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October 25, 1999

To all Orchestra London contracted players: CC. Paul Sharpe, London Musicians Association and Peter Audet, Orchestra London Players Association

The following is a summary of meetings held with Paul Sharpe and Spencer Phillips on September 22, 1999 and with Paul Sharpe and Peter Audet on October 22,1999.

The 1999-2000 budget was examined very carefully by the administration with a view to reducing expenditures and achieving a balanced budget. When the process was completed the budget showed a deficit of \$60,000. This deficit represents the difficulties faced by the Association in reinstating services fees and service numbers to 1996 levels in the face of a challenging environment in maintaining community support through increased ticket sales and donations. It is essential that we have a balanced budget to send to our bankers, the City of London and all other granting bodies especially in view of the difficulties caused by the \$126,000 loss last season. It should be noted that these problems are having a direct and immediate effect on cash flow.

We have reduced expenses in the office by \$30,000. This includes one staff layoff, one unpaid week at Christmas for all staff; further cuts to office operational expenses and other unspecified wage cuts. In addition the Board of Directors has undertaken to sponsor an upcoming concert for \$5,000.

We ask that the players of Orchestra London agree in principal by October 28, 1999 to accept cutbacks totaling \$30,000 to help achieve the required balanced budget. Possible means of effecting these cutbacks are as follows:

1. Reduce the full-time paid service count by eight:	\$22,300
2. Cut all chamber music fees:	\$2,600
3. Ask part-time players to do one free service:	\$1,400
4. Reduce extra-players per-service fee to 98/99 levels:	\$3,000
5. Reduce the doubling rate to 30%:	\$5,600

We would ask that the service reductions be one service per two week pay beginning November 17, 1999. All other reductions would be in effect immediately. In the event we have a surplus at the end of this season, the above cutbacks for players and staff will be

returned on a pro rata basis. There will be no services scheduled the week of May 22-28, 2000; if services are scheduled, they will be paid at the usual rates and considered as a return of cut services.

We regret very much that this is necessary. Please understand that these cutbacks are not requested lightly and it is fair to say that the orchestra's continued operation in the short-term is dependent on your support.

Sincerely;

William Murphy, FCA President, Orchestra London Board of Directors