of:

1. less than \$34,500 shall be increased by 1.95%;
2. \$34,501 or more but less than \$35,500 shall be increased by 0.95%;
3. \$35,501 or more but less than \$40,000 shall be increased by 0.5%.

These range adjustments and wage increases shall be effective April 1, 2007 (or the closest pay period for bi-weekly paid employees.)

B. LBNL – All employees at LBNL who earn, as of April 4, 2007, a full time equivalent annualized base salary of \$35,000 or more but less than \$40,000 shall receive a 0.5% salary increase. This increase shall be effective April 1, 2007 (or the closest pay period for bi-weekly paid employees.)

C. At the Santa Cruz Campus Only:

1. Effective October 1, 2006, at the Santa Cruz campus, raise the salary ranges and salary rates for employees in the Technical bargaining unit to a minimum annual full-time rate of \$25,000.
2. Effective October 1, 2006, at the Santa Cruz campus, grant equity increases to individual employees in the Technical bargaining unit as follows:
  - a) For employees who receive an increase under Section C.1. above, provide an equity increase not to exceed 4% when combined with the percent increase received under Section C.1.above.
  - b) For employees who do not receive an increase under Section C.1. above,
    - (1) provide a 3% increase for those earning \$25,000 through \$26,999 annually (full-time), not to exceed \$27,540
    - (2) provide a 2% increase for those earning \$27,000 through \$29,999 annually (full-time), not to exceed \$30,300
    - (3) provide a 1% increase for those earning \$30,000 and above annually (full-time), not to exceed \$35,000
3. The order of salary range and rate increases for the Santa Cruz campus on October 1, 2006, shall be as follows:

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- a) Salary range and rate increases provided under Article 6.C., Compensation, of the Technical Unit collective bargaining agreement.
  - b) Salary range and rate increases provided under Section C.1. of this Side Letter.
  - c) Equity increases under Section C.2. of this Side Letter
- D. At the Berkeley and Santa Barbara Campuses Only:
- 1. Effective January 1, 2007, employees in this bargaining unit at the Berkeley and Santa Barbara campuses will earn an hourly rate of no less than \$11.70.
  - 2. Order of Increases
    - a) Salary range and rate increases as provided under Article 6.C., Compensation, of the Technical Unit collective bargaining agreement.
    - b) Salary rate increases as provided under Section D.1. of this side letter.
    - c) Salary range and rate increases as provided under Section D. of this Side Letter.
- E. Eligibility  
To be eligible for the increases as specified in this side letter, employees must meet the criteria described above and be in the bargaining unit or on approved leave on the effective date of the salary increase and at the time of payment.

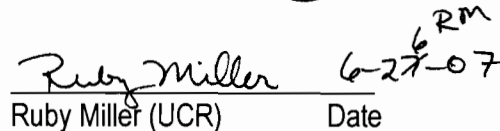
FOR THE UNIVERSITY  
OF CALIFORNIA:

  
Howard J. Pripar Date

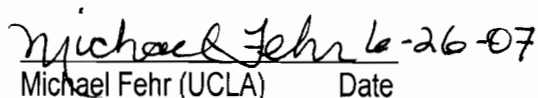
  
Shelley L. Nielsen Date

FOR UPTE/CWA:

  
Kevin Rooney (UCSF) Date

  
Ruby Miller (UCR) Date

  
Bob Stevenson (UCSB) Date

  
Michael Fehr (UCLA) Date