

MEMORANDUM OF UNDERSTANDING

Addison Wesley Longman, Inc. and Local 2110, United Auto Workers, agree to modify the previous contract as follows:

Preamble: "AGREEMENT made as of the 1st day of January, 1997, between Addison Wesley Longman, Inc. ("Addison Wesley Longman" or "the Employer") and Local 2110, United Auto Workers ("the Union")."

- 1.1.1 Insert "and who are part of the Higher Education Publishing Group" after "New York City ..."; change "Personnel Department" to "Human Resources Department."
- 3.0 Change title to "MANAGEMENT RIGHTS."
- 3.1 Change "my" in last line to "may."
- 4.1 Change "permanent" to "regular full-time and part-time." Modify last sentence to read: "If they successfully complete the Trial Period,....."
- 4.2 Substitute: "For each available job in the bargaining unit there shall be a job posting which shall set forth a description of the available job, the required background, the job classification group number, and whether the job is a newly created position or a replacement. As all employees in the New York office have access to the Employer's electronic mail system, an electronic job posting bulletin board will be maintained on which all job openings within the bargaining unit are posted. A posting bulletin board will be maintained on the floor where the Human Resources Department is located."
- 4.5 Change "HarperCollins Publishers Inc." and "HarperCollins" to "Addison Wesley Longman."
- 5.2 Substitute for first two sentences: "All work in excess of 40 hours and Saturdays will be paid for at time and a half the regular rate. All work on a holiday shall be paid for at time and a half the regular rate, plus holiday pay ..." Add a new sentence at the end: "This section shall apply only to nonexempt employees; exempt employees shall not be entitled to overtime."
- 5.3 Substitute: "A holiday shall be deemed a day worked for the purpose of determining overtime worked during that week. If an employee is requested by his/her supervisor to work overtime during a week in which the employee

received a paid sick day, such day shall be deemed a day worked for the purpose of determining overtime worked during that week."

6.1 (See attached holiday list)

6.3 Delete last sentence and substitute: "Employees shall receive the five personal days on January 1 for use throughout the year. Personal days will be prorated for employees working a short-hour schedule. Newly hired employees during their first year will receive personal days based on their date of hire:

<u>Hired</u>	<u>Days</u>
January - March	5
April - June	3
July - September	2
October - November	1"

6.5 "Any employee absent and unexcused before or after a holiday shall not be paid for the holiday. Supervisors shall take into account mitigating circumstances. Unexcused absences shall be defined as absences not authorized by the Employer or excused under applicable company policy."

7.1.1 Substitute: "\$18,540 a year for the first year of this Agreement, January 1, 1997 to December 31, 1997."

7.1.2 Substitute: "\$19,096 a year for the second year of this Agreement, January 1, 1998 to December 31, 1998."

7.1.3 Deleted

7.2.1 Substitute: "\$21,630 a year for the first year of this Agreement, January 1, 1997 to December 31, 1997."

7.2.2 Substitute: "\$22,279 for the second year of this Agreement, January 1, 1998 to December 31, 1998."

7.2.3 Deleted

7.3 Delete: "Effective December 27, 1993, and ..."

7.4 Deleted

7.5.3 Substitute: "Any individual employee rated "Achieved" shall get a minimum increase of 4% or \$1,000, whichever is greater."

7.5.4 Substitute: "Any individual employee rated "Exceeds" shall get a minimum increase in annual salary of 5% or \$1,100, whichever is greater."

7.5.5 Deleted

7.5.7 Change "1995" to "1997" and "1996" to "1998"

7.7 Substitute for first sentence: "Bargaining unit employees shall have a formal performance appraisal done in the month prior to their increase date."

7.7.1 Deleted

7.7.2 Deleted

9.1 Deleted

9.2 Substitute: "Employees shall accrue vacations at the following rate:

Less than three years of service, 10 days per year, accrued at the rate of .83 days per month;

After three years, three weeks, accrued at the rate of 1.25 days per month;

After seven years, 17 days, accrued at the rate of 1.42 days per month;

After 10 years, four weeks, accrued at the rate of 1.66 days per month.

In addition, any bargaining unit employee who reaches six years of service during the life of this Agreement shall receive an extra personal day in the employee's sixth, eighth and ninth years, but shall not be entitled to the bonus week in their 15th, 20th or 25th years.

Employees who will not reach six years of service during the life of this Agreement shall not receive an extra personal day in their sixth, eighth and ninth years, but shall receive a bonus week of vacation during their 15th, 20th and 25th years of service."

9.5 Deleted

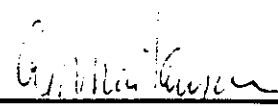
9.6 Delete text after first sentence.

- 9.9 **Substitute: "Any vacation accrued but unused in 1996 may be carried over for the life of the contract, but must be used by December 31, 1998."**
- 10.2 **Change "Personnel Department" to "Human Resources."**
- 11.2 **Substitute: "An employee who is terminated under this section shall be entitled to termination pay measured by the highest salary level which she or he attained during her or his employment, as follows:**
- 11.2.1 **After one year of continuous service, a total of four weeks pay;**
- 11.2.2 **After two years of service, a total of eight weeks pay.**
- 11.2.3 **For bargaining unit employees hired after January 1, 1993, after six years of continuous service, 9 weeks of pay, with an additional 1.5 weeks of pay for each additional year of continuous service, except that after 24 years of continuous service, there shall be a maximum of 36 weeks of pay."**
- 11.2.4 **Notwithstanding 11.2.1, 11.2.2 and 11.2.3 above, all bargaining unit employees hired prior to January 1, 1993 shall be entitled to termination pay as follows: After 1 year of continuous service, a total of 4 weeks' pay; after 18 months of continuous service, a total of 6 weeks' pays; after 2 years of continuous service, a total of 8 weeks' pay; for each additional year of continuous service rounded up or down to the nearest full year, 2 weeks' pay; the maximum termination payment to an employee hired prior to January 1, 1993 shall be 52 weeks' pay.**
- 13.1 **Substitute: "The Employer shall grant five sick days on January 1 of each calendar year. Employees working less than a full time schedule shall have their sick time prorated. Employees will also be eligible for the Employer's short term disability coverage and long term disability coverage, subject to the same eligibility rules as all other employees in the company. Bargaining unit employees with more than one year of service will receive 100% of their base salary while on short term disability. Satisfactory evidence of an employee's illness may be required by the Employer in individual cases."**
- 13.4 **Delete "... as set forth in Appendix B hereto."**
- 13.6 **Substitute: "... the Unified Services Employment and Reemployment Rights Act of 1994..." for "...any soldiers' and sailors' civil relief act or similar statute that affects their rights as employees..."**

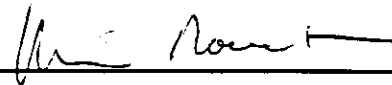
- 14.1.1 Change "1994" to "1997"
- 14.1.4 Deleted
- 14.2 Change "Employer's Benefit Account Plan" to "Medical Reimbursement Act."
- 14.4 Change "Retirement Account Plan" to "Pension Plan."
- 14.5 Substitute: "Should the Employer decide to conduct a review of child care and elder care needs of employees working in its New York office, the Employer shall include the Union in the discussion."
- 15.1 Change "physical disability or mental handicap" to "disability."
- 19.1.1 Substitute: "An employee grievance (other than a claimed unjust discharge or improper layoff) shall first be taken up by the employee or employees involved and/or their department representative with the immediate supervisor involved within 15 working days of the occurrence or when the employee(s) knew or should have known of its occurrence. If the grievance is not settled at this level, it shall be discussed by a member of the Union Grievance Committee with the supervisor for personnel within the department involved within seven working days. If the grievance is not settled at this level, it shall be reduced to writing, including a brief statement of the facts, and submitted by the Union Grievance Committee within 10 working days to the Director of Human Resources. The committee (of not more than four members) shall meet with the Director of Human Resources or deputy designated by her or him for that purpose to try to settle the grievance."
- 19.2 Any grievance that is not settled under the foregoing procedures except one involving an issue excluded from arbitration (Sections 11.1.5 and 7.8) may be submitted to arbitration at the request of either the Union or the Employer within thirty (30) days after receipt of the response from, respectively, the Director of Human Resources or an authorized representative of the Union in the manner provided by the rules of the Voluntary Labor Tribunal of the American Arbitration Association. The fees of the American Arbitration Association and of the arbitrator shall be shared equally by the parties."
- 19.3 The parties acknowledge that the above stated time limits are of the essence to prompt settlement of grievances and that any grievance not timely moved to the next step by the Union shall be deemed waived."
- 20.1 Substitute: "This Agreement shall be effective until December 31, 1998."
- 20.1.1 Substitute: "For the purposes of this Agreement, the first year of the Agreement shall mean January 1, 1997, to December 31, 1997; the second year shall mean the period January 1, 1998 to December 31, 1998."

Change "Association" to "Union" throughout the Agreement.

ADDISON WESLEY LONGMAN INC.

By 

LOCAL 2110, UAW

By 

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