

Side Letter Agreement

Introduction

This Side Letter Agreement is hereby entered into by Kaiser Permanente and OFNHP as an addendum to the present collective bargaining agreement, OFNHP Laboratory Professionals and is to run concurrently with the Labor Agreement effective October 1, 2005. In the event there is any conflict between the terms of this side agreement and the Labor Agreement, this agreement shall control.

Background

Under existing law non-exempt employees must be provided a work week consisting of a fixed and regularly recurring period of 168 hours, seven (7) consecutive 24-hour periods and which starts with the same calendar day each week. The work week is used to calculate overtime pay for working more than 40 hours in a work week under the Fair Labor Standards Act and the collective bargaining agreement. In a Letter of Understanding dated September 12, 2007, Kaiser Permanente and the Coalition of Kaiser Permanente Unions agreed that consistent implementation of Sunday as the beginning of the workweek for employees in all bargaining units will facilitate effective and accurate administration of the payroll process. The parties agreed that for bargaining units where the contract defines Sunday as the beginning of the workweek, there shall be no change in that definition. For bargaining units where the contract defines the beginning of the workweek on any other day, if the parties determine that such action will not negatively affect employees, or the parties agree that such affects can be addressed, then a consistent Sunday start of workweek will be implemented for these bargaining units as well.

Terms of Agreement

The parties agree that the fixed work week for bargaining unit employees will be as follows:

| <u>Work Pattern</u> | <u>FLSA Start Day of Week</u> | <u>FLSA Start Time of Week</u> |
|---------------------|-------------------------------|--------------------------------|
| 10 hour day | Saturday | 2100 |
| 8 hour day | Saturday | 2200 |
| 9 hour day | Saturday | 2100 |

Any changes made pursuant to this agreement apply to the calculation of weekly overtime pay (over 40 hours in a work week), only. No premium pay, other than weekly overtime, will be affected by this agreement.

For Kaiser Permanente:

For the Union:

Cynthia Young 12/3/07
Date

On Mue 12/3/07
Date