

MEMORANDUM OF UNDERSTANDING

Addison Wesley Longman, Inc. ("Employer") and Local 2110, U.A.W. ("Union") agree that all terms and conditions of the collective bargaining agreement between the parties (the "Agreement") shall be extended through December 31, 2007, with the following modification:

1. Paragraph 5.6: Delete and replace with the following:

5.6. Meal Allowance and Taxi Fare Reimbursement.

5.6.1. "A non-exempt employee authorized to work more than 2 hours overtime in a day shall receive a meal allowance of \$10. An exempt employee who is authorized to work 2 or more hours beyond the close of his or her workday, and who began work that day at the Employer's normal starting time (or, if different, at the employee's normal starting time for that day), shall receive a meal allowance of \$10.

5.6.2. "Any exempt or non-exempt employee authorized to work after 8 p.m. shall be reimbursed for taxi fare home if within New York City, or to her or his usual New York City terminal and from her or his usual suburban station home if located outside of the city."

2. Paragraph 7.1: Delete and replace with the following:

7.1. "The minimum hiring rates for new employees in Groups 4 and below shall be as follows:

7.1.1. \$23,486 for the first year of this Agreement, January 1, 2005 through December 31, 2005;

7.1.2. \$24,191 for the second year of this Agreement, January 1, 2006 through December 31, 2006;

7.1.3. \$24,917 for the third year of this Agreement, January 1, 2007 through December 31, 2007."

3. Paragraph 7.2: Delete and replace with the following:

7.2. "The minimum hiring rates for new employees in Groups 5 and above shall be as follows:

7.2.1. \$28,139 for the first year of this Agreement, January 1, 2005 through December 31, 2005;

7.2.2. \$28,983 for the second year of this Agreement, January 1, 2006 through December 31, 2006;

7.2.3. \$29,852 for the third year of this Agreement, January 1, 2007 through December 31, 2007."

4. Paragraph 7.4.6. Delete and replace with the following:

7.4.6 "The effective dates of the increases set forth in this Section 7.4 shall be the beginning of the nearest pay period to January 1, 2005, January 1, 2006, and January 1, 2007."

5. Paragraph 9.1 Delete and replace with the following:

9.1. "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;

As of January 1 of the calendar year in which the employee's third anniversary with the Employer falls, three weeks, accrued at the rate of 1.25 days per month;

As of January 1 of the calendar year in which the employee's seventh anniversary with the Employer falls, 17 days, accrued at the rate of 1.42 days per month;

As of January 1 of the calendar year in which the employee's tenth anniversary with the Employer falls, four weeks, accrued at the rate of 1.66 days per month.

Notwithstanding the above, employees may take their allotted vacation before it has accrued in any given year, subject to the other terms of Paragraph 9 of this Agreement.

Employees receive a bonus week of vacation in their 15th year of service, and on each five-year anniversary thereafter, they will receive an extra five days of vacation in that significant anniversary year only, up to a maximum of twenty-five days. .

Employees must take their vacation in the calendar year in which the vacation is credited, and will not carry over accrued, unused vacation into the next calendar year, unless the carryover is at the written request of the Employer and approved by the Human Resources Department. Under those circumstances, a maximum of 5 days may be carried over, and the carry over time must be used by the end of the first calendar quarter. Further, as stated in Paragraph 9.4 below, employees may carry such vacation time over for use only, and under no circumstances will any employee be paid for unused carry-over time."

6. Add the following new Paragraph 12.4:

12.4. "In the event that the Employer creates a new job within the bargaining unit, the Employer will provide the following information to the union at least 3 days before the position is posted within Longman: the job description, the job classification, the salary range for the position, and the expected date the position will be posted."

1086912.1

7. Paragraph 14.1.1. Delete and replace with the following:

14.1.1. "The Employer agrees that during the first year of this Agreement, it will not make changes in its medical/dental/vision plan as in effect for all of its employees as of January 1, 2005."

8. Paragraph 14.7. Delete and replace with the following:

14.7. "The Employer currently offers Transitchek to its employees in its New York office, and the Employer will continue to offer Transitchek to employees in the bargaining unit as long as it offers Transitchek to its non-union employees in the New York office."

9. Paragraph 20.0. Delete and replace with the following:

20.1 "This Agreement shall be effective until December 31, 2007."

20.1.1. "For purposes of this Agreement, the first year of the Agreement shall mean January 1, 2005 to December 31, 2005; the second year of the Agreement shall mean from January 1, 2006 to December 31, 2006, and the third year of the Agreement shall mean from January 1, 2007 through January 31, 2007."

ADDISON WESLEY LONGMAN, INC.

By: *J.B. Costello*

Date: 3/23/05

LOCAL 2110, U.A.W.

By: *Michael Cingula*

Date: 3/23/05 ✓

[Signature] Alfred Dorsey
3/28/05

[Signature] Brian Belardi

[Signature] 3/28/05