MEMORANDUM OF AGREEMENT

This Memorandum of Agreement (hereinafter "MOA") is made and entered into this 1st day of January, 2008, by and between the City of Saint Paul (hereinafter "City"), and the AFSCME Local 3757 – Legal to modify Article 2.7 of the 2008 – 2010 Collective Bargaining Agreement between the City and AFSCME Local 3757 - Legal.

The parties understand and agree to modify Article 2.7 of the Collective Bargaining Agreement to the following:

2.7 Post Employment Health Plan (PEHP): Any employee entitled to severance pay as set forth in the articles above shall receive 105% of such pay into a PEHP. Such account shall only be made up of severance benefits and shall not be funded with unused vacation.

This MOA shall be effective starting with any severance payments made in 2008.

City of Saint Paul                           AFSCME Local 3757 – Legal

Jason Schmidt                                  Chris Cowen
Labor Relations Manager                       Business Representative