

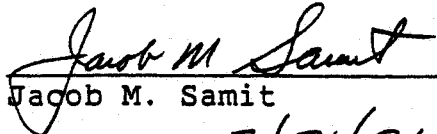
Memorandum of Understanding

Subject: Forgivable Loan Program

It is understood and agreed between the parties that effective beginning in academic year 1991/92, at least 25% of the awards of loans to participate in the Forgivable Loan/Doctoral Incentive Program shall be made to qualified individuals currently serving within bargaining unit 3, or who have served in such positions within the two year period immediately preceding the effective date of the award. It is the parties intent that full consideration be given to bargaining unit members for awards, consistent with the overall objectives of the Program.

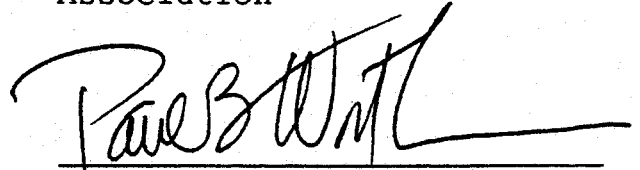
In executing this Agreement the parties acknowledge they have fully discharged whatever, obligations to bargain which may have arisen as a result of implementing the above-referenced program.

For the California State  
University

  
\_\_\_\_\_  
Jacob M. Samit

Dated: 7/31/91

For the California Faculty  
Association

  
\_\_\_\_\_  
Paul B. Worthman

Dated: 7/31/91