

**AMENDMENT NO. 1 TO
DECLARATION OF TRUST AND AGREEMENT
ESTABLISHING
THE CALIFORNIA TEACHERS ASSOCIATION
EMPLOYEES' RETIREMENT BENEFITS TRUST**

The California Teachers Association Employees' Retirement Benefits Trust (the "*Trust*") was created effective January 1, 1999 by the trust agreement (the "*Agreement*") executed during December 1998 by the California Teachers Association (the "*Association*"), the California Staff Organization and the California Associate Staff (the "*Unions*") and the Trustees appointed by the Association and the Unions. Acting pursuant to Article X(A) of the Agreement, the Association, the Unions and the Trustees hereby amend the Agreement, effective as of January 1, 2002, as follows:

1. Article IV(A) is amended by adding at the end thereof a new Article IV(A)(4) to read as follows:

4. ***No Employee-Paid Contributions for New Employers.***
Notwithstanding any contrary provisions of this Agreement or the Plan, in no event may any Employer begin participating in this Trust or in the Plan after December 31, 2001 unless the applicable collective bargaining agreement or its Participation Agreement specifies that (a) the Employer shall make all contributions necessary to fund the Plan (as determined pursuant to Article V of this Agreement and Section 4.1 of the Plan), and (b) none of its Eligible Employees shall make Required Contributions.

2. The second sentence of Article IV(B)(4) is deleted and the following sentence is substituted therefor:

The amount of an Employer's Withdrawal Liability shall be calculated using the "rolling five-year" method (also called the "one-pool" method) described in Section 4211(c)(3) of ERISA.

EXECUTION

In Witness Whereof, the Association, the Unions and the Trustees have executed this Amendment to the Agreement to evidence (a) their acceptance of the changes to the Agreement effected by this Amendment, and (b) their agreement to be bound by the terms of the amended Agreement and any collective bargaining agreement relating to participation in the Trust. This Amendment may be executed in two or more counterparts, each of which shall be deemed originals, and all of which taken together shall constitute one instrument.

CALIFORNIA STAFF ORGANIZATION

By: _____

Dated: _____

CALIFORNIA TEACHERS ASSOCIATION

By: _____

Dated: _____

CALIFORNIA ASSOCIATE STAFF

By: _____

Dated: _____

UNION TRUSTEES:

By: _____

Name: Debby Diaz (CAS)

Dated: _____

By: _____

Name: Bob Lindquist (CSO)

Dated: _____

ASSOCIATION TRUSTEES:

By: _____

Name: Carolyn Doggett

Dated: _____

By: _____

Name: Wayne Johnson

Dated: _____

UNION TRUSTEES (cont'd):

By: _____

Name: Elizabeth Tokar (CAS)

Dated: _____

By: _____

Name: Barbara Tomita (CSO)

Dated: _____

By: _____

Name: Hal Vick (CSO)

Dated: _____

By: _____

Name: David D. Unruhe (CAS)

Dated: _____

ASSOCIATION TRUSTEES (cont'd):

By: _____

Name: Barbara Kerr

Dated: _____

By: _____

Name: David A. Sanchez

Dated: _____