

**AMENDMENT NO. 7 TO
THE CALIFORNIA TEACHERS ASSOCIATION
EMPLOYEES' RETIREMENT BENEFITS PLAN**

The undersigned hereby amend the following provisions of the above-named Plan as set forth on the following pages:

<i>Provisions Amended</i>	<i>Effective Date and Time</i>
Section 1.4(a)	January 1, 2006
Section 4.1.2	January 1, 2006
Exhibit A, Section A	January 1, 2005

EXECUTION

**CALIFORNIA TEACHERS ASSOCIATION
ORGANIZATION**

By: Janner Close
Dated: 3/23/07, 2006

CALIFORNIA STAFF

By: Amber
Dated: 3/23/07, 2006

CALIFORNIA ASSOCIATE STAFF

By: Almaraz-Burns
Dated: 3/28/07, 2007

**AMENDMENT NO. 7 TO
THE CALIFORNIA TEACHERS ASSOCIATION
EMPLOYEES' RETIREMENT BENEFITS PLAN**

1. Section 1.4(a) is deleted effective as of January 1, 2006.
2. Effective as of January 1, 2006, Section 4.1.2 is amended in its entirety to read

as follows:

4.1.2 **Anti-Spiking Rule.** If the Final Five-Year Average Pay Increase of a retiring or terminating Member who is not a member of a collective bargaining unit of Employees of the State Association exceeds the five-year average of the Annual Average Pay Increase for all Eligible Employees of the State Association during the last five Plan Years of the Member's employment as an Eligible Employee, the Participating Employer of that Member shall make a Special One-time Contribution as determined under this Section 4.1.2. Such contribution shall be paid into the Trust Fund not later than 30 days after receiving notice of any contribution required under this Section 4.1.2. Notwithstanding the above, a Special One-time Contribution shall not be required if the Member's compensation was increased due to a good faith transfer of employment to another position during the applicable five Plan Year period.

(a) The "**Annual Pay Increase**" used to compute averages under this Section 4.1.2 shall equal rate of increase in Average Monthly Compensation for a Member from one Plan Year to the next Plan Year.

(b) The "**Final Five-Year Average Pay Increase**" for a Member shall be the average of the Annual Pay Increases determined under paragraph (a) above during the Member's last five Plan Years of Employment as an Eligible Employee.

(c) The "**Annual Average Pay Increase**" for a Plan Year shall be the average of the Annual Pay Increases (as determined under paragraph (a) above) for all Eligible Employees of the State Association.

(d) A "**Special One-time Contribution**" under this Section 4.1.2 shall equal the actuarial present value of the increase in the Member's Accrued Benefit in excess of the amount of the Accrued Benefit that would have been payable under the Plan had his or her Average Monthly Compensation been limited so that the Member's Final Five-Year Average Pay Increase not exceed the five-year average of the Annual Average Pay Increase for all Eligible Employees of the State Association during the last five Plan Years of the Member's Employment as an Eligible Employee. The actuarial present value of the excess Accrued Benefit shall be based on actuarial assumptions used by the Plan's actuary to determine minimum funding requirements

under the Internal Revenue Code for Member's last Plan Year of employment as an Eligible Employee.

3. Effective as of January 1, 2005, a new paragraph is added to the end of Section

A of Exhibit A to read as follows:

Notwithstanding the foregoing, Social Security Adjustment Option factors shall be based on the GATT Mortality Table and the GATT Interest Rate, both as described in Paragraph C.1 and C.2 below, if such factors produce a larger benefit than the factors described above.