La- 10-24-60A

PACIFIC GAS AND ELECTRIC COMPANY

245 Market Street San Francisco 6 SUtter 1-4211

In reply please refer to October 14, 1960

Local Union No. 1245, International Brotherhood of Electrical Workers, AFL-CIO 1918 Grove Street Oakland 12, California

Attention: Mr. Ronald T. Weakley, Business Manager

Gentlemen:

This will confirm the understanding reached with respect to increased Company contributions to the hospital plans which are made available through the Pacific Service Employees Association for employee participation.

Effective August 1, 1960, the Company's contribution per employee member of such plans will be increased \$.70 per month, and on January 1, 1961, a further increase of \$.30 per month per employee member will be included in the Company's contribution. Such increased Company contributions will result in a total Company contribution of \$4.20 per month per employee member on August 1, 1960 and \$4.50 per month per employee member on January 1, 1961. Such amounts will be applied toward the employee's premium for the plan in which he is a member and by such application of the Company's contributions, the amount which would otherwise be paid by the employee toward his premium without benefit of the Company's contribution will be reduced by the amount of the Company contribution.

If you are in accord with the foregoing and agree thereto, please so indicate in the space provided below and return one executed copy of this letter to Company.

Yours very truly,

PACIFIC GAS AND ELECTRIC COMPANY

chron Manager of Industrial Relations

Union is in accord with the foregoing and it agrees thereto as of the date hereof.

LOCAL UNION NO. 1245, INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, AFL-CIO

October 24, 1960

By Konald T. Weakley