Side Letter

Management Rights - Deletion of Merit Pay section

The parties agree that the deletion of §B.10, from Article 34 – Management Rights.

“to determine the basis for, and to determine the amount granted for merit increases”

Only reflects the fact that the parties agreed in 2002 to eliminate the merit-based pay system and replace it with a system that provides for automatic within-range movement based on experience. The elimination of §B.10 has no other effect.

[Signatures and dates]