

HOTEL EMPLOYEES AND RESTAURANT EMPLOYEES INTERNATIONAL UNION  
FEDERATION OF UNIVERSITY EMPLOYEES  
LOCALS 34 AND 35, FEDERATION OF UNIVERSITY EMPLOYEES  
GESO, THE GRADUATE EMPLOYEES AND STUDENTS ORGANIZATION  
425 COLLEGE STREET, NEW HAVEN, CT 06511 TEL. (203) 624-5161 FAX (203) 776-6438

January 16, 2003

President Richard Levin  
Yale University

Via Yale's Negotiating Committee

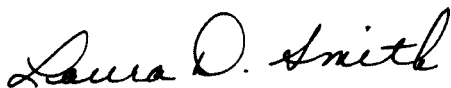
Dear President Levin,

The members of the Local 34 and Local 35 Negotiating Committees have noted your repeatedly-expressed desire to ensure that Local 34 and 35 members receive their raises for the first year of the contract as soon as possible. While there are many issues where our position and Yale's are far apart, this issue is a concern that both parties share. Furthermore, because Yale and Local 34 have mutually agreed on the need to eliminate the lowest two steps of the Local 34 salary structure and to pre-slot all employees in the new structure prior to the first year across-the-board raise being implemented, the gap between our respective proposals on first year wages is not as great as our differences on other issues.

Taking all this into consideration, we are writing to agree to allow the University to immediately implement 1) its proposed across-the-board increase for both locals for the first year of the contract, and 2) the agreed-upon elimination of the two lowest steps of the Local 34 salary structure and pre-slotting of all employees prior to the first year across-the-board raise being implemented. Consistent with the University's proposals and the projections you have published and cited repeatedly, all of these changes would be implemented retroactively.

Please note that while we are agreeing to implementation of these proposals, we do not consider our negotiations to be at impasse. We want to continue negotiations on a near-daily basis. Consistent with this, as a gesture of good faith, we are not terminating our contracts today, ensuring that they remain in force through February 2003. We hope that Yale will now take the real positive steps of implementing the first year wage increases immediately and agreeing to negotiate seriously through the end of February.

Sincerely,



Laura Smith  
President  
Local 34



Bob Proto  
President  
Local 35

cc: 34, 35, Yale Negotiating Committees