

# **2010 National Internet Contract**

## **Communications Workers of America**



**and**

## **AT&T Internet Services**



**Effective July 18, 2010  
Expiration Date July 13, 2013**

**AT&T Internet Services  
And  
Communications Workers of America**

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# Memoranda of Agreement

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## AGREEMENT

This agreement is made and entered into as of **July 18, 2010** by and between COMMUNICATIONS WORKERS OF AMERICA (hereinafter called the "Union") and AT&T Internet Services (hereinafter called the "Company"). The Company and the Union agree as follows:

### ARTICLE 1 RECOGNITION

**Section 1.01** The Company hereby recognizes the Union as the exclusive collective bargaining representative for the employees having the job titles listed in Section 1.02 below.

**Section 1.02** Applicable job titles:

Billing Coordinator  
Circuit Coordinator  
Connectivity Specialist I  
Connectivity Specialist II  
Customer Assistant  
Customer Billing Representative  
Dispatcher  
Internet Assistant  
NCG Representative  
Network Specialist  
**Network Technician**  
Provisioning Administrator I  
Provisioning Administrator II  
Provisioning Administrator III  
Support Administrator I  
Support Administrator II  
Surveillance Administrator  
Surveillance Technician  
Technical Support Representative I  
Technical Support Representative II  
**Video Site Operations Technician**

**Section 1.03** The Company recognizes the Union as having sole power to execute agreements with the Company in regard to wages, hours of employment and other conditions of employment affecting the represented employees described above.

## ARTICLE 2 COMPANY- UNION RELATIONS

**Section 2.01** The Company and the Union recognize that it is in the best interest of both parties, the employees, the customers of the Company and the public that all dealings between them continue to be characterized by mutual responsibility and respect. To ensure that this relationship continues and improves the Company and the Union and their respective representatives at all levels will apply the terms of this Contract fairly in accord with its intent and meaning and consistent with the Union's status as the exclusive bargaining representative of all employees covered by this Contract.

**Section 2.02** The Union agrees to furnish the Company with a list of the names of authorized Union representatives and their Union titles and provide updates to the list as changes are made.

### **Section 2.03 Unpaid Union Time**

Union representatives shall be excused from their work assignments without pay to perform Union activities subject to the following:

- A. The Union recognizes that service requirements, as determined by the Company, must be taken into consideration in excusing Union representatives from work to perform Union activities.
- B. Except for unusual circumstances, Union representatives shall give at least one (1) week notice, prior to the requested time off for Union activities.
- C. Time off for Union activities will be limited to **three** hundred (**300**) hours per calendar year, per Union representative, except that up to **fifteen** (**15**) Union representatives may have time off for Union activities limited to **600** hours per calendar year. Time off to engage in formal negotiations for subsequent collective bargaining agreements shall not be included in determining the amount of time off for the purpose of this section. **However, those identified by the Union may be granted additional time upon approval at the Company bargaining level.**
- D. Time off for Union activities shall not be deducted from the employee's seniority.

### **Section 2.04 Paid Union Time**

If attendance at any meeting or the performance of any Union activity is at the Company's request, the time involved shall be excused with pay at the straight time rate, subject to the following provisions:

- A. Pay shall be allowed only if the employee has been excused from duty in advance by the employee's supervisor to attend the meeting or perform the Union activity.
- B. The meeting pertains to matters relating to employees of the Company represented by the Communications Workers of America.
- C. Paid time is limited to the actual meeting time, and will be paid at the straight time, not to exceed eight (8) hours of pay.

- D. Under no circumstance, will an overtime rate be paid to employees as a result of attending a meeting with management or performing Union activities under this Section.
- E. The Company will compensate **four (4)** authorized representatives of the Union, who are active employees covered by this Contract, for attending meetings with Management for the purpose of negotiating a written Contract during triennial bargaining. This compensation will be at the employee's basic straight time wage rate for scheduled workdays only and will not include any differential payments. The total days paid by the Company for each employee will not exceed fifteen (15). The expenses of all Union representatives will be borne by the Union.

**Section 2.05 Union Activities On The Company's Premises**

- A. Authorized representatives of the Union may be granted access to the Company's premises where employees covered by this contract are located upon application to the appropriate Company representative, subject to the Company's practices and the requirements of Government regulations.
- B. The Union, or employees acting as its officers or agents, may conduct Union activities and distribute Union literature, on Company premises with notification to the appropriate Company Representative. Activities shall only be permitted on Company premises when both the employees performing the activity and the employees to whom the activity is directed are on non-work time (such as lunch periods, rest periods and before or after an employee's work time). Distribution of Union literature may take place only in areas where work is not performed and on the employee's non-work time. Union literature shall not contain anything controversial or anything derogatory to the Company or any of its employees. Should the Union distribute any Union literature that, in the judgment of the Company, is at variance with the spirit and intent of this Section, such literature shall be immediately collected by the Union upon notification by the Company.
- C. Union activities involving the solicitation of members on the Company's premises shall be carried on only in accordance with the following:
  - 1. Solicitation of employees shall only be made during periods when neither the Union representatives nor the employees being solicited are on Company time, excluding paid rest periods and lunch periods.
  - 2. Such solicitation shall not be carried on in space where the Company's operations or administrative work is being performed.
  - 3. Such solicitation shall be limited to small groups of employees (not to exceed four (4)), unless authorization for a larger group is obtained in advance from the appropriate Company representative.
  - 4. Such solicitation shall not interfere with the operations of the Company or the use of the space for the purposes for which the space was intended.

**ARTICLE 3**  
**UNION SECURITY AND PAYROLL DEDUCTIONS OF UNION DUES**

**Section 3.01** Employees shall, as a condition of employment, pay or tender to the Union amounts equal to the periodic dues applicable to members within thirty (30) calendar days after they enter the bargaining unit.

**Section 3.02** The condition of employment specified above shall not apply during periods of formal separation from the bargaining unit by any such employee but shall reapply to such employee on the thirtieth (30th) calendar day following the employee's return to the bargaining unit. The term formal separation includes transfers and assignments out of the bargaining unit, removal from the payroll of the Company and leaves of absence of more than thirty (30) calendar days duration.

**Section 3.03** Section 3.01 and 3.02 above shall apply in all states allowed by law on the effective date of this contract. If during the term of this Contract the Union shall become duly authorized under the laws of another state to enter into this type of union security agreement, the effective date of this Section as to employees in that state shall be thirty (30) calendar days after the Company receives proper written evidence from the Union that it is fully qualified to enter into such an agreement in that state.

**Section 3.04** The Company agrees to collect Union dues monthly and on a designated pay period through payroll deduction from the employee's pay check, upon receipt of a written authorization form signed by the employee and delivered to the Company. This authorization shall continue in effect until cancelled, by written notice and sent by certified or registered mail, return receipt requested, to the Company and postmarked during the fourteen (14) day period prior to each contract anniversary date.

**Section 3.05** Dues or their equivalent deductions shall be in an amount, which is provided to the Company in writing by the Union as being the regular monthly membership dues.

**Section 3.06** The Company agrees to remit the amount of Union dues deducted to the designated representative of the Union on a monthly basis, along with a list of the names of those employees represented by the Union and the amount of dues deducted. The content and form of other employee information to be furnished to the Union shall be as agreed upon by the parties from time to time.

**Section 3.07** The Company assumes no responsibility to the employee or the Union for any failure to make or any errors made in making such deductions, but will make efforts, as it considers appropriate, to correct any errors or omissions.

**Section 3.08** It is agreed that the payroll deduction of Union dues shall be in lieu of the Union's collection of dues, assessments and contributions on the Company's premises where work operations are being performed and while Union representatives and/or the employees involved are on Company time.

**Section 3.09** The Union shall indemnify and hold the Company harmless against any and all claims, demands, suits, or other forms of liability that may arise out of or by reason of action taken or not taken by the Company for the purpose of complying with the provisions of this Article, or in reliance on any dues deduction card furnished under the provisions of this Article or on any certification by the Union.

**ARTICLE 4**  
**NO STRIKE/NO LOCKOUT**

**Section 4.01** During the life of this agreement, the Union agrees that it will not call, encourage or condone any strike, slow down or work stoppage against the Company.

**Section 4.02** The Company agrees that there will be no lockout of employees during the duration of this agreement.

**Section 4.03** The Company and the Union agree that any work stoppage or delay and/or failure to reach a new collective bargaining agreement will not result in a work stoppage between the Union and any other AT&T Company or in any way impact the other collective bargaining agreements and/or relationships between the Union and any other AT&T Company.

The Company and the Union further agree that any work stoppage or delay and/or failure to reach a new collective bargaining agreement in any other AT&T Company will not result in a work stoppage between the Union and the Company or in any way impact the collective bargaining agreement and/or relationship between the Union and the Company.

**Section 4.04** In the event of a work stoppage in an AT&T Company that is an occupant in the same building as the Company, the Company and the Union agree that a separate entrance will be established for the exclusive use of the employees of the Company.

**ARTICLE 5  
BULLETIN BOARDS**

**Section 5.01** Upon written request from the Union, the Company agrees to install or move bulletin boards for the exclusive use of the Union. The number and location of the bulletin boards shall be determined jointly by the Company and the Union, with due regard to visibility and accessibility to employees.

**Section 5.02** Unless agreed upon in advance by the Company, the Union agrees not to post Union material any place on the Company's premises other than on Union bulletin boards. Material posted on bulletin boards shall not contain anything controversial or anything derogatory to the Company or any of its employees. The Union assumes responsibility for compliance with the provisions contained herein. Should the Union post material that, in the judgment of the Company, is at variance with the spirit and intent of this section, such material shall be immediately removed by the Union upon notification by the Company.

**Section 5.03** If the Union violates any provision of this Article, the Company, after giving due notice of such violation, may deny the right of the Union to use any or all bulletin boards on the Company's premises and may remove any or all bulletin boards.

**ARTICLE 6  
NONDISCRIMINATION  
AFFIRMATIVE ACTION  
FEDERAL AND STATE LAWS**

**Section 6.01** In a desire to restate their respective positions, neither the Company nor the Union shall unlawfully discriminate against any employee because of such employee's race, color, religion, sex, age, national origin, marital status, sexual orientation, or because the person is a qualified individual with a disability as defined by the Americans With Disabilities Act (ADA), a disabled veteran, or a veteran of the Vietnam era.

**Section 6.02** In the event that any Federal or State law, regulation, governmental order, or the final decision of any court or board of competent jurisdiction affects any one or more provisions of this contract, the provision or provisions so affected shall be made to comply with the requirements of such law, regulation, governmental order, or decision for the localities within the jurisdiction, and otherwise the contract shall continue in full force and effect.

**Section 6.03** The Company and the Union recognize that potential conflicts may arise between obligations under the ADA and the terms of the Contract. In order to minimize disputes due to any such potential conflicts and to ensure timely resolution, the parties agree that all issues regarding actions which the Company believes to be consistent with the ADA and the Union believes to be in conflict with the Contract, will be referred to and addressed by the Human Resources Director, Human Resources Manager and one (1) Union representative (the "ADA Committee").

- A. The ADA Committee is empowered to resolve any issues or problems regarding a potential conflict between obligations under the ADA and the terms of this Contract.
- B. Agreements made by the ADA Committee will not prejudice the position of either party and will not be cited in any other proceeding. Such agreements will not be subject to the grievance and arbitration process.
- C. Unresolved issues or problems regarding potential conflicts will not delay or defer the Company's actions. If the ADA Committee is unable to resolve a dispute, the issue(s) regarding appropriate actions under the ADA and the Contract may then be addressed under the arbitration provisions of the Contract. To ensure timely resolution of such disputes, the grievance procedure shall be bypassed and the matter submitted directly to arbitration.
- D. The Union representative participating in the ADA Committee, if an employee of the Company, will be paid for attending ADA Committee meetings in accordance with Article 2, Section 2.04.

**ARTICLE 7**  
**CLASSIFICATION OF EMPLOYEES**

**Section 7.01** For the purposes of this agreement, all employees hired after the effective date of this agreement, unless otherwise specified by management, will be probationary. Employees will remain probationary for twelve (12) months. Probationary employees may be terminated at any time for any reason during the twelve (12) month period.

**Section 7.02**           **Part-time**  
Part-time employees are employees who are normally scheduled to work less hours per average month than a comparable full-time employee.

## **ARTICLE 8 SENIORITY**

**Section 8.01** Seniority as used in this agreement shall mean Net Credited Service (NCS) with the Company as determined by the Benefit Plan Committee.

**Section 8.02** If more than one (1) employee has the same Seniority date, the employee whose last four (4) Social Security Number digits comprise the larger number will be treated as if he/she were more senior. If two (2) employees with the same NCS date, also have the same last four (4) Social Security Number digits, revert to the middle two (2) digits of the Social Security Number to determine the most senior employee, with the higher number treated as most senior.

## **ARTICLE 9 TIME OFF**

### **Section 9.01            Paid Holidays**

Seven (7) paid holidays shall be observed as follows:

New Year's Day  
Memorial Day  
Independence Day  
Labor Day  
Thanksgiving Day  
Day After Thanksgiving  
Christmas Day

Holidays that fall on a Sunday will be observed on the following Monday. When a holiday falls on a Saturday, ***and an employee is not scheduled to work, the employee may choose an extra day's pay or request an additional Personal Day Off. When the Holiday falls on a Saturday and the employee is scheduled to work, Section 9.02, Working On a Holiday will apply.***

### **Section 9.02            Working On A Holiday**

Employees who work on a holiday, will not be given a day off to be taken at a later date. Employees who work on a holiday will be paid eight (8) hours at straight time for the holiday and at time and one half (1 ½) for each hour worked on the holiday.

### **Section 9.03            Holidays During A Vacation Week**

When a holiday falls during a week in which an employee is on vacation, the day will be treated as a holiday, not as a day of vacation.

### **Section 9.04            Vacation Year**

The year in which vacation and Personal Days off may be taken shall be known as the "vacation year." The vacation year is defined as a period of time beginning December 31<sup>st</sup> and ending on December 30<sup>th</sup> of the following year. Employees must be active on the payroll (not on a leave of absence or on disability) and must physically report to work for at least one (1) day in the vacation year to be eligible for vacation and Personal Days Off.

However, an employee may be granted vacation for which they are otherwise eligible in a vacation year without performing any work for the Company in that year provided they are not on a leave of absence or disability and such vacation is contiguous to and continues with their vacation for the preceding year; or such vacation begins during the first seven (7) days of the vacation year.

### **Section 9.05            Vacation Eligibility**

Employees shall be eligible for vacation, based on their Net Credited Service (NCS) with the Company, as follows:

- A. One (1) week of vacation upon completion of six (6) months of service.

- B. Two (2) weeks of vacation upon completion of twelve (12) months of service. This provision cannot be combined with the above to result in more than two (2) weeks of vacation entitlement in the same vacation year.
- C. Three (3) weeks of vacation to any employee who could complete seven (7) years of service or more but less than fifteen (15) years of service within the vacation year.
- D. Four (4) weeks of vacation to any employee who could complete fifteen (15) years of service or more but less than twenty-five (25) years of service within the vacation year.
- E. Five (5) weeks of vacation to any employee who could complete twenty-five (25) years of service or more within the vacation year.

**Section 9.06                      Carry-over Vacation**

All employees are encouraged to take all of their vacation time during the vacation year. However, a maximum of one (1) week of vacation may be carried over into the next vacation year. A vacation week that is carried over must be taken by April 30<sup>th</sup>.

The Company may at its discretion place employees on vacation and require them to take vacation at a specified time. The number of weeks management may place employees on vacation is limited to not more than one (1) week in a vacation year. Should the need to place employees on vacation occur, the Company will provide thirty (30) days notice to the affected employees.

**Section 9.07                      Vacation Selection**

Employees may select their vacation in full weeks and on a day-at-a-time basis during the vacation selection process. Vacations shall be selected in a work group as determined by the Company, based on seniority. The Company shall determine periods available for selection and the number of employees allowed off on vacation. ***The Company may in its discretion allow employees within a work group to take one (1) week of vacation in four (4) hour increments.***

**Section 9.08                      Personal Days Off**

Employees are allowed flexibility through the use of Personal Days Off to be off work with pay, subject to approval by management.

Each employee who has completed six (6) months of service will be eligible for seven (7) paid Personal Days Off each vacation year.

The Company may at its discretion place employees on Personal Days Off and require them to take Personal Days Off at a specified time. The number of Personal Days Off that management may place employees on, is limited to not more than two (2) in each vacation year. Should the need to place employees on a Personal Day Off occur, the Company will provide thirty (30) days notice to the affected employees.

**Section 9.09                      Carry-Over Of Personal Days Off**

All employees are encouraged to take all of their Personal Days Off during the vacation year. However, Personal Days Off may be carried over into the next vacation year. Personal Days Off that are carried over must be taken by April 30<sup>th</sup>.

**Section 9.10 Selection Of Personal Days Off**

All Personal Days Off shall be selected based on seniority within a workgroup as determined by the Company. Employees may be permitted to take all of their Personal Days Off in two (2) hour increments. The Company shall determine periods available for selection and the number of employees allowed off on Personal Days Off.

**Section 9.11 Sequence Of Time Off**

All time off earned in the previous vacation year, must be taken before any time off in the current vacation year can be taken.

**Section 9.12 Civic Duty**

Employees must give their supervisor advance notice when they are requested to appear for jury duty. Time off to comply with a summons for obligatory jury duty will be paid subject to court verification.

The Company will grant unpaid time off for other court ordered processes. ***For example, an employee who is subpoenaed as a witness, acts as a voluntary witness (unless the employee has been directed by the Company to appear as a witness), attends a child custody court proceeding, appears for a traffic citation, or serves on voluntary jury duty, such as serving on certain grand juries and time to serve is made available, will be granted excused unpaid time off.*** Employees are expected to notify their supervisors as soon as possible of the need for time off to comply with any court order.

**Section 9.13 Death In An Employee's Immediate Family/Household**

Employees will be granted up to three (3) paid days of excused time off due to a death in the employee's immediate family. Immediate family includes the employee's parents, stepparents, adoptive parents, children, stepchildren, adoptive children, brothers, stepbrothers, sisters, stepsisters, husband or wife (including ***legally recognized*** partner), grandparents, grandchildren, mother-in-law, father-in-law, or other persons living in the same household. If more time off is needed, an employee may request vacation time or unpaid time off, all of which is dependent on the needs of the business. In all cases, supervisory approval is required. ***Subject to Management's discretion, the Company may grant unpaid excused time necessary to an employee who requests an absence to attend the funeral of an aunt, uncle, niece, nephew, brother-in-law, sister-in-law.***

**Section 9.14 Absence**

Employees having one (1) or more years of NCS shall be paid at the basic wage rate for illness absences on scheduled workdays, up to a maximum of ***forty (40)*** paid illness absence ***hours*** per calendar year. Employees having seven (7) or more years of NCS shall be paid at the basic wage rate for illness absences on scheduled workdays, up to a maximum ***forty-eight (48)*** paid illness absence ***hours*** per calendar year. Employees must notify their supervisor before their scheduled start time that they will be absent from work due to illness. ***Employees who report to work and subsequently become ill must notify their supervisor prior to leaving work and, in such cases, will be paid for the remainder of the day if paid time as described above is available.***

**Section 9.15 Excused Time Required By Law**

Employees will be granted other excused time off (paid or unpaid) as required by applicable State and/or Federal laws.

**Section 9.16 Time Off For Part-Time Employees**

All paid time off described in Article 9 will be prorated for part-time employees based on actual hours worked during the prior calendar quarter. Proration for newly hired part-time employees will be based on their normally scheduled hours until the employee has worked for a full calendar quarter.

## **ARTICLE 10 WORKING CONDITIONS**

### **Section 10.01 Work Schedules**

The Company will determine and post the work schedules. Insofar as the needs of the business and the abilities of the employees permit, Net Credited Service will be the deciding factor when assigning work schedules. Determination of the “needs of the business and the abilities of the employees” rests solely with management. Employee’s scheduled work hours may start at any time of the day, on any day of the week and may be spread over any six (6) days of the week. Work schedules will be posted for a minimum period of one (1) week and are subject to change, with forty-eight (48) hours notice to the employee. However, work schedules will not be posted for employees who normally work the same hours Monday through Friday.

### **Section 10.02 Split Work Days**

The Company may schedule employees to work a split workday. A split workday is a divided workday, with hours off in between.

### **Section 10.03 Change Of Hours**

If an employee is notified less than twelve (12) hours before the originally scheduled start time of a change in work hours, the affected employee will receive two (2) hours of pay at the straight time rate.

### **Section 10.04 Cancellation Of Hours**

- A. If an employee is notified less than **twelve (12) hours** before the originally scheduled start time that the scheduled hours are canceled, the affected employee will receive two (2) hours of pay at the straight time rate.
  
- B. If an employee reports to work and his/her hours are canceled for the remainder of the day, the employee will receive four (4) hours of pay at the straight time rate or pay for the actual hours worked, whichever is greater.

### **Section 10.05 Overtime**

Employees may be required to work overtime subject to the needs of the business. Employees scheduled to work overtime will be paid in accordance with applicable Federal and/or State Laws.

### **Section 10.06 Shift Differentials**

Employees who are scheduled to work an evening or night assignment in which more than fifty (50) percent of the time falls between the hours of 8:00 p.m. and 6:00 a.m., shall receive a daily premium payment of ten (10) percent of their base wages for each day worked.

Shift differentials will be included in the employee’s rate of pay for purposes of computing payments during periods of vacation and holidays, if the following conditions are met:

- An employee works one (1) full work week of evening or night assignments before his/her vacation or holiday and is scheduled to work one (1) full work week of evening or night assignments, following his/her vacation or holiday.

**Section 10.07            Sunday Premium Payments**

Employees who work on a Sunday shall receive the rate of one and one-half (1-1/2) times the employee's base wages, up to a maximum of eight (8) hours per day. Employees who are excused from work with pay during scheduled hours on Sunday shall be paid at straight time for the excused absence.

**Section 10.08            Meal Periods**

Unpaid meal periods will normally be scheduled for thirty (30), forty-five (45) or sixty (60) minutes, as determined by the Company.

**Section 10.09            Rest Periods**

Rest periods will be assigned in accordance with State and/or Federal law; however, they will be fifteen (15) minutes in length.

**Section 10.10            Relief Differential**

Employees will be paid a differential of eight dollars (\$8.00) when in addition to their normal duties they relieve or assist a manager for four (4) hours or more. Relief Differential assignments specifically exclude administering discipline to other employees.

**Section 10.11            Working In A Different Title**

The assignment of a particular title to an employee does not mean that the employee shall perform only the kind of work coming under his/her title classification, or that certain kinds of work shall be performed exclusively by certain classifications of employees.

**Section 10.12            Travel and Temporary Work Locations**

- A. The Company will either furnish all means of transportation or specify what transportation shall be used for travel on Company business.
- B. Employees who agree to use their personal vehicles for Company business will be reimbursed at the then current IRS reimbursement rate for mileage.
- C. Employees may be assigned to work at a temporary work location. When employees are assigned to work at a temporary work location, the employee will be reimbursed for travel time and transportation expenses to and from the temporary work location in excess of that required for the employee's normal commute.
- D. Transportation expenses include, but are not limited to, mileage, bridge toll, parking, airfare, and bus fare.

**Section 10.13            Overnight Trips**

If the Company determines that overnight travel is required, the employee will be reimbursed for expenses, which are supported by receipts as follows:

- A. Transportation expenses as described in Section 10.12
- B. Lodging, approved in advance by the Company
- C. Meals, not to exceed thirty **five** dollars (\$35) per day.

#### **Section 10.14 Changes to Job Titles**

- A. Whenever the Company determines it is appropriate to create a new job title or change a job title in the bargaining unit, it shall give advance notice to the Union. The Union may initiate negotiations over wage **schedules** regarding new job titles.
- B. Whenever, during the life of the Contract, the Company determines it appropriate to create a new job title in the bargaining unit, it shall proceed as follows:
1. The Company will give advance notice to the Union in writing of such new job title and provisional wage **schedule**. Notification will include information about the new or changed job title and the assigned provisional wage **schedule**. Upon such notification, the Company may proceed to staff such position within the provisional wage **schedule**.
  2. The Company agrees to meet with the Union, upon the Union's request, to discuss all aspects, which led to the Company's decision to create the new job title and the assigned provisional wage **schedule**.
  3. The Company will conduct a follow-up review to assess whether the provisional wage **schedule** remains appropriate. The follow-up review will occur no less than six (6) months after staffing. After the Company's follow-up review is completed, the Company will notify the Union in writing. The notification will include information regarding the wage **schedule to which the title will be assigned. If the wage schedule is different than the provisional wage schedule, employees will be placed into the same wage schedule step as they were on the provisional wage schedule. Time spent in the provisional wage schedule will be counted toward any progression increases.**
- C. Within thirty (30) days from the Union's receipt of the notice referred to in Section 10.14(B)(3), the Union shall have the right to initiate negotiations concerning the wage **schedule** established by the Company.
- D. The parties agree that they shall negotiate for a period of no more than sixty (60) calendar days from the date such negotiations commenced. If no agreement is reached within the sixty (60) calendar days, the Union may elect to submit the issue to a Neutral Third Party for resolution. The Union will notify the Company in writing of its intent to submit the issue to a Neutral Third Party within thirty (30) calendar days from the conclusion of the negotiations. If the Company does not receive written notification within the thirty (30) calendar day period referred to above, the matter shall be considered settled in the Company's favor.
- E. All the time limits in Section 10.14 may be extended by mutual agreement.
- F. If the parties reach an agreement, such agreement on the wage **schedule** shall be applied retroactively to the day of establishment of the new job title and wage **schedule**.
- G. The Neutral Third Party referred to above shall be selected from the panel of arbitrators referred to in Section 16. **13** of this agreement.

1. The Neutral Third Party will render a written decision within fifteen (15) working days after the hearing.
  2. The Neutral Third Party is empowered to decide only whether the wage ***schedule*** assigned by the Company or the wage ***schedule*** requested by the Union is the appropriate ***schedule***.
  3. The Neutral Third Party shall have no authority to add to, subtract from, or modify any provisions of this Agreement.
  4. The Neutral Third Party's decision shall be applied retroactively to the day of the establishment of the new job title and wage ***schedule***.
- H. The procedures set forth in Section 10.14 shall be the exclusive means by which the Union may dispute the wage ***schedule*** set by the Company.

## ARTICLE 11 COMPENSATION

### Section 11.01 Eligibility

All employees who are active on the payroll (not on disability or a leave of absence) on the effective date of a lump sum, general increase, or progression increase will be eligible for the increase.

Employees, who on the effective date of the wage increase and/or lump sum payment, are on disability or a leave of absence, if otherwise eligible, will receive a wage increase and/or lump sum payment effective on their return to work date.

Lump sum payments will be prorated for disability and leave of absence.

### Section 11.02 Wages

General Increases, Lump Sums, and Wage Schedules are located in Appendix A.

<u>Job Title</u>	<u>Wage Schedule</u>
Internet Assistant	2
Customer Assistant	3
Dispatcher	4
Surveillance Administrator	4
Billing Coordinator	5
Customer Billing Representative	5
Support Administrator I	7
Provisioning Administrator I	7
Provisioning Administrator II	9
Technical Support Representative I	9
Technical Support Representative II	11
<b>Network Technician</b>	<b>13</b>
Support Administrator II	13
Surveillance Technician	13
NCG Representative	15
Provisioning Administrator III	13
Connectivity Specialist I	15
Circuit Coordinator	17
Connectivity Specialist II	19
Network Specialist	19
<b>Video Site Operations Technician</b>	<b>16</b>

Employees will be paid on a bi-weekly basis. Payment of wages for each two-week period will be made no later than the Friday following the end of the pay-period.

### Section 11.03 Additional Cash Awards

The Company may provide employees with additional cash awards.

The selection of employees and the amounts of the cash awards will be made at the discretion of management.

**ARTICLE 12**  
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**ARTICLE 13  
EMPLOYEE DISCOUNT PROGRAM**

**Section 13.01**

The AT&T@Home Employee Discount Program will be offered to all eligible employees for their personal use. This program consists of a package of AT&T products and services available at discounted prices. The Company reserves the right to change, amend or cancel this program and/or any parts or terms thereof at its sole discretion.

## **ARTICLE 14 FORCE ADJUSTMENT**

### **Section 14.01           Transfers**

The Company may in its discretion hire employees off the street or from outside of the Bargaining Unit to fill vacancies. However, if the Company determines that a vacancy is to be filled from within the Bargaining Unit, it will post a notice of the vacancy. Employees with at least eighteen (18) months of time in title, unless waived by the Company, and who have satisfactory attendance and work performance may apply for the vacancy.

In deciding who will be selected for a vacancy, the Company will determine which employee is most qualified to fill the position. The Company will consider an employee's qualifications and where, in the judgment of the Company are equal, it will use seniority. The Company may elect to retreat an employee within the first nine (9) months from the date the employee accepted the position.

When an employee transfers to a higher or a lower wage schedule the employee will move to the same wage schedule step on the new wage schedule that the employee was at on the old wage schedule. In addition, the employee's time spent, months and days, at the step on the old wage schedule will count towards the time required for the employee to progress to the next higher step on the new wage schedule.

### **Section 14.02           Relocation Of Work**

When work is to be relocated, the Company may if it deems appropriate, offer the affected employees the opportunity to follow their work to the new location. Employees who elect to follow their work to the new location will be considered as employee initiated transfers.

### **Section 14.03           Force Adjustment**

Whenever force conditions as determined by the Company are considered to warrant a surplus and the possible layoff of employees, the Company shall notify the Union in writing, and meet with the Union to obtain input on its proposed layoff process, prior to notifying the affected employees. Employees will be laid off in a process determined by the Company. The surplus employees designated for layoff will be notified a minimum of four (4) weeks prior to the layoff date, unless otherwise provided by law.

**Section 14.04 Layoff Allowance**

Employees who are laid off will be paid a layoff allowance based on their seniority and their base weekly wage rate in effect at the time of the layoff, in accordance with the following:

<b>LENGTH OF SERVICE</b>	<b>LAYOFF ALLOWANCE</b>
0 - 12 Months	1 Week of pay
13 - 24 Months	2 Weeks of pay
25 - 47 Months	3 Weeks of pay
48 - 59 Months	4 Weeks of pay
60 - 71 Months	6 Weeks of pay
<b>72 – 83 Months</b>	8 Weeks of pay
<b>84 Months or More</b>	<b>10 Weeks of pay</b>

Note: Part-time employees will receive a prorated amount based on the rules identified in Section 9.16.

**Section 14.05 Priority Rehire**

Employees who are laid off with satisfactory attendance and work performance and who apply for re-employment in the same position that they were laid off from, will receive priority consideration for re-hire over new applicants for twelve (12) months from his/her layoff date.

## **ARTICLE 15 BENEFIT PLANS**

**Section 15.01** In the event, during the life of this contract, the Company desires to make any change to the Benefit Plans which would affect the benefits of employees within the bargaining unit, it will, before making any such change, notify the Union and afford the Union a period of sixty (60) calendar days for bargaining, provided, however, that no change may be made in the Plans which would reduce or diminish the benefits provided thereunder, as they may apply to employees within the bargaining unit, without consent of the Union.

**Section 15.02** Any claim that section 15.01 has been violated may be presented as a grievance and, if not resolved by the parties under their Problem Resolution Process, may be submitted to arbitration pursuant to provisions of Article 16. Any decision or action of the Company shall be controlling unless shown to have been discriminatory or in bad faith, and only the question of discrimination or bad faith shall be subject to the grievance procedure and arbitration. However, nothing in this contract shall be construed to subject the Plans or their administration to the grievance or arbitration procedures.

**Section 15.03** The sole remedy for issues with respect to questions of whether benefits are due to covered employees, including the amount of any benefits due, is the claim and appeal process as defined in each of the Benefit Plans.

**Section 15.04** The agreements between the Company and the Union regarding benefit plans establish the benefits that the Company will provide to employees in the bargaining unit, but are not intended to be plans or plan documents under the Employee Retirement Income Security Act (ERISA).

**ARTICLE 16  
PROBLEM RESOLUTION PROCESS**

**Section 16.01** To the extent practicable, prior to any operational changes in a work location or work area which affect the working conditions of employees, the manager will communicate these changes to the appropriate Union representative in advance of any changes and solicit input from the Union representative.

**Section 16.02** All issues or prospective grievances may be taken up informally with the appropriate manager in an effort to resolve the matter. In no case will such an informal attempt to resolve an issue or grievance result in a modification of the time limits, for filing a formal grievance.

**Section 16.03** The Company recognizes the right of the Union to investigate the circumstances surrounding any grievance and agrees to cooperate with the Union in any such investigation. Pending final resolution of the grievance, the Company shall not deal directly with the employee on any grievance already filed by the Union, without Union concurrence, but shall deal directly with the Union representative.

**Section 16.04 Grievances**

*It remains the mutual goal of the Company and Union to resolve all issues and grievances at the lowest possible level. Any employee complaint not resolved under Section 16.02 above and which is reduced to writing, setting forth specifically the substance of the grievance and the specific provision or provisions of the Agreement allegedly violated, if any, delivered by a Union representative in accordance with Section 16.05 below within thirty (30) calendar days of the action complained of, shall be considered and handled as a formal grievance. The Company will provide the Local Union with information requested in writing relevant to the grievance within fourteen (14) calendar days following the presentation of the grievance. For any deadline under this Article, the date to determine compliance with a deadline shall be the date of either the postmark on the envelope or on the facsimile receipt containing the communication.*

**Section 16.05** *The formal grievance procedure shall consist of two successive steps. Notice of grievance and appeals of decision shall be forwarded in accordance with the following:*

- A. Step 1:** *The designated Company representative shall meet with the Union as soon as practicable and offer a decision on the grievance in writing within fourteen (14) calendar days after completing the meeting(s) unless mutually agreed otherwise in writing by the parties.*
  
- B. Step 2:** *If the decision of the Company in Step 1 is unsatisfactory to the Union, the grievance may be appealed within fifteen (15) calendar days after a decision has been rendered at the first step. The designated Company representative shall meet with the Union representative as soon as practicable and offer a decision in writing on the grievance within fourteen (14) calendar days after completion of the meeting(s) unless mutually agreed otherwise in writing by the parties.*

- C. *At either step of the grievance procedure described above, up to two (2) employees of the Company will suffer no loss in base pay for time consumed in traveling to and from grievance meetings and in presenting grievances under this section.*

**Section 16.06** *A decision at Step 2 of the formal grievance procedure as set forth above shall be deemed full completion of the formal grievance procedure, effective either on the date of the Company's decision or the date the decision is deemed denied.*

**Section 16.07** *Grievances may be presented by the Union during working hours. The Company shall not pay for time spent by the Union preparing grievances during working hours.*

**Section 16.08** *Every effort should be made to conduct grievance meetings in person, however the Company and the Union may mutually agree that a grievance meeting may be conducted via telephone or video conference. Grievance meetings shall be held at a mutually agreed upon time and location.*

**Section 16.09** *Failure to submit or pursue a grievance under the terms and conditions of this Article shall be construed as a waiver by the employee and the Union of the formal grievance. Any complaint of this type may be handled by the Company as an informal grievance on an informal basis, at the Company's discretion, and will not be subject to arbitration.*

**Section 16.10** *Regardless of any provision in this Agreement, no discipline, including suspension or discharge, of employees with less than one year's continuous service with the Company, will be subject to arbitration.*

**Section 16.11** *Arbitration*  
*It is agreed by both the Union and the Company that any arbitration under this Agreement shall be strictly confined to either the suspension or dismissal for just cause of any employee with one or more years of continuous service, or to differences arising out of the interpretation or application of specifically identified articles or sections of this Agreement or such other agreements specifically making reference to arbitration under this Article. The Union and Company further agree that any arbitration under this Agreement shall be exclusive, final and binding.*

**Section 16.12** *If the decision of the Company's representative at the conclusion of Step 2 of the grievance procedure above is unsatisfactory to the Union, then within sixty (60) days of the date of the conclusion of the grievance procedure the Union may send the Company a request in writing to arbitrate the grievance. With any request for arbitration during the sixty-day period in this section, the Union may also submit to the Company a request in writing to "stop the clock" on further proceedings under this Article; however, any "stop the clock" request under this section shall last no more than eighteen (18) months, or such other period as the parties may mutually agree in writing, after which time the grievance shall be deemed withdrawn if the Union does not proceed to arbitration under this Article.*

**Section 16.13**        *Within thirty (30) calendar days after submitting its written request for arbitration to the Company, the Union may request a list of twenty (20) names of qualified arbitrators from the American Arbitration Association (“AAA”) from which the parties shall make a selection, pursuant to the rules of the AAA applicable to labor arbitrations, which shall govern all arbitrations under this section. Before the first arbitration under this section, each party will submit to the AAA the names of thirty (30) arbitrators to create a panel of arbitrators applicable to this section. The arbitrator chosen by the parties shall hold a hearing as soon as possible, and the arbitrator’s decision shall be final and binding upon both parties and any employee affected. The party initiating arbitration under this section shall be responsible for any filing fees with the AAA. The parties shall each bear its own costs and expenses, and the fees and expenses of the arbitrator shall be paid in equal shares by both parties. If one of the parties requests a transcript of the proceeding and the other party declines to share the cost of the transcript, the party ordering the transcript shall permit the other party to review said transcript in the offices of the party that ordered the transcript. The reviewing party shall not cite to page numbers of the transcript in any post-hearing briefing or argument to the arbitrator.*

**Section 16.14**        *The arbitrator shall be strictly confined to the subjects submitted for decision and may in no event, as a part of any such decision, impose upon either party any obligation to arbitrate on any subjects which have not been herein agreed upon as subjects for arbitration. The arbitrator shall not have jurisdiction over the rights of Management not specifically restricted by this Agreement and shall not have the power to add to, subtract from, or vary the terms of this Agreement or to substitute the arbitrator’s discretion for that of the Management, but shall be limited in power and jurisdiction solely to determine whether there has been a violation of this Agreement and, if so, the appropriate remedy.*

**A.**        *If the arbitrator awards back pay, such award may include only such relief necessary to make the grievant whole. In the event of back pay, however, no award shall be retroactive to a period more than twelve (12) months preceding the request for arbitration by the Union in Section 16.13. Further, the Company will not be responsible for back pay during any period of delay, such as a “stop the clock” request or a hearing postponement, caused solely by the Union after it has requested arbitration.*

**Section 16.15**        *Except where otherwise mutually agreed in writing, failure to submit a matter to arbitration within the times above stated, failure to pursue subsequent steps within the time and in the manner above stated, or failure to otherwise take any action required by this Article within the deadlines so stated shall constitute a waiver by the employee and the Union of the right to arbitration, and the grievance shall be deemed withdrawn.*

**ARTICLE 17  
CONCLUSION**

This agreement shall be effective **July 18, 2010** and shall continue until 11:59 p.m. **(CST)** on July **13, 2013**. Negotiations on a new contract shall begin not earlier than sixty (60) days prior to such termination. It is the intention of the parties with respect to the collective bargaining of future contracts to conduct their negotiations thereon in such a manner as to reach a new agreement on or before the termination of the present contract.

IN WITNESS WHEREOF, the parties have caused this agreement to be signed this **17<sup>th</sup>** day of **November, 2010**.

For Communications Workers of  
America

For AT&T Internet Services

\_\_\_\_\_  
*/s/Antoinette Bennett*

\_\_\_\_\_  
*/s/Robert G. Zurovec*

\_\_\_\_\_  
*/s/Derrick S. Blackwell*

\_\_\_\_\_  
*/s/Douglas A. Flores*

\_\_\_\_\_  
*/s/Carrie R. Turner*

\_\_\_\_\_  
*/s/Bob Kelly*

\_\_\_\_\_  
*/s/Linda Gonzalez*

\_\_\_\_\_  
*/s/Steven J. Leonard*

\_\_\_\_\_  
*/s/Donna Bentley*

\_\_\_\_\_  
*/s/Susan M. Evans*

\_\_\_\_\_  
*/s/Bill Bates*

**APPENDIX A  
WAGES**

**A1. For all titles excluding Customer Assistant – Wage Schedule 3:**

- **A ratification bonus of \$500 if the tentative agreement is ratified on or before December 21, 2010. Employees must be on the payroll on the date of ratification to be eligible.**
- **A 2.75% general increase to the top step of all wage schedules, effective July 18, 2010. Increases to be applied exponentially. Payment retroactive to July 18, 2010 will be paid as soon as practicable after ratification.**
- **A 2010 lump sum payment of \$1,200 paid as soon as practicable after ratification. Employees must be on the payroll on the date of ratification to be eligible.**
- **A 2.25% general increase to the top step of all wage schedules, effective August 21, 2011. Increases to be applied exponentially.**
- **A 2.5% general increase to the top step of all wage schedules, effective August 19, 2012. Increases to be applied exponentially.**

**A2. For Customer Assistant – Wage Schedule 3:**

- **A ratification bonus of \$500 if the tentative agreement is ratified on or before December 21, 2010. Employees must be on the payroll on the date of ratification to be eligible.**
- **A 2.0% general increase to the top step of all wage schedules, effective July 18, 2010. Increases to be applied exponentially. Payment retroactive to July 18, 2010 will be paid as soon as practicable after ratification.**
- **A 2010 lump sum payment of \$300 paid as soon as practicable after ratification. Employees must be on the payroll on the date of ratification to be eligible.**
- **A 2011 lump sum payment of \$300 paid by August 26, 2011. Employees must be on the payroll on the date of the payment to be eligible.**
- **A 1.0% general increase to the top step of all wage schedules, effective August 19, 2012. Increases to be applied exponentially.**

**A3 Wage Schedules**

(6 month time interval between steps)

Wage Schedule 2			
Step	July 2010	August 2011	August 2012
1	\$320.00	\$320.00	\$320.00
2	\$336.80	\$337.55	\$338.38
3	\$354.47	\$356.05	\$357.82
4	\$373.08	\$375.57	\$378.37
5	\$392.66	\$396.17	\$400.10
6	\$413.27	\$417.89	\$423.08
7	\$434.96	\$440.80	\$447.38
8	\$457.78	\$464.97	\$473.08
9	\$481.81	\$490.46	\$500.25
10	\$507.10	\$517.36	\$528.98
11	\$533.71	\$545.72	\$559.37

**Title(s):**

Internet Assistant

Wage Schedule 3			
Step	July 2010	August 2011	August 2012
1	\$404.00	\$404.00	\$404.00
2	\$418.24	\$418.24	\$418.65
3	\$432.97	\$432.97	\$433.84
4	\$448.23	\$448.23	\$449.57
5	\$464.03	\$464.03	\$465.88
6	\$480.38	\$480.38	\$482.78
7	\$497.31	\$497.31	\$500.29
8	\$514.83	\$514.83	\$518.43
9	\$532.97	\$532.97	\$537.23
10	\$551.76	\$551.76	\$556.72
11	\$571.20	\$571.20	\$576.91

**Title(s):**

Customer Assistant

Wage Schedule 4			
Step	July 2010	August 2011	August 2012
1	\$420.00	\$420.00	\$420.00
2	\$442.12	\$443.10	\$444.20
3	\$465.40	\$467.48	\$469.79
4	\$489.91	\$493.19	\$496.86
5	\$515.71	\$520.32	\$525.49
6	\$542.87	\$548.95	\$555.76
7	\$571.46	\$579.14	\$587.79
8	\$601.56	\$611.00	\$621.65
9	\$633.24	\$644.61	\$657.47
10	\$666.59	\$680.07	\$695.35
11	\$701.69	\$717.48	\$735.42

**Title(s):**

Dispatcher

Surveillance Administrator

Wage Schedule 5			
Step	July 2010	August 2011	August 2012
1	\$583.40	\$583.40	\$583.40
2	\$611.94	\$613.30	\$614.82
3	\$641.88	\$644.74	\$647.93
4	\$673.28	\$677.78	\$682.82
5	\$706.21	\$712.53	\$719.60
6	\$740.76	\$749.05	\$758.35
7	\$777.00	\$787.44	\$799.19
8	\$815.01	\$827.80	\$842.23
9	\$854.88	\$870.23	\$887.59
10	\$896.70	\$914.84	\$935.39
11	\$940.56	\$961.73	\$985.77

**Title(s):**

Billing Coordinator

Customer Billing Representative

**A3 Wage Schedules**  
(6 month time interval between steps)

Wage Schedule 7			
Step	July 2010	August 2011	August 2012
1	\$624.00	\$624.00	\$624.00
2	\$657.60	\$659.07	\$660.70
3	\$693.02	\$696.11	\$699.55
4	\$730.33	\$735.23	\$740.69
5	\$769.66	\$776.54	\$784.25
6	\$811.11	\$820.19	\$830.37
7	\$854.79	\$866.28	\$879.21
8	\$900.82	\$914.96	\$930.91
9	\$949.33	\$966.38	\$985.66
10	\$1,000.45	\$1,020.69	\$1,043.63
11	\$1,054.33	\$1,078.05	\$1,105.00

**Title(s):**

Support Administrator I  
Provisioning Administrator I

Wage Schedule 9			
Step	July 2010	August 2011	August 2012
1	\$658.00	\$658.00	\$658.00
2	\$696.81	\$698.36	\$700.09
3	\$737.91	\$741.20	\$744.87
4	\$781.43	\$786.67	\$792.51
5	\$827.52	\$834.92	\$843.21
6	\$876.33	\$886.13	\$897.14
7	\$928.02	\$940.49	\$954.53
8	\$982.75	\$998.18	\$1,015.58
9	\$1,040.72	\$1,059.41	\$1,080.55
10	\$1,102.10	\$1,124.40	\$1,149.66
11	\$1,167.11	\$1,193.37	\$1,223.20

**Title(s):**

Technical Support Representative I

Wage Schedule 10			
Step	July 2010	August 2011	August 2012
1	\$690.90	\$690.90	\$690.90
2	\$731.65	\$733.28	\$735.09
3	\$774.81	\$778.26	\$782.11
4	\$820.51	\$826.00	\$832.14
5	\$868.90	\$876.67	\$885.37
6	\$920.15	\$930.44	\$942.00
7	\$974.42	\$987.52	\$1,002.26
8	\$1,031.90	\$1,048.09	\$1,066.37
9	\$1,092.76	\$1,112.39	\$1,134.58
10	\$1,157.21	\$1,180.62	\$1,207.15
11	\$1,225.47	\$1,253.04	\$1,284.37

**Title(s):**

Provisioning Administrator II

Wage Schedule 11			
Step	July 2010	August 2011	August 2012
1	\$695.00	\$695.00	\$695.00
2	\$735.59	\$737.23	\$739.05
3	\$778.55	\$782.02	\$785.89
4	\$824.01	\$829.53	\$835.70
5	\$872.13	\$879.93	\$888.66
6	\$923.07	\$933.39	\$944.99
7	\$976.97	\$990.10	\$1,004.88
8	\$1,034.03	\$1,050.26	\$1,068.57
9	\$1,094.41	\$1,114.07	\$1,136.30
10	\$1,158.33	\$1,181.76	\$1,208.31
11	\$1,225.97	\$1,253.56	\$1,284.90

**Title(s):**

Technical Support Representative II

**A3 Wage Schedules**  
(6 month time interval between steps)

Wage Schedule 13			
Step	July 2010	August 2011	August 2012
1	\$729.50	\$729.50	\$729.50
2	\$771.96	\$773.68	\$775.60
3	\$816.90	\$820.54	\$824.61
4	\$864.45	\$870.24	\$876.71
5	\$914.77	\$922.95	\$932.11
6	\$968.02	\$978.85	\$991.01
7	\$1,024.37	\$1,038.14	\$1,053.64
8	\$1,084.00	\$1,101.02	\$1,120.22
9	\$1,147.10	\$1,167.71	\$1,191.00
10	\$1,213.88	\$1,238.43	\$1,266.26
11	\$1,284.54	\$1,313.44	\$1,346.28

**Title(s):**

***Network Technician***

Support Administrator II

Surveillance Technician

Wage Schedule 15			
Step	July 2010	August 2011	August 2012
1	\$768.00	\$768.00	\$768.00
2	\$812.18	\$813.99	\$816.00
3	\$858.90	\$862.73	\$867.00
4	\$908.31	\$914.39	\$921.19
5	\$960.56	\$969.14	\$978.76
6	\$1,015.81	\$1,027.18	\$1,039.94
7	\$1,074.25	\$1,088.69	\$1,104.94
8	\$1,136.04	\$1,153.88	\$1,173.99
9	\$1,201.39	\$1,222.97	\$1,247.37
10	\$1,270.50	\$1,296.20	\$1,325.33
11	\$1,343.59	\$1,373.82	\$1,408.17

**Title(s):**

NCG Representative

Wage Schedule 16			
Step	July 2010	August 2011	August 2012
1	\$765.98	\$765.98	\$765.98
2	\$810.57	\$812.37	\$814.38
3	\$857.75	\$861.58	\$865.84
4	\$907.68	\$913.76	\$920.55
5	\$960.51	\$969.10	\$978.72
6	\$1,016.43	\$1,027.80	\$1,040.57
7	\$1,075.59	\$1,090.05	\$1,106.32
8	\$1,138.20	\$1,156.07	\$1,176.22
9	\$1,204.46	\$1,226.09	\$1,250.55
10	\$1,274.57	\$1,300.35	\$1,329.57
11	\$1,348.76	\$1,379.11	\$1,413.58

**Title(s):**

Provisioning Administrator III

***Video Site Operations Technician***

Wage Schedule 17			
Step	July 2010	August 2011	August 2012
1	\$806.50	\$806.50	\$806.50
2	\$852.39	\$854.29	\$856.40
3	\$900.89	\$904.91	\$909.39
4	\$952.16	\$958.53	\$965.66
5	\$1,006.33	\$1,015.33	\$1,025.41
6	\$1,063.60	\$1,075.50	\$1,088.86
7	\$1,124.12	\$1,139.22	\$1,156.23
8	\$1,188.08	\$1,206.73	\$1,227.77
9	\$1,255.68	\$1,278.24	\$1,303.74
10	\$1,327.13	\$1,353.98	\$1,384.41
11	\$1,402.65	\$1,434.21	\$1,470.07

**Title(s):**

**A3 Wage Schedules**  
(6 month time interval between steps)

Wage Schedule 18			
Step	July 2010	August 2011	August 2012
1	\$806.40	\$806.40	\$806.40
2	\$852.79	\$854.69	\$856.80
3	\$901.84	\$905.87	\$910.35
4	\$953.72	\$960.11	\$967.25
5	\$1,008.59	\$1,017.60	\$1,027.70
6	\$1,066.60	\$1,078.54	\$1,091.93
7	\$1,127.96	\$1,143.12	\$1,160.18
8	\$1,192.85	\$1,211.57	\$1,232.69
9	\$1,261.46	\$1,284.12	\$1,309.74
10	\$1,334.03	\$1,361.01	\$1,391.60
11	\$1,410.77	\$1,442.51	\$1,478.57

**Title(s):**

Connectivity Specialist I

Wage Schedule 19			
Step	July 2010	August 2011	August 2012
1	\$845.50	\$845.50	\$845.50
2	\$893.08	\$895.07	\$897.28
3	\$943.33	\$947.54	\$952.23
4	\$996.42	\$1,003.09	\$1,010.55
5	\$1,052.49	\$1,061.90	\$1,072.44
6	\$1,111.72	\$1,124.15	\$1,138.12
7	\$1,174.27	\$1,190.06	\$1,207.82
8	\$1,240.35	\$1,259.82	\$1,281.79
9	\$1,310.15	\$1,333.68	\$1,360.29
10	\$1,383.88	\$1,411.87	\$1,443.60
11	\$1,461.75	\$1,494.64	\$1,532.01

**Title(s):**

Wage Schedule 20			
Step	July 2010	August 2011	August 2012
1	\$846.83	\$846.83	\$846.83
2	\$895.02	\$897.01	\$899.23
3	\$945.94	\$950.16	\$954.86
4	\$999.77	\$1,006.46	\$1,013.95
5	\$1,056.65	\$1,066.10	\$1,076.68
6	\$1,116.78	\$1,129.27	\$1,143.30
7	\$1,180.32	\$1,196.19	\$1,214.04
8	\$1,247.48	\$1,267.07	\$1,289.16
9	\$1,318.47	\$1,342.15	\$1,368.92
10	\$1,393.49	\$1,421.67	\$1,453.62
11	\$1,472.78	\$1,505.91	\$1,543.56

**Title(s):**

Circuit Coordinator

Wage Schedule 22			
Step	July 2010	August 2011	August 2012
1	\$887.78	\$887.78	\$887.78
2	\$937.74	\$939.83	\$942.15
3	\$990.51	\$994.92	\$999.85
4	\$1,046.24	\$1,053.25	\$1,061.08
5	\$1,105.12	\$1,115.00	\$1,126.06
6	\$1,167.30	\$1,180.36	\$1,195.03
7	\$1,232.99	\$1,249.56	\$1,268.21
8	\$1,302.37	\$1,322.82	\$1,345.88
9	\$1,375.66	\$1,400.37	\$1,428.30
10	\$1,453.07	\$1,482.46	\$1,515.78
11	\$1,534.84	\$1,569.37	\$1,608.61

**Title(s):**

Connectivity Specialist II  
Network Specialist

## MEMORANDUM OF AGREEMENT – BENEFITS

The means for fulfilling the terms of this Agreement may be the Company's adoption of its own plan and associated plan document or participation in an equivalent plan having a plan document that includes, for bargained-for employees, the benefits agreed to be provided pursuant to this Agreement and substantially the terms, provisions and conditions under which such benefits are to be provided. The sole remedy for issues with respect to the validity or amount of any claim for benefits is the claim and appeal process as defined in the individual benefits plans and programs. The parties agree to the plans and programs described below. Copies of the plan documents, Summary Plan Descriptions (SPDs) and Summary of Material Modifications (SMMs) of these plans, policies and programs have been provided to the Union. If there is any difference between these SPDs and the ERISA plans or programs (including amendments thereto), the plan texts shall govern.

For purposes of this agreement:

- National Internet employees, excluding employees working in a job title classified as Customer Assistant or Video Site Operations Technician (VSOT), shall be referred to as “NIC Tier 2 Employees”;
- National Internet employees working in a job title classified as Customer Assistant or Video Site Operations Technician (VSOT), shall be referred to as “NIC Tier 1 Employees”;
- NIC Tier 2 Employees who were hired/rehired before April 16, 2008, shall be referred to as “NIC Tier 2 Current Employees”;
- NIC Tier 2 Employees who were hired/rehired on and after April 16, 2008, and before January 1, 2011, shall be referred to as “NIC Tier 2 Pre-2011 Current Employees”;
- NIC Tier 2 Employees hired/rehired after December 31, 2010, shall be referred to as “NIC Tier 2 New Hires”;
- NIC Tier 2 Employees (including NIC Tier 2 New Hires, NIC Tier 2 Pre-2011 Current Employees, and NIC Tier 2 Current Employees where applicable) and NIC Tier 1 Employees shall be collectively referred to as “NIC Employees”;
- NIC Employees who terminate employment during the term of this Agreement and who meet the applicable requirements to be eligible for post-retirement benefits as described in 1.E shall be referred to as “Eligible Retired Employees”.

## 1. HEALTH AND WELFARE BENEFIT PLANS

Pursuant to this Memorandum of Agreement, NIC Employees and Eligible Retired Employees shall be eligible to participate in the same benefit plans, programs and policies with the plan terms, conditions and provisions which were in effect on July 17, 2010, as described in the applicable SPDs and SMMs, except as provided below.

- A. Effective January 1, 2011, NIC Tier 1 Employees shall be eligible to participate in the following benefit plans, programs and policies with the plan terms, conditions and provisions which were in effect on July 17, 2010, as described in the applicable SPDs and SMMs, except as noted herein.
- AT&T Medical Plan
  - AT&T Dental Plan
  - AT&T Vision Plan
  - AT&T CarePlus – A Supplemental Medical Plan
  - AT&T Medical and Group Life Insurance Plan – Group Life Insurance
  - AT&T Supplementary Group Life Insurance Program
  - AT&T Dependent Group Life Insurance Program
  - AT&T Group Long-Term Care Insurance Plan (effective 1/1/2012 for NIC Employees, shall be replaced by the AT&T Consolidated Long-Term Care Insurance Plan)
  - AT&T Flexible Spending Account Plan
  - AT&T Disability Income Program
  - AT&T Leaves of Absence Policy
  - AT&T Employee Assistance Plan
  - AT&T Commuter Benefit Program
  - AT&T Adoption Reimbursement Program
- B. Effective January 1, 2011, NIC Tier 2 New Hires and NIC Tier 2 Pre-2011 Current Employees will participate in the same benefit plans, programs and policies with the plan terms, conditions and provisions as NIC Tier 1 Employees as described in Paragraph A, as those benefits may change from time to time, with the following exceptions:
- Company subsidy for medical benefits begins as of the first day of the month the Employee attains 6 months Net Credited Service (also referred to as Term of Employment). Employees with less than 6 months of Net Credited Service may enroll in Company-sponsored medical coverage (including HMO options if available) but are required to pay 100% of the Premium Equivalent Rate.
  - NIC Tier 2 Pre-2011 Current Employees shall remain in the provisions applicable to NIC Tier 2 Current Employees for the AT&T Disability Income Program.
- C. Effective January 1, 2012, NIC Tier 2 Current Employees will participate in the same benefit plans, programs and policies with the plan terms, conditions and provisions as NIC Tier 1 Employees as described in Paragraph A, except as noted herein.

Exhibit 1 provides a summary of certain plan terms, conditions and provisions, including any which are exceptions to terms, conditions and provisions described in the applicable SPDs and SMMs as well as any which differ among groups of employees eligible to participate in a particular plan, program or policy, such as the applicable deductible or copayment amount. If there are discrepancies between the specific information provided in Exhibit 1 and the plan documents, SPDs or SMMs, the information provided in Exhibit 1 will govern.

- D. Effective January 1, 2012, NIC Employees will have access to the Voluntary benefits platform where they may take advantage of the available products, as those products may change from time to time. The Company may unilaterally modify or discontinue this platform and products.
- E. Effective January 1, 2011, and subject to the Benefits Rules for Employee Movement described in Section 3 below, NIC Employees who terminate employment with the Company during the term of this Agreement and are eligible for post-retirement medical coverage under the terms of the AT&T Medical Plan applicable to NIC Employees, as of the date of termination (Eligible Retired Employees) will be eligible, during the term of this agreement, for coverage under the AT&T Medical Plan, AT&T CarePlus, AT&T Dental Plan, AT&T Medical and Group Life Insurance Plan – Group Life Insurance, AT&T Retiree Vision Care Plan, and AT&T Consolidated Long-Term Care Insurance Plan all under the terms, conditions, and provisions which apply to NIC Tier 1 Eligible Retired Employees.

Nothing in this Paragraph E shall be construed to provide benefits for any period subsequent to the term of this Agreement or for any employee other than those referenced above who terminate employment during the term of this Agreement.

## 2. PENSION AND SAVINGS BENEFIT PLANS

Effective upon ratification and except as provided below, NIC Employees shall continue to participate in the same pension and savings benefit plans, programs, and policies on the same terms and conditions that were in effect on July 17, 2010.

### A. AT&T Pension Benefit Plan

Effective on the later of June 1, 2011, or the hire/rehire date, NIC Tier 2 New Hires will become eligible to participate in the Bargained Cash Balance Program 2 under the AT&T Pension Benefit Plan and will not be eligible to participate in the Bargained Cash Balance Program under the AT&T Pension Benefit Plan.

### B. AT&T Savings and Security Plan

Effective on the later of June 1, 2011, or the hire/rehire date for new hires, NIC Employees will become eligible to participate in the AT&T Retirement

Savings Plan. These employees will no longer be eligible to participate in the AT&T Savings and Security Plan and will have their prior AT&T Savings and Security Plan account balances transferred to the AT&T Retirement Savings Plan as soon as administratively feasible following June 1, 2011. The AT&T Retirement Savings Plan will be amended to provide immediate eligibility for the company match for NIC Tier 1 Employees.

### 3. BENEFITS RULES FOR EMPLOYEE MOVEMENT

Any employee who moves from a job title not covered by this Agreement to a job title covered by this Agreement where the circumstances of the move are not specifically accounted for in one of the following paragraphs will be eligible to participate in the same plans, programs and policies on the same terms and conditions as apply to new hires in the position to which they transfer (NIC Tier 1 Employee or NIC Tier 2 New Hire Employee, as applicable) as those plans, programs and policies may change from time to time, including the recognition of all previously recognized service for the purposes of Term of Employment but not for pension calculation purposes.

- A. *Treatment Of Employees Who Move Pursuant To The National Transfer Plan into Any Job Title Covered By This Agreement During The Term Of This Agreement (Inter-Region Transferred New Hires) from a Job Title in One of The 2009 Core CWA Collective Bargaining Agreements and Were Classified As A New Hire Under The Terms Of That Article/Agreement*

Inter-Region Transferred New Hires will be eligible to participate in the same plans, programs and policies on the same terms and conditions as apply to new hires in the position to which they transfer (NIC Tier 1 Employee or NIC Tier 2 New Hire Employee, as applicable) as those plans, programs and policies may change from time to time, including the recognition of all previously recognized service for the purposes of Term of Employment but not for pension calculation purposes.

- B. *Treatment of Employees Who Move Pursuant To The National Transfer Plan into Any Job Title Covered By This Agreement During The Term Of This Agreement (Inter-Region Transferred Employees) from a Job Title in One of The 2009 Core CWA Collective Bargaining Agreements and Were Classified As A Current Employee Under The Terms Of That Article/Agreement*

Except as noted below, Inter-Region Transferred Employees will be eligible to participate in the same plans, programs and policies on the same terms and conditions as apply to current employees in the position to which they transfer (NIC Tier 1 Employee or NIC Tier 2 Current Employee, as applicable) as those plans, programs and policies may change from time to time, including the recognition of all previously recognized service for the purposes of Term of Employment but not for pension calculation purposes.

For Inter-Region Transferred Employees who were classified as Converted Temp/Term Employees in the position they transfer from, the eligibility and plan provisions for post-retirement health and welfare benefits and pension and savings benefits provided under this Article to new hires (NIC Tier 1 Employee or NIC Tier 2 New Hire Employee, as applicable) shall apply.

It is understood that certain benefits are subject to change to comply with implementation of the Patient Protection and Affordable Care Act (PPACA) and associated regulations and agency guidance. Once the requirements of the PPACA have been determined and finalized in those regulations and guidance, the Company will notify the Union of the changes the Company plans to make to conform the benefits under this Agreement. Should any of these PPACA changes require bargaining, the parties acknowledge this Agreement and future changes thereto shall be subject to Articles 4 and 15 of the 2010 Collective Bargaining Agreement.

<b>Effective Date/Language:</b>	With ratification
<b>Termination Date/Language:</b>	With expiration of the 2010 Collective Bargaining Agreement
<b>Applies to:</b>	AT&T Internet Services

**Benefit Outline Summary**

Provision	NIC Tier 2 Current Employees															
<b>Active Employees</b>																
<b>Effective Date(s)</b>	Health & Welfare: 1/1/2012															
<b>Medical</b>																
<b>Plan</b>	AT&T Medical Plan <ul style="list-style-type: none"> <li>HMOs (available at the discretion of the Company)</li> </ul>															
<b>Eligibility for Company Subsidy</b>	Company subsidy begins as of the first day of the month Employee attains 6 months Net Credited Service (also referred to as Term of Employment)															
<b>Active (Full-Time) Monthly Contributions</b>	<table style="margin-left: 40px;"> <thead> <tr> <th></th> <th style="text-align: center;"><u>2012</u></th> </tr> </thead> <tbody> <tr> <td>Ind</td> <td style="text-align: center;">\$0</td> </tr> <tr> <td>Ind +1</td> <td style="text-align: center;">\$59</td> </tr> <tr> <td>Fam</td> <td style="text-align: center;">\$117</td> </tr> </tbody> </table> <p>Notes:</p> <ul style="list-style-type: none"> <li>Plan terms in effect for 2011 will continue through 2011.</li> <li>2013 contribution amounts will be the same as those applicable to NIC Tier 1 Employees.</li> </ul>		<u>2012</u>	Ind	\$0	Ind +1	\$59	Fam	\$117							
	<u>2012</u>															
Ind	\$0															
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Fam	\$117															
<b>Annual Deductibles</b>	<table style="margin-left: 40px;"> <thead> <tr> <th></th> <th colspan="2" style="text-align: center;"><u>2012</u></th> </tr> <tr> <th></th> <th style="text-align: center;"><u>Network/ONA</u></th> <th style="text-align: center;"><u>Non-Network</u></th> </tr> </thead> <tbody> <tr> <td>Ind</td> <td style="text-align: center;">\$650</td> <td style="text-align: center;">\$1,950</td> </tr> <tr> <td>Fam</td> <td style="text-align: center;">\$1,300</td> <td style="text-align: center;">\$3,900</td> </tr> </tbody> </table> <p>Notes:</p> <ul style="list-style-type: none"> <li>Plan terms in effect for 2011 will continue through 2011.</li> <li>Integrated Medical/Surgical, Mental Health/Substance Abuse, Prescription Drugs and CarePlus.</li> <li>2013 deductible amounts will be the same as those applicable to NIC Tier 1 Employees.</li> </ul>		<u>2012</u>			<u>Network/ONA</u>	<u>Non-Network</u>	Ind	\$650	\$1,950	Fam	\$1,300	\$3,900			
	<u>2012</u>															
	<u>Network/ONA</u>	<u>Non-Network</u>														
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<b>Annual Out-of-Pocket Maximums (OOP)</b>	<table style="margin-left: 40px;"> <thead> <tr> <th></th> <th colspan="2" style="text-align: center;"><u>2012</u></th> </tr> <tr> <th></th> <th style="text-align: center;"><u>Network/ONA</u></th> <th style="text-align: center;"><u>Non-Network</u></th> </tr> </thead> <tbody> <tr> <td>Ind</td> <td style="text-align: center;">\$5,780</td> <td style="text-align: center;">\$17,330</td> </tr> <tr> <td>Ind + 1</td> <td style="text-align: center;">\$8,660</td> <td style="text-align: center;">\$25,990</td> </tr> <tr> <td>Fam</td> <td style="text-align: center;">\$11,550</td> <td style="text-align: center;">\$34,650</td> </tr> </tbody> </table> <p>Notes:</p> <ul style="list-style-type: none"> <li>Plan terms in effect for 2011 will continue through 2011.</li> <li>Integrated Medical/Surgical, Mental Health/Substance Abuse, Prescription Drugs and CarePlus.</li> <li>2013 OOP amounts will be the same as those applicable to NIC Tier 1 Employees.</li> </ul>		<u>2012</u>			<u>Network/ONA</u>	<u>Non-Network</u>	Ind	\$5,780	\$17,330	Ind + 1	\$8,660	\$25,990	Fam	\$11,550	\$34,650
	<u>2012</u>															
	<u>Network/ONA</u>	<u>Non-Network</u>														
Ind	\$5,780	\$17,330														
Ind + 1	\$8,660	\$25,990														
Fam	\$11,550	\$34,650														
<b>Coinsurance</b>	No change from current NIC Tier 2 Current Employee provisions															

Provision	NIC Tier 2 Current Employees
<b>Prescription Drug Program (Rx)</b>	<p><u>Annual Deductible</u> Integrated with Medical/Surgical, Mental Health/Substance Abuse, &amp; CarePlus</p> <p><u>Annual Out-of-Pocket Maximum</u> Integrated with Medical/Surgical, Mental Health/Substance Abuse, &amp; CarePlus</p> <p><u>Retail Network Copays</u> <u>For 2012:</u> Generic                   \$8 Formulary               \$24 Non-formulary         \$43 *Note: Copays escalators <u>apply</u>.</p> <p><u>Mail Order Copays</u> <u>For 2012:</u> Generic                   \$17 Formulary               \$47 Non-formulary         \$86 *Note: Copays escalators <u>apply</u></p> <p>Notes:  <ul style="list-style-type: none"> <li>Plan terms currently in effect for 2011 will continue for 2011.</li> <li>2013 prescription drug copays will be the same as those applicable to NIC Tier 1 Employees.</li> </ul> </p>
<b>Employee Assistance Plan (EAP)</b>	
<b>Plan</b>	<u>AT&amp;T Employee Assistance Plan</u> No change (NIC Tier 1 Employees and NIC Tier 2 Current Employees are in the same plan)
<b>Disability</b>	
<b>Plan</b>	<u>AT&amp;T Disability Income Program</u>
<b>Short Term Disability (STD)</b>	No change from current NIC Tier 2 Current Employee provisions
<b>Long-Term Disability (LTD)</b>	No change from current NIC Tier 2 Current Employee provisions
<b>Leaves of Absence (LOAs)</b>	
<b>Plan</b>	<u>AT&amp;T Leaves of Absence Policy</u> No change (NIC Tier 1 Employees and NIC Tier 2 Current Employees are in the same plan)
<b>Dental</b>	
<b>Plan</b>	<u>AT&amp;T Dental Plan</u> (NIC Tier 1 Employees and NIC Tier 2 Current Employees are in the same plan)
<b>Eligibility for Company Subsidy</b>	Immediate on date of hire
<b>Active (Full-Time) Monthly Contributions</b>	Individual: 0% of Premium Equivalent Rate* Dependent: 35% of Premium Equivalent Rate*  Note: Contribution amounts subject to annual adjustment based on new Premium Equivalent Rates, consistent with NIC Tier 1 Employees.
<b>Vision</b>	
<b>Plan</b>	<u>AT&amp;T Vision Plan</u> (NIC Tier 1 Employees and NIC Tier 2 Current Employees are in the same plan)
<b>Eligibility for Company Subsidy</b>	Immediate on date of hire
<b>Active (Full-Time) Monthly Contributions</b>	Individual: 0% of Premium Equivalent Rate* Dependent: 35% of Premium Equivalent Rate*  Note: Contribution amounts subject to annual adjustment based on new Premium Equivalent Rates, consistent with NIC Tier 1 Employees.

<b>Flexible Spending Account (FSA)</b>	
<b>Plan</b>	<u>AT&amp;T Flexible Spending Account Plan</u> <ul style="list-style-type: none"> <li>• Pre-Tax Premium Option</li> <li>• Health Care FSA</li> <li>• Dependent Care FSA</li> </ul>
<b>Contribution Minimum/Maximums</b>	Same as applicable to NIC Tier 1 Employees: Health Care FSA \$100/\$10,000 per year Dependent Care FSA \$100/\$5,000 per year  Note: FSA contribution amounts will be reduced no later than 2013 as required by health reform legislation (PPACA).
<b>CarePlus</b>	
<b>Plan</b>	<u>AT&amp;T CarePlus – A Supplemental Medical Plan</u> (NIC Tier 1 Employees and NIC Tier 2 Current Employees are in the same plan)
<b>Monthly Contributions</b>	No change
<b>General Benefits</b>	<u>Annual Deductible</u> Integrated with Medical/Surgical, Mental Health/Substance Abuse and Prescription Drugs
<b>Life Insurance</b>	
<b>Plan</b>	<ul style="list-style-type: none"> <li>• AT&amp;T Medical and Group Life Insurance Plan – Group Life Insurance</li> <li>• AT&amp;T Supplementary Group Life Insurance Program</li> <li>• AT&amp;T Dependent Group Life Insurance Program</li> </ul>
<b>Active Benefits</b>	<u>Same as applicable to NIC Tier 1 Employees:</u> <ul style="list-style-type: none"> <li>• Basic: 1X Annual Pay, Employer paid</li> <li>• Supplemental: Up to 6X Annual Pay, Employee paid</li> <li>• Accidental Death and Dismemberment (AD&amp;D) Basic: 1X Annual Pay, Employer paid</li> <li>• AD&amp;D Supplemental: Up to 6X, Employee paid</li> <li>• Dependent Child (Life and AD&amp;D): \$1.5K, \$3K, \$5K, \$10K, \$15K, Employee paid</li> <li>• Spouse (Life and AD&amp;D): \$10K, \$25K-\$150K in \$25K increments, Employee paid</li> <li>• No age-based reductions</li> <li>• No Evidence of Insurability (EOI) for Spouse coverage of \$10K during initial enrollment period. Otherwise, EOI required for any enrollment or increase</li> <li>• No EOI for Child coverage at anytime for initial or increase</li> <li>• Supplemental and Spouse rates are smoker/nonsmoker</li> </ul> Note: Contribution amounts are subject to annual adjustment.
<b>Long-Term Care</b>	
<b>Plan</b>	<u>Change applies to NIC Employees:</u> <ul style="list-style-type: none"> <li>• AT&amp;T Consolidated Long-Term Care Insurance Plan</li> </ul>
<b>Coverage</b>	<ul style="list-style-type: none"> <li>• 100% Participant-paid</li> <li>• Various options</li> </ul>
<b>Adoption</b>	
<b>Plan</b>	<u>AT&amp;T Adoption Reimbursement Program</u>
<b>Coverage</b>	No change (NIC Tier 1 Employees and NIC Tier 2 Current Employees are in the same plan)
<b>Commuter</b>	
<b>Plan</b>	<u>AT&amp;T Commuter Benefit Program</u>
<b>Coverage</b>	No change (NIC Tier 1 Employees and NIC Tier 2 Current Employees are in the same plan)
<b>Voluntary Benefits</b>	
<b>Discretionary Program</b>	Marsh PersonalPlans (products offered as they may change from time to time)

July 20, 2010

Bill Bates  
National Telecom Director  
Communications Workers of America – National  
501 3<sup>rd</sup> Street NW  
Washington, DC 20001

Donna Bentley  
Staff Representative  
Communications Workers of America – District 6  
1349 Empire Central, Suite 610  
Dallas, TX 75247

Re: Card Check

Dear Bill and Donna:

I am providing you this letter to address any concerns CWA may have about the applicability of the CWA/AT&T Neutrality and Card Check Agreement, which we reached during 2009 Core Bargaining, to the AT&T National Internet Contract (NIC).

AT&T believes that the NIC already is subject to card check under that agreement as reached in 2009 Core Bargaining. Of course card check is not yet in effect because we do not have a ratified core contract in the East region.

AT&T's position that once East has ratified, the card check agreement we reached in 2009 Core Bargaining under its own terms would apply to the NIC. Further, it is AT&T's position that the card check agreement as a national agreement applied to the NIC would expire with the 2009 Core Midwest contract, on April 7, 2012. It is not AT&T's desire to alter the card check agreement or to make it applicable to the NIC before it applies to all the core bargaining units.

I trust this letter has resolved your concerns.

Sincerely,

/s/Doug Flores  
Executive Director  
Labor Relations

/s/Rob Zurovec  
Executive Director  
Labor Relations

<b>Effective Date/Language:</b>	With ratification
<b>Termination Date/Language:</b>	With expiration of the 2010 Collective Bargaining Agreement
<b>Applies to:</b>	AT&T Internet Services

**MEMORANDUM OF AGREEMENT  
CUSTOMER ASSISTANT PAY PLAN**

The Company will provide additional cash awards as provided in Article 11, Section 11.03 (Additional Cash Awards) and described herein for the Customer Assistant title.

The Company will have a Customer Assistant Pay Plan (CAPP) in place beginning for the first quarter of 2011 that will have quarterly payout opportunities through the second performance quarter of 2013.

Payouts to eligible Customer Assistants will take place as soon as practicable after the close of the performance quarter.

The CAPP will have four (4) performance criteria and one (1) attendance performance criterion as part of the total criteria for payouts.

Customer Assistants will be considered meeting the attendance criterion if they are not on a formal step of discipline on the last day of the performance quarter for their attendance.

The Company will establish performance criteria and metrics required for the CAPP one (1) week in advance of each performance quarter.

The performance criteria and metrics required for the CAPP will be set at the discretion of the Company and may change on a quarterly basis.

Customer Assistants must work 240 live production hours during the performance quarter to be eligible for any payout. Talk time, hold time, after call work and ongoing training as approved by the Company will be considered as live production hours for the CAPP.

Customer Assistants must meet three (3) of the five (5) criteria established by the Company to qualify for a payout. Customer Assistants must be on the payroll at the time of any payout to receive such a payout.

The payout schedule for employees with less than 24 months of continuous service at the beginning of the quarter is:

Meeting 3 of 5	Meeting 4 of 5	Meeting 5 of 5
\$250	\$350	\$500

The payout schedule for employees with 24 months or more of continuous service at the beginning of the quarter is:

Meeting 3 of 5	Meeting 4 of 5	Meeting 5 of 5
\$300	\$500	\$700

Payments will be subject to taxes as required by applicable law.

Union dues will be deducted in a prorated amount from any payment.

Payments will not be applied or be eligible for pension calculation or savings plan deductions.

Any overtime re-calculation and required payment will be done as required by state and federal law.

Customer Assistants performing “team lead” functions during a performance quarter as compensated under Section 10.10, union representatives (see Section 2.02), and employees assigned to special projects by the Company who work less than 240 live production hours because of the activities stated above in this paragraph will receive credit for meeting two (2) of five (5) criteria. In addition to the preceding sentence, if those referenced employees are not on a step of discipline at the end of the performance quarter for attendance they will be considered meeting three (3) of five (5) criteria for the payout.

The Company and the Union will establish a joint committee to review and discuss the results of the CAPP on an annual basis. The joint committee will be comprised of one (1) union representative from the International Union and two (2) union representatives from the unit. Time for the representatives from the unit will be paid under Article 2, Section 2.04 of the Internet Contract. The Company will have two (2) representatives on this joint committee.

If the number of Customer Assistants achieving a quarterly payout under this plan falls below 65% of the total eligible Customer Assistant population for two (2) consecutive quarters, the Company will meet and discuss the results with the joint committee referenced above. Any suggestions that require bargaining must be mutually agreed upon by the bargaining representatives of the Company and the Union.

**Effective Date/Language:** With ratification

**Termination Date/Language:** With expiration of the 2010 Collective Bargaining Agreements

**Applies to:** AT&T Internet Services

**CWA NETT ACADEMY TRAINING PROGRAM**

July 18, 2010

Bill Bates  
National Telecom Director  
Communications Workers of America – National  
501 3<sup>rd</sup> Street NW  
Washington, DC 20001

Donna Bentley  
Staff Representative  
Communications Workers of America – District 6  
1349 Empire Central, Suite 610  
Dallas, TX 75247

Re: CWA Nett Academy Training Program

Dear Bill and Donna:

During 2010 bargaining you requested that the Company promote the CWA Nett Academy training program. This is to inform you that the Company agrees to promote the CWA Nett Academy training program.

Please contact me with any questions.

Sincerely,

---

/s/Doug Flores  
Executive Director  
Labor Relations

---

/s/Rob Zurovec  
Executive Director  
Labor Relations

**Effective Date/Language:** With ratification

**Termination Date/Language:** With expiration of the 2010 Collective Bargaining Agreements

**Applies to:** AT&T Internet Services

## **MEMORANDUM OF AGREEMENT FOUR-TEN WORKWEEKS**

This memorandum of Agreement confirms our understanding concerning the guidelines for administration of Four-Ten hour work schedules.

### **Guidelines for Administration of Four-Ten Hour Work Schedules**

#### **1. Establishing a Four-Ten Work Schedule**

The Company will determine if, when and in which work groups it would establish a four-ten work schedule. The Company can terminate an established four-ten work schedule at any time for any reason.

#### **2. Overtime**

Overtime will be paid according to Article 10, Section 10.05 of the current Agreement. Overtime is that time worked in excess of the ten (10) hours in a day or time worked in excess of forty (40) hours in a workweek.

#### **3. Pay for Vacations, Personal Days Off and Holidays**

##### **Vacations**

A vacation week will always equal forty (40) hours of time off. The employee's scheduled vacation week will be changed to a five-day (5), Monday through Friday, eight (8) hour schedule.

Vacation weeks taken a day-at-a-time should be converted to hours for administrative purposes. A vacation day will be ten (10) hours unless the remaining balance of vacation hours is less than ten (10) hours.

##### **Personal days off**

The Personal days off specified in Article 9, Section 9.08 will be eight (8) hours.

##### **Holidays**

An employee's work schedule during a holiday week shall normally be the same as though it were not a holiday week.

If the holiday falls on a scheduled day, and the employee is scheduled off, the Company will pay eight (8) hours of holiday pay at straight time. If the employee wishes to be paid the remaining two (2) hours, the employee may use available vacation, personal days off or absence time. If the employee does not wish to be paid, the time will be unpaid excused.

**MEMORANDUM OF AGREEMENT  
FOUR-TEN WORKWEEKS**

Employees who work the holiday will be paid as follows:

- Eight (8) hours straight time for the holiday;
- Time and one-half for each hour worked up to eight (8) hours;
- Straight time for time worked in excess of eight (8) hours;
- Overtime rules apply for time worked in excess of ten (10) hours in accordance with Article 10, Section 10.05 of the current Agreement.

If a holiday falls during an employee's scheduled vacation week; and if the holiday falls on a scheduled vacation day, the employee will be entitled to an additional eight (8) hours of vacation time. If the holiday falls on a non-scheduled day, the employee will receive eight (8) hours of holiday pay at straight time.

**Other Time Off**

Paid absence time will be granted in accordance with Article 9, section 9.13. An employee who is eligible for absence payments will receive ten (10) hours of pay if the employee is sick on a scheduled ten-hour (10) day, unless the remaining balance of paid absence time is less than ten (10) hours.

**Effective Date:** With ratification

**Termination Date:** With expiration of the 2004  
Collective Bargaining Agreement

**Coverage:** SBC Internet Services

**Communications Workers of America**

**SBC Internet Services**

Agreed: \_\_\_\_\_  
/s/Val Afanasiev  
Staff Representative  
CWA – District 9

Agreed: \_\_\_\_\_  
/s/Sue Crutcher  
Vice President  
Labor Relations

Date: 8/4/04

Date: 8/4/04

July 18, 2010

Bill Bates  
National Telecom Director  
Communications Workers of America – National  
501 3<sup>rd</sup> Street NW  
Washington, DC 20001

Donna Bentley  
Staff Representative  
Communications Workers of America – District 6  
1349 Empire Central, Suite 610  
Dallas, TX 75247

Re: Post and Bid National Internet Contract

Dear Bill and Donna:

During 2010 bargaining you raised an issue regarding the process used in the National Internet Contract for posting notices of vacancies when the Company has determined that a vacancy is to be filled from within the Bargaining Unit.

Based on your concerns the Company will develop a process in which such vacancies will be posted on-line. This process will also allow the employees covered by the Internet Contract the ability to log-in to the system and view all posted vacancies as described in paragraph one. The system will also allow the employee to build their resume and express an interest in any such vacancy posted. This new process will be implemented by the Company no later than 12 months after ratification of the 2010 Internet Contract.

Please contact me with any questions.

Sincerely,

---

/s/Doug Flores  
Executive Director  
Labor Relations

---

/s/Rob Zurovec  
Executive Director  
Labor Relations

**Effective Date/Language:** With ratification

**Termination Date/Language:** With expiration of the 2010 Collective Bargaining Agreements

**Applies to:** AT&T Internet Services

**MEMORANDUM OF AGREEMENT  
NATIONAL TRANSFER PLAN (NTP)**

The Company agrees to modify the current external job posting system to provide for employees who chose to participate in the attached National Transfer Plan as an IMF or CSE participant as follows:

- Positions will advertise in the system for a minimum of seven (7) calendar days
- Employees will have the ability to indicate their interest in the position as an IMF or CSE candidate via the online system
- The system will be accessible to employees from both inside and outside of the AT&T firewall.
- Employees will have the ability to contact the regional employment office to determine the status of a position for which they indicated interest.

The Company commits that the above noted modifications will be completed as soon as practicable.

The parties to this agreement further agree that if during subsequent Core Collective Bargaining or through other agreement the National Transfer Plan is modified or terminated, then such changes to the National Transfer Plan will also apply to the AT&T Internet Services bargaining unit.

The parties to this agreement further agree that IMF Section 5 and CSE Section 9 of the NTP shall not apply to employees transferring to the AT&T Internet Services bargaining unit; instead, employees otherwise covered by those sections shall be covered by IMF Section 7 or CSE Section 11, as applicable.

The parties to this agreement further agree to participate with those AT&T affiliate companies that may be added from time to time to the National Transfer Plan as participants as a result of collective bargaining or other agreements between CWA and an AT&T affiliate company.

Until agreed to and ratified by C&T and the CWA Districts participating in 2009 Core Collective Bargaining, those bargaining units will not be eligible to participate in the National Transfer Plan. In addition to those bargaining units, AT&T Internet Services must also ratify this Agreement to be eligible to participate in the National Transfer Plan.

In response to the CWA's concern for its members' employment security and its expressed interest in removing impediments to movement between various AT&T Companies identified in the attachments to this Memorandum, the Company agrees to extend the Intersubsidiary Movement (IMF) process and the CWA Surplus Exchange (CSE) process with the following modifications:

**IMF:**

1. Southeast companies for the bargaining units listed below will be added to the list of participating companies (Attachment A):
  - Southeast Core Bargaining Unit
    - BellSouth Telecommunications, Inc.
    - BellSouth Communication Systems, LLC
    - BellSouth Corporation
    - BellSouth Long Distance, Inc.
  - Southeast Billing Bargaining Unit
    - AT&T Billing Southeast, Inc.
  - Southeast Utility Operations Bargaining Unit
    - BellSouth Telecommunications, Inc.
2. Eligible employees will receive priority placement before external hires after regional contract processes for any bargaining unit job for which they qualify. The qualification criteria utilized will be the same qualification criteria utilized for the regional contractual processes.
3. In situations where there are equally qualified employees eligible and interested in the same position at the receiving Company, eligible employees will be offered the position in order of seniority. If needed, the tie breaker for employees with the same seniority will be the last four digits of their social security number with the higher number being the more senior.
4. When a bargained-for employee moves among bargaining units of the Company covered by this Memorandum of Agreement treatment of vacation time, the Designated Holiday (DH), Floating Holidays (FHs), and Excused Work Days (EWDs) or their equivalent (covered time) will be treated as follows:
  - A covered employee will be eligible for covered time for the current vacation year at the new entity based on the existing labor agreements at that entity. Any covered time already taken at the former entity will be deducted from equivalent covered time for which the employee is eligible at the new entity; the remaining covered time will be scheduled at the new entity subject to needs of the business.
  - Covered time carried over from the prior vacation year must be disposed of, i.e., paid in lieu of or taken at the former entity.
  - In no case will an employee's movement from one entity to another result in the double payment for covered time.

5. Employees who have held the Premises Technician job title, or any job title in an agreement or appendix to an agreement that provides for the terms and conditions of employment for Premises Technicians (“Premises Technician Agreements”), are eligible for IMF, but shall be treated as provided in this paragraph. Any employee who has ever held a position in a Premises Technician Agreement will be treated by any receiving company that is party to this IMF agreement and that also is party to a Premises Technician Agreement as if they were received from their own Premises Technician Agreement for all purposes. If the receiving company does not have a Premises Technician Agreement, then employees transferring to that company shall receive the benefits applicable to other bargained-for employees with similar service in the receiving company, except for pension and post-retirement medical and dental benefits; instead, 1) such employees shall participate in the Bargained Cash Balance Program 2 and 2) if such employee meets the eligibility requirements for post-retirement benefits upon termination, the former employee will pay contributions equal to 50% of the total cost of coverage for post-retirement medical and dental coverage if the former employee is not Medicare eligible and will not be eligible for medical or dental post-retirement coverage if Medicare eligible.
6. Employees selected to fill openings in accordance with terms outlined above, will have their Term of Employment (TOE, which was previously known as Net Credited Service or NCS) or Seniority at the departing company recognized by the receiving Company’s pension plan or program, subject to the receiving Company’s service bridging rules. However where pensions are applicable, the TOE or Seniority will be recognized by the receiving company’s pension program only for vesting, participation and eligibility service purposes, but not pension credit or accrual purposes. Further, the service performed at the receiving company will be counted in the departing company’s pension plan or program, but only for vesting, participation and eligibility purposes (not for pension credit purposes). In no event will a period of service count as pension credit or accrual service in more than one AT&T pension plan or program (in other words, no double counting of service for pension credit or accrual purposes).
7. Unless expressly provided to the contrary by the Benefits Agreement in the 2009 Core Collective Bargaining Agreement, employees transferring to companies under this Agreement will receive active benefits and any post-retirement benefits under the benefit plans or programs and subject to the terms of the contractual Benefits provisions of the receiving company.

**CSE:**

1. Southeast companies for the bargaining units listed below will be added to the list of participating companies (Attachment B):
  - Southeast Core Bargaining Unit
    - BellSouth Telecommunications, Inc.
    - BellSouth Communication Systems, LLC
    - BellSouth Corporation
    - BellSouth Long Distance, Inc.
  - Southeast Billing Bargaining Unit
    - AT&T Billing Southeast, Inc.
  - Southeast Utility Operations Bargaining Unit
    - BellSouth Telecommunications, Inc.
  
2. Legacy T companies for the bargaining unit listed below will be added to the list of participating companies (Attachment B):
  - Legacy T CWA Operations Bargaining Unit
    - AT&T Corp.
    - AT&T Laboratories, Inc.
    - TC Systems, Inc.
    - TCG Services, Inc.
    - TCG Carolinas
    - TCG New Jersey
    - TCG New Jersey, Inc.
    - TCG Rhode Island
    - Teleport Telecommunications New York
  
3. Surplus employees who express interest in available positions in participating companies will receive priority placement before external hires after regional contract processes for any bargaining unit job for which he/she qualifies. The qualification criteria utilized will be the same qualification criteria utilized for the regional contractual processes.
  
4. Employees who are declared surplus and subsequently involuntarily laid off who express interest in available positions in participating companies will receive priority placement before external hires after regional contract processes for any bargaining unit job for which he/she qualifies for a period of twelve (12) months following their involuntary lay off. The qualification criteria utilized will be the same qualification criteria utilized for the regional contractual processes.
  
5. In situations where there are equally qualified employees eligible and interested in the same position at the receiving Company, eligible employees will be offered the position in order of seniority. If needed, the tie breaker for employees with the same seniority will be the last four digits of their social security number with the higher number being the more senior.

6. Any CWA-represented regular employee covered by a CWA Labor Agreement held by a participating company whose work is moving from that company to another participating company may be offered the opportunity to follow their work. Such offer will be subject to the need for additional employees at the receiving Company and all applicable qualifications and selection criteria at the receiving Company. Employees who select this option in lieu of any severance payment and who are placed at and report to, the receiving Company, will receive payment for Relocation Allowance per the applicable terms and conditions of the collective bargaining agreement at their former Company. This Relocation Allowance will be paid when 1) the employee relocates his/her home residence as a result of following the work; and 2) the employee's new place of reporting is fifty (50) miles or greater road miles by the most direct route farther from their residence than was the old report location.
7. Any CWA-represented regular employee covered by a CWA Labor Agreement held by a participating company who becomes surplus and is offered a job, through the CSE process, in another participating company, will receive payment for Relocation Allowance per the applicable terms and conditions of the collective bargaining agreement at their former Company. Employees who accept a job offer in lieu of any severance payment and who are placed at and report to, the new location will receive payment for this Relocation Allowance when 1) the employee relocates his/her home residence; and 2) the employee's new place of reporting is fifty (50) miles or greater road miles by the most direct route farther from their residence than was the old report location.
8. When a bargained-for employee moves to another bargaining unit of the Company covered by this Memorandum of Agreement treatment of vacation time, the Designated Holiday (DH), Floating Holidays (FHs), and Excused Work Days (EWDs) or their equivalent (covered time) will be treated as follows:
  - A covered employee will be eligible for covered time for the current vacation year at the new entity based on the existing labor agreements at that entity. Any covered time already taken at the former entity will be deducted from equivalent covered time for which the employee is eligible at the new entity; the remaining covered time will be scheduled at the new entity subject to needs of the business.
  - Covered time carried over from the prior vacation year must be disposed of, i.e., paid in lieu of or taken at the former entity.
  - In no case will an employee's movement from one entity to another result in the double payment for covered time.

9. Employees who have held the Premises Technician job title or any job title in an agreement or appendix to an agreement that provides for the terms and conditions of employment for Premises Technicians (“Premises Technician Agreements”), are eligible for CSE, but shall be treated as provided in this paragraph. Any employee who has ever held a position in a Premises Technician Agreement will be treated by any receiving company that is party to this CSE agreement and that also is party to a Premises Technician Agreement as if they were received from their own Premises Technician Agreement for all purposes. If the receiving company does not have a Premises Technician Agreement, then employees transferring to that company shall receive the benefits applicable to other bargained-for employees with similar service in the receiving company, except for pension and post-retirement medical and dental benefits; instead, 1) such employees shall participate in the Bargained Cash Balance Program 2 and 2) if such employee meets the eligibility requirements for post-retirement benefits upon termination, the former employee will pay contributions equal to 50% of the total cost of coverage for post-retirement medical and dental coverage if the former employee is not Medicare eligible and will not be eligible for medical or dental post-retirement coverage if Medicare eligible.
10. Employees selected to fill openings in accordance with terms outlined above, will have their Term of Employment (TOE, which was previously known as Net Credit Service or NCS) or Seniority at the departing company recognized by the receiving Company’s pension plan or program, subject to the receiving Company’s service bridging rules. However, the TOE or Seniority will be recognized by the receiving company’s pension program only for vesting, participation and eligibility service purposes, but not pension credit or accrual purposes. Further, the service performed at the receiving company will be counted in the departing company’s pension plan or program, but only for vesting, participation and eligibility purposes (not for pension credit purposes). In no event will a period of service count as pension credit or accrual service in more than one AT&T pension plan or program (in other words, no double counting of service for pension credit or accrual purposes).
11. Unless expressly provided to the contrary by the Benefits Agreement in the 2009 Core Collective Bargaining Agreement, employees transferring to companies under this Agreement will receive active benefits and any post-retirement benefits under the benefit plans or programs and subject to the terms of the contractual Benefits provisions of the receiving company.

**Order of Consideration:**

Job offers made under IMF or CSE will follow the order of consideration below after regional contract processes for any bargaining unit job for which he/she qualifies.

- (1) Surplus employee currently on the payroll and surplus employees involuntarily laid off within the last twelve (12) months
- (2) Current employee using the IMF process

For both IMF and CSE, the Union agrees that it will not seek to alter any existing bargaining units in any AT&T Company on the basis of any movement or transfer of employees between said companies as a result of this Agreement. Further, the Union will not, on the basis of this Agreement or change in operations or practices made by Participating Companies as a result of this Agreement in any pleading, petition, complaint or proceeding before the National Labor Relations Board, an arbitrator or panel of arbitrators, or any court, assert, claim, charge or allege that such companies are a single or joint employer or enterprise, alter egos, accretions or successors of one another, or that any bargaining units of said entities represented by or sought to be represented by the Union are a single bargaining unit, or are or should be otherwise altered in their scope or composition. This commitment on the part of the Union will survive the expiration of this Memorandum, unless and until such time as this commitment is terminated by the mutual written agreement of the parties.

This Agreement shall be subject to the grievance and arbitration procedures of the affected employee's collective bargaining agreement.

**Effective Date/Language:** With ratification

**Termination Date/Language:** With expiration of the 2010 Collective Bargaining Agreement

**Applies to:** AT&T Internet Services

**CURRENT PARTICIPATING COMPANIES  
COVERED BY INTERSUBSIDIARY MOVEMENT**

Ameritech Services, Inc.  
AT&T Billing Southeast, Inc.  
AT&T Corp.  
AT&T Laboratories, Inc.  
AT&T Messaging LLC (Southwest, West Regions)  
AT&T Operations, Inc.  
AT&T Services, Inc.  
AT&T Video Services, Inc. (Southwest, West Regions)  
AT&T Yellow Pages (East, Midwest, Southwest Regions)  
BellSouth Communication Systems, LLC  
BellSouth Corporation  
BellSouth Long Distance, Inc.  
BellSouth Telecommunications, Inc.  
Illinois Bell Telephone Company  
Indiana Bell Telephone Company  
Michigan Bell Telephone Company  
Nevada Bell Telephone Company  
The Ohio Bell Telephone Company  
Pacific Bell Information Services (West Messaging)  
Pacific Bell Telephone Company  
SBC Global Services, Inc. (West Region)  
SBC Internet Services, Inc.  
SNET Diversified Group, Inc.  
Southern New England Telephone  
Southwestern Bell Telephone Company  
TC Systems, Inc.  
TCG Carolinas  
TCG New Jersey  
TCG New Jersey, Inc.  
TCG Rhode Island  
TCG Services, Inc.  
Teleport Telecommunications New York  
Wisconsin Bell Telephone Company

**CURRENT PARTICIPATING COMPANIES  
COVERED BY CWA SURPLUS EXCHANGE**

Ameritech Services, Inc.  
AT&T Billing Southeast, Inc.  
AT&T Corp.  
AT&T Laboratories, Inc.  
AT&T Messaging LLC (Southwest, West Regions)  
AT&T Operations, Inc.  
AT&T Services, Inc.  
AT&T Video Services, Inc. (Southwest, West Regions)  
AT&T Yellow Pages (East, Midwest, Southwest Regions)  
BellSouth Communication Systems, LLC  
BellSouth Corporation  
BellSouth Long Distance, Inc.  
BellSouth Telecommunications, Inc.  
Illinois Bell Telephone Company  
Indiana Bell Telephone Company  
Michigan Bell Telephone Company  
Nevada Bell Telephone Company  
The Ohio Bell Telephone Company  
Pacific Bell Information Services (West Messaging)  
Pacific Bell Telephone Company  
SBC Global Services, Inc. (Midwest, West Region)  
SBC Internet Services, Inc.  
SNET Diversified Group, Inc.  
Southern New England Telephone  
Southwestern Bell Telephone Company  
TC Systems, Inc.  
TCG Carolinas  
TCG New Jersey  
TCG New Jersey, Inc.  
TCG Rhode Island  
TCG Services, Inc.  
Teleport Telecommunications New York  
Wisconsin Bell Telephone Company

## **SUBCONTRACTING**

July 31, 2002

William E. Quirk  
Assistant to the Vice President  
District 9  
Communications Workers of America  
2870 Gateway Oaks Drive Suite 100  
Sacramento, CA 95833

RE: SBC Internet Services - Subcontracting

Dear Bill:

As we have discussed during our negotiations for the SBC Internet Services Contract, in making decisions regarding contracting of work, it is the Company's objective to consider carefully the interests of both the customer and employee along with all other considerations essential to the management of the business in a highly competitive and dynamic environment. While the Company believes it is in its best interests to utilize its own employees, the Company does use contractors, as it deems necessary in order to respond to a highly unpredictable marketplace. For various reasons where the needs of the business require, the Company may subcontract bargaining unit work.

Sincerely,

---

/s/Sue Crutcher

## SUBCONTRACTING

July 18, 2010

Bill Bates  
National Telecom Director  
Communications Workers of America – National  
501 3<sup>rd</sup> Street NW  
Washington, DC 20001

Donna Bentley  
Staff Representative  
Communications Workers of America – District 6  
1349 Empire Central, Suite 610  
Dallas, TX 75247

Re: Subcontracting

Dear Bill and Donna:

During 2010 bargaining you raised an issue regarding the subcontracting of work also performed by employees handling Tier 2 DSL and Tier 2 U-verse work. In response to this issue, and as a supplement to the Working Relations Committee, the Company agrees to have designated representatives meet with one Union representative twice a year in Richardson, Texas, to discuss Company subcontracting relating to work also performed by Tier 2 employees described above.

Sincerely,

---

/s/Doug Flores  
Executive Director  
Labor Relations

---

/s/Rob Zurovec  
Executive Director  
Labor Relations

**Effective Date/Language:** With ratification

**Termination Date/Language:** With expiration of the 2010 Collective Bargaining Agreements

**Applies to:** AT&T Internet Services

## SUCCESS SHARING PLAN (SSP)

The Company and the Communications Workers of America (Union) agree to the following concerning the Success Sharing Plan (SSP) for all titles:

Eligible employees may receive annual lump sum cash payments based on AT&T stock price appreciation and AT&T dividend rate.

### **Plan Components**

1. **Success Units**

Employees will be awarded 150 success units at the beginning of each award year (October 1, 2010, October 3, 2011 and October 1, 2012). Those success units will only be valid for that award year and will not carryover to the next award year. A success unit is only used as a multiplier in the payout calculation and is not a share of stock nor does it have any other value.

2. **Determining Award Value**

Award Year	Beginning Award Value	Ending Award Value
2011 (October 1, 2010 to September 30, 2011)	October 1, 2010 closing AT&T stock price	September 30, 2011 closing AT&T stock price
2012 (October 3, 2011 to September 28, 2012)	October 3, 2011 closing AT&T stock price	September 28, 2012 closing AT&T stock price
2013 (October 1, 2012 to September 30, 2013)	October 1, 2012 closing AT&T stock price	September 30, 2013 closing AT&T stock price

The stock price used in establishing the award value will be the closing AT&T stock price on the New York Stock Exchange. The award value will be adjusted proportionally to reflect any stock split.

3. **Determining Dividend Rate Value**

Each Award Year payout will include a dividend rate value. This value will be determined by adding each AT&T declared quarterly dividend during the award year and multiplying this total by 150 success units.

**Quarterly Dividend Rates:**

Award Year	Quarters
2011	December 2010, March 2011, June 2011, September 2011
2012	December 2011, March 2012, June 2012, September 2012
2013	December 2012, March 2013, June 2013, September 2013

4. Payout

Employees will receive a total payout based on the difference between the ending award value and the beginning award value for the award year times 150 success units plus the dividend rate value. For example:

**Stock Appreciation Value:**

Beginning award value – October 3, 2011 closing AT&T stock price \$25.00  
Ending award value – September 28, 2012 closing AT&T stock price \$30.00  
Payout – \$30 - \$25 = \$5 x 150 success units = \$750.00

**Dividend Rate Value:**

December 31, 2011 dividend           \$.41  
March 31, 2012 dividend           \$.41  
June 30, 2012 dividend           \$.41  
September 30, 2012 dividend       \$.41  
Total Dividend                       \$1.64  
Payout - \$1.64 x 150 success units = \$246.00

**Total Payout**

\$750.00 stock appreciation value + \$246.00 dividend rate value = \$996.00

Payment of the award will be made as soon as practicable after the award year and will normally occur the payday of the last full pay period in November. An overtime true-up will be paid in accordance with applicable Federal and/or State laws.

**Eligibility**

Employees eligible for payments as described above are those employees who are on the payroll on both the beginning and ending dates of the award year and who work for a minimum of three (3) months within the award year in a position covered by this Collective Bargaining Agreement. However, employees in the Customer Assistant title will be eligible for a payment only in the award year 2013. Eligible employees who are on approved leaves of absence or short-term disability absence and meet the other eligibility requirements on the ending date of the award year shall receive a payment, provided they return to duty on or before December 31 of the year in which the payment is made.

**Part-Time Employees**

Eligible part-time employees will receive prorated payments based on actual hours worked during the prior calendar quarter on the ending date of the award year.

**Benefits Treatment**

SSP payments will be recognized as eligible compensation under the following benefit plans:

- Medical
- Life Insurance
- Pension
- Savings Plan

**Taxes, Personal Allotments**

Payments are subject to state and local taxes, Federal Income Tax, Social Security Tax, Medicare Tax, and any state disability deductions at the time of payment. Union dues will be deducted at the same rate as they are deducted for wages. Employees with 401(k) pre-tax elections will not have State or Federal Income Taxes deducted from that portion.

Personal allotments such as United Way contributions will not be made.

**Dispute Resolution**

The Company determinations under this plan shall be final and binding. The Union may present grievances relating to matters covered by the SSP, but neither the plan nor its administration shall be subject to arbitration.

<b>Effective Date/Language:</b>	With ratification
<b>Termination Date/Language:</b>	With expiration of the 2010 Collective Bargaining Agreement
<b>Applies to:</b>	AT&T Internet Services

July 18, 2010

Bill Bates  
National Telecom Director  
Communications Workers of America – National  
501 3<sup>rd</sup> Street NW  
Washington, DC 20001

Donna Bentley  
Staff Representative  
Communications Workers of America – District 6  
1349 Empire Central, Suite 610  
Dallas, TX 75247

Re: Tuition Aid

Dear Bill and Donna:

The Company agrees to make the Tuition Aid Plan available to Customer Assistants as it is made available to other Internet bargaining unit employees.

Sincerely,

---

/s/Doug Flores  
Executive Director  
Labor Relations

---

/s/Rob Zurovec  
Executive Director  
Labor Relations

**Effective Date/Language:** With ratification

**Termination Date/Language:** With expiration of the 2010 Collective Bargaining Agreements

**Applies to:** AT&T Internet Services

## MEMORANDUM OF AGREEMENT

### UNIFORM SERVICES LEAVE OF ABSENCE – OPERATION ENDURING FREEDOM/OPERATION IRAQI FREEDOM

This confirms our understanding regarding the Uniform Services Leave of Absence for employees who are called up for active military service due to the September 14, 2001 Presidential Executive Order – Operation Enduring Freedom/Operation Iraqi Freedom.

The following change will be effective for employees who are/were called for involuntary active duty as a result of Presidential Executive Order – Operation Enduring Freedom and for such employees will supersede any agreements or policies concerning military pay allowances for employees entering active duty in the armed forces of the United States. Other terms of the existing Uniform Services Leave of Absence apply unchanged.

- Employees on this leave will receive a pay differential (difference between the employee's military pay and his/her company pay, including any applicable shift differential), when military pay is less, for a total of thirty (30) months or period of active duty, whichever is shorter.

**Effective Date/Language:** With ratification

**Termination Date/Language:** Completion of and/or cancellation of Executive Order – Operation Enduring Freedom, upon mutual agreement of the parties or termination of the Collective Bargaining Agreement, whichever occurs first.

**Applies to:** AT&T Internet Services

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/s/Donna Bentley  
Staff Representative  
Communications Workers of America  
District 6

---

/s/Doug Flores  
Executive Director – Labor Relations

---

/s/Bill Bates  
National Telecom Director  
Communications Workers of America

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/s/Rob Zurovec  
Executive Director – Labor Relations

**MEMORANDUM OF AGREEMENT  
UNION ORIENTATION**

This Memorandum of Agreement confirms our understanding regarding allowing the Local Union time to meet with newly-hired employee(s) covered by the National Internet Contract.

When an employee is hired into a job title covered under the National Internet Contract, the appropriate Local Union President shall be notified in writing. Notification will include the employee's name, work location, report date, and the name of the designated manager to contact.

The Local Union will arrange with the designated manager to meet with newly-hired employee(s) for the purpose of furnishing them information about the Union. The meeting will be limited to a maximum of thirty (30) minutes and may be coupled with a relief or lunch period. Such orientation meetings shall not interfere with the operations of the Company or the use of space for which the space is intended. Time spent during the basic scheduled work period by the newly-hired employee(s) will be paid as time worked for that employee. One Local Union representative will be paid in accordance with Article 2, Section 2.04 for a maximum of thirty (30) minutes to meet with a newly hired employee(s) for Union orientation.

**Effective/date/language:** Upon Ratification

**Termination date/language:** With expiration of the 2007 Collective Bargaining Agreement

**Applies to:** AT&T Internet Services

Communications Workers of America                      AT&T Internet Services

Agreed: _____	Agreed: _____
/s/Donna Bentley	/s/Doug Flores
Staff Representative	Executive Director
CWA District 6	Labor Relations

Date: <u>    3/8/08    </u>	Date: <u>    3/8/08    </u>
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**MEMORANDUM OF AGREEMENT  
2005 NATIONAL INTERNET CONTRACT**

**WAGE CREDIT**

The Company and the union agree to the following regarding wages for employees who are hired into the 2005 National Internet Contract or who move to the 2005 National internet Contract via the Intersubsidiary Movement Process:

- Newly hired employees will normally begin employment at the minimum step of the wage schedule for their job title except that the Company, for prior training or experience may place newly hired employees on any step higher than the minimum step.
  
- New employees who move from another AT&T subsidiary into a position covered by the 2005 National Internet Contract will be placed on the wage step of the wage schedule with a wage rate that is closest to but not lower than the employee's current base wage rate at the subsidiary. But, under no circumstance, will any new employee be paid at a rate higher than the top step of the wage schedule for the title in the National Internet Contract.

This agreement is effective upon signing and will terminate with the Conclusion Article (Article 17) of the 2005 National Internet Contract.

\_\_\_\_\_  
/s/Sue Crutcher  
AT&T Internet Services

\_\_\_\_\_  
/s/Val Afanasiev  
Communications Workers of America

\_\_\_\_\_  
11/07/06  
Date

\_\_\_\_\_  
11/07/06  
Date

**MEMORANDUM OF AGREEMENT  
WORK/FAMILY FUNDING**

This Memorandum of Agreement confirms our understanding that effective October 1, 2004 the Company will provide a new service to employees. The service will be an educational, resource and referral service that employees can access by calling a toll free number and/or accessing a website. The service will provide education and referrals for a range of family care and daily life needs, including child care, eldercare, adoption information, and education/academic issues.

**Effective Date:** October 1, 2004

**Termination Date:** With expiration of the 2004 Collective Bargaining Agreement

**Coverage:** SBC internet Services

Communications Workers of America

SBC Internet Services

Agreed: \_\_\_\_\_  
/s/Val Afanasiev  
Staff Representative  
CWA – District 9

Agreed: \_\_\_\_\_  
/s/Sue Crutcher  
Vice President  
Labor Relations

Date: 8/4/04

Date: 8/4/04

**MEMORANDUM OF AGREEMENT  
WORKING RELATIONS COMMITTEE (WRC)**

This Memorandum of Agreement confirms our understanding that it would be beneficial to both parties to discuss broad concerns of mutual interest. In order to accomplish this goal, the Company and the Union agree to the following:

To establish a Working Relations Committee (WRC).

The WRC does not have the authority to formulate policy or enter into agreements that require collective bargaining. The WRC proceedings will not be used in lieu of the grievance or arbitration procedures nor will they be subject to the grievance and arbitration process.

The WRC will consist of no more than four (4) representatives designated by the Company and no more than four (4) representatives designated by the Union. Pay will be limited to four (4) Union representatives who will be paid in accordance with Section 2.04 of the current Collective Bargaining Agreement for attendance at WRC meetings. Additional Union or Company representatives may attend the meetings, as needed.

The WRC will meet on a quarterly basis, or more frequently upon mutual agreement of the parties, for the purpose of discussing whatever agenda either party may wish to present.

**Effective Date:** With ratification

**Termination Date:** In accordance with the Conclusion Article of the 2004 Collective Bargaining Agreement

**Coverage:** SBC Internet Services

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/s/Sue Crutcher  
Vice President  
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**MEMORANDUM OF AGREEMENT  
ADDENDUM TO THE WORKING RELATIONS COMMITTEE (WRC)**

During 2007 bargaining the Union raised several issues that both parties agree should be discussed in the Working Relations Committee (WRC) because of their importance and because of their unique impact in different work groups within the bargaining unit. These issues included:

- standards of performance;
- scheduling processes;
- mandatory overtime;
- transfer process

Both parties agree that in order to ensure that these matters are addressed the WRC will provide a joint status report to the bargaining chairs of the Union and the Company after each WRC meeting on the issues identified above. The status report will include any minutes of the discussion and the recommendations of the parties. Matters that require collective bargaining will be referred to the bargainers. One (1) additional Company representative and one (1) additional Union representative shall be designated to participate on the WRC.

<b>Effective/date/language:</b>	Upon Ratification
<b>Termination date/language:</b>	With expiration of this Collective Bargaining Agreement
<b>Applies to:</b>	AT&T Internet Services
Communications Workers of America	AT&T Internet Services
Agreed: _____ /s/Donna Bentley Staff Representative CWA District 6	Agreed: _____ /s/Doug Flores Executive Director Labor Relations
Date: _____ 3/8/08	Date: _____ 3/8/08