

AGREEMENT BETWEEN



AT&T MIDWEST

AND



**COMMUNICATIONS WORKERS
OF AMERICA
DISTRICT 4**

Effective April 8, 2012 through April 11, 2015

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AGREEMENT

This Agreement is entered into the 7th day of April, 2012, by and between AT&T TELEHOLDINGS, INC., ILLINOIS BELL TELEPHONE COMPANY (“AT&T Illinois”), INDIANA BELL TELEPHONE COMPANY, INCORPORATED (“AT&T Indiana”), THE OHIO BELL TELEPHONE COMPANY (“AT&T Ohio”), WISCONSIN BELL, INC. (“AT&T Wisconsin”), MICHIGAN BELL TELEPHONE COMPANY (“AT&T Michigan”), AT&T SERVICES, INC. AND AMERITECH SERVICES INC., which may be hereinafter referred to, separately and collectively, as the “Company” or “AT&T Midwest”, and the COMMUNICATIONS WORKERS OF AMERICA, affiliated with the American Federation of Labor, Congress of Industrial Organizations, which may be hereinafter referred to as the “Union”. The Company and the Union will be referred to hereinafter as the “Parties”.

This Agreement shall cover Union-represented Company employees identified in Article 1-Recognition who work in Market Business Units within the jurisdiction of the Union within the States of Illinois, Indiana, Michigan, Ohio and Wisconsin.

NOW THEREFORE, in consideration of the mutual promises herein contained, the Parties agree as follows:

ARTICLE 1

RECOGNITION

- 1.01 The Company recognizes the Union as the exclusive collective bargaining agent with respect to rates of pay, wages, hours of work and other conditions of employment for those employees of the Company currently represented by the Union and whose job titles and locations are included in Appendix B attached to and made a part of this Agreement. Such employees shall be included in a single bargaining unit.

ARTICLE 2

DEFINITIONS

Types Of Employees

EMPLOYEE: Any person designated as active on the payroll of the Company and covered by this Agreement as provided in Article 1 (Recognition). Each employee will be classified as either a regular, regular limited term, temporary or occasional employee as determined by the Company based on the employment period expectations at the time of hire or reclassification.

REGULAR EMPLOYEE: One whose employment is expected to be indefinite. A regular employee may be either full-time or part-time.

REGULAR LIMITED TERM EMPLOYEE: One hired for a specific project or a limited period with the definite understanding that their employment will terminate upon the completion of the project or at the end of the period, and whose employment is expected to continue for more than one (1) year but, unless mutually agreed to by the Company and the Union, not longer than twenty-four (24) months. Such period of time shall include any immediately preceding and continuous period of time, or any period of time not more than thirty (30) days prior, during which the employee was classified as a temporary or occasional employee. A regular limited term employee may be either full-time or part-time. A regular limited term employee shall be excluded from the provisions of Article 26 (Training and Employment Security) of this Agreement and all training and retraining benefits, Supplemental Income Protection Program, Pay Protection Plan, Relocation Plan, force adjustment procedures, recall and reemployment rights, Termination Payments and Extended Medical Coverage provided thereunder unless otherwise stated within Article 26.

TEMPORARY
EMPLOYEE:

One hired for a specific project or a limited period with the definite understanding that their employment will terminate upon completion of the project or at the end of the period, and whose employment is expected to continue for more than three (3) weeks but not more than one (1) year. Such period of time shall include any immediately preceding and continuous period of time, or any period of time not more than thirty (30) days prior, during which the employee was classified as an occasional employee. A temporary employee may be either full-time or part-time. A temporary employee shall be excluded from the provisions of Article 26 (Training and Employment Security) of this Agreement and all training and retraining benefits, Supplemental Income Protection Program, Pay Protection Plan, Relocation Plan, force adjustment procedures, recall and reemployment rights, Termination Payments and Extended Medical Coverage provided thereunder unless otherwise stated within Article 26.

OCCASIONAL
EMPLOYEE:

One hired and who works for not more than sixty (60) work days in any calendar year, regardless of the length of the daily or weekly assignments. An occasional employee who actually works or is engaged to work in excess of sixty (60) work days in a calendar year shall be reclassified as a regular or temporary, full-time or part-time employee as appropriate. An occasional employee shall be excluded from the provisions of Article 26 (Training and Employment Security) of this Agreement and all training and retraining benefits, Supplemental Income Protection Program, Pay Protection Plan, Relocation Plan, force adjustment procedures, recall and reemployment rights, Termination Payments and Extended Medical Coverage provided thereunder unless otherwise stated within Article 26.

FULL-TIME
EMPLOYEE:

One regularly scheduled to work the number of days and hours comprising the normal tour.

PART-TIME
EMPLOYEE:

One normally scheduled to work less hours per average month than a comparable full-time employee in the same job title, classification and work group.

Scheduling & Wage Related

See Article 27 for tour, shift, session, split shift, type of shift and overtime provisions applicable to specified Operator Services job titles.

TOUR:	Collectively, the shifts determined by the Company, to be worked in a calendar week. Normally, a tour consists of five (5) shifts totaling forty (40) hours.
SCHEDULED TOUR:	Total shifts, Sunday through Saturday, determined by the Company.
SHIFT:	Hours, normally eight (8), determined by the Company constituting a regular day's work. Necessary shifts may be scheduled over any twenty-four (24) hour period.
NON-SCHEDULED SHIFT:	Any work assignment, outside of a scheduled shift, excepting overtime and call outs.
DAY SHIFT:	A shift where all scheduled hours fall between 6:00 a.m. and 7:00 p.m.
NIGHT SHIFT:	A shift where any of the scheduled hours fall after 7:00 p.m. and before 6:00 a.m.
SUNDAY SHIFT:	A shift during which the majority of the hours fall on Sunday. In instances where the hours fall equally between two (2) days, the day on which the shift starts shall be considered the Sunday shift.
HOLIDAY SHIFT:	A shift during which a majority of the hours fall on the observed holiday. In instances where the hours fall equally between two (2) days, the day on which the shift starts shall be considered the Holiday shift.
CALENDAR YEAR:	A calendar year is the period beginning January 1 and ending December 31.
CALENDAR WEEK:	A calendar week begins at 12:01 a.m. on Sunday and ends at midnight the following Saturday.
VACATION YEAR:	The vacation year is the period beginning on December 31 and ending the following December 30.
VACATION WEEK:	A period of seven (7) consecutive calendar days beginning on Sunday.
CALENDAR DAY:	A twenty-four (24) hour period beginning at midnight.

DAY: Refers to a calendar day unless otherwise specified in the terms of this Agreement.

BASIC WEEKLY WAGE RATE: The wage rate authorized as compensation for a tour on a straight time basis, excluding differentials, over-time payments, premium payments and other extra payments.

BASIC HOURLY WAGE RATE: One fortieth (1/40) of the basic weekly wage rate.

- OVERTIME:
- (A) Hours worked in excess of eight (8) hours in a day excluding hours paid at the premium rate.
 - (B) Hours worked as non-scheduled Sunday shifts.
 - (C) Call outs, except for call outs on a Recognized Holiday.
 - (D) Hours worked in excess of forty (40) hours in a week excluding (A), (B) and (C) above.

PREMIUM RATE: The paid rate for all hours worked, other than overtime hours, which are required by this Agreement to be paid at a rate higher than the basic hourly wage rate including applicable differentials. Premium rate will never be paid for hours not actually worked. These premium hours, paid at the premium rate, shall never be used in the calculation of hours of overtime worked.

Other

MARKET BUSINESS UNIT: A functional segment of the business recognized by management at any given time as the appropriate subset of the business for making vice-president level business decisions.

REPORT LOCATION: That location where an employee normally begins and ends his or her shift.

DETAIL LOCATION: Any location at which the employee is directed to start and/or end their shift other than the employee's Report Location.

WORK GROUP: The smaller of either the employee's vacation schedule group or overtime group unless otherwise mutually agreed to locally.

ARTICLE 3

NON-DISCRIMINATION

- 3.01 Neither the Company nor the Union shall unlawfully discriminate against any employee because of such employee's race, color, religion, sex, age, sexual orientation, national origin, citizenship status or because the employee is an individual with a disability, a disabled veteran, a veteran of the Vietnam era, or other protected classifications recognized by federal or applicable local or state law.
- 3.02 Use in this Agreement of the masculine or feminine gender, in titles or otherwise, shall be construed as including both male and female employees and not as specific sex designations.
- 3.03 There shall be no coercion, intimidation or discrimination practiced by the Company or the Union against any employee because of membership or non-membership in the Union or by the Company against any Union member or officer engaged in legitimate activities on behalf of the Union.

ARTICLE 4

RESPONSIBLE COMPANY-UNION RELATIONSHIP

- 4.01 The Company and the Union recognize that it is in the best interests of both Parties, the employees and the public that all dealings between them be, and continue to be, characterized by mutual responsibility and respect. To insure that this relationship continues and improves, the Company and the Union and their respective representatives at all levels shall apply the terms of this Agreement fairly, in accord with its intent and meaning and consistent with the Union's status as exclusive bargaining representative of all employees in the Unit. Each party shall bring to the attention of all employees in the Unit, including new hires, the commitment that they conduct themselves in a spirit of responsibility and respect the measures they have agreed upon to insure adherence to this purpose

ARTICLE 5

NO STRIKE

- 5.01 It is understood between the Parties that the services to be performed by the employees covered by this Agreement are essential to the operation of the Company and to the health, safety, and welfare of the public, and the Union agrees that it will not authorize or promote any strike, slowdown, picketing or other interference with the normal operations of the business during the life of this Agreement. It is understood that the Union will not condone employee participation in a sympathy strike in conjunction with personnel outside of the Bargaining Unit. The Company agrees that it will not intentionally prevent

the performance of its employees' services insofar as the services are required in the operation of the business.

- 5.02 Should any employee or employees engage in any of the above prohibited activities, without the authority and sanction of the Union, the Parties shall cooperate to enable the Company to carry on its operations without interruption or other injurious effect. It is also understood that the Union will cooperate with the Company in the establishment and enforcement of a lawful reserved or neutral entrance where Company employees are performing or directed to perform work at a picketed or struck location.

ARTICLE 6

AGENCY SHOP

- 6.01 Each employee, who is a member of the Union or who is obligated to tender to the Union amounts equal to periodic dues on the effective date of this Agreement, or who later becomes a member of the Union and all persons becoming employees on or after the effective date of this Agreement, shall, as a condition of employment, pay or tender to the Union amounts equal to the periodic dues applicable to members, for the period from such effective date or, in the case of persons becoming employees after the effective date of this Agreement, on or after the thirtieth (30th) day of employment, whichever of these dates is later, until the termination of this Agreement. For the purpose of this Article, "employee" shall mean any member of the bargaining unit.
- 6.02 Each employee who on the effective date of this Agreement was not required as a condition of employment to pay or tender to the Union amounts equal to the periodic dues applicable to members, shall, as a condition of employment, pay or tender to the Union amounts equal to the periodic dues applicable to members for the period beginning thirty (30) days after the effective date of this Agreement, until the termination of this Agreement.
- 6.03 The condition of employment specified above shall not apply during periods of formal separation from the bargaining unit of any such employee but shall reapply to such employee on the thirtieth (30th) day following their return to the bargaining unit.

The term "formal separation" as used above includes transfers out of the bargaining unit, removal from payroll of the Company and leaves of absence of more than one (1) month duration.

- 6.04 This Article 6 – Agency Shop shall not apply where the terms of employment set forth herein are prohibited by law.

ARTICLE 7

UNION DEDUCTION FROM WAGES

Dues Deductions

- 7.01 The Company shall make collection of Union dues, agency fees and initiation fees through payroll deductions upon receipt of a properly executed authorization signed by the employee for whom the deductions are to be made, and shall pay over to the Union each month the total amount thus deducted from all employees. Authorization by employees for such deductions shall be in a form mutually acceptable to the Union and the Company.
- 7.02 The Secretary-Treasurer of the Union shall certify the amount of Union dues, agency fees and initiation fees to be deducted in each interval by the Company. Such certification shall be made to the Company on or before Friday, the eighth (8th) calendar day preceding the last day of the pay period for which the deduction is to be effective. The Company shall forward monthly such deductions to the Secretary-Treasurer of the Union. Mass changes of deduction amounts shall be submitted ninety (90) days or more prior to the month in which such changes are to occur. Deductions from employees paid bi-weekly shall be made in the first and second pay periods of each month. It is understood that the Company will not be liable except to deduct and forward such deductions to the Secretary-Treasurer of the Union. The Union assumes full responsibility for the disposition of the monies so deducted once they have been forwarded to the Union Secretary-Treasurer.
- 7.03 The Union agrees to indemnify and hold the Company harmless from all claims, damages, costs, fees or charges of any kind which may arise out of or result from the honoring by the Company of dues or fees deduction authorizations in accordance with the provisions of this Agreement and the transmitting of such deducted dues or fees to the Union.
- 7.04 Any authorization of dues deduction shall not be subject to revocation except that an employee may revoke the authorization during the period beginning fourteen (14) days prior to each anniversary date of this Collective Bargaining Agreement. These periods are March 25 through April 7 for years 2013, 2014, and 2015, all dates inclusive. Revocation of dues must be accomplished as follows:
- (A) Each employee who desires to revoke his or her dues deduction authorization must advise his or her Payroll Office by an individually signed letter. There shall be only one (1) letter per envelope.
 - (B) The letter to the Payroll Office must be sent by Registered or Certified Mail.

- (C) Each such letter not postmarked within the specified time limits and in accordance with the above procedure will be considered void and the employee will be so advised by the Company.
- (D) The Company will send copies of the letters and associated envelopes to the District Headquarters of the Union on a daily basis.

An employee's authorization shall be deemed automatically cancelled if the employee leaves the employ of the Company, is transferred or is promoted out of the Bargaining Unit.

7.05 Payroll deduction of dues or fees will be handled as follows:

- (A) Deduction of dues or fees shall be suspended during the period of an employee's leave of absence and automatically reinstated upon return.
- (B) When an employee has insufficient pay to cover all authorized deductions, then deductions for dues or fees and deductions for allotments to the employee's appropriate savings plan shall have priority over all other authorized deductions except those deductions required by law and authorized deductions for insurance.

The Company will provide for the make-up of missed Union dues deductions for up to four (4) consecutive deduction weeks where failure to deduct is the result of insufficient pay for the reasons other than unauthorized absence. If Union dues are missed for five (5) or more consecutive weeks, there will be no make-up through payroll deduction of any such missed deductions.

7.06 When an employee who has authorized the Company to deduct dues or fees is temporarily promoted or transferred to a non-bargained-for position for a period of one (1) full week or more, the dues or fees deduction authorization shall continue in effect until the temporary promotion or transfer exceeds four (4) full weeks. However, such deductions shall not exceed the amount deducted immediately prior to the temporary promotion or transfer. If such temporary promotion or transfer exceeds this four (4) week period, any authorization for the deduction of dues or fees shall be automatically suspended. Upon return to the Bargaining Unit, dues and fees will be automatically reinstated.

7.07 When an employee who has authorized the Company to deduct dues or fees is temporarily promoted to a higher classification within the Bargaining Unit and is shown on payroll records as being in the higher classification, dues or fees will be based on the higher rate of pay for as long as the employee remains in the higher classification.

Information Provided To The Union And From Union

7.08 The Union agrees to notify the Company of mass changes of deduction amounts ninety (90) days or more prior to the month in which such changes are to occur.

- 7.09 The Company shall furnish the Union a monthly statement including the following information for each employee having dues or fees deduction authorization on file:
- (A) Amount of dues or fees deducted.
 - (B) Bargaining Unit employees for whom the Company has not made a dues or fees deduction and an appropriate explanation.

In addition, the statement will include a list of employees engaged by the Company who are assigned to Bargaining Unit job titles, such statement shall show the employee's Name, Title, NCS Date, Local Number, Rate of Pay, Employee Classification, Responsibility Code, Report Location, Social Security Number and Mailing Address.

- 7.10 The Union and the Company shall keep each other currently informed of their respective duly authorized representatives and promptly notify each other of any change of such representatives.
- 7.11 The information listed above will be taken from Company records and will be furnished on a timely basis; however, the Union recognizes that errors and delays may and will occur and, in using the information furnished, assumes all risks associated therewith.

Committee On Political Education (C.O.P.E.)

- 7.12 The Company and the Union shall provide for a program and procedure (subject to payroll system capability) whereby eligible employees of the Company may make voluntary contributions through payroll deduction to the Committee on Political Education ("COPE"), a separately segregated political action committee sponsored by the Union.
- 7.13 Eligibility to participate in contributions to COPE through the payroll deduction program is restricted to those employees of the Company who are certified by the Union as eligible to participate under the Federal Election Campaign Act of 1971 and any applicable state laws.

Participation by any such employees shall be on a voluntary basis and employees shall be so informed by the person soliciting their participation on behalf of the Union. The Union shall be responsible for notifying the Company promptly when any such employee is no longer eligible to participate.

- 7.14 Representatives of the Union may solicit participation of employees who are Union members on Company premises, but such solicitation shall not occur during working hours nor in work areas. Any such solicitation shall be limited to small groups of employees and of short duration so as not to disrupt the work place.

- 7.15 Employees wishing to participate must complete a payroll deduction authorization card available from a representative of the Union. The authorization card shall be in a form acceptable to the Company. When completed by the employee, the authorization card will be forwarded by the Union to the payroll office appropriate for that employee. The Union will be responsible for satisfying its own requirements for records retention.
- 7.16 Employee deductions shall be in the minimum amount of one dollar (\$1.00), or fifty-cent (\$.50) increments thereof, per month. Deductions from employees' pay shall be made each pay period.
- 7.17 On a monthly basis, the Company shall remit to the Treasurer of COPE the full amount of authorized deductions for the preceding month. In addition, the Company shall transmit to the Treasurer of COPE monthly a list of contributors through payroll deduction showing the contributor's name and amount contributed.
- 7.18 Any employee's payroll deduction shall cease upon the occurrence of any of the following:
- (A) Termination of a participating employee's employment with the Company.
 - (B) Retirement of a participating employee.
 - (C) Transfer of a participating employee out of the bargaining unit.
 - (D) Receipt in the payroll office of written notice to cancel contributions to COPE signed by the employee.
 - (E) Receipt in the payroll office of written notice from the Union that an employee is no longer eligible to participate.
 - (F) Leave of absence (unpaid) of a participating employee.
- 7.19 Except as otherwise provided herein, deductions shall continue for employees while receiving disability benefits, or while temporarily promoted to management. No deductions will be made to employees receiving payments under the Supplemental Income Protection Plan (SIPP), or the Long-Term Disability (LTD) Plan.
- 7.20 Deductions shall not be made if the employee has insufficient earnings to contribute to COPE.
- 7.21 This Article is subject to applicable laws and regulations and shall not be placed in effect where prohibited by any such law or regulation.
- 7.22 The Parties agree that the Company assumes no responsibility other than the collection of contributions pursuant to employee authorization of payroll deductions and forwarding of such amounts collected to COPE. The Union agrees to indemnify the Company and hold

it harmless from all claims, damages, costs and expenses of any kind which may arise in connection with the program covered.

- 7.23 As provided for in the regulations of the Federal Elections Commission, the costs for the administration of the payroll deduction system for COPE are the responsibility of the Union and will be handled as mutually agreed by the Company and the Union.
- 7.24 Any change in the aforementioned program shall be bargained for by both the Company and the Union.

ARTICLE 8

COLLECTIVE BARGAINING PROCEDURES

Collective Bargaining

- 8.01 All collective bargaining with respect to rates of pay, wages, commissions, hours of work and other terms and conditions of employment shall be conducted by duly authorized representatives of the Union and the Company respectively. Agreements reached as a result of bargaining shall become effective when executed by authorized representatives of the Parties except as otherwise provided therein.
- 8.02 Not less than ninety (90) days before commencement of formal collective bargaining, the Parties shall mutually agree to the terms of payment for time spent in collective bargaining by employees who are authorized Union representatives on the Union's bargaining team; reimbursement of travel expenses (transportation and lodging) for such representatives to the Company-selected location for bargaining; the number of such representatives who shall be reimbursed/paid; and other matters related to collective bargaining not otherwise addressed in this Section.
- 8.03 The costs of joint Union-Company conference facilities utilized for collective bargaining shall be borne by the Company provided the Company selects the location and the site of such facilities. If by mutual agreement an off Company site is selected, the cost for such site shall be shared equally by the Company and the Union.

Contract Distribution

- 8.04 The Company agrees to have this Agreement printed by a union printer within a reasonable time frame and to distribute a copy to each employee covered by this Agreement. A reasonable number of additional copies of the Agreement will be provided to the Union upon request until the Company's initial supply of copies is exhausted.

ARTICLE 9

BULLETIN BOARDS

- 9.01 The Company agrees to provide and install bulletin boards for the exclusive use of the Union in mutually agreeable locations, at places where employees covered by this Agreement work or assemble, and subject to the provisions of paragraph 9.02 below. The Company will, at its discretion, replace worn bulletin boards.
- 9.02 The Union agrees to post notices about the following matters only: elections, meetings, reports, other official Union business and notices of Union social and recreational activities. The Union agrees not to permit the posting of material of a derogatory nature regarding the Company and its personnel.
- 9.03 The Union assumes responsibility for complete compliance with the spirit and intent of the provisions of this Article. If the Company believes that the posted materials are not in the spirit and intent of the provisions of this Article, such material shall be brought to the attention of the President of the Local Union. Material removed in accordance with the above stated provisions may be posted again only after a mutual agreement has been reached between President of the Local Union and the Director - Labor Relations of the Company or a representative empowered by the Director to act in their behalf in this matter.

ARTICLE 10

UNION OFFICERS AND REPRESENTATIVES

Promotions & Involuntary Transfers Of Union Representatives

- 10.01 When the Company desires either to promote to a management position or to involuntarily transfer an employee who is a duly certified President, Vice-President, Secretary, Treasurer, or Secretary-Treasurer of a Local of the Union, or Area Representative or equivalent and the proposed change would have an effect on the employee's status as an officer of the Local, the Company agrees to give the designated Representative of the Union written notice of such impending promotion or involuntary transfer at least fourteen (14) calendar days, if possible, in advance of the effective date of the change.
- 10.02 The Company will notify the Union, as soon as practicable, when any such employee is temporarily assigned outside the Bargaining Unit for one (1) week or longer.

Stewards & Orientation

- 10.03 Each newly hired employee and each employee new to the Bargaining Unit will be introduced by a Supervisor to the appropriate Union Steward and the Union Steward will

have up to thirty (30) minutes to confer with the employee. Such shall occur within a reasonable time frame of the employee's hire or entry into the Bargaining Unit.

- 10.04 Each transferee will be introduced by their Supervisor to the appropriate Union Steward, however, no additional meeting time will be allowed. Such shall occur within a reasonable time frame of the employee's transfer into the work group.

Payment For Joint Meeting Time

- 10.05 For purposes of processing grievances, the Company agrees for authorized Union representatives to confer with representatives of the Company without loss of pay during such employees' regularly scheduled working hours. In addition, such employees shall suffer no loss in pay for time spent during such regularly scheduled working hours in traveling for grievance meetings. All time so paid will be at the basic hourly wage rate plus applicable differentials or premium rate, however, such will not be paid at an overtime rate.
- 10.06 When the Company meets with a Union representative(s) during such employee's regularly scheduled working hours for purposes other than the processing of grievances and further agrees to pay for the time involved, all time so paid will be at the basic hourly wage rate plus applicable differentials or premium rate, however, such will not be paid at an overtime rate.
- 10.07 Employees who are excused in accordance with the provisions of this Section and Article 8 (Collective Bargaining Procedures), shall give their immediate Supervisor reasonable advance notice of the intended absence and of the probable duration of the absence.

Absence For Union Business

- 10.08 The Company, insofar as work schedules permit, agrees to grant to any employee who is an Officer or properly designated representative of the Union reasonable time off of up to one thousand and eighty (1,080) hours during a calendar year, unless mutually agreed otherwise, without pay, to transact business of the Union, provided that the Company is given reasonable advance notice of such absence.

Cross Entity Representation

- 10.09 In situations where Union representatives from AT&T Midwest entity covered by this Collective Bargaining Agreement represent employees of another AT&T Company (with respect to their operations in the Midwest) with which the Union has a contractual relationship, the Union representatives may be on either Union Business (Unpaid) or Joint Meeting (Paid) time as is appropriate under the circumstances.

Leave Of Absence For Union Business

- 10.10 Subject to service requirements, an authorized Union representative who requires time off of more than one thousand and eighty (1,080) working hours during a calendar year for Union business, may be granted a leave of absence of not more than one (1) year upon request of the Union provided, however, that the maximum number of employees who may be granted a leave of absence shall not exceed forty (40) in a calendar year, unless otherwise mutually agreed to. Requests for a leave of absence for Union business shall be made as far in advance as possible. Such requests shall be submitted to the Vice-President - Labor Relations or other designated Labor Relations representative to arrange for approval, and such requests shall be granted provided all eligibility requirements are met. At the request of the Union and following similar procedures, such a leave of absence may be renewed on an annual basis. The total combined period of all such leaves of absence will not exceed twenty-four (24) years.
- 10.11 A Union representative on leave of absence for Union Business shall continue to accrue net credited service for use in computing net credited service for all benefit purposes.
- 10.12 A Union representative on leave of absence for Union Business shall retain eligibility for the following benefits, as determined by their job title and net credited service, to be paid for by the Company:
- (A) Death Benefit - Coverage based on the current basic wage rate for the job title held.
 - (B) Basic Group Life Insurance - The premium for Basic Group Life Insurance coverage equivalent to one year's wages based on the current basic wage rate for the job title held.
 - (C) Telephone Concession Service - If provided to active employees covered by this Agreement and on the same terms and availability as provided to such active employees.

Such Union representative may also purchase at their own expense, the following benefits, as determined by their job title and net credited service:

- (D) Coverage under the AT&T Medical Plan, AT&T Dental Plan and AT&T Vision Plan or any available Company coverage options (like HMOs, etc.).
- (E) Supplemental Group Life Insurance - Supplemental Group Life Insurance in appropriate multiples of annualized basic pay in accordance with the terms of plan enrollment.
- (F) Dependent Group Life Insurance.

- 10.13 A Union representative upon return from an excused absence or leave of absence shall be reinstated to the same job title or a job title of equal pay to that in which the employee was engaged immediately preceding the absence subject to the provisions of this Agreement relating to layoffs. The employee shall be placed on the payroll at the rate then in effect for his or her assignment and for the period of service which was credited for wage purposes at the start of the leave of absence. No physical or other examination shall be required for reinstatement. However, the Company reserves the right to have such person examined to determine fitness for work or job placement if required by the law or if the Company would also subject any other employee returning from an excused absence or leave of absence to the same examination. The employee shall be eligible for sickness disability benefits beginning the eighth (8th) calendar day following the expiration of the leave of absence. The period of such leave of absence and the accrued net credit service will be counted in determining all other rights and benefits associated with net credited service, such as, but not limited to eligibility for vacations, excused work days, disability benefits, death benefits and pensions.

ARTICLE 11

INFORMATION-SHARING

- 11.01 The Union and the Company realize the need for joint discussion and cooperation to resolve issues related to changes in the business of the Company. The Parties agree that there should be early communication and information-sharing discussions regarding Market Business Unit strategies and developments of mutual interest as well as reviews and discussions about innovative approaches to enhance the competitiveness of the Company and to improve employment security.
- 11.02 As may be appropriate, either the Company or the Union may request that the Parties meet to share and discuss relevant information of mutual interest. Information-sharing meetings may be limited to issues relating to a particular Market Business Unit covered under this Agreement. Attendance at such meetings should be limited to Company and Union representatives who have specific involvement and interest in the subject matter under discussion.
- 11.03 Time spent by active employees in such information-sharing meetings shall be considered as joint meeting time under Article 10 (Union Officers and Representatives). The Company, may reimburse Union attendees at such information-sharing meetings who are also active employees for any associated transportation and lodging expenses it deems appropriate. The Union shall be advised of the expenses the Company will reimburse, if any, at least one week prior to each meeting.

ARTICLE 12

PROBLEM RESOLUTION PROCEDURES

Union Representation & Notification

- 12.01 At any meeting between a representative of the Company and an employee in which discipline (including warnings which are to be recorded in the personnel file, suspension, demotion or discharge) is to be announced, a Union representative shall be present if the employee so requests. If a Union representative has been requested, the meeting shall not start until a Union representative arrives.
- 12.02 In the event the Company contemplates the demotion or dismissal for just cause of any employee with over six (6) months of seniority, the Company shall notify the Union President, or designated representative, and review the facts prior to the actual demotion or dismissal.
- 12.03 The Company agrees that it will act with just cause in taking any disciplinary action including dismissal, suspension or demotion of any employee.
- 12.04 At any investigatory interview between a representative of the Company and an employee, wherein the employee reasonably believes that the information obtained may be used as the basis for disciplinary action against the interviewed employee, a Union Representative must be present if requested.

Union - Management Review Board

- 12.05 After the Company gives notification of a contemplated dismissal for just cause pursuant to paragraph 12.02 (Union Representation & Notification) above, the Local Union may, within two (2) working days, request that a Union-Management Review Board be convened relative to the contemplated dismissal. Such a request by the Local Union must be made to the appropriate Labor Relations Director or other designated Labor Relations representative. The Union may withdraw such request at any time prior to the Board meeting.
- 12.06 Within two (2) working days after the Local Union request is made, the Company shall notify the Local Union as to the names of the two (2) Company members of the Board, and the Local Union shall notify the Company as to the names of the two (2) Local Union Board members. Either party may have an additional Board member(s) if mutually agreed to.
- 12.07 The Board will meet within fourteen (14) days from the original notification of contemplated dismissal unless extended by mutual agreement. It is the Parties' intent that the employee attend the Board meeting except in unusual circumstances and the Local Union shall advise the employee whose dismissal is contemplated of this intent. The purpose of the Board meeting will be to review the facts that are available concerning the

contemplated dismissal and to permit the employee (or in his or her absence, the Local Union) to present any facts which the employee believes should be brought to the Company's attention when considering the matter and for the Parties to attempt to resolve the issue. Local Union Board members who are employees, will participate in the Board meeting without loss of pay during scheduled working hours.

- 12.08 The Parties agree to work together to provide reasonable security for the safety of Board participants when mutually agreed that a need for such security measures exist. In such case, the cost of security will be borne by the Company.
- 12.09 The Company shall advise the Local Union President, or his/her designee, of its decision within three (3) working days of the Board meeting.
- 12.10 If after the meeting of the Board the Company dismisses the employee, any grievance involving the dismissal shall be deemed withdrawn thirty (30) calendar days after the date of dismissal unless the Local Union elects:
- (A) To advance the matter to impartial arbitration as provided in "Arbitration" following, if the employee was present at the Board meeting; or
 - (B) To advance the matter to Step 3 of the grievance procedure as provided in "Grievance Procedure" following, if the employee was not present at the Board meeting.
- 12.11 In the event that the Local Union notifies the Company that it is withdrawing its request to hold a Union-Management Review Board, the Local Union will be notified within ten (10) days from such notification, that either the employee is being dismissed, or that circumstances warrant further investigation. If the employee is so dismissed, the Local Union may appeal the dismissal under the grievance procedure provided in "Grievance Procedure" following.

Grievance Procedure

- 12.12 Should differences arise between the Company and the Union regarding the interpretation or application of any of the terms or provisions of this Agreement or should any other grievance or dispute appear, such matters shall be processed according to the grievance procedures set forth in this Section. The Company and the Union recognize and confirm that the grievance procedures set forth in this Section, and, where applicable, "Mediation", "Arbitration" and "Expedited Arbitration" set forth in the Sections following, provide for the mutually agreed upon forums for resolution and settlement of any disputes under the terms of this Agreement. It shall be the objective of both the Company and the Union to settle any grievance promptly and at the lowest step of the grievance procedure.
- 12.13 Any individual employee or group of employees shall have the right to present grievances to the Company and to have such grievances addressed, without the

intervention of the Local Union, so long as the settlement is not inconsistent with the terms of this Agreement or any Local agreement and provided that the Local Union has been given an opportunity to be present at such settlement.

12.14 Discussion or Settlement of Grievance:

- (A) When an employee has referred a grievance to the Local Union and the Local Union Representative has so informed the Company that the Local Union represents that employee, the Company shall not discuss or settle such grievance directly with said employee initiating the grievance.
- (B) The grievance procedure shall consist of three steps:
 - Step 1 - A grievance shall be presented to the management representative to whom the aggrieved employee or affected employee group directly reports. All grievances shall be submitted in writing on a form mutually agreed upon by the Company and the Union.
 - Step 2 - Notice of a grievance appeal shall be made in writing to the next higher level management representative, or other designated representative if mutually agreed to, of the organization to which the aggrieved employee or affected employee group directly reports.
 - Step 3 - Notice of a further appeal shall be made in writing to the appropriate Labor Relations Director or other designated Labor Relations Representative.
- (C) Any resolution of a grievance at Step 1, 2 or 3 shall be final and binding for the particular grievance involved, however, a resolution at Step 1 or 2 shall not be used as a precedent by either Party.

12.15 Time and Method for Filing Grievances and Appeals:

- (A) No grievance or appeal shall be heard by the Company unless the same has been timely and properly filed as follows:
 - (1) A grievance must be presented by the Local Union at Step 1 within forty-five (45) days of the action (or failure to act), or as may be mutually agreed, which is the subject of the grievance.
 - (2) In the event the grievance is not resolved at Step 1 and the Local Union wishes to further appeal, such appeal must be made by the Local Union in writing at Step 2 within thirty (30) days of the receipt of the Company's position at Step 1.

- (3) In the event the grievance is not resolved at Step 2 and the Local Union wishes to further appeal, such appeal must be made by the Local Union in writing at Step 3 within thirty (30) days of the receipt of the Company's position at Step 2.
 - (4) In the event the Local Union fails to advise the Company of its decision to appeal within the thirty (30) day time limit described in A (1), A (2) or A (3) above, the Company's decision will stand and the grievance considered closed.
 - (5) Time limitations set forth in this Section may be extended upon mutual consent of both Parties.
- (B) At each step of the grievance procedure, the Local Union Representative shall set forth in writing the identity of the aggrieved employee or group of employees involved, a statement of the act or occurrence complained of and the date thereof, the provision(s) of this Agreement alleged to have been violated, if any, and the remedy requested.
 - (C) At each step, grievances shall be either settled, recessed to a mutually agreed date or appealed to the next higher step. The position of the Company at Steps 1, 2 and 3 shall be given to the Union within fourteen (14) days of the close of the grievance meeting(s), or within a mutually agreed upon later date. Where no decision by the Company is received by the Local Union within the time period described herein, the grievance shall be considered denied by the Company and the Union may appeal to the next step.
 - (D) Upon mutual agreement of the Parties, any single grievance may initially be heard at the third step of the grievance procedure without having been heard at either Step 1 or 2, however, in no event shall Step 3 be omitted or bypassed.

12.16 Grievance Meetings:

- (A) A meeting at any step of the grievance procedure shall be held promptly and not later than fourteen (14) days after presentation of the grievance or notice of appeal unless the Parties mutually agree to a later date. A meeting at any step of the grievance procedure may be recessed and reconvened at a later date if the Parties mutually agree.
- (B) In the absence of agreement for such later or continued date, if such meeting is not held within fourteen (14) calendar days, the grievance shall be considered denied by the Company as of the fourteenth calendar day. The Local Union may then appeal the grievance to the next step of the grievance procedure.

12.17 Union Representation:

- (A) The Union agrees to limit the number of Union Representatives and aggrieved employees conferring and negotiating employee grievances with Company Representatives, as provided in this Section, to those provided below, except that one (1) additional Union Representative may be present, when unusual circumstances warrant, and the Company Representatives at whose level the grievance is being heard agree in advance:
 - (1) Not more than three (3) Union Representatives if conferring with a Company Representative at Step 1, Step 2 and Step 3. At Step 3, at least one of the Union Representatives will be an authorized Representative of the International Union or their designated representative.
 - (2) The aggrieved employee or employees, as may be jointly agreed to by the Union and the Company Representatives at whose level the grievance is being heard.
- (B) At all steps of the grievance process, the time, date and location of all meetings shall be mutually agreed upon. Such meetings shall be scheduled so that it may reasonably be expected that the Local Union Representatives would be able to attend the full meeting during their scheduled shift.

12.18 Cooperation and Notification:

- (A) Each party recognizes the right of the other to investigate the circumstances surrounding any grievance or accident and agrees to cooperate with the other in such investigations.
- (B) The Company and the Union shall keep each other informed regarding the personnel who are authorized to represent them in grievance and accident investigations.
- (C) During grievance meetings, the Representatives of both Parties shall present any pertinent information which may have a bearing upon the issue involved.
- (D) The Company commits that it will work with the Union in an attempt to resolve employee dismissal grievances/arbitrations within one (1) year from the effective date of the dismissal. However, failure to achieve a final resolution of a dismissal grievance/arbitration within one (1) year shall not be deemed as a violation of the Collective Bargaining Agreement.

Mediation

12.19 There may be, by mutual agreement, an intermediate step between the grievance procedure and arbitration. Such intermediate step is mediation. Mediation may be used in grievances which have been processed according to the provisions of "Grievance

Procedure” in the Section above. Either party may request mediation within fifteen (15) days of the Company’s response at the third (3rd) step of the grievance procedure.

- 12.20 The Parties will select mediators by striking from a panel provided through the Federal Mediation and Conciliation Service or by using another mutually agreed upon service or procedure. Upon agreement of the Parties, the mediation conference will be scheduled within fifteen (15) days of the Company’s or Union’s request for mediation. Such conference will be held on the earliest mutually available date offered by the chosen mediator. Should the availability of the mediator unnecessarily delay the processing of the grievance, in the opinion of either the Company or the Union, either party may request the mediation be terminated and the grievance be scheduled for arbitration.
- 12.21 Proceedings before the mediator shall be informal in nature. The presentation of evidence will be limited to that which has already been presented during the grievance procedure, and the issues mediated will be the same as were presented in the grievance procedure. Formal rules of evidence will not apply, the Parties will not be represented by attorneys and no official record of the mediation conference will be kept. The mediator shall propose a resolution to the dispute on the day of the close of the mediation conference.
- 12.22 Upon completion of the mediation conference, the Parties may accept the resolution proposed by the mediator. However, in no way may the decision reached as a result of mediation, be used as precedent in any other proceeding. If no settlement is agreed upon through mediation, the Union may invoke arbitration in accordance with the provisions of “Arbitration” in the Section following.
- 12.23 No person serving as a mediator between the Parties may serve as arbitrator for these grievances.
- 12.24 The compensation and expenses of the mediator and the general expenses of the mediation shall be shared equally by the Parties. Each Party shall bear the expense of its representatives and witnesses.

Arbitrable Topics

- 12.25 The right to invoke arbitration shall extend only to matters which involve:
 - (A) The interpretation or application of any of the terms or provisions of this Agreement, unless excluded by specific provisions of this Agreement.
 - (B) The discipline of an employee with twelve (12) or more months of net credited service.

Arbitration

- 12.26 An arbitrable matter shall be submitted to arbitration at the request of either Party, provided the Party seeking arbitration has notified the other Party, by letter, within thirty (30) calendar days of the date of the final decision rendered at Step 3 under the grievance

procedure or following a Union - Management Review Board dismissal, of its desire for arbitration.

- 12.27 Within seven (7) working days of the Company's receipt of the Union's request for arbitration, the Parties will select an arbitrator by alternately striking names from a randomly assigned "panel" of arbitrators. The method for determining which Party will strike first shall be by flip of a coin. There will be ten (10) such "panels" each consisting of five (5) arbitrators who are members of the National Academy of Arbitrators and who have been selected to serve on a "panel". The panels will be created by both Company and Union each submitting 25 names. The Company and Union will make blind selections from the pool. The first five (5) names will comprise Panel 1, and so on for each subsequent panel until all 50 names are used. In the event an arbitrator is selected from each of ten (10) panels, the 50 names will be reordered in a random manner for the creation of ten (10) new panels. The selected arbitrator shall conduct an appropriate hearing concerning the grievance, and render a decision, thereby resolving the grievance. The number of panels provided for in this paragraph may be increased by mutual agreement.
- 12.28 Hearings shall commence as quickly as possible following the designation and availability of the arbitrator and shall be carried to conclusion without unnecessary delay. The Company and the Union shall attempt to agree upon and reduce such issue or issues to writing at or before the commencement of the hearings. The hearing and decision of the arbitrator shall be confined to the issue or issues presented in accordance with paragraph 12.25 of Section: Arbitrable Topics above.
- 12.29 The arbitrator shall render the decision in writing within thirty (30) calendar days following receipt of the Parties' briefs and the record in the case is closed. The award of the arbitrator shall be final and binding upon the Parties, subject to law, and the Company and the Union agree to abide by the decision of the arbitrator.
- 12.30 A grievance which the Union has elected to submit to arbitration under the provisions of this Section will be deemed to have been withdrawn if not submitted for final decision and processed within the time limitations prescribed in this Section. The time limitations set forth in this Section may be extended by mutual agreement.
- 12.31 The arbitrator shall have no authority to add to, subtract from, or change any of the terms of this Agreement.
- 12.32 The compensation and expenses of the arbitrator and the general expenses of the arbitration, such as transcripts, hearing rooms, etc., shall be shared equally by the Company and the Union. Each Party shall bear the expense of its representatives and witnesses.

Expedited Arbitration

- 12.33 Any grievance involving the suspension of an individual employee, except those which also involve an issue of arbitrability, contract interpretation, or work stoppage (strike) activity and those which are also the subject of an administrative charge or court action may be submitted to arbitration under this expedited arbitration procedure within fifteen (15) calendar days after the filing of a request for arbitration. In all other grievances involving disciplinary action which are specifically subject to arbitration, as specified in paragraph 12.25 Section: Arbitrable Topics above, both Parties may, within fifteen (15) calendar days after the filing of the request for arbitration, elect to use this expedited arbitration procedure. The election shall be in writing and, when signed by authorized representatives of the Parties, shall be irrevocable. If no such election is made within the foregoing time period, the full arbitration procedure specified in "Arbitration" above shall be followed.
- 12.34 As soon as possible after this Agreement becomes final and binding, a panel of seven (7) umpires shall be selected by the Parties. Each umpire shall serve until the termination of this Agreement unless his or her services are terminated earlier by written notice from either Party to the other. The umpire shall be notified of such termination by a joint letter from the Parties. The umpire shall conclude his or her services by settling any grievance previously heard. A successor umpire shall be selected by the Parties. Umpires shall be assigned cases in rotating order designated by the Parties.
- 12.35 The procedure for expedited arbitration shall be as follows:
- (A) The Parties shall notify the umpire in writing of the submission within the time specified in paragraph 12.33. The umpire shall notify the Parties in writing of the hearing date.
 - (B) Prior to the hearing, the Parties may submit to the umpire a written stipulation of all facts not in dispute.
 - (C) The hearing shall be informal without formal rules of evidence and without a transcript. However, the umpire shall be satisfied that the evidence submitted is of a type on which he or she can rely, that the hearing is in all respects a fair one, and that all facts that are reasonably obtainable and necessary to a fair decision are brought before the umpire.
 - (D) Within five (5) working days after the hearing, each Party may submit a brief written summary of the issues raised at the hearing and arguments supporting its position. The umpire shall give his or her decision within five (5) working days after receiving the briefs. The umpire shall provide the Parties a brief written statement of the reasons supporting the decision.
 - (E) The umpire's decision shall apply only to the instant grievance, which shall be settled thereby. The award of the umpire shall be final and binding upon the

Parties, subject to law, and the Company and the Union agree to abide by the decision of the umpire. The decision shall not constitute a precedent for other cases or grievances and may not be cited or used as a precedent in other arbitration matters between the Parties unless the decision or a modification thereof is adopted by the written concurrence of the representatives of each Party at the third step of the grievance procedure.

- (F) In emergency situations only, the time limits in (A) and (D) above may be extended by agreement of the Parties or at the umpire's request. Such extensions shall not circumvent the purpose of this procedure.
- (G) In any grievance arbitrated under the provisions of this Section, the Company shall under no circumstances be liable for backpay for more than six (6) months (plus any time that the processing of the grievance or arbitration was delayed at the specific request of the Company) after the date of the disciplinary action. Delays requested by the Union in which the Company concurs shall not be included in such additional time.
- (H) The umpire shall have no authority to add to, subtract from, or modify any provisions of this Agreement.
- (I) The compensation and expenses of the umpire and the general expenses of the expedited arbitration shall be shared equally by the Company and the Union. Each party shall bear the expense of its representatives and witnesses.

ARTICLE 13

WAGE ADMINISTRATION

Basic Committed Wages

13.01 The minimum, progression and maximum weekly basic wage rates for all covered job titles will be as provided in the wage schedules included in Appendix B. The wage schedules will be updated to reflect the increases described below.

13.02 Current Increase

Basic Weekly Wage Rates will be increased 2.25% at the maximum rate, exponentialized with no change in the start rate. The effective date of this wage increase will be April 8, 2012, provided that this Agreement is ratified on or before August 17, 2012. Retroactive wages will be paid to employees on the payroll as of the date of ratification as soon as practicable after ratification.

13.03 First Anniversary

Effective April 7, 2013, Basic Weekly Wage Rates will be increased 2.75% at the maximum rate, exponentialized with no change in the start rate.

13.04 Second Anniversary

(A) Effective April 6, 2014, Basic Weekly Wage Rates will be increased 3.0% at the maximum rate, exponentialized with no change in the start rate.

Demotion/Downgrade/Lateral Transfer

13.05 An employee who is demoted, downgraded or laterally transferred shall be given the appropriate title for the work to be performed and receive the following wage treatment:

- (A) If at maximum, the employee will be placed at maximum on the new schedule. No employee will be given a wage rate greater than the maximum on the new schedule.
- (B) If in progression, the employee will be placed on the new schedule on the same monthly wage schedule step. It is not intended that the employee maintain the previous wage rate. Any reduction in wages will be effective with the new payroll cycle. The employee's wage progression treatment date will not change.

Wage Schedule Intervals

13.06 Wage schedules for all job titles covered by this Agreement shall be sixty (60) months in length from the start rate to the maximum rate, except as otherwise provided in this Agreement and shall include wage schedule increases at six (6) month intervals.

Impact of Absence on Wage Increases

13.07 Unless otherwise covered by this Agreement, an employee absent for more than one (1) month for any reason other than disability absence, will receive no credit on the wage progression consideration interval for the period of absence in excess of thirty (30) days.

Promotional Increases

13.08 An employee promoted shall be given the appropriate title for the work to be performed and receive the following promotion wage treatment:

- (A) Place on the nearest wage schedule step for the new title which results in an increase of at least twenty-five (\$25) dollars. The effective date of the promotion shall become the new wage schedule treatment date.

- 13.09 Resultant rates following upgrading shall in no case exceed the maximum rate for the job to which upgraded.

Wage Credit/Changes in Start Rate

- 13.10 Applicants for employment who possess skill or knowledge over and above that normally expected of a new employee may be given wage schedule service credit equivalent to this knowledge or experience and receive as a starting rate the rate corresponding to this wage schedule service credit. Subsequent increases will be in accordance with the progression schedule.

Friday Payday

- 13.11 Payday will normally be bi-weekly on Friday, unless extenuating circumstances prohibit the Company from fulfilling this obligation.

ARTICLE 14

NET CREDITED SERVICE & SENIORITY

- 14.01 Net credited service shall mean “term of employment” as set forth in the pension plan applicable to employees covered by this Agreement.
- 14.02 Except as set forth in paragraph 14.03, Seniority shall be determined by the net credited service of the employee affected. Where two or more employees have the same net credited service, the employee with the lowest last four digits of social security number shall be considered to be the most senior. In case there should be two or more employees with the same last four digits of the social security number, the lowest middle two digits of the social security number will determine seniority. Should two or more employees have identical numbers to this point, the employees will be arranged alphabetically by last name.
- 14.03 An AT&T Midwest management employee who moves into the Bargaining Unit shall be granted seniority in the following manner:
- (A) An employee previously covered by any Ameritech, SBC or AT&T Collective Bargaining Agreement shall immediately be granted the amount of seniority established as of the date the previous bargaining unit employment ended. After he or she accumulates an additional twenty-four (24) consecutive months of seniority within the Bargaining Unit, the employee shall be credited with seniority equal to their total net credited service (plus any additional seniority credited under paragraph 14.02 above).
 - (B) An employee not previously covered by any Ameritech, SBC or AT&T Collective Bargaining Agreement shall be credited with seniority equal to their

total net credited service after he or she accumulates an additional twenty-four (24) consecutive months of seniority within the Bargaining Unit (plus any additional seniority credited under paragraph 14.02 above).

ARTICLE 15

JOB CLASSIFICATIONS AND PROMOTIONS

New Job Titles & Job Classifications

- 15.01 Whenever the Company determines it appropriate to create a new job title or job classification in the Bargaining Unit, or restructure or redefine an existing one, it shall notify the Union in writing of such job title or classification and shall furnish a job description of the duties and the wage rates and wage schedule initially determined for such job title and classification. Such wage rates and wage schedule shall be designated as temporary. Thirty (30) days following such notice to the Union, the Company may proceed to staff such job title or classification.
- 15.02 The Union shall have the right, within thirty (30) days from receipt of notice from the Company, to initiate negotiations concerning the initial wage rates or wage schedules established as temporary by the Company.
- 15.03 If negotiations are not so initiated or if agreement is reached between the Parties within sixty (60) days following receipt of notice from the Company concerning the wage rates and wage schedule, the temporary designation shall be removed from the job title or classification.
- 15.04 If negotiations are initiated and the Parties are unable to reach agreement within sixty (60) days following receipt of notice from the Company, the issue of an appropriate schedule of wage rates shall be submitted to a neutral third party, to be selected as set forth below, for determination of an appropriate schedule of wage rates.
- 15.05 The neutral third party referred to above shall be selected from a list of seven (7) individuals created by mutual agreement, who shall possess acknowledged expertise in the areas of employee compensation and job evaluation. The Parties shall alternatively strike one name from the list until one individual remains. The Parties shall submit their views to such third party within thirty (30) days after selection and such individual shall have sixty (60) days from the date of selection to make a determination which shall be binding on the Parties. While it is not intended that such third party undertake a full and complete job evaluation study, the third party shall review other job titles or classifications and their wage schedules for comparison purposes and may make an on-site inspection of the work place and conduct a reasonable number of interviews of incumbents.

- 15.06 In the event the neutral third party determines that a different schedule of rates is appropriate, the new schedule shall be placed in effect as of the date of the neutral third party's decision and shall remain in effect until expiration of this Agreement.
- 15.07 All costs associated with the resolution of the dispute by the neutral third party (fees, transcript costs, hotel, travel, etc.) shall be shared equally by the Parties. Union Representatives at hearings and meetings will not be paid by the Company.
- 15.08 The procedures set forth in this Section shall be the exclusive means by which the Union may contest the schedule of wage rates which the Company sets for any new or restructured job title or classification.

Promotion and Refusal Of

- 15.09 Promotions to jobs included under this Agreement shall be based on full consideration by the Company of seniority, ability, and qualifications. If the choice rests between two (2) or more employees whose qualifications for the job are substantially equal, seniority shall govern the selection.
- 15.10 Employees shall have the right to refuse a promotion without affecting their status for future promotions.

ARTICLE 16

BENEFITS

- 16.01 The means for fulfilling the terms of this Article may be the Company's adoption of its own plan(s) and associated plan document(s) or participation in equivalent plan(s) having plan document(s) that include, for bargained-for employees, the benefits agreed to be provided pursuant to this Article 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 and/or will be provided within a reasonable period of time to the Union upon reasonable request. If there is any difference between these SPDs and the ERISA plans or programs (including amendments thereto), the plan texts shall govern. No change shall be made in the terms of these plans, programs and policies, which would reduce or diminish the benefits or privileges provided thereunder as they apply to employees represented by the Union without the consent of the Union.

For purposes of this Article only, including Attachment A:

- The term “Midwest Region Core Bargained Employees” includes employees covered by this Agreement as well as job titles in Appendix F and Appendix G;
- Midwest Region Core Bargained Employees hired/rehired on or before August 8, 2009 shall be referred to as “Current Employees”;
- Midwest Region Core Bargained Employees hired/rehired or transferred into the 2009 Collective Bargaining Agreement (including transfers to a job title under Appendix F and transfers pursuant to the National Transfer Plan) after August 8, 2009 and on or before August 17, 2012 shall be referred to as “2009 New Hires”. In addition, “2009 New Hires” shall also include individuals who were classified as Temporary or Regular Limited Term Employee as of August 8, 2009 and who were subsequently reclassified to Regular Employee status on or before August 17, 2012;
- Midwest Region Core Bargained Employees hired/rehired or transferred into the 2012 Collective Bargaining Agreement (including transfers to a job title under Appendix F and transfers pursuant to the National Transfer Plan) after August 17, 2012 shall be referred to as “2012 New Hires”;
- Current Employees who are laid off, excluding those in titles under Appendix F, who are recalled and whose service is immediately bridged will be treated as Current Employees. 2009 New Hires who are laid off, excluding Employees in titles under Appendix F, who are recalled and whose service is immediately bridged will be treated as 2009 New Hires.
- Current Employees, 2009 New Hires and 2012 New Hires shall be referred to collectively as “Employees”; and
- Employees who terminate employment during the term of this Agreement and who meet the applicable requirements to be eligible for post-retirement benefits are referred to as “Eligible Retired Employees”.

The Memorandum of Agreement - Benefits Rules For Movement (Memorandum) provides specific rules regarding benefits for Employees who move among job titles or move pursuant to the National Transfer Plan. The provisions of the Memorandum take precedence over the provisions of this Article 16 with respect to Employees addressed in the Memorandum.

1. HEALTH AND WELFARE BENEFIT PLANS

- (A) Effective January 1, 2013, Current Employees, 2009 New Hires and 2012 New Hires shall be eligible to participate in the benefit plans, programs and policies identified in the

chart below by an X, with the plan terms, conditions and provisions which were in effect on April 7, 2012, as described in the applicable SPDs and SMMs, except as noted herein.

<u>Plan/Program/Policy</u>	<u>Current Employees</u>	<u>2009 New Hires</u>	<u>2012 New Hires</u>
Ameritech Comprehensive Health Care Plan	X	X	X
AT&T Dental Plan (management provisions)	X	X	X
Ameritech Vision Care Program	X	X	X
AT&T CarePlus – A Supplemental Benefit Program	X	X	X
AT&T Medical and Group Life Insurance Plan – Group Life Insurance	X	X	X
AT&T Supplementary Group Life Insurance Program	X	X	X
AT&T Dependent Group Life Insurance Program	X	X	X
AT&T Consolidated Long-Term Care Insurance Plan (closed to new entrants as of 5/1/2012)	X	X	
AT&T Flexible Spending Account Plan	X	X	X
AT&T Health Reimbursement Arrangement Plan	X	X	
AT&T Midwest Disability Benefits Program	X	X	X
Midwest Leaves of Absence Policy	X	X	X
AT&T Commuter Benefit Program	X	X	X
AT&T Adoption Reimbursement Program	X	X	X
AT&T Employee Assistance Plan	X	X	X
AT&T Voluntary Benefits Platform*	X	X	X

* The Company may unilaterally modify the AT&T Voluntary Benefits Platform from time-to-time or discontinue without further discussions with the Union.

- (B) Employees, including newly eligible Employees, and Eligible Retired Employees (as provided for in Article 16.01(1)(D)) shall continue to participate in the same benefit plans, programs and policies on the same terms and conditions which were in effect on April 7, 2012 until the benefits identified in Article 16.01(1)(A) above become effective, subject to changes to benefits resulting from the operation of existing plan provisions and amendments necessary to comply with changes in the law.
- (C) Effective January 1, 2013, AT&T CarePlus – A Supplemental Medical Plan will be renamed “AT&T CarePlus – A Supplemental Benefit Program” and restructured to include additional benefits determined by the Company to be beneficial to the plan participants as those additional benefits may change from time to time. The Company may unilaterally modify or discontinue any additional benefits without further discussions with the Union.
- (D) 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 medical program the Employee was eligible for as an active Employee as of the date of termination, will be eligible, during the term of this Agreement, for coverage under the Ameritech Comprehensive Health Care Plan AT&T CarePlus – A Supplemental Benefit

Program, AT&T Dental Plan, AT&T Medical and Group Life Insurance Plan – Group Life Insurance, AT&T Retiree Vision Care Program, and AT&T Consolidated Long-Term Care Insurance Plan (current participants only), subject to changes to benefits resulting from the operation of existing plan provisions and amendments necessary to comply with changes in the law, and with the exceptions identified in Attachment A. Nothing in this Article 16.01(1)(D) 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.

- (E) Attachment A provides a summary of certain plan, program and/or policy 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 Attachment A and the plan documents, SPDs or SMMs, the information provided in Attachment A will govern. 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. The Company will notify the Union of the changes the Company makes to conform the benefits under this Agreement with final regulations and guidance under PPACA and any amendment determined to be necessary due to changes in the law. Should any of these changes require bargaining, all other terms and provisions of the 2012 Collective Bargaining Agreement will remain in effect through expiration.

2. PENSION AND SAVINGS BENEFIT PLANS

(A) Current Employees

Except as provided in this Article, Current Employees, but excluding those working in Appendix F (other than Surplus Appendix F Employees as defined in MOA - Benefits Rules For Movement), shall continue to participate in the following pension and savings benefit plans, programs, and policies on the same terms and conditions which were in effect on April 7, 2012:

- AT&T Savings and Security Plan
- Midwest Program of the AT&T Pension Benefit Plan (“Midwest Program”)
 - (i) Current Employees who continue to participate in the Midwest Program will be eligible for the following pension band increases:
 - 1.0% effective January 1, 2013
 - 1.0% effective January 1, 2014
 - 1.0% effective January 1, 2015
 - (ii) Effective on and after January 1, 2012 and as currently provided for under the Midwest Program, any Lump Sum form of payment available under the Midwest

Program shall be calculated using the following definition of Actuarial Equivalence:

- (a) Applicable Mortality Table: the applicable mortality table determined in accordance with Internal Revenue Code §417(e)(3)(B) and associated regulations; and
- (b) Applicable Interest Rate: the monthly interest rate which, when compounded, equals the effective annual rate of interest as determined in accordance with Internal Revenue Code §417(e)(3)(C) and associated regulations, based on the Program's lookback month and stability period.

Phased Schedule

For the purposes of applying the Applicable Interest Rate in this Article 16.01(2)(A)(ii)(b) (herein referred to as "New"), the phase-in schedule shall be as illustrated below:

% "New"	% Prior	Effective Date
25%	75%	1/1/2012
50%	50%	1/1/2013
75%	25%	1/1/2014
100%	0%	1/1/2015

- (B) Current Employees working in Appendix F Job Titles, 2009 New Hires and 2012 New Hires

Except as provided below, Current Employees working in Appendix F (other than Surplus Appendix F Employees as defined in MOA - Benefits Rules For Movement), job titles classified as Regular Employees, 2009 New Hires and 2012 New Hires (excluding 2009 New Hires and 2012 New Hires working in Appendix F job titles but not classified as Regular Employees) shall continue to participate in the following pension and savings benefit plans, programs and policies on the same terms and conditions which were in effect on April 7, 2012:

- AT&T Retirement Savings Plan
 - Bargained Cash Balance Program #2 of the AT&T Pension Benefit Plan
- i. Effective January 1, 2013, the basic benefit credits added to the cash balance account will be increased by increasing the age credit factor by 1% such that the age credit factor shall be as follows:

Age	Age Credit Factor
Less than 30	1.77%
30-36	2.27%
37-43	2.78%
44-49	3.28%
50 and older	4.04%

General Provisions

- 16.02 Except as set forth in this Article 16, no change shall be made in the terms of the plans identified in this Article or their successor plans and those other Benefits/Welfare related items, which would reduce or diminish the benefits or privileges provided thereunder as they apply to Employees represented by the Union without the consent of the Union.
- 16.03 Any claim that such benefits or privileges have been diminished or reduced may be processed as provided for in the grievance procedure, and if not resolved thereunder by the Parties may be submitted to arbitration, but in any such case 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 bad faith or discrimination shall be subject to the grievance and arbitration procedures of this Agreement.
- 16.04 Unless the Parties mutually agree, there shall be no negotiations concerning changes in the Plans during the period of this Agreement.
- 16.05 Neither the Benefit Plans, nor their administration shall be subject to the grievance or arbitration procedures of this Agreement.

Midwest CWA Core Benefits Outline Summary

Provision	Current Employees, 2009 New Hires and 2012 New Hires																																				
Active Employees																																					
Effective Date(s)	Health & Welfare: 1/1/2013																																				
Eligibility																																					
For Medical, Dental, Vision, CarePlus, and Life Insurance (unless otherwise specified)	<p>2012 New Hires, 2009 New Hires & Current Employees Follow provisions of the applicable plan:</p> <p>Medical -- No change from current plan Dental -- AT&T Dental Plan (management provisions) Vision -- No change from current plan Disability -- AT&T Midwest Disability Benefits Program CarePlus & Life Insurance - No change from current plan</p>																																				
Health Reimbursement Account (HRAs)																																					
	<p>2012 New Hires, 2009 New Hires and Current Employees None.</p> <p>Note: No additional Company crediting except to the extent provided in MOA -- Success Sharing Plan. Current Employees and 2009 New Hires who have remaining account balances will continue to have access to those account balances subject to provisions of the Program.</p>																																				
Medical																																					
Plan	2012 New Hires, 2009 New Hires and Current Employees																																				
Dependent Eligibility	<p>No change from current plan except as provided below: 2012 New Hires, 2009 New Hires and Current Employees</p> <p>No change from current plan except as provided below: Elimination of Sponsored Child Classification.</p>																																				
Eligibility for Company Subsidy	2012 New Hires, 2009 New Hires and Current Employees																																				
Active (Full-Time) Monthly Contributions	<p>2012 New Hires</p> <p><u>Contribution Amounts For Those Hired after 8/17/2012 and through 12/31/2012</u></p> <table border="1"> <thead> <tr> <th></th> <th>2013</th> <th>2014</th> <th>2015</th> </tr> </thead> <tbody> <tr> <td>Ind</td> <td>\$ 130</td> <td>\$135</td> <td>\$ 79</td> </tr> <tr> <td>Fam</td> <td>\$ 270</td> <td>\$290</td> <td>\$163</td> </tr> </tbody> </table> <p><u>Contribution Amounts For Those Hired on or after 1/1/2013</u></p> <table border="1"> <thead> <tr> <th></th> <th>2013</th> <th>2014</th> <th>2015</th> </tr> </thead> <tbody> <tr> <td>Ind</td> <td>\$ 130</td> <td>\$135</td> <td>\$135</td> </tr> <tr> <td>Fam</td> <td>\$ 270</td> <td>\$290</td> <td>\$300</td> </tr> </tbody> </table> <p>2009 New Hires and Current Employees</p> <p><u>Contribution Amounts</u></p> <table border="1"> <thead> <tr> <th></th> <th>2013</th> <th>2014</th> <th>2015</th> </tr> </thead> <tbody> <tr> <td>Ind</td> <td>\$38</td> <td>\$ 58</td> <td>\$ 79</td> </tr> <tr> <td>Fam</td> <td>\$81</td> <td>\$121</td> <td>\$163</td> </tr> </tbody> </table>		2013	2014	2015	Ind	\$ 130	\$135	\$ 79	Fam	\$ 270	\$290	\$163		2013	2014	2015	Ind	\$ 130	\$135	\$135	Fam	\$ 270	\$290	\$300		2013	2014	2015	Ind	\$38	\$ 58	\$ 79	Fam	\$81	\$121	\$163
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Active (Part-Time) Monthly Contributions	<p>2012 New Hires, 2009 New Hires and Current Employees</p> <p>No change from current plan including the following, based on scheduled hours per week:</p> <ul style="list-style-type: none"> • If greater than or equal to 25 hours, same as Full-Time • If at least 17 but less than 25 hours, 50% of Premium Equivalent Rate * • If less than 17 hours, 100% of Premium Equivalent Rate * <p>* Premium Equivalent Rate are subject to annual adjustment</p> <p>Note: Calculation of the full cost of coverage is subject to change from time to time at the Company's discretion.</p>																																				
Definition of Pay	2012 New Hires, 2009 New Hires and Current Employees																																				
	No change from current plan.																																				

Midwest CWA Core Benefits Outline Summary

Provision	Current Employees, 2009 New Hires and 2012 New Hires																																																	
Annual Deductibles	<p><u>2012 New Hires, 2009 New Hires and Current Employees</u></p> <table style="margin-left: auto; margin-right: auto;"> <tr> <td></td> <td style="text-align: center;"><u>Network/PPO and ONA</u></td> <td style="text-align: center;"><u>Non-Network/Non-PPO</u></td> </tr> <tr> <td style="text-align: center;">Ind</td> <td style="text-align: center;">\$ 500</td> <td style="text-align: center;">\$1,300</td> </tr> <tr> <td style="text-align: center;">Fam</td> <td style="text-align: center;">\$1,000</td> <td style="text-align: center;">\$2,600</td> </tr> </table> <p>Annual Deductible Provisions: No change from current plan.</p>		<u>Network/PPO and ONA</u>	<u>Non-Network/Non-PPO</u>	Ind	\$ 500	\$1,300	Fam	\$1,000	\$2,600																																								
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Fam	\$1,000	\$2,600																																																
General Copay/Coinsurance	<p><u>2012 New Hires, 2009 New Hires and Current Employees</u></p> <p>No change from current plan.</p>																																																	
Office Visit Copay / Coinsurance	<p><u>2012 New Hires, 2009 New Hires and Current Employees</u></p> <p>No change from current plan.</p>																																																	
Urgent Care Facility/Professional Services Copay / Coinsurance	<p><u>2012 New Hires, 2009 New Hires and Current Employees</u></p> <p>No change from current plan.</p>																																																	
Emergency Room Facility/Professional Services Copay / Coinsurance	<p><u>2012 New Hires, 2009 New Hires and Current Employees</u></p> <p>No change from current plan.</p>																																																	
Hospital Inpatient/Outpatient Facility/Professional Services Copay / Coinsurance	<p><u>2012 New Hires, 2009 New Hires and Current Employees</u></p> <p>No change from current plan.</p>																																																	
Tests (all tests including x-ray, radiology, lab test, etc) Copay / Coinsurance	<p><u>2012 New Hires, 2009 New Hires and Current Employees</u></p> <p>No change from current plan.</p>																																																	
Mental Health/Substance Abuse (MH/SA) Copay / Coinsurance	<p><u>2012 New Hires, 2009 New Hires and Current Employees</u></p> <p>No change from current plan.</p>																																																	
Annual Out-of-Pocket Maximums (OOP)	<p><u>2012 New Hires, 2009 New Hires and Current Employees</u></p> <table style="margin-left: auto; margin-right: auto;"> <tr> <td></td> <td colspan="6" style="text-align: center;">Out-of-Pocket Maximum Amounts (excluding Annual Deductible)</td> </tr> <tr> <td></td> <td style="text-align: center;"><u>2013</u></td> <td style="text-align: center;"><u>2013</u></td> <td style="text-align: center;"><u>2014</u></td> <td style="text-align: center;"><u>2014</u></td> <td style="text-align: center;"><u>2015</u></td> <td style="text-align: center;"><u>2015</u></td> </tr> <tr> <td></td> <td style="text-align: center;"><u>Network/</u></td> <td style="text-align: center;"><u>Non-</u></td> <td style="text-align: center;"><u>Network/</u></td> <td style="text-align: center;"><u>Non-</u></td> <td style="text-align: center;"><u>Network/</u></td> <td style="text-align: center;"><u>Non-</u></td> </tr> <tr> <td></td> <td style="text-align: center;"><u>PPO and</u></td> <td style="text-align: center;"><u>Network/N</u></td> <td style="text-align: center;"><u>PPO and</u></td> <td style="text-align: center;"><u>Network/</u></td> <td style="text-align: center;"><u>PPO and</u></td> <td style="text-align: center;"><u>Network/N</u></td> </tr> <tr> <td></td> <td style="text-align: center;"><u>ONA</u></td> <td style="text-align: center;"><u>on-PPO</u></td> <td style="text-align: center;"><u>ONA</u></td> <td style="text-align: center;"><u>Non-PPO</u></td> <td style="text-align: center;"><u>ONA</u></td> <td style="text-align: center;"><u>on-PPO</u></td> </tr> <tr> <td style="text-align: center;">Ind</td> <td style="text-align: center;">\$1,500</td> <td style="text-align: center;">\$4,500</td> <td style="text-align: center;">\$1,700</td> <td style="text-align: center;">\$ 5,100</td> <td style="text-align: center;">\$2,000</td> <td style="text-align: center;">\$ 6,000</td> </tr> <tr> <td style="text-align: center;">Fam</td> <td style="text-align: center;">\$3,000</td> <td style="text-align: center;">\$9,000</td> <td style="text-align: center;">\$3,400</td> <td style="text-align: center;">\$10,200</td> <td style="text-align: center;">\$4,000</td> <td style="text-align: center;">\$12,000</td> </tr> </table> <p>Out-of-Pocket Maximum provisions: No change from current plan.</p>		Out-of-Pocket Maximum Amounts (excluding Annual Deductible)							<u>2013</u>	<u>2013</u>	<u>2014</u>	<u>2014</u>	<u>2015</u>	<u>2015</u>		<u>Network/</u>	<u>Non-</u>	<u>Network/</u>	<u>Non-</u>	<u>Network/</u>	<u>Non-</u>		<u>PPO and</u>	<u>Network/N</u>	<u>PPO and</u>	<u>Network/</u>	<u>PPO and</u>	<u>Network/N</u>		<u>ONA</u>	<u>on-PPO</u>	<u>ONA</u>	<u>Non-PPO</u>	<u>ONA</u>	<u>on-PPO</u>	Ind	\$1,500	\$4,500	\$1,700	\$ 5,100	\$2,000	\$ 6,000	Fam	\$3,000	\$9,000	\$3,400	\$10,200	\$4,000	\$12,000
	Out-of-Pocket Maximum Amounts (excluding Annual Deductible)																																																	
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Midwest CWA Core Benefits Outline Summary

Provision	Current Employees, 2009 New Hires and 2012 New Hires																																
Prescription Drug Program (Rx)	<p><u>2012 New Hires, 2009 New Hires and Current Employees</u></p> <p>Deductible: None.</p> <p>Out-of-Pocket Maximum: <u>2013-2015</u> Ind \$ 900 Fam \$1,800</p> <p>Retail – Network Copays: (Up to 30-day supply, limited to 2 fills for maintenance)</p> <table> <thead> <tr> <th></th> <th><u>2013</u></th> <th><u>2014</u></th> <th><u>2015</u></th> </tr> </thead> <tbody> <tr> <td>Generic</td> <td>\$10</td> <td>\$10</td> <td>\$10</td> </tr> <tr> <td>Formulary</td> <td>\$20</td> <td>\$20</td> <td>\$30</td> </tr> <tr> <td>Non-Formulary</td> <td>\$40</td> <td>\$40</td> <td>\$60</td> </tr> </tbody> </table> <p>Retail – Non-Network Copays: Participant pays the greater of the applicable Network copay or balance remaining after the plan pays 75% of network retail cost.</p> <p>Mail Order Copays: (Up to 90-day supply)</p> <table> <thead> <tr> <th></th> <th><u>2013</u></th> <th><u>2014</u></th> <th><u>2015</u></th> </tr> </thead> <tbody> <tr> <td>Generic</td> <td>\$20</td> <td>\$20</td> <td>\$ 20</td> </tr> <tr> <td>Formulary</td> <td>\$40</td> <td>\$40</td> <td>\$ 60</td> </tr> <tr> <td>Non-Formulary</td> <td>\$80</td> <td>\$80</td> <td>\$120</td> </tr> </tbody> </table> <p>The following provisions will continue to apply:</p> <ul style="list-style-type: none"> • Mandatory mail order for maintenance Rx – Applies after second fill at retail. • Specialty pharmacy program • Personal Choice – 100% participant-paid • Mandatory Generic <p>Current Smoking Cessation benefits will continue to apply.</p>		<u>2013</u>	<u>2014</u>	<u>2015</u>	Generic	\$10	\$10	\$10	Formulary	\$20	\$20	\$30	Non-Formulary	\$40	\$40	\$60		<u>2013</u>	<u>2014</u>	<u>2015</u>	Generic	\$20	\$20	\$ 20	Formulary	\$40	\$40	\$ 60	Non-Formulary	\$80	\$80	\$120
	<u>2013</u>	<u>2014</u>	<u>2015</u>																														
Generic	\$10	\$10	\$10																														
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Generic	\$20	\$20	\$ 20																														
Formulary	\$40	\$40	\$ 60																														
Non-Formulary	\$80	\$80	\$120																														
Employee Assistance Plan (EAP)																																	
Plan	<u>2012 New Hires, 2009 New Hires and Current Employees</u> No change from current plan.																																
Visit Limit	<u>2012 New Hires, 2009 New Hires and Current Employees</u> Up to 5 EAP visits per person per issue.																																
Disability																																	
Plan	<u>2012 New Hires, 2009 New Hires and Current Employees</u> No change from current plan.																																
Short Term Disability (STD)	<u>2012 New Hires, 2009 New Hires and Current Employees</u> No change from current plan.																																
Long-Term Disability (LTD)	<u>2012 New Hires, 2009 New Hires and Current Employees</u> No change from current plan.																																
Leaves of Absence (LOAs)																																	
Plan	<u>2012 New Hires, 2009 New Hires and Current Employees</u> Midwest Leaves of Absence Policy with the addition of the Company Initiated Leave of Absence.																																
Types of LOAs	<u>2012 New Hires, 2009 New Hires and Current Employees</u> No change except for the addition of the Company Initiated Leave of Absence.																																
Dental																																	
Plan	<u>2012 New Hires, 2009 New Hires and Current Employees</u> AT&T Dental Plan (management provisions) <ul style="list-style-type: none"> • Dental PPO • DHMO (available at the discretion of the Company) 																																
Eligibility	<u>2012 New Hires, 2009 New Hires and Current Employees</u> Company subsidy begins on first day of the month in which 6 months net credited service (NCS) is attained (also referred to as term of employment (TOE)).																																

Midwest CWA Core Benefits Outline Summary

Provision	Current Employees, 2009 New Hires and 2012 New Hires						
Active (Full-Time) Monthly Contributions	<p><u>2012 New Hires, 2009 New Hires and Current Employees</u> Dental PPO or DHMO (if available):</p> <p style="text-align: center;"><u>2013-2015 Contribution Amounts</u></p> <table style="margin-left: auto; margin-right: auto;"> <tr> <td style="padding-right: 20px;">Ind</td> <td style="text-align: right;">\$ 3</td> </tr> <tr> <td>Ind + 1</td> <td style="text-align: right;">\$ 9</td> </tr> <tr> <td>Fam</td> <td style="text-align: right;">\$16</td> </tr> </table>	Ind	\$ 3	Ind + 1	\$ 9	Fam	\$16
Ind	\$ 3						
Ind + 1	\$ 9						
Fam	\$16						
Active (Part-Time) Monthly Contributions	<p><u>2012 New Hires, 2009 New Hires and Current Employees</u></p> <p>Based on Scheduled hours/week:</p> <ul style="list-style-type: none"> • Greater than or equal to 20 hours = 50% of Premium Equivalent Rate.* • Less than 20 hours = 100% of Premium Equivalent Rate*. <p>* Note: Premium Equivalent Rate is subject to annual adjustment.</p>						
Deductible	<p><u>2012 New Hires, 2009 New Hires and Current Employees</u></p> <p>Network and ONA: \$25 per individual per year Non-Network: \$50 per individual per year</p>						
Annual Maximum Benefit	<p><u>2012 New Hires, 2009 New Hires and Current Employees</u></p> <p>Network and ONA: \$1,750 per individual* Non-Network: \$1,300 per individual*</p> <p>*Not to exceed \$1,750 combined Network/Non-Network</p>						
Orthodontic Lifetime Maximum	<p><u>2012 New Hires, 2009 New Hires and Current Employees</u></p> <p>Network and ONA: \$2,000 per individual* Non-Network: \$1,400 per individual*</p> <p>*Not to exceed \$2,000 combined Network/Non-Network</p>						
Coverage Levels	<p><u>2012 New Hires, 2009 New Hires and Current Employees</u></p> <p>Dental PPO Coinsurance</p> <p>Class I (Diagnostic/Preventive): Network and ONA*: 100%, Ded. Waived Non-Network**: 100%, Ded. Waived</p> <p>Class II (Basic restorative – fillings, extractions, periodontal treatment/maintenance): Network and ONA*: 90%, after deductible Non-Network**: 70%, after deductible</p> <p>Class III (Major restorative – crowns, dentures, bridgework): Network and ONA*: 80%, after deductible Non-Network**: 50%, after deductible</p> <p>Class IV (Orthodontia): Network and ONA*: 80%, after deductible Non-Network**: 50%, after deductible</p> <p>Notes: *For ONA, paid at Network contracted rate. **For Non-Network paid based on reasonable and customary amounts.</p>						
Outside Network Area (ONA)	<p><u>2012 New Hires, 2009 New Hires and Current Employees</u></p> <ul style="list-style-type: none"> • ONA benefit provided to employees who reside in a zip code which does not meet the network standards. • ONA benefits are equivalent to PPO Network benefits. • Enrollees who are in Network will be offered the PPO option only. • Enrollees who are located outside the Network zip code criteria will be offered the ONA option only. 						
Vision							
Plan	<p><u>2012 New Hires, 2009 New Hires and Current Employees</u></p> <p>No change from current plan.</p>						
Eligibility	<p><u>2012 New Hires, 2009 New Hires and Current Employees</u></p> <p>No change from current plan.</p>						

Midwest CWA Core Benefits Outline Summary

Provision	Current Employees, 2009 New Hires and 2012 New Hires
Active (Full-Time) Monthly Contributions	<u>2012 New Hires, 2009 New Hires and Current Employees</u> No change from current plan.
Active (Part-Time) Monthly Contributions	<u>2012 New Hires, 2009 New Hires and Current Employees</u> No change from current plan.
Coverage Levels	<u>2012 New Hires, 2009 New Hires and Current Employees</u> No change from current plan.
Flexible Spending Account (FSA)	
Plan	<u>2012 New Hires, 2009 New Hires and Current Employees</u> No change from current plan, except those that are mandated by healthcare reform legislation (PPACA).
Contribution Minimum/Maximums	<u>2012 New Hires, 2009 New Hires and Current Employees</u> No change from current plan, except those that are mandated by healthcare reform legislation (PPACA).
CarePlus	
Plan	<u>2012 New Hires, 2009 New Hires and Current Employees</u> Change name to "AT&T CarePlus – A Supplemental Benefit Program"
Monthly Contributions	<u>2012 New Hires, 2009 New Hires and Current Employees</u> No change from current plan.
General Benefits	<u>2012 New Hires, 2009 New Hires and Current Employees</u> Expand benefits which may be offered under CarePlus to include any benefits determined by the Company to be beneficial to Plan participants. Company retains the unilateral right to change, modify, amend and discontinue the expanded benefits offered under CarePlus.
Life Insurance	
Plan	<u>2012 New Hires, 2009 New Hires and Current Employees</u> No change from current plan.
Active Benefits	<u>2012 New Hires, 2009 New Hires and Current Employees</u> No change from current plan except as provided below: Accelerated Death Benefit - Available when life expectancy is 24 months or less. Minimum Distribution: 25% of total life insurance benefit. Maximum Distribution: lesser of 75% of total life insurance benefit or \$1M. Note: Contribution amounts are subject to annual adjustments.
Definition of Pay	<u>2012 New Hires, 2009 New Hires and Current Employees</u> No change from current plan.
Long-Term Care	
Plan	<u>2012 New Hires, 2009 New Hires and Current Employees</u> AT&T Consolidated Long-Term Care Insurance Plan
Coverage	<u>2012 New Hires</u> Not available; closed to new entrants as of 5/1/2012. <u>2009 New Hires and Current Employees</u> Participants currently enrolled may remain in the plan; closed to new entrants as of 5/1/2012.
Adoption	
Plan	<u>2012 New Hires, 2009 New Hires and Current Employees</u> No change from current plan.
Coverage	<u>2012 New Hires, 2009 New Hires and Current Employees</u> No change from current plan.
Commuter	
Plan	<u>2012 New Hires, 2009 New Hires and Current Employees</u> No change from current plan.

Midwest CWA Core Benefits Outline Summary

Provision	Current Employees, 2009 New Hires and 2012 New Hires
Coverage	<p><u>2012 New Hires, 2009 New Hires and Current Employees</u></p> <p>Pre-tax deductions for parking and mass transit. 2012 Internal Revenue Service (IRS) limits: \$240 parking; \$125 mass transit.</p> <p>Eligible expense and monthly limits follow IRS Code Section 132 Regulations.</p> <p>Note: Annual adjustments apply.</p>

Provision	Eligible Retired Employees
Retiree Provisions	<p>Effective 1/1/2013:</p> <p>Applicable for the term of the Agreement to Eligible Retired Employees who terminate during the term of the Agreement.</p>
Medical	
Plan	<p>Eligible Retired Employees shall be eligible to participate in the Ameritech Comprehensive Health Care Plan, the same plan as a similarly situated active Current Employee, 2009 New Hire or 2012 New Hire except as noted in the sections below.</p>
Eligible Retired Employees (Full-Time) Monthly Contributions	<p><u>2012 New Hires</u></p> <ul style="list-style-type: none"> • Eligible Retired Employees who are Non-Medicare eligible will pay 100% of full cost of coverage* with no Company subsidy. • Eligible Retired Employees who are Medicare eligible are ineligible for coverage. <p><u>2009 New Hires</u></p> <ul style="list-style-type: none"> • Eligible Retired Employees who are Non-Medicare eligible will pay 50% of full cost of coverage*. • Eligible Retired Employees who are Medicare eligible are ineligible for coverage. <p>*Note: Calculation of the full cost of coverage is subject to change from time to time at the Company's discretion.</p> <p><u>Current Employee</u></p> <p>The contribution shall be the same as for a similarly situated active Current Employee.</p>
Eligible Retired Employees (Part-Time) Monthly Contributions	<p><u>2012 New Hires</u></p> <ul style="list-style-type: none"> • Eligible Retired Employees who are Non-Medicare eligible will pay 100% of full cost of coverage* with no Company subsidy. • Eligible Retired Employees who are Medicare eligible are ineligible for coverage. <p><u>2009 New Hires</u></p> <ul style="list-style-type: none"> • Eligible Retired Employees who are Non-Medicare eligible will pay 50% of full cost of coverage*. • Eligible Retired Employees who are Medicare eligible are ineligible for coverage. <p>*Note: Calculation of the full cost of coverage is subject to change from time to time at the Company's discretion.</p> <p><u>Current Employees</u></p> <p>The contribution shall be the same as for a similarly situated active Current Employee.</p>
Medicare Part-B Premium Reimbursement	<p><u>2012 New Hires and 2009 New Hires</u></p> <p>Not Eligible.</p> <p><u>Current Employees</u></p> <p>No change from current plan.</p>
Definition of Pay	<p><u>2012 New Hires, 2009 New Hires and Current Employees</u></p> <p>No change from current plan.</p>
Health Reimbursement Account (HRAs)	
	<p><u>2012 New Hires, 2009 New Hires and Current Employees</u></p> <p>None.</p> <p>Note: No additional Company crediting except to the extent provided in MOA - Success Sharing Plan. Current Employees and 2009 New Hires who have remaining balances will continue to have access to those account balances subject to provisions of the Program.</p>
CarePlus	
Plan	<p>Change name to "AT&T CarePlus - A Supplemental Benefit Program"</p>
Monthly Contributions	<p>Eligible Retired Employees shall be eligible to participate in AT&T CarePlus - A Supplemental Benefit Program at the same contribution level as active Current Employees, 2012 New Hires and 2009 New Hires.</p>

Midwest CWA Core Benefits Outline Summary

Provision	Eligible Retired Employees
General Benefits	Expand benefits which may be offered under CarePlus to include any benefits determined by the Company to be beneficial to Plan participants. Company retains the unilateral right to change, modify, amend and discontinue the expanded benefits offered under CarePlus.
Dental	
Plan	Eligible Retired Employees shall be eligible to participate in the same plan as similarly situated active Current Employees, 2009 New Hires, or 2012 New Hires except as noted in the sections below.
Eligible Retired Employee (Full-Time) Monthly Contributions	<p><u>2012 New Hires</u></p> <ul style="list-style-type: none"> • Eligible Retired Employees who are Non-Medicare eligible will pay 100% of full cost of coverage* with no Company subsidy. • Eligible Retired Employees who are Medicare eligible are ineligible for coverage. <p><u>2009 New Hires</u></p> <ul style="list-style-type: none"> • Eligible Retired Employees who are Non-Medicare eligible will pay 50% of full cost of coverage*. • Eligible Retired Employees who are Medicare eligible are ineligible for coverage. <p>*Note: Calculation of the full cost of coverage is subject to change from time to time at the Company's discretion.</p> <p><u>Current Employees</u> The contribution shall be the same as for a similarly situated active Current Employee.</p>
Eligible Retired Employees (Part-Time) Monthly Contributions	<p><u>2012 New Hires</u></p> <ul style="list-style-type: none"> • Eligible Retired Employees who are Non-Medicare eligible will pay 100% of full cost of coverage* with no Company subsidy. • Eligible Retired Employees who are Medicare eligible are ineligible for coverage. <p><u>2009 New Hires</u></p> <ul style="list-style-type: none"> • Eligible Retired Employees who are Non-Medicare eligible will pay 50% of full cost of coverage*. • Eligible Retired Employees who are Medicare eligible are ineligible for coverage. <p>*Note: Calculation of the full cost of coverage is subject to change from time to time at the Company's discretion.</p> <p><u>Current Employees</u> The contribution shall be the same as for a similarly situated active Current Employees.</p>
Life Insurance	
Eligible Retired Employees Basic Life (Company Paid)	<p><u>2012 New Hires</u> \$15,000 Retiree Basic Life</p> <p><u>2009 New Hires</u> \$15,000 Retiree Basic Life</p> <p><u>Current Employees</u> 1X Annual Pay</p> <p>Note: For the purposes of Retiree Basic Life only, Annual Pay: Is the Employee's Rate of Pay as of 12/31/2009. Includes base wages, targeted commissions, team award, individual discretionary award, and miscellaneous pay, where applicable.</p>
Supplemental Life (Retiree Paid)	<p><u>2012 New Hires</u> Employees eligible for Supplemental Life coverage may add 1x annual pay to Supplemental Life coverage in effect at termination to replace the Basic Life coverage no longer available upon termination of employment.</p> <p><u>2009 New Hires</u> Employees eligible for Supplemental Life coverage may add 1x annual pay to Supplemental Life coverage in effect at termination to replace the Basic Life coverage no longer available upon termination of employment.</p> <p><u>Current Employees</u> No change from current plan.</p>
Definition of Pay	<p><u>2012 New Hires, 2009 New Hires and Current Employees</u></p> <p>No change from current plan.</p>
Vision	
Eligible Retired Employees Vision Plan	<p><u>2012 New Hires</u></p> <p>Eligible Retired Employees shall be eligible to participate in the AT&T Retiree Vision Care Program.</p> <p><u>2009 New Hires</u></p> <p>Eligible Retired Employees shall be eligible to participate in the AT&T Retiree Vision Care Program.</p> <p><u>Current Employees</u></p> <p>Eligible Retired Employees shall be eligible to participate in the AT&T Retiree Vision Care Program.</p>

Midwest CWA Core Benefits Outline Summary

Provision	Eligible Retired Employees
<p>Eligible Retired Employees Monthly Retiree Contributions</p>	<p><u>2012 New Hires</u></p> <ul style="list-style-type: none"> • Eligible Retired Employees who are Non-Medicare eligible will pay 100% of full cost of coverage* with no Company subsidy. • Eligible Retired Employees who are Medicare eligible are ineligible for coverage. <p><u>2009 New Hires</u></p> <p>Eligible Retired Employees will pay 100% of full cost of coverage* with no Company subsidy.</p> <p>*Note: Calculation of the full cost of coverage is subject to change from time to time at the Company's discretion.</p> <p><u>Current Employees</u></p> <p>Eligible Retired Employees will pay 100% of full cost of coverage* with no Company subsidy.</p> <p>*Note: Calculation of the full cost of coverage is subject to change from time to time at the Company's discretion.</p>

Provision	Current Employees, 2009 New Hires, 2012 New Hires and Eligible Retired Employees
<p>Voluntary</p> <p>Discretionary Program</p>	<p>AT&T Voluntary Benefits Platform (products offered as they may change from time to time).</p>

ARTICLE 17

SCHEDULING AND PAYMENT FOR TIME WORKED

Scheduling

See Article 27 for provisions applicable to specified Operator Services job titles.

- 17.01 Insofar as service requirements and the conditions of the business permit, selection of schedules for tours shall be when practical by seniority. The responsibility for determining the requirements and conditions rests solely with the Company. However, the length of the schedule selection may be determined locally by the Union and the Company. No provision of this Agreement will constitute a guarantee as to the minimum or maximum number of hours of work per week which may be required on the part of any employee.
- 17.02 Not later than 3:00 p.m. on Thursday of each week, assignments for the next calendar week shall be posted or otherwise be made available to show the assigned tours each employee is to work during the following week.
- 17.03 Assignments will be adhered to unless the Company determines that service requirements and business conditions dictate otherwise. Should the Company make shift or tour assignment changes after 3:00 p.m. on Thursday of the preceding week, the hours outside of the originally scheduled shift or the changed tour day(s) will be paid at the premium rate without shift differential but otherwise considered as scheduled. Shift differentials will be included in the computation of such premium rate when the changed shift or tour would have been paid for at the premium rate or when the worked shift occurs on Sunday.
- 17.04 Changes, at the employees' request or by local agreement, will be granted if service requirements and conditions of the business permit provided that such requests or agreements do not violate the terms of this Agreement.
- 17.05 Daylight Savings Time
- (A) On the night the change is made from Standard Time to Daylight Savings Time, no deduction in pay shall be made for shifts scheduled to end after 2:00 a.m. for employees whose actual hours of work are reduced by one (1) hour.
 - (B) On the night the change is made from Daylight Savings Time to Standard Time, an employee scheduled to work a shift ending after 2:00 a.m. may be assigned to work until the clock hour end of their assigned shift. This additional hour shall be paid in accordance with Section: Overtime & Premium Pay.

Lunch Period

See Article 27 for additional provisions applicable to specified Operator Services job titles.

- 17.06 A lunch period, not to exceed 1 hour, will be granted to employees except when their job assignment requires continuous duty. In the event of such continuous duty, the employee will be permitted reasonable paid time to eat on the job.
- 17.07 If taken, the normal lunch period for full-time employees shall be non-paid between one-half (1/2) hour and one (1) hour in duration and shall be taken between the third (3rd) and sixth (6th) hour of a shift, as scheduled by the Company.

Overtime & Premium Pay

- 17.08 The basic hourly wage rate including applicable differentials shall be paid for all time worked, except where overtime rates or premium rates are specifically provided for elsewhere in this Agreement.
- 17.09 Overtime hours worked shall be paid at the rate of one and one-half (1 ½) times the basic hourly wage rate including applicable differentials, except as provided in paragraph 17.10 below.
- 17.10 Hours worked in a calendar week which exceed forty-nine (49) shall be paid at the rate of two (2) times the basic hourly wage rate including applicable differentials, except as otherwise provided herein.
- 17.11 A premium payment at the rate of one and one-half (1 ½) times the basic hourly wage rate including applicable differentials shall be paid to employees for hours worked as scheduled Sunday shifts. Premium payments for Holidays will be paid as described in Article 21, Recognized Holidays.
- 17.12 No combination of overtime, premium and/or any other payments for time worked and/or any payments for time not worked, may produce an effective rate greater than two and one-half (2½) times an employee's basic hourly wage rate excluding applicable differentials.
- 17.13 For the purpose of crediting time not worked towards an employee's eligibility for overtime payments (as defined in paragraphs 17.09 & 17.10 above) only the following absences during a scheduled shift shall be considered:
- Illness (Paid)
 - Death in Family (Paid)
 - Jury or Other Court Duty (Paid)
 - Severe Weather (if employee reports to work)
 - Visit to Medical Facility or Company-Designated Physician at Company's Request

- Travel Time at Company's Request
- Civic Affairs (such as Community Fund, Red Cross, Etc.) when Assigned by Company
- Joint Meetings with the Company including Joint Union-Company Committee Meetings, Grievance Meetings and Union-Management Review Board Meetings
- Absence for Union Business (Unpaid)
- Vacation Days
- Recognized Holidays
- Excused Work Days (Paid and Unpaid)
- Excused Time Requested by Company
- Collective Bargaining with the Company
- Disability (Paid)
- Leave of Absence (Paid)

17.14 The Company will distribute overtime as fairly as is practicable between employees within the work group affected by such overtime, or as locally agreed.

Call Outs

17.15 When an employee is called outside of his/her regularly scheduled shift for immediate reporting, pay will begin with the time called and continue until the employee returns home unless the time worked continues into the employee's next scheduled shift. Should the assignment continue into the employee's next scheduled shift, the employee will only be compensated for the time actually worked and reasonable travel time from his/her residence using the most direct route. A minimum of two (2) hours pay at the overtime rate will be paid unless the call occurs less than two (2) hours before the start of the employee's next scheduled shift.

Out-Of-Hours Calls

17.16 When an employee is called by telephone, outside of his/her regular shift, while on vacation or on a non-scheduled day, to discuss matters related to the job and the call has been authorized by management, the employee will be paid an out-of-hour call differential of Fifteen Dollars (\$15) for discussions taking from one (1) to thirty (30) minutes. Discussions which take in excess of thirty (30) minutes shall be compensated at the employee's basic hourly wage rate or at the overtime or premium rate if applicable. This differential does not apply if the call is made to arrange or cancel overtime or if the employee is receiving an on call differential.

17.17 If an out-of-hours call is prompted by the error or omission of the employee, no payment shall be made.

Work Done By Supervisors

17.18 Supervisory employees will normally perform supervisory duties. Nothing herein is intended, however, to prevent supervisory employees from receiving or giving training.

ARTICLE 18

TREATMENT OF TIME NOT WORKED

Absence - General Pay Treatment

- 18.01 Employees shall not receive payment for scheduled time not worked except as provided elsewhere in this Collective Bargaining Agreement.
- 18.02 An employee who is unable to report for duty for any reason shall notify his or her supervisor, if possible, prior to the scheduled starting time of his/her shift.

Personal Illness

- 18.03 Payments to a regular employee for absence due to the employee's personal illness shall be made in accordance with the following:
 - A. If an employee with one (1) year or more of service reports to work and becomes ill during his/her shift, the time not worked during the remaining hours of the shift shall be paid for at his/her basic wage rate, plus applicable shift differential for which the employee is eligible pursuant to Article 19, Differentials, Section: Shift Differential.
 - B. If an employee with less than one (1) year of service reports to work and becomes ill during his/her shift, the time not worked during the remaining hours of the shift will be unpaid.
 - C. Except as specified in (A) and (B) above, payment for personal illness absence during the first seven (7) consecutive days of absence will be as follows:

<u>Years of Service</u>	<u>Illness Payment Starts</u>
5 and over	1 st full day
2 and less than 5	2 nd full day
1 and less than 2	3 rd full day
Less than 1	No Pay

Absences of longer than seven (7) consecutive days will be governed by the AT&T Midwest Disability Benefits Program.

- D. The first full shift (other than non-scheduled sixth shifts) for which an employee does not report or is unable to begin work because of personal illness shall be considered as the first day of absence for illness pay purposes. If after the first day of such absence, the employee returns to duty and is subsequently unable to report for duty on a shift (other than non-scheduled sixth shifts) because of personal illness, the latter day of absence shall be considered as the first day of absence for illness pay purposes,

and any subsequent returns to duty and absences because of personal illness shall be similarly treated.

- E. Effective January 1, 2013, the maximum amount of paid illness time for an employee covered by this Article shall be eighty (80) hours in a calendar year, except that if an employee uses forty (40) hours or fewer of paid illness time during the previous calendar year, that employee may use up to an additional forty (40) hours of paid illness time in the next calendar year for the sole purpose of providing paid illness time for the five (5) day period leading up to an approved disability after the initial eighty (80) hours has been exhausted. Nothing in this Agreement shall be interpreted to provide for paid illness time in excess of this amount.

Death In Family

- 18.04 Payments for absence due to a death in the family may be allowed for full-time or part-time employees with a minimum of nine (9) months service as described below. Pay for this purpose shall include applicable shift differentials for which the employee is eligible pursuant to Article 19, Differentials, Section: Shift Differential.
- 18.05 Employees absent due to death of a child, step-child, spouse or Legally Recognized Partner, parent or any relative listed in paragraph 18.06 or 18.07 who resides in the same house with the employee will be excused from duty without loss of pay for up to a maximum of three (3) work days (including travel time) beginning with the day of death through the day of the funeral. In addition, in the event of a death as noted herein, employees shall upon request be excused from scheduled time for two (2) additional unpaid days. Paid Vacation Days or Excused Work Days may be substituted for these days at the employee's option.
- 18.06 Except as provided for in paragraph 18.05, employees absent due to the death of a step-parent, brother, sister, father-in-law, mother-in-law, son-in-law, daughter-in-law, grandparent or grandchild will be excused from duty without loss of pay for up to a maximum of two (2) work days (including travel time) beginning with the day of death through the day of the funeral. In addition, in the event of a death as noted herein, employees shall upon request be excused from scheduled time for two (2) additional unpaid days. Paid Vacation Days or Excused Work Days may be substituted for these days at the employee's option.
- 18.07 Except as provided for in paragraph 18.05 employees absent due to the death of a brother-in-law, sister-in-law, or spouse's grandparent will be excused from duty without loss of pay for up to one (1) work day (including travel time) beginning with the day of death through the day of the funeral.
- 18.08 The maximum number of paid days referred to in paragraphs 18.05, 18.06 and 18.07 above normally shall be increased by one (1) for travel time if an employee attends a funeral which is held more than two hundred (200) miles from the employee's normal work location.

18.09 In no event, shall an employee receive payment for a day per paragraphs 18.05, 18.06 or 18.07 above, if the employee would otherwise be paid for that day (such as holiday, vacation or disability) or not be expected to report for work on that day (such as when on leave of absence or layoff).

Jury Or Other Court Duty

18.10 Employees under subpoena or summons shall receive regular pay for time lost on account of jury or other court duty without deduction for any amount received from civil authorities, except that fees received by an employee in connection with a legal action directly or indirectly pertaining to Company matters or Company record become the property of the Company. The employee should notify the Company of the jury or other court duty as soon as possible. Employee hours will be changed to coincide with the above mentioned obligatory jury or other court duty assignment. When employees' shifts/tours are rescheduled for this purpose, no premium will be paid for shift/tour change.

18.11 Evening and night shift employees who are expected to attend such jury or other court duty during the day are not expected to work their scheduled evening or night shifts. Pay for this purpose shall include applicable shift differentials for which the employee is eligible pursuant to Article 19, Differentials, Section: Shift Differential. If such jury or other court duty continues into a second calendar week, the Company may re-schedule an employee who normally works an evening or night shift to a day shift, without differential.

18.12 "Other Court Duty", as referred to in this Section, is intended to cover those circumstances where an employee acts in the interest of good citizenship such as when an employee who is a witness to an accident, assault, robbery, etc. is requested to appear in court as a witness. The employee's appearance would qualify as "Other Court Duty" since such an appearance is considered to be meeting a civic responsibility.

18.13 Notwithstanding any of the above, "Other Court Duty" as referred to in this Section, does not include lost time associated with criminal or civil actions, whether under subpoena or summons or not, if the employee is a plaintiff or defendant, or is otherwise a direct or indirect party to the action. Absence requests for court appearances in connection with such matters are considered personal, however, employees may be excused without pay.

18.14 Employees involved with any jury or other court appearances must report back to work immediately upon being released from attendance at court that day, unless otherwise directed by management.

18.15 Employees completing jury or other court appearances, must obtain documentation of attendance and provide this to management upon return to work.

Voting

18.16 If necessary to allow the employee a reasonable opportunity to vote, time off without pay will be granted. Application for such time off must be made prior to election day.

Severe Weather

18.17 During severe weather employees will be required to be available for such work as may be necessary to maintain telephone service or such other work as may be assigned.

18.18 If an employee is excused for the remainder of his/her shift because no work assignment can be provided, no scheduled time will be lost. Such excused time will be paid on the same basis as though performing productive work including applicable shift differentials pursuant to Article 19, Differentials, Section: Shift Differential.

ARTICLE 19

DIFFERENTIALS

Shift Differential

See Article 27 for provisions applicable to specified Operator Services job titles.

19.01 Employees whose hours on a scheduled shift, which is part of their normal work week, fall outside of 6:00 a.m. and 7:00 p.m. will receive ten percent (10%) per hour as shift differential in addition to their basic wage rate for all hours worked.

19.02 Employees whose hours on a sixth or seventh shift fall outside of 6:00 a.m. and 7:00 p.m. will receive ten percent (10%) per hour as shift differential in addition to their basic wage rate.

19.03 Employees normally working a night shift, set forth in paragraph 19.01 above, will be paid an hourly shift differential for scheduled time not worked, only in the following instances and under the following conditions:

- Illness (Paid)
- Death In Family (Paid)
- Jury or Other Court Duty (Paid), however, if such absence continues into a second calendar week, the Company may reschedule the employee to a day shift
- Severe Weather, if employee reports to work
- Vacations, if shift differential has been received by the employee for one (1) week or more immediately prior to the beginning of the vacation period
- Recognized Holidays
- Excused Work Days (Paid)

- 19.04 A shift differential shall not be paid for any day shift that extends into a night shift due to an employee working overtime.
- 19.05 Employees who work three (3) or more scheduled night shifts in a calendar week shall be paid shift differential for each day shift worked including sixth and seventh shifts.
- 19.06 Employees normally working a night shift will be paid an hourly shift differential for scheduled time worked outside their normal assignments, only in the following instances and under the following conditions:
- Joint Meetings with the Company including Joint Union-Company Committee Meetings, Grievance Meetings and Union-Management Review Board Meetings.
 - Company initiated training, if shift differential has been received by the employee for two (2) weeks immediately prior to the beginning of the training assignment.

Temporary Assignment

- 19.07 An employee who is temporarily assigned to a higher paid job title within the Bargaining Unit will be paid as follows:
- (A) Assignments made in the first half-shift which do not extend into the second half-shift shall be paid one-half (1/2) of the daily temporary assignment differential set forth in paragraph 19.08 below.
- (B) Assignments made in the first half-shift which extend into all or part of the second half-shift shall be paid the full daily temporary assignment differential set forth in paragraph 19.08 below.
- (C) Assignments made in the second half of a shift shall be paid one-half (1/2) of the daily temporary assignment differential set forth in paragraph 19.08 below regardless of the length of the shift.
- 19.08 The daily temporary assignment differential shall be an amount equal to the difference in the maximum daily wage rate between the job title to which the employee is temporarily assigned and the job title to which the employee is regularly assigned.
- 19.09 Whenever an employee is temporarily assigned to perform job duties of a job title rated lower than his/her regular job, except as otherwise stated in this Agreement, the employee shall not suffer a reduction of their basic wage rate and shall be eligible for applicable differentials of the new assignment.
- 19.10 Temporary assignments shall not be made for longer than a six (6) month period in a calendar year, but may be extended as circumstances warrant upon mutual agreement between management and the Local Union involved.

Lead Person

- 19.11 The Company may, if it deems necessary, appoint a qualified non-management employee to act as a Lead Person. A Lead Person may lead the efforts of other employees in the Bargaining Unit or may do the work normally performed by a non-supervisory management employee. An employee so appointed may continue to perform Bargaining Unit work during such assignment. Such employee shall not take disciplinary action, prepare performance appraisals or make value judgments regarding other employees' performance.
- 19.12 When practical, the group to be considered in the appointment of a Lead Person will consist of those employees in the same work group. Selection of a Lead Person will be made on a seniority or rotational basis, as determined locally between the Local Union and the Company, from those employees who volunteer and are qualified and available at the time the selection procedure begins. The Company shall determine those employees who are qualified and available for such assignment.
- 19.13 An employee so temporarily assigned shall receive a Lead Person differential of Fourteen Dollars (\$14.00) per day for each day worked as a Lead Person.
- 19.14 Prior to the commencement of the assignment, the employee shall be told whether the appointment will be on a daily, weekly or longer basis. However, the assignment may be terminated earlier based upon the needs of the business.

On Call

- 19.15 The Company may assign qualified employees from among those who volunteer, on a rotational basis, to be "on call" with a pager or another type of notification device and to be available for out-of-hours work on a daily or weekly basis.
- 19.16 When so assigned, the employee will carry the pager or notification device at all times from the end of his/her shift to the beginning of his/her next scheduled shift. In addition to payment for any time worked, the employee will be paid a differential of Twenty Dollars (\$20) for each day the employee is "on call".

ARTICLE 20

CLASSIFICATION AND TREATMENT OF REGULAR PART-TIME EMPLOYEES

- 20.01 The classification of a regular part-time employee is based on the employee's "part-time equivalent work week" which shall be determined prospectively by dividing the employee's total normally scheduled hours per month by 4.35 and rounding the result to the next higher whole number. (Illustration: 68 hours per month divided by 4.35 equals 15.6, rounded to a "part-time equivalent work week" classification of 16.)

- 20.02 The "part-time equivalent work week" classification of each regular part-time employee shall be reviewed by the Company no less often than every six (6) months on April 1 and October 1 of each year and adjusted on a prospective basis, if appropriate. In determining whether such adjustment is appropriate, the Company will consider the actual average number of hours worked per month (excluding overtime hours) during the preceding six (6) month period and the likelihood that such number of work hours will continue for a reasonably foreseeable period of time. Classification review information will be provided to the Union.
- 20.03 Where applicable, payments to a regular part-time employee under Company benefit plans shall be prorated based on the relationship of the individual part-time employee's "part-time equivalent work week" classification to a forty (40) hour work week. A regular part-time employee shall not be paid for time not worked for absence due to sickness (not under the "AT&T Retirement & Savings Plan" and/or the "AT&T Midwest Disability Benefits Program" or their successor Plans), unless such absence due to sickness occurs on a day of the week on which the employee is scheduled to work. Regular employees who are on the active payroll of the Company as of December 31, 1980, and who works part time on or after January 1, 1981, shall thereafter continue, during the current term of employment, to receive payments for the benefits and other items listed above on the same basis as was applicable to a part-time employee on December 31, 1980.
- 20.04 Benefit levels and associated premium payments for regular part-time employees are defined in the Company benefit plans. Regular employees who were on the active payroll of the Company as of December 31, 1980, shall continue to be eligible for such coverage on the same basis as a regular full time employee regardless of classification.
- 20.05 Except for payment for overtime hours worked, all hours worked by a regular part-time employee in an Emerging Product Center (EPC) and any equivalent service center operation, shall be paid at the equivalent basic hourly wage rate for a comparable regular full-time employee working a normal daily shift in the same job title, classification and work group. Payment to such a regular part-time employee for hours worked in excess of an equivalent normal daily shift or work week for a comparable regular full-time employee shall be at the applicable overtime rate for a comparable regular full-time employee based on such regular part-time employee's basic hourly wage rate. Any regular employee who was on the payroll of the Company on December 31, 1980, and who works part-time on or after January 1, 1981, shall thereafter continue, during the current term of employment, to be paid on the same basis as was applicable to such part-time employee on December 31, 1980.
- 20.06 Except for payment for overtime or premium hours worked, all hours worked by a regular part-time employee* shall be paid at the equivalent basic hourly wage rate including applicable differentials for a comparable regular full-time employee.

- 20.07 Overtime hours worked shall be paid at the rate of one and one-half ($1\frac{1}{2}$) times the basic hourly wage rate including applicable differentials*. Overtime is as defined in Article 2, Definitions, Section: Scheduling & Wage Related.
- 20.08 A premium payment at the rate of one and one-half ($1\frac{1}{2}$) times the basic hourly wage rate including applicable differentials shall be paid to part-time employees* for hours worked as scheduled Sunday Shifts. Premium is as defined in Article 2, Definitions, Section: Scheduling & Wage Related.
- 20.09 Regular part-time employees scheduled to work on a Recognized Holiday may be excused without pay for time not worked to the extent that service requirements will permit and without loss of the Holiday Allowance payment.
- 20.10 A Holiday Allowance will be paid on the basis of one-fifth ($1/5$) of the average weekly hours, rounded to the nearest quarter hour, based on the employee's "part-time equivalent work week" that is actually worked. The "part-time equivalent work week" is reviewed every six (6) months on April 1 and October 1 of each year and adjusted on a prospective basis, if appropriate.
- 20.11 Regular part-time employees absent without pay, other than for Company excused absences, on either the employee's last scheduled work day before the Recognized Holiday or the employee's first scheduled work day after the Recognized Holiday shall not be paid a Holiday Allowance.
- 20.12 A regular part-time employee who works a holiday shift will be paid:
- (A) A Holiday Allowance as defined in paragraph 20.10, and
 - (B) A holiday premium payment* consisting of one and one-half ($1\frac{1}{2}$) times the basic hourly wage rate including applicable differentials, for hours worked inside the employee's normally scheduled shift.
 - (C) A Holiday premium payment rate* of two and one-half ($2\frac{1}{2}$) times the basic hourly wage rate including applicable differentials for hours worked outside the employee's normally scheduled shift. This premium is not to be combined with other premiums to produce an effective rate greater than two and one-half ($2\frac{1}{2}$) times the basic wage rate excluding applicable differentials.
- 20.13 Regular part-time employees, when eligible, shall receive shift differential* in accordance with Article 19, Section: Shift Differential.
- 20.14 Regular part-time employees, regardless of work week classification, shall be eligible for Excused Work Days and Day-At-A-Time vacation days as provided in Article 22, Excused Work Days and Article 23, Vacations, Section: Day-At-A-Time. However, payment for such days shall be on the basis of one fifth ($1/5$) of the average weekly hours, rounded to the nearest quarter hour, based on the employee's "part-time equivalent

work week” that is actually worked over the past six (6) months on April 1 and October 1 of each year and adjusted on a prospective basis, if appropriate.

20.15 A regular part-time employee must request a specific day in the calendar year other than a non-scheduled day, a Saturday, Sunday, another Recognized Holiday, Excused Work Day or vacation day to be observed as the employee’s Floating Holidays. Those regular part-time employees who work only on Saturday and Sunday may schedule Floating Holidays on a Saturday or Sunday.

*Excluding those regular part-time employees defined in paragraph 20.05 of this Article.

ARTICLE 21

RECOGNIZED HOLIDAYS

21.01 The following are the Recognized Holidays for which regular employees shall be paid a Holiday Allowance consisting of a day’s pay at the basic wage rate including applicable shift differential for which the employee is eligible pursuant to Article 19, Differentials, Section: Shift Differential:

New Year’s Day
Martin Luther King Jr.’s Birthday*
Good Friday*
Memorial Day
Independence Day
Labor Day
Thanksgiving Day
Friday After Thanksgiving
Christmas Eve
Christmas Day

* An eligible employee must select one of these Holidays as a fixed Recognized Holiday. The remaining Holiday will be taken as a Floating Holiday and scheduled in accordance with 21.02 (B) below.

21.02 The following provisions apply to eligibility and scheduling requirements for the Floating Holiday:

(A) A regular employee with at least six (6) months of net credited service on January 1, shall be eligible for and shall designate one (1) Floating Holiday at that time. Employees with less than six (6) months of net credited service on January 1, shall be eligible and shall designate one (1) Floating Holiday and it may be taken after six (6) months of service has been completed.

- (B) An eligible regular employee must request specific days in the calendar year other than a non-scheduled day, Saturday, Sunday, another Recognized Holiday, Excused Work Day or vacation day to be observed as the Floating Holiday.
 - (C) Employees who work on that Floating Holiday will receive pay treatment as described in paragraph 21.10 (A) and (B).
- 21.03 Recognized Holidays observed Monday through Friday will be included in all basic weekly work schedules.
- 21.04 When a Recognized Holiday falls on Saturday, employees not scheduled to work will have the option of electing either a paid Holiday Allowance or a day off with pay at their basic wage rate thereafter in the calendar year or during the first four (4) months of the following year as approved by the Supervisor. The day subsequently approved in lieu of the Saturday holiday will be treated as the Recognized Holiday for all purposes and may not be changed or rescheduled. This provision does not apply to Floating Holidays.
- 21.05 When a Recognized Holiday, falls on a Sunday, the following Monday shall be observed as the Recognized Holiday and shall be treated the same as any Monday on which a Recognized Holiday falls. For pay purposes, the Sunday shall be treated the same as any Sunday on which a Recognized Holiday does not fall.
- 21.06 Employees may be scheduled for work on Recognized Holidays. The number of holiday shifts scheduled will be kept to the minimum required to meet the needs of the business. Schedules of individuals who will be required to work a Recognized Holiday shall be posted or otherwise made available by 3:00 p.m. on Thursday of the second preceding week.
- 21.07 Regular full-time employees scheduled to work on a Recognized Holiday may be excused without pay for time not worked to the extent the service requirements will permit without loss of the Holiday Allowance.
- 21.08 Regular full-time employees absent without pay other than for Company excused absences, on either the employee's last scheduled work day before the Recognized Holiday or the employee's first scheduled work day after the Recognized Holiday shall not be paid a Holiday Allowance.
- 21.09 If a regular full-time employee is absent from work because of a personal illness on both of the regular work days which immediately precede and follow a Recognized Holiday, the Recognized Holiday shall be considered a day of illness and the entire absence shall be handled as any other illness case.
- 21.10 A regular full-time employee who works a holiday shift will be paid:
- (A) A Holiday Allowance, as defined in paragraph 21.01, and

- (B) A Holiday Premium payment consisting of one and one-half (1 ½) times the basic hourly wage rate including applicable differentials for hours worked inside the employee's normally scheduled shift.
- (C) A Holiday Premium payment of two and one-half (2 ½) times the basic hourly wage rate including applicable differentials for hours worked outside of the employee's normally scheduled shift. This premium is not to be combined with other premiums to produce an effective rate greater than two and one-half (2 ½) times the basic wage rate excluding applicable differentials.

- 21.11 If a call out occurs on a Recognized Holiday, a minimum of two (2) hours at the Holiday Premium rate as outlined in paragraph 21.10 (B) and (C) above will be paid, unless the call occurs less than two (2) hours before the start of the employee's next scheduled shift.
- 21.12 When a Recognized Holiday falls within the employee's paid vacation period, the employee will be allowed to reschedule one (1) day of vacation. Such day shall be scheduled in accordance with Article 23, Vacations. This re-scheduled day shall be considered a vacation day.
- 21.13 Nothing in this Article requires the Company to change or provide any additional paid holiday(s) in the event the State or Federal government declares, changes, deletes or adds to State or Federally recognized days of observance or commemoration. The Company shall not be obligated to recognize holidays other than those listed in this Article.

ARTICLE 22

EXCUSED WORK DAYS

- 22.01 Each regular employee who has at least six (6) months of Net Credited Service on January 1 of the respective years 2013, 2014 and 2015 shall be eligible for four (4) Excused Work Days with pay and one (1) Excused Work Day without pay during each of such years. Each regular employee who has less than six (6) months Net Credited Service on January 1 or who is hired after January 1 of the above respective years shall be eligible for two (2) Excused Work Days with pay and one (1) Excused Work Day without pay to be taken after six (6) months service is completed.
- 22.02 Employees who do not work on their paid Excused Work Day shall be paid their basic hourly wage rate including applicable shift differentials pursuant to Article 19, Differentials, Section: Shift Differential, provided they are on the active payroll of the Company on that Excused Work Day.
- 22.03 Excused Work Days may be taken by regular full-time employees in one-half day increments but cannot be pre-scheduled as part of the vacation selection process. One-half day Excused Work Days will be granted on a first come, first served basis, work conditions permitting and shall be one-half of the employee's normal work day.

Treatment of one-half Excused Work Days, except as noted above, are subject to other provisions of this Article.

- 22.04 Three (3) Excused Work Days may be taken by regular full-time employees in increments of two (2) hours, provided, however, that if the length of an employee's scheduled daily shift is not evenly divisible by two (2), the last increment of such Excused Work Day may be less than two (2) hours. Such Excused Work Day cannot be prescheduled as part of the vacation selection process and will be granted on a first come, first served basis, work conditions permitting. Treatment of this two (2) hour incremental Excused Work Day, except as noted above, is subject to other provisions of this Article.
- 22.05 Employees who are on vacation or absent with pay on their paid Excused Work Day for reasons other than having observed it as an Excused Work Day shall have their paid Excused Work Day rescheduled if a vacation day would have been rescheduled under the same circumstances.
- 22.06 If employees agree to work on their paid Excused Work Day and the day cannot be rescheduled, they shall be paid as applicable in accordance with the following subparagraphs:
- (A) Employees who agree to work before 3:00 p.m. on Thursday of the preceding week shall receive one (1) day's pay as set forth in paragraph 22.02 in lieu of their Excused Work Day and shall in addition be paid in accordance with the provisions of the Collective Bargaining Agreement covering work on a scheduled day of work.
 - (B) Employees who agree to work after 3:00 p.m. on Thursday of the preceding week shall receive one (1) day's pay as set forth in paragraph 22.02 in lieu of their Excused Work Day and shall in addition be paid for a changed shift or tour assignment in accordance with Article 17, Scheduling and Payment for Time Worked, Section: Scheduling.

ARTICLE 23

VACATIONS

Eligibility

23.01 Regular employees shall be entitled to accrue vacation with pay as follows:

- (A) Two (2) weeks vacation during each vacation year in which such employee's first to sixth service anniversary date falls. In the first year of employment, when an employee completes six (6) months of service he/she will be granted one (1) week of vacation. If the employee completes six (6) months of service and their first service anniversary falls within the same vacation year, only two (2) weeks of vacation shall be granted. The first week may be granted any time after the

completion of six (6) months of service, and the second week granted after the completion of twelve (12) months of service. If such employee becomes eligible for a vacation week on or after December 1, such vacation may be “carried over” into the following year.

- (B) Three (3) weeks vacation during each vacation year in which such employee’s seventh to fourteenth service anniversary date falls.
- (C) Four (4) weeks vacation during each vacation year in which such employee’s fifteenth to twenty-fourth service anniversary date falls.
- (D) Five (5) weeks vacation during each vacation year in which such employee’s twenty-fifth and subsequent service anniversary date falls, provided that such employee takes at least one week of such vacation between January 1 and the last full week of April, of such vacation year or between October 1 and December 30, inclusive of such vacation year.

23.02 Vacation pay is based on the employee’s basic wage rate including applicable shift differential which the employee has received for at least one (1) full week immediately preceding the vacation period, pursuant to Article 19, Differentials, Section: Shift Differential.

23.03 A “week” is a “calendar week” as defined in Article 2, Definitions.

23.04 When, pursuant to section 23.05 below, an employee schedules a vacation week which begins during the last week of December of the vacation year, the entire vacation week so scheduled shall be taken from the vacation entitlement for the vacation year in which the beginning of the week falls.

Scheduling/Selection

23.05 Regular employees in a work group may select vacations in the order of their seniority as of the date of selection, in so far as work conditions permit. Management shall review its vacation selection guidelines with the appropriate Local President and/or designee by October 15. The vacation schedule composition will allow, at a minimum, one (1) person to take vacation in any given week unless mutually agreed otherwise between the appropriate Local President and/or designee and management. In the event an employee selects a vacation week which begins during the last week of December of the vacation year, any portion of such vacation week which falls in the next vacation year shall be treated as though it occurred in the vacation year in which the week began for purposes of vacation scheduling.

23.06 The selection process used to select available time-off, including vacation time, Excused Work Days (paid and non-paid), Floating Holiday and days in lieu of holiday which falls within scheduled vacation shall be as follows:

- (A) Selection shall be by seniority within the appropriate unit and shall be granted to the extent practicable consistent with force requirements and the needs of the business.
- (B) Regular employees shall be allowed to select scheduled vacation weeks from those made available. Only full weeks of vacation are included in this first selection priority. Full weeks shall be scheduled in the vacation year except where otherwise provided in this Article. After all employees in the work group have selected the required scheduled full vacation weeks, employees will be allowed a second selection priority to select other time-off which includes day-at-a-time, Excused Work Days, Floating Holiday and day in lieu of holiday for which they are eligible.
- (C) Subject to the needs of the business and force requirements of the group, time-off not scheduled during the second selection priority may be selected by an employee on the basis of the earliest request to the employee's immediate supervisor.
- (D) Employees transferred (voluntary or involuntary) will be given the option to retain the week(s) as originally scheduled, or re-select from remaining weeks on the schedule in the group into which the employee was transferred.
- (E) The selection process shall be as stated above unless otherwise mutually agreed to by the Local President and Local management.

Day-At-A-Time

23.07 A regular employee who is eligible for two (2) or more weeks of vacation may choose to schedule one of those weeks of vacation to be taken on a day-at-a-time basis. An employee who is eligible for three (3) or four (4) weeks of vacation may choose to schedule one (1) or two (2) weeks of vacation on a day-at-a-time basis. An employee who is eligible for five (5) weeks of vacation may choose to schedule one (1), two (2), or three (3) weeks of vacation on a day-at-a-time basis.

23.08 Regular employees may elect to take up to three (3) days of eligible Day-At-A-Time vacation in one-half (1/2) day increments and will be subject to the same guidelines on one-half (1/2) day Excused Work Days as described in Articles 22.03 and 22.04.

Sickness, Leave During Vacation

23.09 If an employee is absent at the time scheduled for vacation and the employee returns before December 31, the vacation may be rescheduled in the current year or if no time is available, the employee will be paid in lieu of the remaining vacation. If the employee returns after December 31, the employee will be paid in lieu of the remaining vacation. In the case of "carry over" vacation, the employee may reschedule the carry over vacation if sufficient time is available in the carry over period. If time is not available or

if the employee does not return within the carry over period, the employee will be paid in lieu of the remaining vacation.

- 23.10 When an absence due to sickness or disability begins during an employee's scheduled vacation and the employee notifies the Company within the calendar week in which the sickness or disability begins, such absence will be treated as vacation and any subsequent consecutive calendar weeks of scheduled vacation will be treated as sickness or disability. When an absence due to sickness or disability begins during a regular employee's scheduled day-at-a-time vacation and the employee notifies the Company that day, the day of notice will be treated as a vacation day. Any subsequent consecutive day-at-a-time vacation will be treated as sickness or disability. Such reclassified vacation time can be rescheduled.
- 23.11 If vacation is deferred as described in paragraph 23.10 above, the deferred vacation shall be taken as early as practicable, subject to the approval of the employee's supervisor. The Steward will be advised of the decision as soon as is practical after approval has been given.

Carry Over

- 23.12 Regular employees may elect to carry over any number of their weeks of vacation (either full weeks or day- at-a-time) to the following year subject to the following terms:
- (A) In no case shall an eligible employee schedule less than two (2) weeks of vacation in any vacation year.
 - (B) Any vacation time "carried over" from one vacation year to the next must be scheduled and taken no later than the week beginning with the last Sunday in April of the year into which the vacation time is carried over.
 - (C) For all vacation time "carried over" from one vacation year to the next, at least a like amount of vacation time for the vacation year into which the vacation time is carried over must also be scheduled and taken no later than the last Sunday in April of the same year.
 - (D) Employees electing to carry over vacation time must schedule the "carried over" and the "matching" time at the same time the vacation selection for the current year is made.

Payment In Lieu Of

- 23.13 In case of death, wages associated with an unused portion of a regular employee's scheduled vacation shall be paid to the employee's beneficiary or to the employee's estate.

- 23.14 Employees who are laid off shall not be eligible for any vacation payment during the period of the layoff. If, however, such employee is laid off before receiving the vacation for which an employee has become eligible in the vacation year of such layoff, such employee shall receive payment equal to and in lieu of such vacation.
- 23.15 An employee leaving the Company for reasons other than specified in this Article shall receive payment in lieu of any unused portion of the accrued vacation for which such employee is eligible in accordance with Memorandum of Agreement – Payment In Lieu of Vacation.

ARTICLE 24

AUTOMOBILE MILEAGE EXPENSE

- 24.01 Employees may elect to receive reimbursement for authorized incidental use of their automobile for Company business at the rate approved by the Internal Revenue Service (IRS) of the United States as a business use deduction per traveled road mile. In the event the IRS increases the standard mileage rate allowable as a business use deduction from gross income during the term of this Agreement, the Company shall increase the amount of reimbursement accordingly, effective on the first of the month following the effective date of the change by the IRS.

ARTICLE 25

TEMPORARY ASSIGNMENTS

Detailing - Location Assignment

- 25.01 The Company may direct an employee to start and/or end his/her shift at a Report or Detail Location. If the assignment to a Detail Location is for any reason other than training, the Company shall seek qualified volunteers from the designated work group and job title. If a sufficient number of qualified employees from the designated work group and job title fail to volunteer for the detail assignment, the Company may assign the required number of qualified employees in inverse order of seniority. If the number of qualified volunteers within the designated work group and job title exceeds the number needed, selection will be made on the basis of seniority.
- 25.02 In the event an employee is sent to a Detail Location in which the basic rate for the job title/job function is different, the employee shall receive the higher of the two (2) basic rates. When an employee is detailed to a job title rated higher than their regular job title at their Report Location, the employee is eligible to receive a Temporary Assignment Differential in accordance with Article 19, Differentials, Section: Temporary Assignment Differential. The employee shall also be eligible for any other applicable differentials and expenses at the Detail Location at the more favorable rate for the employee.

25.03 An employee directed to start and/or end his/her work shift at a Detail Location except as provided elsewhere in this Article, shall be reimbursed by means of a Daily Travel Allowance in lieu of paid travel time or expenses for each day worked in accordance with the following table:

**Distance to Detail Location
By Most Direct Route**

From Employee's Normal Reporting <u>Location</u>	Daily Travel <u>Allowance</u>
Less than 10 road miles	\$00.00
10 but less than 15 road miles	\$ 6.00
15 but less than 20 road miles	\$13.50
20 but less than 25 road miles	\$19.50
25 but less than 30 road miles	\$25.50
30 but less than 40 road miles	\$31.00

Under no circumstances shall Daily Travel Allowance be paid to an employee for any day or days on which board and lodging is furnished by the Company.

Board, Lodging & Travel

25.04 Employees assigned to a Detail Location over forty (40) road miles by the most direct route from their Report Location may elect board and lodging or a Daily Travel Allowance of Forty-Five Dollars (\$45.00). The employee must state such election when they are directed to the Detail Location and such election, when made, shall be effective for a minimum of two (2) scheduled days. The employee may change their election, to be effective for a period of a scheduled tour, by notifying their Supervisor before quitting on the Friday preceding the week in question. When approved, the employee may change their election during this scheduled tour for a day or days when conditions, such as inclement weather or extended work shift, warrant such a change.

25.05 Whenever the Company is obligated to provide lodging, it shall select and pay for such lodging and shall provide transportation between the lodging location and the detail location. Should the employee elect to obtain their own living arrangements in the immediate vicinity of the Detail Location, a Daily Lodging Allowance of Thirty Dollars (\$30.00) per night will be paid in lieu of Company provided lodging. In such case the employee must provide their own transportation to and from their place of lodging and the Detail Location.

(A) When the employee has chosen board and lodging, the Company shall reimburse the employee for meal expenses incurred by paying a Daily Meal Allowance of Forty Dollars (\$40.00) or a flat allowance of Eight Dollars (\$8.00) for breakfast, Ten Dollars (\$10.00) for lunch, and Twenty-two Dollars (\$22.00) for dinner for

all meals which are not included in the price of the arranged board and lodging or otherwise included.

- (B) The Company shall also provide an incidental expense allowance of Eleven Dollars (\$11.00) per day to each employee on a Detail actually receiving board and lodging. The purpose of the incidental expense allowance is to compensate the employee for personal expenses other than board and lodging. An example of a covered expense would be laundry.
- (C) A telephone call home each day, not to exceed fifteen (15) minutes, shall be included as part of the employee's authorized expense.
- (D) When an employee is directed to a Detail Location and is being provided board and lodging, in accordance with paragraphs 25.04, 25.05 and 25.06 of this Section, the initial travel time to the Detail Location and the travel time involved when the employee is directed to return to their Report Location, or to travel to another Detail Location, shall be paid the applicable wage rate plus differential, pursuant to Article 19, Differentials.
- (E) When private surface transportation is used to travel to the Detail Location, employees will be compensated for time spent in travel, via the most direct route to the Detail Location to which the employee has been assigned. In addition, the employee will receive a mileage fee in accordance with Article 24, Automobile Mileage Expense, for actual miles driven by the most direct route to and from the employee's Detail Location or other Detail Locations.
- (F) When public transportation is used at the Company's direction, the time allowed shall be the actual time spent in travel, via the route specified by management, from the public transportation terminal from which the employee is directed to leave and the public transportation terminal in the community of the Detail Location. In addition, surface transportation time, as specified above, but not less than thirty (30) minutes, shall be allowed between the employee's Report Location or Detail Location and the public transportation terminal to be used.
- (G) When air transportation is directed, the Company shall specify the flight to be taken. The employee shall be granted approval, if circumstances permit, to use public or private surface transportation, instead of air transportation.
 - (1) Compensation for use of public or private surface transportation will be limited, at maximum, to an amount equal to the price of a regular coach airline ticket on the Company selected airline. For private transportation, compensation will be paid according to the provisions of Article 24, Automobile Mileage Expense for road miles, by the most direct route, up to an amount equal to the price of a regular coach class ticket on the Company specified airline. For public surface transportation, compensation will be for the amount charged the employee for the

purchase of the ticket used for admission on the surface transportation vehicle or an amount equal to the price of a regular coach class ticket on the Company specified airline, whichever is less.

- (2) Compensation for travel time will be for the anticipated total time that would have been required for travel via the air transportation specified.
- (H) When an employee receiving board and lodging on a detail assignment desires to return to the Report Location over the unassigned weekend or unassigned Company Recognized Holiday, the employee may:
- (1) elect to remain on board and lodging; or
 - (2) if transportation expenses to the Report Location are less than the expenses the Company would incur if the employee remains on Board and Lodging, the Company will pay for or furnish the round trip transportation in lieu of board and lodging. When paid for, reimbursement shall be at the rate authorized by Article 24, Automobile Mileage Expense, or the price of a Company specified airline ticket, whichever is less; or if transportation expenses to the Report Location is more than the expenses the Company would incur if the employee remains on board and lodging the employee may:
 - a) return to the Report Location. However, the Company will only pay for the expense up to the amount the Company would have incurred had the employee remain on board and lodging. Any additional expenses will be the responsibility of the employee.
 - b) elect, every third weekend, to be furnished transportation or transportation expense from the detail location in lieu of all board and lodging expenses and/or allowances for the weekend.

Travel time outside of scheduled work time shall not be compensated for nor considered as time worked.

25.06 If an employee elects the board and lodging provisions as outlined in paragraph 25.05 above and is required to travel between Detail Locations, the employee shall be directed to travel either by Company vehicle, public transportation or private conveyance.

- (A) If the employee is directed to travel in a Company vehicle or by public conveyance, the employee shall receive the same work time consideration as described in paragraph 25.07 below. No transportation expense shall be paid when Company vehicle is used. If public transportation is utilized, the employee will be reimbursed for expenses incurred.

- (B) Should the employee be granted approval to employ private transportation instead of public transportation, the employee shall be reimbursed, as provided for in Article 24, Automobile Mileage Expense, for the distance traveled between their Report and the Detail Location or between the Detail Locations as appropriate. Such travel time will be treated in accordance with paragraph 25.07 below.
- 25.07 Employees who drive Company cars or trucks on Company business, or who are directed by their supervisor to travel in Company cars or trucks on Company business, shall be paid travel time on the same basis as those performing productive work.
- 25.08 Where the requirements of statutes or regulations demand that per diem amounts in excess of a set amount be reported as income and the per diem amount set by this Agreement exceeds that amount, the employee may elect to receive either the per diem amount set by regulation or the per diem amount set by this Agreement.
- 25.09 When an employee is required to travel outside the states of Illinois, Indiana, Ohio, Michigan and Wisconsin, the Company and the Union may reach agreement that will increase the amounts detailed in this Article to cover extraordinary expenses which could be incurred by the employee.

ARTICLE 26

TRAINING AND EMPLOYMENT SECURITY

Training & Retraining

- 26.01 In the present environment of fast-paced technological developments and structural changes, the Parties recognize the benefits in offering to employees, training and retraining programs for personal or career development.
- 26.02 The personal or career development training and the job displacement retraining programs contemplated by this provision will be generic in nature and separate and distinguished from the current job specific training instruction. Nothing in these programs will supersede the applicable promotion or transfer provisions of the Collective Bargaining Agreement.
- 26.03 The Career & Personal Development Plan may be used as an educational self-development aid to assist employees in their personal development or preparing themselves for career progression opportunities or job changes within the Company.
 - (A) Training shall be generic in nature as opposed to job specific and shall cover technical, sales, clerical and other fundamental skills.
 - (B) Any regular employee with at least one (1) year of net credited service shall be eligible to participate in such training under the terms of the program.

- (C) Participation by employees in the personal or career development training program shall be voluntary, and time spent by employees in such training shall be outside scheduled working hours and not paid or considered as time worked for any purpose.
 - (D) Successful completion by an employee of any training or courses offered pursuant to such program will be taken into account by the Company when considering the employee for an upgrade or transfer.
- 26.04 The Career & Personal Development Plan may be used to prepare employees, whose jobs are being displaced or whose jobs are being restructured to a wage schedule with a lower maximum wage rate, to enhance their ability to qualify for anticipated job vacancies within the Company.
- (A) Employees shall be informed of potential displacements as soon as possible and depending on the number of any anticipated job openings shall be offered training, if necessary, which is intended to enable them to qualify for such job openings in the Company.
 - (B) All regular employees, who are notified of potential displacement of their current job or job restructuring to a lower wage rate, shall be eligible to participate in such training regardless of length of service.
 - (C) Participation by employees in job displacement training shall be voluntary, and time spent by employees in such training shall be outside scheduled working hours and not paid or considered as time worked for any purpose, unless the Company determines it appropriate in specific instances to permit the employees to receive such training during working hours.

The Career & Personal Development Plan

- 26.05 There shall be a program called the “Career & Personal Development Plan”, hereafter referred to as “CPDP” and such Program will include the following:
- (A) Assessment of employee’s aptitude/skills through a counseling process;
 - (B) aid to employees returning to school (including where to focus formal education and how to develop a support network at the school);
 - (C) assistance in sharpening training skills, studying and testing; and
 - (D) assessment of prior formal and informal education for college credit.

Each employee eligible for and participating in CPDP will be eligible for any or all portions of the Program, provided a CPDP counselor finds such portions of the Program appropriate for the employee.

- 26.06 Those employees eligible for CPDP must be:
- (A) Classified as regular full-time employees or regular part-time employees whose equivalent work week classification is twenty-five (25) hours or more;
 - (B) on the active payroll;
 - (C) in possession of at least one (1) year net credited service; and
 - (D) not concurrently enrolled in any Company-sponsored tuition reimbursement program.
- 26.07 Eligibility to remain in the Program will be forfeited by those who have not shown evidence that they completed the course within 60 calendar days of the scheduled completion date on record. In addition, employees will forfeit eligibility if they on two (2) occasions fail a course during their participation in CPDP, fail to complete a course while participating in the Program and/or fail to submit or maintain a Payroll Deduction Authorization Form at the time of request. Disability or business reasons may be grounds to waive such ineligibility at the Company's discretion. An employee who participates in CPDP and who is adversely impacted by the decisions of the Program Administrator on his or her curriculum or on his or her eligibility to participate in CPDP may appeal such decision through a Union representative to the appropriate Director - Labor Relations or his or her designee. Employees who become ineligible for the program may be reinstated after meeting all eligibility criteria and then waiting at least one academic year.
- 26.08 Enrollment by employees in CPDP will be voluntary and time spent by employees in the Program will be outside of scheduled working hours and not paid or considered as time worked for any purpose.
- 26.09 Employees eligible for CPDP may receive counseling, testing and Company pre-paid tuition assistance.
- 26.10 Selected educational institutions will be utilized to deliver services, courses and programs. The Company reserves the right to approve institutions, services, courses and programs.
- 26.11 Employees participating in CPDP will be reimbursed for fifty percent (50%) of textbook costs annually upon successful completion of approved courses and programs. Participants will also be reimbursed for one hundred percent (100%) of fees to a maximum of Two Hundred Fifty Dollars (\$250) annually upon successful completion of approved courses and programs.
- 26.12 The amounts of any refunds, charges for negligence, and outside assistance (grants, remissions, scholarships, veteran's assistance, etc.) shall be deducted from the Program payments.

- 26.13 In no event will the cost to the Company for each employee's direct CPDP expenses (i.e. tuition, books, fees, workshops, counseling) exceed Three Thousand Five Hundred Dollars (\$3,500) annually. Employees participating in the Program at the time this cost figure is reached will be able to complete the course in which they are currently enrolled and be reimbursed according to this Section.
- 26.14 The Program Administrator, to be determined by the Company, shall carry out the purpose and intent of the CPDP.
- 26.15 A Union representative will provide assistance and advice to the Company via the appropriate Director - Labor Relations or his or her designee regarding the effectiveness of the Program. Recommendations for additions, amendments, or deletions to the Program shall be submitted to the Program Administrator. Nothing in the Program or its administration shall be subject to the grievance and arbitration procedures as set forth in Article 12, Problem Resolution Procedures.
- 26.16 The Company will make payments for any courses, testing and/or counseling that begin before the expiration of this Agreement.

Technological Change

- 26.17 The Union and the Company realize the need for joint discussion and cooperation in resolution of issues related to technological change and change in the business of the Company.
- 26.18 The Company and the Union recognize the need to discuss major technological changes (including changes in equipment, the design, testing, implementation and evaluation of new technology, organization, or methods of operation) that may or will affect the Company and its employees.
- 26.19 The Parties, therefore, will attempt to diminish or abolish the detrimental effects of any such technological change by reviewing problems, discussing the application and terms of various contract provisions and Company programs and recommending solutions to problems in this area.
- 26.20 The Company shall notify the Union at least three (3) months in advance of planned major technological changes, when possible. The Company shall advise the Union of its plan with respect to the introduction of such changes, and shall familiarize the Union with the progress being made.

Supplemental Income Protection Program

- 26.21 If during the term of this Agreement, the Company notifies the Union in writing that a force surplus condition may exist as defined in Section: Force Adjustment, below, and said force surplus cannot be eliminated through force rearrangement, the Company shall offer Supplemental Income Protection Program (SIPP) benefits as follows:

- (A) Prior to a formal declaration of surplus, SIPP shall be offered to employees, in seniority order, in an anticipated Surplus Work Group, and to the extent necessary to eliminate the anticipated surplus. These employees will have four (4) working days to respond to the offer. If such offers do not eliminate the anticipated surplus, SIPP shall be offered within the Force Adjustment Area and Market Business Unit of the Surplus Work Group to other employees with the same title(s) as those in the Surplus Work Group, and/or to the "Pooled Title Group" as described in the Pooled Titles for Surplus Memorandum of Agreement if applicable. These employees will have one (1) working day to respond to the offer.

Employees accepting SIPP as outlined above shall be required to remain with the Company until that date determined by management to be the employee's severance date in order for the employee to receive the SIPP payment.

- (B) An employee's election to leave the service of the Company and receive Supplemental Income Protection Program benefits may not be revoked.

26.22 If during the term of this Agreement, the Company deems it appropriate, for reasons other than force surplus, Supplemental Income Protection Program benefits may be offered and employees may elect, in order of seniority, to leave the service of the Company and receive such benefits subject to the following conditions:

- (A) The Company shall determine the number of employees in such job titles and work locations where the program may be offered.
- (B) The number of employees who may make such election shall not exceed the number of employees determined by the Company.
- (C) An employee's election to leave the service of the Company and receive Supplemental Income Protection Program benefits must be in writing and transmitted to the Company within thirty (30) days from the date of the Company's offer in order to be effective and it may not be revoked after such thirty (30) day period except as provided in subparagraph (E) below.
- (D) Within sixty (60) days of the close of the offer period, the Company will notify employees in writing that their election to leave service and receive Supplemental Income Protection Program benefits has been accepted. When possible, such notice will include an anticipated date that employees will be removed from the Company's payroll.
- (E) If employees have been given an anticipated date of removal from the Company's payroll and the Company subsequently notifies employees that the date has been delayed by ninety (90) days or more, such employees shall have the option of

revoking their Supplemental Income Protection Program election by notifying the Company in writing within ten (10) days of the Company's notification of delay.

- 26.23 Supplemental Income Protection Program payments for employees who so elect to leave the service of the Company in accordance with paragraphs 26.21, 26.22 or 26.40 shall be based on the employee's basic weekly wage rate, prorated for part-time employees, and term of employment at the time of leaving service and shall be computed in accordance with the following schedule:

<u>Term of Employment</u>	<u>Amount of Payment</u>
Less than 6 months	None
6 months but less than one year	1 week pay
1 year but less than 2 years	2 weeks' pay
2 years but less than 3 years	3 " "
3 years but less than 4 years	4 " "
4 years but less than 5 years	5 " "
5 years but less than 6 years	6 " "
6 years but less than 7 years	8 " "
7 years but less than 8 years	10 " "
8 years but less than 9 years	12 " "
9 years but less than 10 years	14 " "
10 years but less than 11 years	16 " "
11 years but less than 12 years	19 " "
12 years but less than 13 years	22 " "
13 years but less than 14 years	25 " "
14 years but less than 15 years	28 " "
	+4 weeks each additional full year

The applicable number of weeks multiplied by the employee's basic weekly wage rate, prorated for part-time employees, shall equal the total amount payable to the employee, but shall in no event exceed Thirty Three Thousand Dollars (\$33,000).

- 26.24 Supplemental Income Protection benefits shall, at the employee's option, be paid as follows: (1) One-half of the total amount calculated above shall be paid as a lump sum within sixty (60) days after the employee has left service and the remaining half will be paid in monthly amounts of Six Hundred Dollars (\$600.00) beginning within thirty (30) days after the employee has left service and continuing until the total amount has been paid; or (2) The total amount calculated above shall be paid as a lump sum within sixty (60) days after the employee has left service; or (3) the total amount calculated above shall be paid out in twelve (12) equal monthly payments; or (4) the total amount calculated above shall be paid as a lump sum within sixty (60) days after start of the following calendar year.
- 26.25 In addition to the Supplemental Income Protection Program payments described above, employees will receive compensation for any vacation days, Excused Work Days and

Floating Holidays to which they are eligible at the time of leaving the Company's service.

- 26.26 In no event shall an employee receiving Supplemental Income Protection Program payments be eligible to receive a termination payment in accordance with the provisions of Section: Termination Payments, following.
- 26.27 Any employee who has elected to leave the service of the Company and has received Supplemental Income Protection Program payments and who is subsequently employed or reemployed with an AT&T Company that participates in the National Transfer Plan ("NTP") or successors or assigns thereto will be treated as follows. If the number of weeks from the effective date of leaving service to the date of employment or reemployment is less than the number of weeks pay upon which the total payment was based, exclusive of any payment in lieu of vacation, the amount paid to the employee for the excess number of weeks shall be considered as an advance to the employee by the Company and repayment shall be made through payroll deductions by the employing company at the rate of fifteen (15%) of the employee's basic weekly wage rate until the amount of the excess is repaid.
- 26.28 No portion of this Section: Supplemental Income Protection Program, shall be subject to arbitration.

Pay Protection

- 26.29 If employees hired prior to April 04, 2004 are assigned, because of workforce adjustments, to vacancies where the rate of pay of the new job title is less than the current rate of pay of the employee's regular job, the employee shall be eligible for Pay Protection. Pay Protection shall mean there will be no change in the employee's rate of pay until the rate of pay in the new job exceeds the employee's rate of pay in their former job.
- 26.30 Employees treated in accordance with the Pay Protection provisions of the February 1, 2001 through April 3, 2004, April 04, 2004 through April 04, 2009 and April 05, 2009 through April 7, 2012 Collective Bargaining Agreements between the Union and the Company, shall continue to be treated in accordance with such provisions until the employees' Pay Protection benefits terminate.

Reassignment Pay Protection Plan

- 26.31 If employees hired or rehired on or after April 04, 2004 are assigned, because of workforce adjustments, to vacancies where the rate of pay of the new job is less than the current rate of pay of the employee's regular job title will receive a Reassignment Pay Protection Plan lump sum payment in accordance with the following table:

RPPP PAYOUT TABLE

ASSIGNMENT TO LOWER WAGE RATE

Years Of Net Credited Service

<u>Weekly Difference</u>		<u><10</u>	<u>10<15</u>	<u>15<25</u>	<u>25+</u>
\$ 0.50	\$ 4.50	\$ 70	\$ 140	\$ 580	\$ 690
5.00	9.50	90	320	1,230	1,480
10.00	14.50	130	460	1,870	2,260
15.00	19.50	200	640	2,520	3,020
20.00	24.50	220	790	3,160	3,800
25.00	29.50	270	960	3,810	4,580
30.00	34.50	320	1,110	4,460	5,360
35.00	39.50	360	1,280	5,100	6,130
40.00	44.50	410	1,430	5,750	6,910
45.00	49.50	450	1,610	6,390	7,690
50.00	54.50	490	1,750	7,050	8,450
55.00	59.50	550	1,930	7,700	9,240
60.00	64.50	580	2,080	8,340	10,020
65.00	69.50	640	2,260	8,990	10,780
70.00	74.50	670	2,400	9,630	11,560
75.00	79.50	720	2,570	10,280	12,340
80.00	84.50	770	2,730	10,930	13,130
85.00	89.50	820	2,900	11,570	13,890
90.00	94.50	850	3,050	12,220	14,670
95.00	99.50	900	3,220	12,860	15,450
100.00	104.50	950	3,370	13,510	16,210
105.00	109.50	1,000	3,550	14,160	17,000
110.00	114.50	1,040	3,700	14,810	17,780
115.00	119.50	1,080	3,870	15,460	18,550
120.00	124.50	1,120	4,020	16,100	19,320
125.00	129.50	1,180	4,190	16,750	20,100
130.00	134.50	1,220	4,350	17,400	20,880
135.00	139.50	1,270	4,520	18,040	21,660
140.00	144.50	1,300	4,660	18,690	22,430
145.00	149.50	1,370	4,840	19,330	23,210
150.00	154.50	1,400	4,990	19,980	23,980
155.00	159.50	1,450	5,170	20,630	24,760
160.00	164.50	1,490	5,310	21,270	25,540
165.00	169.50	1,530	5,490	21,920	26,310
170.00	174.50	1,590	5,640	22,560	27,090
175.00	179.50	1,630	5,810	23,220	27,860
180.00	184.50	1,660	5,960	23,870	28,640
185.00	189.50	1,720	6,130	24,510	29,420
190.00	194.50	1,750	6,280	25,160	30,190
195.00	199.50	1,820	6,460	25,800	30,960
200.00	204.50	1,850	6,600	26,450	31,740
205.00	209.50	1,910	6,780	27,100	32,530
210.00	214.50	1,940	6,930	27,740	33,300
215.00	219.50	1,980	7,110	28,390	34,070
220.00	224.50	2,040	7,260	29,030	34,850
225.00 +		2,080	7,420	29,680	35,620

In those cases where the total lump sum payment the employee is to receive exceeds Five Thousand Dollars (\$5,000), an initial lump sum payment of Five Thousand Dollars (\$5,000) shall be made after the employee reports to the new position. Subsequent lump sum payments of Five Thousand Dollars (\$5,000) (or a portion thereof) shall continue to be made at six (6) month intervals until the total amount is paid to the employee, provided the following conditions are met:

- The employee has a valid Surplus Transfer Request on file for transfer to a position lateral to their former title;
- The employee has not rejected a job offer for a position lateral or upgrade to their former title; and
- The employee has not returned to a position lateral or upgrade to their former title

Any former surplus employee eligible for payment under the Reassignment Pay Protection Plan shall receive priority consideration after regular surplus employees for such vacancies identified on the employee's Surplus Transfer Request for the period of time he/she is covered by the Reassignment Pay Protection Plan.

Relocation

26.32 A regular employee transferring at Company request or due to his/her surplus condition to a new Report Location which is forty (40) or more road miles by the most direct route farther from their principle residence than was the old Report Location, shall be eligible for treatment under the Relocation Plan.

26.33 A regular employee who is required to relocate their principle residence as a result of a permanent transfer initiated by the Company shall receive, per household, a single lump sum payment for relocation expenses.

This payment, which shall be Sixteen Thousand Dollars (\$16,000) for an employee owning their principle residence or paying a mortgage on their principle residence or Eight Thousand Dollars (\$8,000) for an employee renting their principle residence, shall be paid upon acceptance of the transfer by the employee. Local, State, Federal, and FICA taxes on the payment shall be withheld. The payment must be returned to the Company if the employee does not both report to the new Report Location as assigned and relocate his or her principle residence within one (1) year of the transfer effective date unless an extension has specifically been authorized by the Company. An employee who receives moving expense allowances as specified in this Article except those retiring with a service pension as defined in the employee's appropriate pension benefit plans, or successors or assigns thereto will repay all benefits received within thirty (30) days, if the employee voluntarily terminates employment with the Company within two years from the effective date of the transfer. An employee who terminates employment with the Company under the provisions of a SIPP offer is excluded from the payback provisions

of this Article. No receipts or other proof of expenses shall be required; however, an agreement must be signed by the employee, agreeing to the above mentioned conditions.

26. 34 A maximum of six (6) paid scheduled days off, which may be taken in conjunction with a weekend or with vacation days, shall be given for house hunting or moving.

SAMPLE

PAYBACK POLICY

AGREEMENT

In consideration for certain relocation assistance benefits being extended to me by AT&T Midwest (herein "The Company") as a result of my having accepted the position of _____ located at _____, I hereby agree to repay to the Company any and all relocation assistance benefits paid to me by the Company if one of the following stated cases occur. I will repay these benefits if I fail to relocate my principle residence within one (1) year of the effective transfer date and fail to provide proof of said change to my supervisor or if I voluntarily terminate my employment with the Company within two (2) years from the effective date of the transfer, except where I retire with a service pension as defined in the employee's appropriate pension benefit plans, or successors or assigns thereto.

I further agree that said repayment will be made by me within 30 days of said voluntary termination of my employment with the Company or failure to relocate my principle residence within one year of the effective transfer date.

I also understand I will be required to submit a signed Verification of Change of Principle Residence document within one year of the effective transfer date.

Signature: _____ Witness: _____

Date: _____ Date: _____

Signed and Sealed this _____ day of _____, 20_____

Notary Public:

For the County of _____, State of _____

Force Adjustment

26.35 The Company shall decide the necessity for and shall determine the extent of any force adjustment. Changes in employee job titles in the normal course of operations of the business, either at the employee's request or as a manager-initiated action, shall not constitute a force adjustment. There shall be no layoff of regular full time employees if there are any outside contractors performing the same work, in the same work group, at the same work location, as performed by the Surplus Employee Group.

26.36 Definitions:

These definitions shall apply for purposes of force adjustment only.

- (A) Lateral Transfer - A lateral transfer is a change to another place of reporting with the same job title or to another job title, for which the maximum basic rate of pay is within or equal to plus Twenty-Five Dollars (\$25) or minus Ten Dollars (\$10) of the established maximum basic rate of pay for the employee's prior job title.
- (B) Downgrade - A downgrade is a change to a job title with an established maximum basic rate of pay which is more than Ten Dollars (\$10) lower than the employee's prior job title.
- (C) Upgrade – An upgrade is a change to another place of reporting with the same job title or to another job title, for which the maximum basic rate of pay which is more than twenty-Five Dollars (\$25) of the established maximum basic rate of pay for the employee's prior job title.
- (D) Surplus Employee Group - A Surplus Employee Group, as determined by the Company, is the group in which the surplus exists.
- (E) Force Adjustment Area (FAA) – A group of Company work locations combined for force adjustment purposes. The FAAs under this Agreement are set forth in Attachment 1.
- (F) Surplus Transfer Request - A Surplus Transfer Request (STR) is a transfer request that affords a surplus employee the opportunity to receive priority consideration for any available non-management position at any location within the Company provided the surplus employee has qualifications for the job. STR forms must be submitted within twenty-one (21) days of an employee's surplus orientation meeting.

- (G) Voluntary Supplemental Income Protection Program (VSIPP) Candidate Request - Any regular full-time, non-surplus employee who has met time-on-title requirements may express interest in receiving SIPP by submitting a Voluntary SIPP Candidate Request. Such a candidate shall have two (2) business days following a Voluntary SIPP Payment offer by the Company to confirm acceptance of the offer. Failure to confirm acceptance within this time frame shall result in the Request being canceled. In such a case, a new Request may not be submitted for sixty (60) calendar days following the cancellation of the prior Request. A former surplus employee who has been placed in an upgrade position vacated by the acceptance of a Voluntary SIPP Payment by a Voluntary SIPP Candidate must reestablish time-on-title prior to submitting a Voluntary SIPP Candidate Request.
- (H) Transitional Leave of Absence (TLA) – The Transitional Leave of Absence is a leave that may be offered to eligible surplus employees as business needs dictate in order to eliminate a surplus condition. The TLA only applies to surplus employees who, as of their force disposition date, are within twenty-four (24) months of achieving eligibility under the employee’s appropriate pension benefit plans, or successors or assigns thereto, and who have not declined a lateral job offer in their FAA. A TLA may be offered no earlier than twenty-eight (28) calendar days following the surplus notification.

26.37 When the Company determines that a force surplus exists, it shall, prior to notifying the affected employees, advise the Union in writing with respect to the employee group(s) involved, job title(s) and approximate number of employees affected, the location(s) or geographical area(s), and the anticipated force disposition date. Notification to the affected employees shall be made as soon as practicable, but no later than ninety (90) calendar days prior to the anticipated force disposition date. No affected employee shall be involuntarily terminated prior to ninety (90) calendar days following such notification. Any employee who elects not to accept a job in his/her FAA which does not result in a downgrade shall be considered to have resigned from the Company and will not be paid a termination payment.

Surplus orientation meetings shall be held with affected employees as soon as practicable. During these meetings the procedures and due dates described in this Section shall be explained.

26.38 The Company shall first attempt to reduce or eliminate the surplus within the Surplus Employee Group by offering lateral transfers by order of seniority, upgrades by order of seniority, offering downgrades by order of seniority and involuntarily moving employees by inverse order of seniority to lateral positions within the appropriate FAA, in that order.

26.39 An affected employee shall notify the Company of their acceptance of any “follow-the-work” job offer, where applicable, within twenty-one (21) calendar days following the affected employee’s surplus notification or by such later date as is determined by the

Company. Failure to so notify the Company by the deadline date shall constitute rejection of the offer.

Whenever a surplus situation exists which requires that employees within the Surplus Employee Group have the opportunity to “follow the work” to another employee group, the employees from both employee groups shall be considered on a “pooled seniority basis” to fill available jobs within the then consolidated employee group.

26.40 In the event that a surplus remains following the application of paragraph 26.21(A), preceding, the Company shall canvass non-surplus employees who have filed Voluntary SIPP Candidate Requests for confirmation that they are willing to accept Voluntary SIPP Payments under Section: Supplemental Income Protection Program, above, and voluntarily terminate from the Company.

- (A) Voluntary SIPP Payments shall be offered to non-surplus Voluntary SIPP Candidates beginning no earlier than thirty-two (32) calendar days following the affected employees’ surplus notification. Such a Candidate will have two (2) working days following a Voluntary SIPP Payment offer to confirm acceptance of the offer.
- (B) The canvassing of Voluntary SIPP Candidates and the placement of qualified surplus employees in the vacancies thus created, shall be in seniority order and in the following order of consideration:
 - (1) The same job title in the applicable FAA;
 - (2) A lateral position in the applicable FAA;
 - (3) A upgrade position in the applicable FAA;
 - (4) A downgrade in the applicable FAA;

Note: Steps 1 through 4 above will be completed for all surplus employees in an FAA before application of 5 below.

- (5) The same job title, a lateral position, upgrade position, or a downgrade (in that order) in up to six (6) additional FAAs, as specified by the surplus employee on the Surplus Transfer Request.
- (C) If a surplus employee refuses a job offer under paragraph 26.40, (B) no further job offers for that job title and location shall be made to the employee.
- (D) Any surplus employee who does not receive a job offer as outlined above may elect to replace the most senior Voluntary SIPP Candidate (for whose job the surplus employee is qualified) who has confirmed interest in accepting the

Voluntary SIPP Payment and who holds the same job title as the surplus employee within the state.

Note: Paragraph 26.40 (B) 1 through 5 will be completed for all impacted surplus employees before the application of paragraph 26.40 (D) above.

(E) Any remaining surplus employee who does not receive a job offer as outlined in paragraph (D) above may elect to replace the most senior Voluntary SIPP candidate (for whose job the surplus employee is qualified) who has confirmed interest in accepting the Voluntary SIPP Payment within the state.

Note: Paragraph 26.40 (D) will be completed for all impacted surplus employees before the application of paragraph 26.40 (E) above.

26.41 If a surplus remains after application of paragraph 26.40, preceding, any remaining surplus employees within the Surplus Employee Group may, upon election:

(A) Displace, if such displacement can be achieved with limited or no training, the least-senior occasional, temporary or regular limited term employee within their FAA. A surplus employee who displaces an occasional, temporary or regular limited term employee shall assume that employee's work completion date and the surplus employee's force disposition date shall be extended to coincide with the completion date. The employee shall also retain surplus status and job title up to the date of the extended force disposition date.

(B) Be allowed to fill an available, open requisition which has been submitted under the classification of regular limited term which requires more than little or no training for which the surplus employee is qualified. A surplus employee who accepts such a position will assume the work completion date established for the regular limited term position. The employee shall also retain surplus status and job title up to the date of the work completion date. Should the position be reclassified as regular full-time, or after twenty-four (24) months on the assignment, the employee would assume non-surplus status. If the employee should be work completed on the work completion date of the regular limited term assignment, the provisions of this article regarding termination pay and other related issues would apply.

26.42 At the force disposition date, any remaining surplus employees within the Surplus Employee Group who have not previously accepted a SIPP offer, or have not previously accepted a job or VSIPP offer in their FAA for a job title for which the Company has vacancies shall be laid off by inverse order of seniority until the surplus is eliminated. Such employees shall receive termination payments in accordance with Section: Termination Payments following.

- 26.43 Wage treatment for employees who accept or receive jobs pursuant to the Force Adjustment procedures, set forth in this Section, shall be in accordance with the applicable provisions of this Collective Bargaining Agreement.
- 26.44 The force adjustment procedure herein shall not preclude limited, mutually agreed upon Union-Management modifications with respect to the geographic scope of the FAA ("Union" shall mean the Vice President of District 4, CWA, or other designated representative. "Management" shall mean the Vice President-Labor Relations or other designated representative.) Any such modifications will apply on a one-time basis and will not serve as precedent for other current or future force surplus adjustment procedures.
- 26.45 Surplus employees who accept a job under paragraph 26.36 (F) and who meet the conditions outlined under Section: Relocation, above, shall receive relocation payments. Those relocated employees and those surplus employees that transfer out of their FAA may utilize the Non-management Staffing Plan to be considered for either a lateral job or a downgrade, for which they are qualified, in their former FAA. This opportunity shall remain in effect for two (2) years following the placement necessitating the employee's relocation or transfer and the employee shall, in order of seniority with other employees similarly situated, be given first preference, after surplus for a lateral job or a downgrade. The relocated employee shall not receive reimbursement for relocation expenses back to their former FAA.

Recalls & Reemployment

- 26.46 If additions to the work force are required in any work group within two (2) years of the last layoff made in such work group under a program of layoffs, the Company shall proceed as follows before hiring new regular employees.
- 26.47 The Company shall offer reemployment in order of seniority to regular full-time laid off employees within their FAA, provided that the period of layoff of such former employees does not exceed two (2) years, in the following order:
- (A) Former employees who were laid off from the work group.
 - (B) Former employees whose work location at the time of layoff was less than forty (40) road miles, by the most direct route, from the work location of the work group being added to and who were qualified by experience at the time of layoff to perform the duties of an available job.
 - (C) Former employees the same as described in (B) above except who were not qualified by experience at the time of layoff to perform the duties of an available job.
 - (D) Former employees whose work location at the time of layoff was forty (40) road miles or more, by the most direct route, from the work location of the work group

being added to and who were qualified by experience at the time of layoff to perform the duties of an available job.

(E) Former employees the same as described in (D) above except who were not qualified by experience at the time of layoff to perform the duties of an available job.

26.48 Former employees under paragraph 26.47 (C) and (E) above who are offered a job and who wish to pursue the job opportunity, must demonstrate qualifications to the satisfaction of the Company which shall be identical to those the Company requires of newly hired employees. Failure to make such demonstration will not result in the former employee being removed from the recall list, but will entitle the Company to consider the next appropriate candidate.

26.49 Former employees must keep the Company informed of the telephone number and address at which they can be reached. When an offer of employment has been so made, the former employee shall indicate their acceptance within twenty-four (24) hours from receipt of the Company's offer.

26.50 The following actions on the part of a former employee will constitute a forfeiture of reemployment rights and the employee's name will be removed from the recall list:

(A) Failure to notify the Company of their acceptance of an offer of reemployment within twenty four (24) hours;

(B) Failure to report for duty on the date specified after acceptance of the offer of reemployment; or

(C) Refusal of the offer of reemployment within their former FAA as set forth in Section: Force Adjustment, preceding.

26.51 When a former employee is recalled and assigned to the same, a lateral or a lower rated job title than their job title at the time of layoff, they shall be placed on the new wage schedule at the same monthly step which they were at when laid off. In the case of an upgrade, wage treatment will be in accordance with Article 13.

26.52 Former employees whose new work location is forty (40) or more road miles, by the most direct route, farther from their residence than was their work location at the time of layoff shall be granted a relocation allowance of Four Thousand Dollars (\$4,000). However, if the former employee participated in the Training Opportunity Plan (TOP) upon layoff, they will not be eligible for this relocation allowance. If paid, this relocation allowance must be returned to the Company if the former employee does not both report to their new work location and relocate their residence within one (1) year of the date of reemployment unless an extension has been specifically authorized by the Company. This relocation allowance is in lieu of any other payment for relocation expenses and shall be

applied against the amount of termination payment to be repaid, if any, under the provisions of paragraph 26.57 of Section: Termination Payments.

Termination Payments

- 26.53 A termination payment, plus compensation for any vacation days, Excused Work Days and Floating Holidays to which the employee is eligible at the time of leaving the Company’s service, shall be paid to a regular employee laid off because of lack of work, or may be paid at the discretion of the Company to an employee whose services are terminated for reasons such as unadaptability or inability to properly perform assigned job duties.

- 26.54 In no event shall an employee receiving a termination payment be eligible to receive payments in accordance with the provisions of Section: Supplemental Income Protection Program, above. Further, regular employees who are discharged or who resign from the service of the Company shall not be eligible for termination payments except as provided in paragraph 26.53 above.

- 26.55 The amount of a termination payment shall be based on the employee’s basic weekly wage rate, prorated for part-time employees, and term of employment at the time of leaving service and shall be computed in accordance with the following schedule:

<u>Term of Employment</u>	<u>Amount of Payment</u>
Less than 6 months	None
6 months but less than one year	1 week pay
1 year but less than 2 years	2 weeks’ pay
2 years but less than 3 years	3 “ “
3 years but less than 4 years	4 “ “
4 years but less than 5 years	5 “ “
5 years but less than 6 years	6 “ “
6 years but less than 7 years	8 “ “
7 years but less than 8 years	10 “ “
8 years but less than 9 years	12 “ “
9 years but less than 10 years	14 “ “
10 years but less than 11 years	16 “ “
11 years but less than 12 years	19 “ “
12 years but less than 13 years	22 “ “
13 years but less than 14 years	25 “ “
14 years but less than 15 years	<u>28 “ “</u>
	+4 weeks each additional full year

The maximum number of weeks payable as termination payments shall in no event exceed eighty-eight (88) weeks of pay.

- 26.56 Termination payments shall, at the employee's option, be paid as follows: (1) One-half of the total amount calculated above shall be paid as a lump sum within sixty (60) days after the employee has left service and the remaining half will be paid in monthly amounts of Six Hundred Dollars (\$600.00) beginning within thirty (30) days after the employee has left service and continuing until the total amount has been paid; or (2) The total amount calculated above shall be paid as a lump sum within sixty (60) days after the employee has left service; or (3) the total amount calculated above shall be paid out in twelve (12) equal monthly payments; or (4) the total amount calculated above shall be paid as a lump sum within sixty (60) days after start of the following calendar year.
- 26.57 An employee who has left the service of the Company and who has received a termination payment and who is employed or reemployed by any of the companies referred to in paragraph 26.59 will be treated as follows. If the number of weeks from the effective date of leaving service to the date of employment or reemployment is less than the number of weeks' pay upon which the termination payment was based, exclusive of any payment in lieu of vacation, the amount paid to the employee for the excess number of weeks shall be considered as an advance to the employee by the Company and repayment shall be made through authorized payroll deductions at the rate of fifteen percent (15%) of the employee's basic weekly wage rate until the amount of excess is repaid.
- 26.58 A re-engaged employee who has received a termination payment and who is again laid off will be paid the difference between the computed payment to which he or she is eligible and the net amount of any payment which he or she may have received due to any previous layoff.
- 26.59 The provisions of this Section do not apply in case of an employee leaving service voluntarily, an employee on a leave of absence, or an employee transferred to any other AT&T Company that participates in the NTP or successors or assigns thereto.

Extended Medical Coverage

- 26.60 Employees who are not eligible for a service pension and whose employment is terminated as a result of layoff or application of the force adjustment procedures, or who elect to leave the service of the Company pursuant to the provisions of the Supplemental Income Protection Program, shall continue to remain eligible for coverage for up to eighteen (18) months under the employee benefit plan providing medical coverage the employee would be eligible for under Article 16 if the employee remained an active employee or its successor Program, as follows:
- (A) An employee whose Net Credited Service is five (5) years or more will be eligible for continued coverage in accordance with the terms of Article 16 that would apply if the employee remained an active employee for a period of six (6) months following the month in which employment is terminated. The employee may elect to continue such coverage for an additional twelve (12) months at the employee's expense by paying the full monthly premium amount.

- (B) An employee whose Net Credited Service is at least one (1) year but less than five (5) years will be eligible for continued coverage in accordance with the terms of Article 16 that would apply if the employee remained an active employee for a period of three (3) months following the month in which employment is terminated. The employee may elect to continue such coverage for an additional fifteen (15) months at the employee's expense by paying the full monthly premium amount.
- (C) An employee with less than one (1) year of Net Credited Service who is eligible for coverage at the time of termination of employment may elect to continue such coverage at the employee's expense for a period of eighteen (18) months following the month in which employment is terminated by paying the monthly premium amount.

Payment of extended medical coverage by the Company, however, shall not extend the period of coverage beyond that required to be provided by the Consolidated Omnibus Budget Reconciliation Act ("COBRA") of 1986.

26.61 The extended medical coverage shall be on the same basis and in the same amount to which the employee was entitled immediately prior to leaving the service of the Company. If during the period of any extended medical coverage, as set forth above, the medical expense coverage is changed for employees who remain on the payroll, the same changes will be applied to persons participating in this extended medical coverage program.

**ARTICLE 26 - TRAINING & EMPLOYMENT SECURITY,
SECTIONS: FORCE ADJUSTMENT AREAS (FAA)
ILLINOIS FAA's**

Chicago

Chicago
Geneva
Harvey
Lombard
Oak Brook

East St. Louis

Belleville
Cahokia
Collinsville
East St. Louis
Granite City
O'Fallon
Pontoon Beach

ARTICLE 26 - TRAINING & EMPLOYMENT SECURITY,
 SECTIONS: FORCE ADJUSTMENT AREAS (FAA)
 INDIANA FAA'S

<u>Anderson</u>	<u>Evansville</u>
Alexandria	Boonville
Anderson	Evansville
Bluffton	Mount Vernon
Chesterfield	Rockport
Hartford City	Newburgh
Huntington	St Phillip
Kokomo	Tell City
Marion	Vincennes
Middletown	Washington
Muncie	
New Castle	<u>Indianapolis</u>
Peru	Acton
Yorktown	Brownsburg
	Carmel
<u>Bloomington</u>	Castleton
Bedford	Danville
Bloomfield	Greenfield
Bloomington	Greenwood
Columbus	Indianapolis
Linton	Mooresville
Martinsville	Noblesville
Nashville	Oaklandon
Shelbyville	Plainfield
Spencer	West Newton
<u>Crawfordsville</u>	<u>New Albany</u>
Attica	Charlestown
Clinton	Jeffersonville
Covington	New Albany
Crawfordsville	<u>South Bend</u>
Fowler	Auburn
Frankfort	Culver
Lebanon	Kendallville
Rockville	Michigan City
Veedersburg	Mishawaka
	Osceola
	South Bend

ARTICLE 26 - TRAINING & EMPLOYMENT SECURITY,
 SECTIONS: FORCE ADJUSTMENT AREAS (FAA)
 MICHIGAN FAA'S

<u>Benton Harbor</u>	<u>Clare</u>	<u>Detroit (Cont.)</u>	<u>Grand Rapids</u>	<u>Howell</u>
Benton Harbor	Beaverton	Romulus	Ada	Brighton
Buchanan	Clare	Roseville	Alto	Fowlerville
Eau Claire	Coleman	Royal Oak	Belding	Hartland
New Buffalo	Farwell	Southfield	Byron Center	Howell
Niles	Gladwin	South Lake	Caledonia	Leslie
St. Joseph	Harrison	South Lyon	Casnovia	Pickney
Three Oaks	Rosebush	Sterling Heights	Cedar Springs	
Watervliet		Taylor	Clarksville	<u>Kalamazoo</u>
<u>Big Rapids</u>	<u>Detroit</u>	Trenton	Comstock Park	Albion
Baldwin	Ann Arbor	Troy	Dorr	Athens
Big Rapids	Auburn Hills	Union Lake	Dutton	Battle Creek
Cadillac	Belleville	Utica	Grand Haven	Bellevue
Evat	Birmingham	Walled Lake	Grand Rapids	Fulton
Freemont	Bloomfield Hills	Warren	Grant	Galesburg
Harrietta	Canton	Washington	Greenville	Kalamazoo
Leroy	Center Line	Waterford	Hastings	Marshall
Luther	Chelsea	Wayne	Holland	Martin
Marion	Clarkston	West Bloomfield	Hopkins	Nashville
Manton	Clawson	Westland	Hudsonville	Olivet
McBain	Clinton Twp	Whitmore Lake	Ionia	Ostego
Morley	Commerce Twp	Wyandotte	Jamestown	Plainwell
Reed City	Dearborn	Ypsilanti	Lake Odessa	Portage
White Cloud	Detroit		Lowell	Pottersville
	Dexter	<u>Escanaba</u>	Marne	Richland
	Drayton Plains	Escanaba	Middleville	Springfield
	Farmington	Gladstone	Moline	Vicksburg
	Farmington Hills	Menominee	Newaygo	
	Highland Park	Perkins	Rockford	<u>Iron Mountain</u>
	Lake Orion		Saranac	Crystal Falls
	Lincoln Park	<u>Flint</u>	Sparta	Iron Mountain
	Livonia	Burton	Wayland	Iron River
	Manchester	Clio	Wyoming	Norway
	Milan	Fenton	Zeeland	
	Mt. Clemens	Flint		<u>Ironwood</u>
	Northville	Flushing	<u>Hancock</u>	Bergland
	Oxford	Grand Blanc	Calumet	Bessemer
	Plymouth	Holly	Hancock	Ironwood
	Pontiac	LaPeer	Houghton	
	Redford Township		Lake Linden	
	Rochester Hills			
	Romeo			

<u>Lansing</u>	<u>Manistee</u>	<u>Petoskey</u>	<u>Saginaw</u>	<u>Tawas City</u>
Charlotte	Beulah	Boyne City	Auburn	East Tawas
Clark Lake	Frankfort	Charlevoix	Bad Axe	Oscoda
Dansville	Manistee	Cheboygan	Bay City	Standish
Diamondale	Onekama	East Jordan	Birchrun	St. Helen
East Lansing	Scottville	Harbor Springs	Bridgeport	Tawas City
Eaton Rapids		Indian River	Fairgrove	West Branch
Hillsdale	<u>Marquette</u>	Pellston	Frankenmuth	
Holt	Gwynn	Petoskey	Freeland	<u>Traverse City</u>
Jackson	Ishpeming	Wolverine	Linwood	Acme
Jonesville	Marquette		Mayville	Elk Rapids
Lansing	Michigamme	<u>Port Huron</u>	Midland	Interlochen/Grawn
Mason	Negaunee	Algonac	Reese	Kalkashka
Michigan Center	Republic	Chesterfield Twp	Saginaw	Lake Leelanau
Napoleon		Croswell	St. Charles	Mancelona
Okemos	<u>Monroe</u>	Harsens Island	Vassar	Northport
	Carleton	Marine City		Traverse City
	Flat Rock	Marysville	<u>Sault St. Marie</u>	
	Holland, OH	New Baltimore	Newberry	
	Maumee, OH	New Haven	Sault St. Marie	
	Monroe	Port Huron	St. Ignace	
	New Boston	Sandusky		
	Oregon, OH	St. Clair		
	Perrysburg, OH	Ubley		
	Rockwood			
	Toledo, OH			
	Walbridge, OH			
	Whitehouse, OH			
	Willis			

**ARTICLE 26 - TRAINING & EMPLOYMENT SECURITY,
SECTIONS: FORCE ADJUSTMENT AREAS (FAA)
OHIO FAA'S**

<u>Akron</u>	<u>Barnesville (Cont.)</u>	<u>Columbus</u>	<u>Dayton (Cont)</u>
Akron	Somerton	Alton	Kettering
Alliance	St Clairsville	Canal Winchester	Medway
Barberton	Steubenville	Carroll	Miamisburg
Boston Hts.	Woodsfield	Columbus	Middletown
Canal Fulton	<u>Cleveland</u>	Dublin	Monroe
Canton	Beachwood	Gahanna	New Carlisle
Cuyahoga Falls	Bedford	Grove City	North Hampton
Dalton	Berea	Groveport	Piqua
Gnadenhutten	Brecksville	Harrisburg	Pitchin
Greensburg	Brook Park	Hilliard	South Charleston
Hartville	Brooklyn Heights	Lancaster	South Solon
Kent	Burton	Lockborne	South Vienna
Louisville	Chagrin Falls	London	Springboro
Magnolia-Waynesburg	Chesterland	New Albany	Spring Valley
Manchester	Cleveland	New Rome	Springfield
Mantua	Cleveland Hts.	Reynoldsburg	Tremont City
Marlboro	Euclid	Sugar Grove	Trenton
Massillon	Gates Mills	Upper Arlington	Vandalia
Mogadore	Highland Heights	Washington Court House	Xenia
Navarre	Independence	West Jefferson	Yellow Springs-Clifton
North Canton	Kirtland	Westerville	<u>Gallipolis</u>
Perry Twp.	Lakewood	Worthington	Ironton
Plain Township	Maple Hts.	<u>Dayton</u>	Arabia
Ravenna	Mayfield Hts.	Beaver Creek	Cheshire
Rootstown	Mentor	Bellbrook	Gallipolis
Springfield Twp.	North Olmsted	Bowersville	Guyan
Streetsboro	North Royalton	Butler Twp.	Rio Grande
Tallmadge	Olmsted Falls	Cedarville	Vinton
Uhrichsville	Painesville	Centerville	Walnut
Uniontown	Parma	Christiansburg	<u>Hillsboro</u>
<u>Barnesville</u>	Rocky River	Dayton	Belfast
Barnesville	Shaker Hts.	Donnelsville	Aberdeen
Beallsville	Solon	Enon	Danville
Bellaire	South Euclid	Fairborn	Hillsboro
Bethesda	Strongsville	Fletcher - Lena	Marshal
Bridgeport	Westlake	Franklin	Rainsboro
Clarington	Wickliffe	Hamilton Twp.	Ripley
Duffy	Willoughby	Huber Hts.	Sugartree Ridge
Lewisville		Jamestown	Winchester

<u>Marietta</u>	<u>Youngstown</u>	<u>Zanesville</u>	<u>419 Area</u>
Belpre	Boardman	Conesville	Castalia
Graysville	Brookfield	Coshocton	Bloomington
Marietta	Canfield	Dresden	Findlay
Muskingham	Columbiana	Fultonham	Fostoria
New Matamoras	East Liverpool	Glenford	Fremont
Newport	East Palestine	Nelsonville	Lindsey
	Girard	Newcomerstown	New Riegel
	Hubbard	New Lexington	Sandusky
	Leetonia	Norwich	Tiffin
	Lisbon	Philo	Upper Sandusky
	Lowellville	Roseville	
	Masury	Rushville	
	New Waterford	Somerset	
	Niles	Thornville	
	North Jackson	Zanesville	
	North Lima		
	Poland		
	Rogers		
	Salem		
	Salineville		
	Sharon		
	Struthers		
	Wellsville		
	Youngstown		

ARTICLE 26 - TRAINING & EMPLOYMENT SECURITY,
 SECTIONS: FORCE ADJUSTMENT AREAS (FAA)
 WISCONSIN FAA's

<u>Appleton</u>	<u>Lake Geneva</u>	<u>Milwaukee (Cont)</u>
Appleton	Burlington	Oconomowoc
Hortonville	Delavan	Pewaukee
Kaukauna	Genoa City	Port Washington
Little Chute	Kenosha	Racine
Neenah	Lake Geneva	Sussex
New London	Parkside	Thiensville
Stevens Point	Somers	Waukesha
Wapaca	Union Grove	Wauwatosa
Wrightstown	<u>Madison</u>	West Allis
<u>Eau Claire</u>	Beloit	West Bend
Chippewa Falls	Evansville	
Eau Claire	Fort Atkinson	
Ellsworth	Janesville	
Houlton	Jefferson	
Hudson	Madison	
Menomonee	Stoughton	
River Falls	Watertown	
Roberts	Whitewater	
<u>Fond du Lac</u>	<u>Milwaukee</u>	
Beaver Dam	Big Bend	
Burnett	Brookfield	
Columbus	Caledonia	
Fond du Lac	Cedarburg	
Horicon	Greenfield	
Juneau	Hales Corners	
Mayville	Hartford	
Omro	Hartland	
Oshkosh	Hubertus	
Sheboygan	Jackson	
Sheboygan Falls	Menomonee Falls	
Van Dyne	Mequon	
Waupun	Merton	
Winneconne	Milwaukee	
<u>Green Bay</u>	Muskego	
Algoma	New Berlin	
De Pere	Newburg	
Green Bay	North Lake	
Kewaunee	Oak Creek	
Manitowoc		
Sturgeon Bay		

ARTICLE 27

OPERATOR SERVICES

Introduction

This Article shall apply only to the following job titles in Operator Services:

Operator
Operator Services Assistant
Operator Services Clerk
Service Assistant
Communications Assistant
Technical Associate

Sections not addressed in this Article shall be governed by the provisions of the Parties' Collective Bargaining Agreement.

Definitions

TOUR: Collectively, the daily shifts determined by the Company, to be worked in a calendar week. Normally, a tour consists of five (5) full shifts totaling not more than thirty-seven and one half (37½) hours.

SHIFT: Hours, normally not more than seven and one-half (7½), determined by the Company constituting a regular day's work. Necessary shifts may be scheduled over any twenty-four (24) hour period.

SESSION: The continuous period of time, not exceeding five (5) hours in length and not interrupted by a meal period, which an employee is assigned to work on any day. A session may, however, include a relief break. Each shift shall have two (2) sessions.

SPLIT SHIFT: A shift in which two (2) sessions are separated by at least three (3) hours.

TYPE OF SHIFT:

	Beginning Not <u>Earlier Than</u>	Ending Not <u>Later Than</u>	<u>Hours of Work</u>
Morning - Afternoon	6:00 A.M.	7:29 P.M.	7.5
Afternoon - Evening	11:30 A.M. 2:00 P.M.	9:29 P.M. 10:29 P.M.	7.5 7.0
Morning - Evening	7:00 A.M. 8:30 A.M.	9:29 P.M. 10:29 P.M.	7.5 7.0
Evening	4:30 P.M.	3:00 A.M.	6.0
Night	10:00 P.M.	7:00 A.M.	7.0

OVERTIME:

- (A) Hours worked in excess of a full shift in a day excluding hours paid at the premium rate.
- (B) Hours worked as non-scheduled Sunday shifts.
- (C) Call outs, except for call outs on a Recognized Holiday.
- (D) Hours worked in excess of a full tour in a week excluding (A), (B) and (C) above.

Scheduling

- 27.01 Insofar as service requirements and the conditions of the business permit, selection of schedules for shifts shall normally be by seniority. The responsibility for determining the requirements and conditions rests solely with the Company. No provision of this Agreement will constitute a guarantee as to the minimum or maximum number of hours of work per week which may be required on the part of any employee.
- 27.02 Weekly schedules will be prepared by the Company and will show the employee's tour, shifts, non-scheduled days, lunch periods and breaks. Not later than 3:00 p.m. on Thursday of each week, schedules for the next calendar week shall be posted or otherwise made available to show the assignments for each employee during the following week.
- 27.03 Assignments will be adhered to unless the Company determines that service requirements and business conditions dictate otherwise. When the starting or ending time of an assigned shift (with the exception of the Sunday following the posted schedule) is changed on an assigned day after 3:00 p.m. Thursday of the preceding week by the Company, the employee whose shift has been changed shall be paid at one and one-half (1 ½) times their basic hourly wage rate for all hours worked outside of the hours of the originally assigned shift on that day. Such payment will not be paid in the cases of emergency (including events of national or local importance, fire, explosion, or other catastrophe, civil strife, severe weather conditions, or any other occurrence which restricts the Company in meeting service demands).
- 27.04 The Company may agree to schedule changes requested by employees and approved by the immediate Supervisor provided such changes do not violate any other provisions of this Section. When schedules are changed by mutual consent of the employees involved with the approval of the immediate Supervisor, the original scheduled time shall be considered canceled and the newly assigned time shall become the scheduled time. In such cases, the provisions of Paragraph 27.03 shall not apply.
- 27.05 At least ten (10) hours must elapse between the end of a scheduled shift and the start of the next scheduled or rescheduled shift unless waived by the employee.

Lunch Periods & Breaks

- 27.06 A shift shall include break(s) and exclude lunch.
- 27.07 A lunch period, not to exceed one (1) hour, will be granted to employees.
- 27.08 The normal lunch period for full-time employees shall be non-paid between one-half (1/2) hour and one (1) hour in duration and shall be taken between the third (3rd) and sixth (6th) hour of a shift, as scheduled by the Company.
- 27.09 All full-time employees shall be assigned a fifteen (15) minute break during each session of their assigned shift. Such breaks shall be assigned no earlier than one (1) and one half (1 1/2) hours after the start of a session nor later than one (1) hour before the end of a session. In the case of full-time employees assigned to six (6) hour shifts, two (2) consecutive breaks shall be assigned as near to the middle of the shift as feasible.

Shift Differential

- 27.10 Full-time employees will be paid a shift differential for evening and night work in accordance with the following schedule:

<u>Type of Shift</u>	<u>Weekly Shift Differential</u>
Afternoon-Evening and Morning-Evening Shifts Ending Between 7:30 P.M. and 8:29 P.M.	\$ 5.50
8:30 P.M. and 9:29 P.M.	8.50
9:30 P.M. and 10:29 P.M.	12.00
Evening Shifts Ending Between 10:30 P.M. and 11:00 P.M.	5.50
11:01 P.M. and Later	6.00
Night	19.00

- 27.11 Full-time employees who are excused without pay for one (1) hour or less immediately preceding the ending time of a scheduled shift shall be paid the shift differential applicable to the shift scheduled. Full-time employees who are excused without pay for more than one (1) hour immediately preceding the ending time of a scheduled shift shall be paid the shift differential applicable to the ending time of the time worked.
- 27.12 Full-time employees normally working a type of shift set forth in paragraph 27.10 will be paid a shift differential for scheduled time not worked, only in the following instances and under the following conditions:

- Illness (Paid)
- Death In Family (Paid)
- Jury or Other Court Duty (Paid), however, if such absence continues into a second calendar week, the Company may reschedule the employee to a day shift
- Severe Weather, if employee reports to work
- Vacations, if shift differential has been received by the employee for one (1) week or more immediately prior to the beginning of the vacation period
- Recognized Holidays
- Excused Work Days (Paid)
- Joint Meetings with the Company including Joint Union – Company Committee Meetings, Grievance Meetings and Union – Management Review Board Meetings

27.13 A shift differential shall not be paid for any Morning - Afternoon shift that extends beyond the normal shift ending time due to an employee working overtime.

Split Shift Differential

27.14 Any full-time employee who works any part of both sessions of a split shift shall be paid a split shift differential of Four Dollars and fifty cents (\$4.50) per day.

Payment for Sunday, December 25

27.15 When December 25 falls on a Sunday, employees who work shall be paid two and one-half (2 ½) times the basic hourly wage rate for all hours worked. These payments are in lieu of Sunday premium payments set forth in Article 17, Scheduling and Payment for Time Worked, Section: Overtime & Premium Pay.

New Year's Eve Premium Payments

27.16 A New Year's Eve premium payment at the rate of two (2) times the basic hourly wage rate including applicable differentials shall be paid to employees for hours worked between 7:00 p.m. on December 31 and 7:00 a.m. on January 1 not including, however, employees working on shifts starting at or after 6:00 a.m. on January 1.

27.17 Such New Year's Eve premium payment shall be in addition to any other overtime or premium payments, subject to the provisions of Article 17, Scheduling and Payment for Time Worked, Section: Overtime & Premium Pay of the Parties' Collective Bargaining Agreement.

ARTICLE 28

SAFETY

- 28.01 A safe environment and efficient work operations are of mutual concern to the Company and the Union. The Parties mutually recognize the need for a work environment where all phases of the work can be achieved safely, as well as the need to promote better understanding and acceptance of safety principles by all employees, thereby ensuring not only their own safety but that of fellow employees, customers, and the general public.

ARTICLE 29

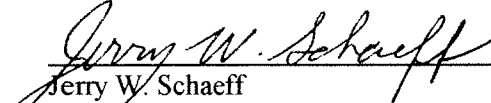
TERMINATION AND VALIDITY OF AGREEMENT


- 29.01 This Agreement shall become effective as of 12:00 a.m., Central Standard Time, on April 8, 2012 and shall remain in effect until 11:59 p.m., Central Standard Time, on April 11, 2015.
- 29.02 No later than sixty (60) days prior to the expiration date of this Agreement, either Party may serve upon the other, a written notice of its desire to negotiate changes in this Agreement or to terminate this Agreement. No bargaining with respect to a new Agreement shall commence earlier than sixty (60) days prior to the expiration date of this Agreement.
- 29.03 Nothing in this Article shall be construed to prevent the Parties from making any changes in this Agreement which are mutually agreeable to the Parties at any time during the tenure of this Agreement.
- 29.04 All contracts and agreements, except current local agreements, currently in force between the Union and the Company, Illinois Bell Telephone Company, Indiana Bell Telephone Company, Incorporated, The Ohio Bell Telephone Company, Wisconsin Bell, Inc., Michigan Bell Telephone Company, Ameritech Services, Inc., and AT&T Services, Inc. which relate to union-represented Company employees are hereby superseded and replaced in their entirety by this Agreement. All current local agreements which are in violation of the terms of this Agreement will become null and void on the effective date of this Agreement, unless a later termination date is mutually agreed upon with respect to such a local agreement(s).
- 29.05 If any provision of this Agreement is invalid because it is contrary to any law, the remaining provisions shall not be affected.


IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed in triplicate by their representatives, all on the day and year first above written.

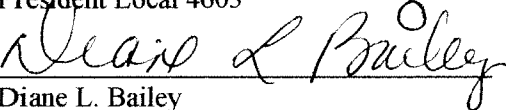
AGREED:

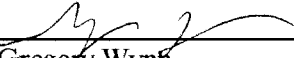
FOR THE UNION:

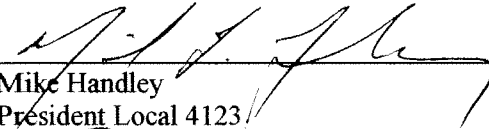

Jerry W. Schaeff
CWA Assistant to the Vice-President

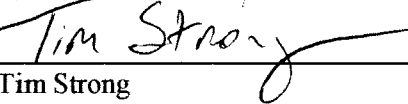

Ronald D. Honse
CWA International Representative

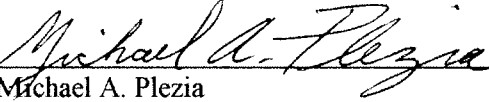

George R. Walls
President Local 4603


Diane L. Bailey
Vice-President Local 4310

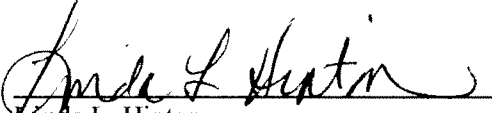

Gregory Wynn
President Local 4100


Mike Handley
President Local 4123


Tim Strong
President Local 4900



Michael A. Plezia
President Local 4340

AGREED:


Linda L. Hinton
Vice President – District 4

April 8, 2012
Date

FOR THE COMPANY:


Randall S. White
Vice-President - Labor Relations

2012 Bargaining Committee Members

William J. Helwig
Stefan Drozd
Minerva Linares
Elizabeth A. Millett
Patricia A. Peterson
Kimberly A. Svec

APPROVED:


Larry Cohen
President - CWA

APPENDIX A

MEMORANDUM OF AGREEMENT
MOTOR VEHICLE USAGE PROGRAM

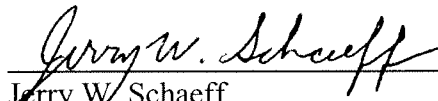
This Memorandum of Agreement covers the agreement reached between the Company and the Union regarding "Motor Vehicle Usage" (Home Garaging).

Unless mutually agreed otherwise, the Motor Vehicle Usage Plan in the State of Wisconsin and all other similar existing local Motor Vehicle Usage agreements will continue for the life of the 2012 Collective Bargaining Agreement. By further mutual agreement of the Parties, new local agreements will be discussed and negotiated. Such discussions and negotiations will involve local management, the Local Union and the International Union.

This Memorandum of Agreement will remain in effect through the term of the 2012 Collective Bargaining Agreement between the Parties.

AGREED:

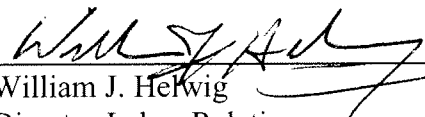
FOR THE UNION:



Jerry W. Schaeff
CWA Assistant to the Vice-President

April 8, 2012
Date

FOR THE COMPANY:



William J. Helwig
Director Labor Relations

April 8, 2012
Date

MEMORANDUM OF AGREEMENT
TRAINING OPPORTUNITY PLAN

This Memorandum of Agreement covers understandings reached by the Union and the Company regarding the Training Opportunity Plan hereafter referred to as "TOP" as follows:

1. **Eligibility:** - A regular employee who, after the effective date of this Agreement, is declared surplus pursuant to Article 26, Training and Employment Security, Section: Force Adjustment, and who has not been offered any position in their Force Adjustment Area (FAA) or in an additional FAA as specified in paragraph 26.40(B)(5) (the Expanded Voluntary SIPP option) prior to the Force Disposition Date may participate in TOP after layoff, if previously elected by the employee.
2. **Participation:** - No later than five (5) working days prior to the Force Disposition Date, an eligible employee may elect participation in TOP.
 - An employee who elects to participate in the Training Opportunity Plan (TOP) cannot participate in the Employment Security Commitment (ESC) or the Extended Employment Opportunity Period (EEOP).
 - The TOP participant must maintain a Surplus Transfer Request (STR) on file indicating the employee's preference on laterals, downgrades and upgrades in their FAA for purposes of placement consideration as further defined below in paragraph 5, Reemployment While in TOP Status. The TOP participant to whom a job offer has been made has one (1) working day to accept the offer, after which it will be considered rejected.
3. **Income Continuation:** - A TOP participant will receive their termination payments in income continuation installments equal to their basic weekly wage rate (less appropriate taxes) at the time of layoff. Income continuation installments will continue until whichever of the following occurs first:
 - The TOP participant refuses a lateral or upgrade job offer in their FAA. Termination payments will stop immediately and the balance will not be paid to the TOP participant.
 - The TOP participant refuses a downgrade job offer in the FAA or a job offer outside the FAA and receives the balance of their termination payments.
 - The TOP participant obtains other full-time or part-time employment as defined by the Company with a non-AT&T Company and receives the balance of their termination payments.

- The TOP participant's termination payments are exhausted.
 - The TOP participant fills a regular full-time job vacancy in another AT&T Company that participates in the National Transfer Plan ("NTP"). Termination payments will stop immediately and the balance will not be paid to the TOP participant.
 - The TOP participant fills a job vacancy with the Company in accordance with contractual reemployment rights. A TOP participant may be selected for recall from layoff to fill an available job opening for a job never held by the TOP participant utilizing a "most qualified" over basic qualified selection process, irrespective of the recall from layoff provisions as set forth in the Parties' Collective Bargaining Agreement.
 - The TOP participant elects to voluntarily terminate participation in TOP and receives the balance of the termination payments.
4. **Duration of Participation:** - In no event may an individual remain in TOP for more than one (1) year from the initial date of layoff. At the end of that year, the balance of a TOP participant's termination payment, if any, will be paid to the participant as a lump sum. However, the TOP participant will be reimbursed to a maximum of Four Thousand Dollars (\$4,000) for approved actual expenses incurred for training/retraining for up to two (2) years from date of layoff. (See "Reimbursement Feature" following.)
5. **Reemployment While in TOP Status:** - Although laid off, a TOP participant will receive the same priority consideration as that afforded a surplus employee described in Article 26, Training and Employment Security, Section: Force Adjustment, paragraph 26.36(E) for positions only in their FAA. The Non-Management Staffing Plan will not be available to TOP participants. Once the participant's termination payments are exhausted or at the end of one (1) year (whichever occurs first), reemployment rights under the provisions of Article 26, Training and Employment Security, Section: Recalls & Reemployment will continue to apply for the duration of the two (2) year Recall & Reemployment period.
- The Company will retain the undistributed balance of termination payments in the event of reemployment.
 - A TOP participant who is reemployed within the Company or any other AT&T Company that participates in the NTP and who is again laid off will be paid the difference between the termination payment at the time of layoff and the amount of termination payment previously received while in TOP. Said employee is not eligible to enroll again in TOP.
 - Tuition expenses approved by the Program Administrator prior to reemployment will be paid for under the reimbursement feature.

6. **Benefit Continuation:** - A laid off employee who elects TOP participation becomes eligible for a maximum of one (1) year of medical, dental, vision, and basic group life insurance benefits the employee would have been eligible for under Article 16 had the TOP participant remained an active employee. Benefits provided under TOP shall run concurrently with the extended medical coverage to which the TOP participant may be entitled under the Parties' Collective Bargaining Agreement and shall not extend the period of coverage beyond that required to be provided by the Consolidated Omnibus Budget Reconciliation Act ("COBRA") of 1986.

Such benefits will continue until whichever of the following occurs first:

- Termination payments are exhausted.
- The TOP participant is reemployed in a regular full-time position within an AT&T Company, or obtains other regular full-time or part-time employment, as defined by the Company, with a non-AT&T Company.
- The TOP participant elects to voluntarily terminate participation in TOP and receives the balance of the termination payments.
- A maximum of one (1) year has passed from the beginning date of TOP participation.

7. **Reimbursement Feature:** - TOP participants are eligible to receive up to a maximum of Four Thousand Dollars (\$4,000) for actual expenses incurred for tuition, training, job placement services related to seeking employment, or for moving expenses if the TOP participant is required to move their residence in conjunction with a job elsewhere within an AT&T Company.

- Any such expense must be approved by the Company prior to being incurred.
- The Program Administrator will provide assistance to the TOP participant in selecting appropriate educational or training classes or programs; will conduct skills, interest and aptitude assessment, if necessary; and will recommend out-placement counseling where appropriate.
- Reimbursement will be made for approved expenses incurred within two (2) years from the date of layoff.
- The Program Administrator may recommend that a TOP participant take a Company training class. Such a class if approved, may be taken during TOP participation and up to one (1) year following the date of layoff.

During the period of TOP participation, if a TOP participant's spouse or Legally Recognized Partner is unemployed, that spouse or Legally Recognized Partner is also eligible to participate in the TOP reimbursement feature with the following limitations:

- Said participation shall not exceed Two Thousand Dollars (\$2,000) of Company approved expenses incurred for tuition/training.
- Any such expense must be approved by the Company prior to being incurred.
- Reimbursement will be made for approved expenses for one (1) year from the date the spouse's or Legally Recognized Partner's TOP participation begins but in no event later than two (2) years from the date of the TOP participant's layoff.
- If the TOP participant is reemployed by an AT&T Company, voluntarily terminates participation in TOP, refuses any job offer or obtains other regular full-time or part-time employment, as defined by the Company, with a non-AT&T Company, the spouse or Legally Recognized Partner will only be eligible to complete the current term of enrollment in training.

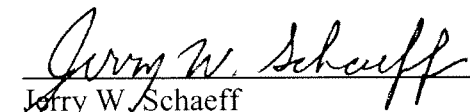
8. **Plan Administration:**

- Will be through a designated Company Program Administrator.
- Nothing in the Plan or its administration will be subject to the grievance and arbitration processes as set forth in the Parties' Collective Bargaining Agreement.

9. **Duration:** - The Training Opportunity Plan will remain effective during the term of the 2012 Collective Bargaining Agreement between the Parties.

AGREED:


FOR THE UNION:



 Jerry W. Schaeff
 CWA Assistant to the Vice-President

April 8, 2012
 Date

FOR THE COMPANY:



 William J. Helwig
 Director Labor Relations

April 8, 2012
 Date

MEMORANDUM OF AGREEMENT

FOUR DAY TOUR

The Union and Company recognize that in certain work groups it may be beneficial to the employees and in the best interest of the business to establish a four day schedule as a normal tour. Accordingly, in a workgroup where local management and the local union agree, the number of hours which presently constitute a normal five day tour will be scheduled in equal amounts over four days.

The work groups selected for such four day tours will be solely at the discretion of the Company. The local management and the local union will discuss the process by which the number of employees who volunteer will be assigned their shifts and tours. It is further agreed that if the needs of the business require the Company to discontinue the four day tour, the Company will notify the Union in advance.

Four day tours will be scheduled in advance as full tours. No daily overtime payment shall be made for any of the scheduled hours worked which constitute the normal four day tour.

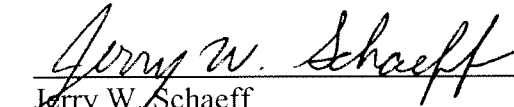
Subject to the above, and before implementing a four day schedule in any work group, the local management and the local union will establish the parameters and implementation procedures for such four day tours. Unless otherwise agreed, the following will apply:

- (1) Weeks in which holidays fall will revert to a normal five-day tour.
- (2) Employees scheduled for a week of vacation will have their tours revert to the normal five-day tour.
- (3) Employees pre-scheduled for Excused Work Days, Day-At-A-Time Vacation, Floating Holiday(s), or jury duty will revert their tours to the normal five-day tour. Non-scheduled Floating Holidays, Excused Work Days, or Day-At-A-Time Vacation within a week in which the employee's tour is four ten hour days will be treated as ten hour days. Employees may take no more than four ten hour unscheduled days (i.e., forty hours) on a day-at-a-time basis. These unscheduled days include Floating Holidays, Excused Work Days, or Vacation days.
- (4) Payment will be based upon a ten hour day for employees who are absent because of sickness or accident disability during the course of the four day tour. If the disability continues into the next week, the employee's tour will revert to the normal five day tour.

This Memorandum of Agreement will remain in effect through the term of the 2012 Collective Bargaining Agreement between the Parties.

AGREED:


FOR THE UNION:



Jerry W. Schaeff
CWA Assistant to the Vice-President

April 8, 2012
Date

FOR THE COMPANY:



William J. Helwig
Director Labor Relations

April 8, 2012
Date

MEMORANDUM OF AGREEMENT

REGIONAL JOINT BENEFITS FORUM

This Memorandum of Agreement covers understandings reached by the Company and the Union regarding the establishment of a single, Regional Joint Benefits Forum ("Forum" or "JBF") as follows:

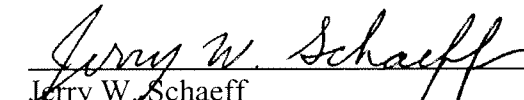
1. The purpose of the Forum is to address issues of mutual interest associated with providing employees cost efficient quality benefits under provisions of the benefit plans offered to AT&T Midwest employees, or other mutually identified areas or issues of health care concern.
2. The list of procedures covered by Care Plus – A Supplemental Benefits Program will be reviewed annually, updated if necessary and provided to the JBF.
3. The Forum will have no charge or authority to negotiate or collectively bargain with respect to the current health care plans. The Forum's focus will be to address employee concerns and needs relative to services provided under current plans. The Forum may make recommendations to improve the quality of Benefit delivery.
4. The Forum is established to replace all former joint health care or other committees as may have previously been established for similar purposes by the Parties or by the Union and any other AT&T Midwest Company.
5. Forum membership will consist of the following:
 - Co-Chairs; one (1) Union and one (1) AT&T Midwest Labor Relations Representative;
 - Six (6) additional Union appointed representatives; and,
 - Two (2) AT&T Benefit Department representatives.
6. The Forum will meet once per calendar quarter unless otherwise agreed to.
7. Pay and/or expenses for Union Forum representatives who are Company employees not on a Leave of Absence for Union Business will be as follows:
 - Since it is envisioned the Forum meetings will be held in Chicago, the Company will reimburse the Union representatives for reasonable round-trip transportation expenses to Chicago to attend scheduled Forum meetings.
 - The time of such representatives when meeting with the Company will be considered joint union - management time and be paid up to eight (8) hours basic wages per day.

- The Company will not pay for overtime or wage differentials and assumes no obligation for any other time or expenses of Union representatives.

This Memorandum of Agreement will remain in effect through the term of the 2012 Collective Bargaining Agreement between the Parties.

AGREED:


FOR THE UNION:



Jerry W. Schaeff
CWA Assistant to the Vice-President

April 8, 2012
Date

FOR THE COMPANY:



William J. Helwig
Director Labor Relations

April 8, 2012
Date

MEMORANDUM OF AGREEMENT

**COMMERCIAL DRIVER'S LICENSE & SPECIAL
OPERATING PERMIT OR LICENSE**

This Memorandum of Agreement covers understandings reached by the Company and the Union regarding reimbursement for fees and expenses related to obtaining commercial driver's licenses and special operating permits or licenses.

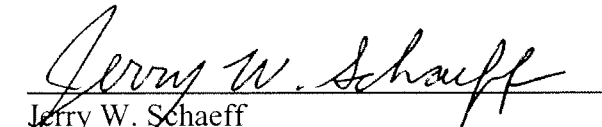
The Company shall reimburse employees for customary fees and expenses in conjunction with obtaining a commercial driver's license or a special operating permit or license which is specifically requested and authorized by the Company. These provisions apply to those employees seeking a new or periodic renewal of such license or permit. Employees shall be permitted to obtain such new or renewal license or permit on paid Company time at an hour and location selected by the Company. The Company shall determine the number of employees with such licenses or permits required to operate the business and may increase or decrease this number as required.

Such reimbursement shall not be made if an employee loses or forfeits the license or permit through their own acts or omissions.

This Memorandum of Agreement will remain in effect through the term of the 2012 Collective Bargaining Agreement between the Parties.

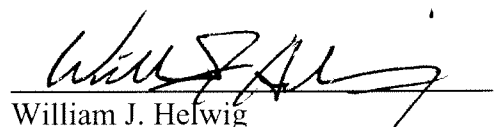
AGREED:

FOR THE UNION:


Jerry W. Schaeff
CWA Assistant to the Vice-President

April 8, 2012
Date

FOR THE COMPANY:


William J. Helwig
Director Labor Relations

April 8, 2012
Date

MEMORANDUM OF AGREEMENT

SUCCESS SHARING PLAN

Based on the Union and Company’s desire to have employees share in the success of AT&T Inc. (“AT&T”), the parties agree to a Success Sharing Plan (“SSP”) as described herein to provide an award based on AT&T stock price appreciation and dividend rates (“Award”).

A. Plan Components

1. Success Units

Employees will be awarded 150 success units at the beginning of each award year reflected in the table in section A.2. below (“Award Year”). 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 Award calculation and is not a share of stock nor has any other value.

2. Determining Award Value

Award Year	Beginning Award Value	Ending Award Value
2013 (October 1, 2012 to September 30, 2013)	October 1, 2012 closing AT&T stock price	September 30, 2013 closing AT&T stock price
2014 (October 1, 2013 to September 30, 2014)	October 1, 2013 closing AT&T stock price	September 30, 2014 closing AT&T stock price
2015 (October 1, 2014 to September 30, 2015)	October 1, 2014 closing AT&T stock price	September 30, 2015 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

For Award Years 2014 and 2015, the Award will include a dividend rate value. The dividend rate value will be determined by adding each AT&T declared quarterly dividend during the Award Year (historically December, March, June, and September) and multiplying this total by 150 success units.

4. Award Calculation

A. For Award Year 2013:

Employees will receive a total Award based on the difference between the ending award value and the beginning award value for the Award Year times 150 success units. For example:

Stock Appreciation Value:

Beginning award value – October 1, 2012 closing AT&T stock price \$30.00

Ending award value – September 30, 2013 closing AT&T stock price \$35.00

Total Award – \$35 - \$30 = \$5 x 150 success units = \$750.00

B. For Award Year 2014 and 2015:

Eligible employees will receive a total Award 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 Award Value:

Beginning award value – October 1, 2013 closing AT&T stock price \$30.00

Ending award value – September 30, 2014 closing AT&T stock price \$35.00

Stock Appreciation Award Value – \$35 - \$30 = \$5 x 150 success units = \$750.00

Dividend Rate Value:

December 2013 declared dividend \$.44

March 2014 declared dividend \$.44

June 2014 declared dividend \$.44

September 2014 declared dividend \$.44

Total Declared Dividend \$1.76

Dividend Rate Value - \$1.76 x 150 success units = \$264.00

Total Award for 2014 Award Year:

\$750.00 stock appreciation award value + \$264.00 dividend rate value = \$1,014.00

C. Award Distribution

The Award will be made available as soon as practicable after the Award Year and will normally occur by the first day of December. Eligible Lump Sum Candidates will usually receive their Award on the payday of the last full pay period in November. Eligible HRA Candidates will have their Award credited to their HRA account at a date to be determined by the Company (“HRA Crediting Date”)

B. Eligible Employees

Eligible employees may receive either: (A) an annual lump sum credited to a Health Reimbursement Account (“HRA”) established under an employee benefit plan sponsored by the Company, pursuant to the Internal Revenue Code and applicable regulations, or (B) an annual lump sum cash payment, as provided herein. Eligibility for an Award in the form of HRA crediting or a cash lump sum payment is determined as of July 1, 2012. A Midwest Region Core Bargained Employee (as defined in Article 16) who is enrolled in a Company sponsored medical plan on July 1, 2012 and any employee who is hired, rehired or transferred to a position in the Midwest Region Core Bargaining unit on or after July 1, 2012 (“HRA Candidate”), are only eligible for an Award in the form of HRA crediting. A Midwest Region Core Bargained Employee who is employed on July 1, 2012 and not enrolled in a Company sponsored medical plan on July 1, 2012 (“Lump Sum Candidate”) is only eligible for an Award in the form of a cash lump sum payment.

An HRA Candidate is only eligible for an Award as described above in the form of annual crediting to an HRA for each Award Year if he/she is a regular, temporary or term employee who (A) is on the payroll on both the beginning and ending dates of the Award Year, (B) works for a minimum of three (3) months within the Award Year in a position covered by this Collective Bargaining Agreement, and (C) is enrolled in a Company-sponsored medical plan on the HRA crediting date for that Award Year. An HRA Candidate who does not satisfy the foregoing conditions for an Award Year is not eligible for an Award for that Award Year.

A Lump Sum Candidate is eligible for an Award as described above in the form of a cash lump sum payment if he/she is a regular, temporary or term employee who is on the payroll on both the beginning and ending dates of the Award Year and who works for a minimum of three (3) months within the Award Year in a position covered by this Collective Bargaining Agreement.

HRA Candidates and Lump Sum Candidates (collectively “Eligible Employees”) who are on approved leaves of absence or short-term disability absence and meet the other eligibility requirements shall receive an Award in the form provided above, provided they return to active duty on or before December 31 of the calendar year in which the Award Year ends and, if the Award is in the form of HRA crediting, are enrolled in the Company sponsored medical plan on the HRA Crediting Date.

Any Eligible Employee who transfers between AT&T Companies offering an SSP will be eligible to receive an Award under the terms of the SSP applicable to the Eligible Employee’s current bargaining unit at the time of the Award, so long as the combined service in both AT&T Companies satisfies the above eligibility provisions.

C. Part-Time Employees

Eligible Employees classified as part-time employees will receive a prorated Award based on their part-time classification (or “part-time equivalent work week”) on the ending date of the award year.

D. Benefits Treatment

A cash lump sum Award paid to a Lump Sum Candidate will be recognized as eligible compensation under the following benefit plans:

- Medical
- Life Insurance
- Pension
- Savings Plan

E. Taxes, Personal Allotments

A cash lump sum Award paid to a Lump Sum Candidate is subject to state and local taxes, Federal Income Tax, Social Security Tax, Medicare Tax, and any state disability deductions at the time of payment, and union dues will be deducted at the same rate as they are deducted for wages. Eligible Employees with 401(k) pre-tax elections will not have State or Federal Income Taxes deducted from that portion of their cash lump sum Award.

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

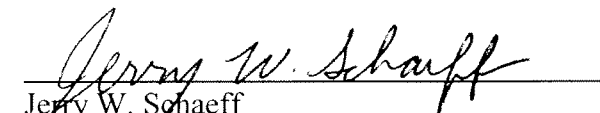
F. Dispute Resolution

Company determination 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.

This Memorandum of Agreement will remain in effect through the term of the 2012 Collective Bargaining Agreement between the Parties.

AGREED:


FOR THE UNION:



 Jerry W. Schaeff
 CWA Assistant to the Vice-President

April 8, 2012
Date

FOR THE COMPANY:



 William J. Helwig
 Director Labor Relations

April 8, 2012
Date

MEMORANDUM OF AGREEMENT

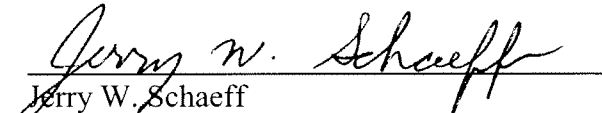
WORK AT HOME / TELECOMMUTING TRIALS

The Union and the Company recognize that it may be beneficial to the employees to establish Work At Home / Telecommuting Trials. Therefore, it is understood that such initiatives (current and future) require the concurrence of both the Company and the Union.

This Memorandum of Agreement will remain in effect through the term of the 2012 Collective Bargaining Agreement between the Parties.

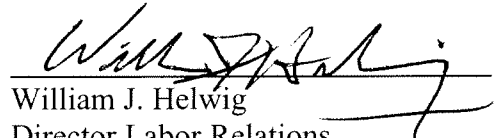
AGREED:

FOR THE UNION:


Jerry W. Schaeff
CWA Assistant to the Vice-President

April 8, 2012
Date

FOR THE COMPANY:


William J. Helwig
Director Labor Relations

April 8, 2012
Date

MEMORANDUM OF AGREEMENT

SAFETY ADVISORY COUNCIL

This Memorandum covers the understanding reached between the Company and the Union in the matters of safety and work environment. The Parties agree to establish for the duration of this Agreement a single Safety Advisory Council. The Council shall meet periodically as appropriate and will consist of one Union representative from each state as well as an appropriate number of management representatives.

The function of this Advisory Council shall be to advise the Company and to discuss issues concerning OSHA, DOT & EPA. The Council may review proposed new or redesigned safety, environment & transportation programs developed; formulate suggested changes in existing practices and rules; suggest new safety practices & rules; review accident statistics and trends.

A local safety committee will be established where appropriate and when both the Company and the Union mutually agree that a committee should be established.

In connection with any of the above activities, active employees shall be compensated for time spent for attending such council meetings during the employee's scheduled shift at the employee's regular basic wage rate of pay.

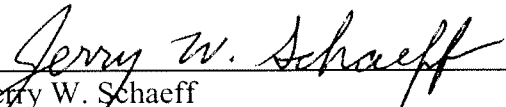
Pay and/or expenses for Safety Advisory Council representatives who are Company employees not on a Leave of Absence for Union Business will be as follows:

- One time each year, the Safety Advisory Council will meet in person. Since it is envisioned that this meeting will be held in Hoffman Estates, the Company will reimburse the Union representatives for reasonable round trip transportation expenses to Hoffman Estates to attend this meeting.
- Additional Safety Advisory Council meetings may be held by teleconference, videoconference, or any other effective method. If the Parties mutually agree to hold additional Safety Advisory Council meetings in person, the Company may reimburse the Union representatives for reasonable round-trip transportation expenses to such meetings.
- The time of such representatives when meeting with the Company will be considered joint union - management time and be paid up to eight (8) hours basic wages per day.
- The Company will not pay for overtime or wage differentials and assumes no obligation for any other time or expenses of Union representatives.

This Memorandum of Agreement will remain in effect through the term of the 2012 Collective Bargaining Agreement between the Parties.

AGREED:


FOR THE UNION:



Jerry W. Schaeff
CWA Assistant to the Vice-President

April 8, 2012
Date

FOR THE COMPANY:



William J. Helwig
Director Labor Relations

April 8, 2012
Date

MEMORANDUM OF AGREEMENT

CONTRACTING OUT

This Memorandum of Agreement covers understandings reached between the Company and the Union regarding the use of contractors by the Company.

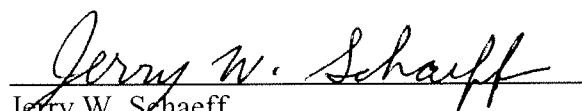
The Parties have discussed both the Company's need to contract out work and the concern of employees about the potential effects on them. The Company has stated that its objective in making decisions regarding the contracting out of work is to carefully consider the interests of customers and employees, as well as all other factors relating to management of the business.

While the Company cannot make specific commitments regarding the contracting out of work, it is the Company's general policy that traditional telephone work will not be contracted out if it will currently and directly cause layoffs or part-timing of regular employees in the Bargaining Unit. When reviewing bids received regarding contracting out, the Company will give consideration to utilizing available Union contractors, but the Company shall retain the sole discretion to select the contractor to receive the work.

This Memorandum of Agreement will remain in effect through the term of the 2012 Collective Bargaining Agreement between the Parties.


AGREED:

FOR THE UNION:


Jerry W. Schaeff
CWA Assistant to the Vice-President

April 8, 2012
Date

FOR THE COMPANY:


William J. Helwig
Director Labor Relations

April 8, 2012
Date

MEMORANDUM OF AGREEMENT

CONTRACTING OUT REVIEW

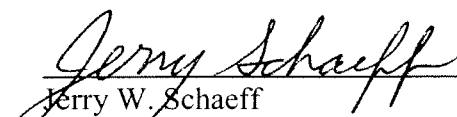
This Memorandum of Agreement covers discussions between the Company and the Union regarding the periodic review of contracted out work during the term of the Parties' 2012 Collective Bargaining Agreement.

1. On a quarterly basis, the Company's Director - Labor Relations (or the designated Labor Relations representative), along with two (2) other Company representatives and the appointed representatives of the Union's Vice-President District 4 will meet to review traditional telephone work identified by the Union which has been contracted out. Union members shall consist of not more than three (3) Union Representatives. Committee members who are employees shall be compensated for attending Committee meetings authorized by the Company during the employee's scheduled shift at the employee's basic wage rate in accordance with Article 10.06 of the current Collective Bargaining Agreement. The Company will also pay associated reasonable transportation expense and/or lodging expense of employees, when authorized by the Company.
2. In advance of any scheduled review meeting, the Company will provide the following information regarding the identified subcontracted work to be reviewed: The name(s) of the contractor(s); the nature of the work; the zip code(s) of the location(s) where the work was performed; and, if available, the number of hours of work subcontracted and associated costs, provided such information is not considered proprietary information and the disclosure of such information is not detrimental to the operation of the business. The focus of such reviews shall be to afford the Union an opportunity to suggest ways in which the Company could, in the future, use Bargaining Unit members to perform the same contracted out work at the same or lower total cost to the Company and within the same completion time requirements.
3. Where such suggestions are presented by the Union, the Company will give them due consideration and will advise the Union of its determination.

This Memorandum of Agreement will remain in effect through the term of the 2012 Collective Bargaining Agreement between the Parties.

AGREED:


FOR THE UNION:



Jerry W. Schaeff
CWA Assistant to the Vice-President

April 8, 2012
Date

FOR THE COMPANY:



William J. Helwig
Director Labor Relations

April 8, 2012
Date

MEMORANDUM OF AGREEMENT

AT&T MIDWEST NON-MANAGEMENT STAFFING PROCESS

This Memorandum of Agreement reflects the agreement reached between the Company and the Union regarding the AT&T Midwest Non-Management Staffing Process.

This staffing process applies to all regular employees, except regular limited term employees unless mutually agreed to by the Union and the Company.

This memo does not change any of the contractual provisions for placement of surplus as defined in Article 26 of the Collective Bargaining Agreement (CBA).

If it becomes necessary to make changes to this agreed-upon staffing process such changes will be discussed with the Union prior to implementation.

Employees are encouraged to have a skill profile and test request on file prior to self-nominating for an open position, however, it is not mandatory to be considered for an open position.

Employees will be scheduled for testing based on projected job needs and employee availability (e.g. vacation, etc). If an employee is considered to be a candidate for an open position, but is unavailable for 5 business days or less to be scheduled for testing, regardless of whether there is a test request on file, the open position will not be filled until the employee can be tested.

If an employee, considered to be a candidate for an open position, is unavailable for 10 business days for test scheduling due to vacation and has had a test request on file for at least 30 days prior to the posting date of the open position, the open position will not be filled until the employee can be tested.

Employees who have not completed time on assignment requirements will be able to submit a request to be scheduled for testing three (3) months prior to the end of their time-on-assignment period.

Employees who are selected for positions through this agreed-upon AT&T Midwest Staffing Process will be required to serve time-on-assignment when their job title changes and/or the content of their job changes. Generally a change in job content is a result of movement between Market Business Units. Time on assignment must be served prior to an employee's transfer to a different job unless waived by management and agreed upon by Labor Relations.

Open positions will be posted for seven (7) calendar days. Employees will be able to self-nominate for these positions twenty-four (24) hours a day, seven (7) days a week. Employees may bid on an unlimited number of open positions.

All employees who have nominated for the open positions, including employees who are test qualified and those awaiting testing as noted above, will be considered for open positions provided such employees meet the requirements for satisfactory attendance and performance pursuant to the AT&T Midwest Staffing Process and have satisfied time on assignment.

Selection for open positions will be made by the Company in accordance with Article 15 of the Collective Bargaining Agreement.

If an employee selected for an open position is unable to satisfactorily complete training or is unable to satisfactorily perform the duties of the job during the first six (6) months following formal training, the employee will be retreated to his/her former job or a job of like status and pay, in comparison to his/her former job.

Employees who have accepted a promotion or a position involving a job content change may, within ninety (90) days of the effective date of the transfer, notify their supervisor in writing that they wish to retreat to their former position. Employees will be retreated to their former jobs or equivalent jobs as the needs of the business permit. However, new time on assignment requirements must be met before an individual voluntarily retreating may be considered for other open positions in the future.

The Company will provide the Union with copies of revised Job Briefs for its review and will consider the Union's input for future revisions.

A designated member of the Union may contact the designated Company counterpart to address the appropriateness of qualifications for a posted job vacancy. The Company will respond within two (2) business days as to the appropriateness of the qualifications for the posted job vacancy.

Skills verification will be required in situations where the skill is a factor in the selection of the candidate. Hiring Managers must return completed skills verification forms to the AT&T Midwest Staffing Center.

On a requisition, twenty-five (25) points will be added to the most senior candidate, per job opening. If the most senior candidate declines the job, or is otherwise disqualified, the points will be reassigned to the next senior candidate. If that candidate declines the job or is disqualified, these same twenty-five (25) points will be successively assigned in seniority order until the requisition is filled.

If the Company determines it is necessary to make changes to the Additional Qualification points, currently within the range of 98-103, it will discuss the changes and any impact they may have with the Union.

An Oversight and Review Board composed of three (3) AT&T Midwest representatives and three (3) members of the Union will meet quarterly, when necessary, and will:

- Monitor the ongoing operation of the AT&T Midwest Staffing Process.

- Analyze its overall results.
- Provide a forum to address concerns raised about the staffing of jobs through the AT&T Midwest Staffing Process, including skills verification.

The Company and the Union will continue, through the use of joint teams, to review the appropriate adders for each official job title within the Company. The teams will be made up of representatives of the Labor Relations and Company Staffing organizations, front line managers, a representative from the CWA Oversight Committee and Union-represented employees that are currently performing the job being reviewed.

As the Administrative Guidelines are updated, the Company will provide copies to the CWA International and each Local Union.

The Company will supply the CWA International the ability for “view only” access to the AT&T Midwest Staffing system at a location of the Union’s choice. Training costs of the Union Representative and reasonable time spent by the Union Representative jointly investigating grievances associated with the Staffing Plan with the Company Representatives will be assumed by the Company.

The following guidelines apply to Panel Interviews:

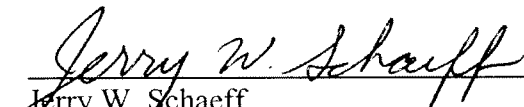
- Panel interviews will be restricted to a pass or fail criterion.
- All people participating as panel interviewers will be trained on the interview process.
- All interviews will be performed by a panel, not one individual.
- The interview will be consistently applied to all applicants for a position.
- The interview process will be used to assess skills or aptitudes as they relate to the position.
- The interview process will not be utilized to duplicate other tests.

This Memorandum of Agreement in no way changes the Union’s grievance and arbitration rights which are in effect at the time of the signing of this Memorandum.

This Memorandum of Agreement shall remain in effect through the life of the 2012 Collective Bargaining Agreement.

AGREED:


FOR THE UNION:



Jerry W. Schaeff
CWA Assistant to the Vice-President

April 8, 2012
Date

FOR THE COMPANY:



William J. Helwig
Director Labor Relations

April 8, 2012
Date

MEMORANDUM OF AGREEMENT

CWA/AT&T MIDWEST CUSTOMER SERVICE RESPONSE TEAM

The Company and the Union mutually recognize that responsive interaction and communication with customers by front line employees is essential to providing quality customer service and successfully meeting the challenges of a competitive marketplace.

Also recognized is the need to assure the front line employees a customer focused workplace wherein efficient high quality customer service is promoted in an environment supportive of employees' needs for professional growth and sensitive to their need for personal consideration.

Accordingly, the Company and the Union hereby agree to continue CWA/AT&T Midwest Customer Service Response Team(s) which will bring together key Union leaders and Company executives to review and discuss on an oversight basis those issues concerning front line employees in their provisioning of customer service in the Market Business Units that have traditionally participated in such meetings. Company executives may represent a specific Market Business Unit, or multiple Market Business Units.

Such oversight discussions and reviews by the team are intended to encompass the broad range of issues which may affect front line employees and the management team in their joint commitment to provide high quality customer service. These will include service levels, performance standards AWT/CST, monitoring, adherence, job stress, sales objectives, training, vacation scheduling, employee attitudes, staffing, and other issues as appropriate.

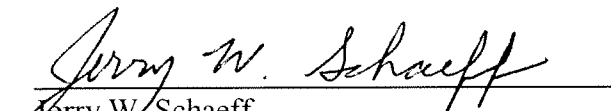
The Company team(s) will consist of at least a Vice President and an HR representative from the Market Business Unit(s) and the Director of Labor Relations-CWA. In addition to the appropriate International Representative, the Union will appoint a number of key representatives equal to the number of AT&T Midwest states in which the participating Market Business Unit(s) has operations.

The Team will meet at least annually, and up to four (4) times a year if mutually agreed by the Parties. Time spent during the meetings will be considered as Company-Union meeting time. Payment for such time will be paid as detailed in Article 10.06, Section: Payment for Joint Meeting Time of the Collective Bargaining Agreement. The Company will pay associated transportation and lodging expense as agreed to prior to each meeting.

This Memorandum of Agreement will remain in effect through the term of the 2012 Collective Bargaining Agreement between the Parties.

AGREED:

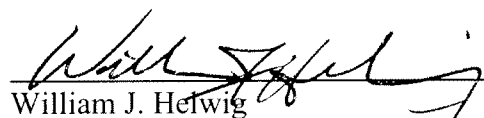
FOR THE UNION:



Jerry W. Schaeff
CWA Assistant to the Vice-President

April 8, 2012
Date

FOR THE COMPANY:



William J. Helwig
Director Labor Relations

April 8, 2012
Date

MEMORANDUM OF AGREEMENT

MONITORING

The Company and the Union acknowledge that there is a responsibility to provide high quality service to customers and the need to be in a position to effectively compete in today's increasingly competitive communications industry. It is the intent to develop overall performance to provide service to customers in an efficient, courteous and responsive way.

Monitoring is a tool to evaluate the on-line effectiveness of employees to reach and maintain quality service. The approach for monitoring will continue to be based on a premise that fosters a work environment that builds on mutual trust and respect which enhances job satisfaction.

Monitoring includes, but is not limited to, the following:

- a) **Service Observations:** Monitoring of this type is intended to randomly review the performance of the work group to determine their effectiveness in providing quality service to customers. Official Service Observations, made at the direction of the Company for the primary purpose of determining the overall quality of service furnished to customers, are not intended nor will they be used for the purpose of identifying or rating the performance of individual employees except as noted below. The Company will not publish any result data of any official observing for small offices that would allow for identification of individual employees.
- b) **Diagnostic:** Monitoring of this type is intended to review and evaluate new or changed products, practices and procedures.
- c) **Evaluative/Developmental:** Monitoring of this type is intended to be handled in a professional and confidential manner and to document performance of the individual employee for evaluation purposes. This type of monitoring will be conducted by management personnel and will generally be done at the work address/location. While conducting remote evaluative/developmental monitoring, management must display a visual indicator that employee monitoring is in progress. Evaluative/Developmental call monitoring will be from a sampling of calls. Such calls will not be arbitrarily selected for evaluative purposes. The monitoring results should be reviewed with the employee within twenty-four (24) hours after the monitoring has taken place. Other managerial steps, such as training sessions, visual observations, individual discussions and coaching may be used in addition to monitoring to evaluate and improve an employee's performance.

Individual notification will be given to employees to be monitored the day the Evaluative/Developmental Monitoring takes place. Employees' preference for side by side or remote observations will be honored where existing facilities permit.

Exception: Individual notification and preference are applicable once an employee has six (6) months' on job experience after completion of formal training.

Where an employee demonstrates difficulty meeting established performance expectations, he/she may lose the privilege of receiving notification and choice of preference until performance expectations are met on a consistent basis.

Monitoring used for Service Observations or Diagnostic review, will not result in employee discipline unless customer abuse, fraud or violation of the Company Code of Business Conduct are involved.

To administer monitoring, the Company will set guidelines on the monthly number of Service Observation and Diagnostic calls handled by employees which will be subject to managerial monitoring. These guidelines will provide for reasonable Company-wide consistency in the number of monitored calls needed to obtain a valid sample of the employee's grade of service and to determine his/her training needs. Monitoring is not intended to harass an individual employee or any group of employees, nor should it be used to create an atmosphere of pressure in the work environment.

The Company's reasons for engaging in monitoring will be explained to employees subject thereto. They will be informed of the proper use of such monitoring by their managers.

Managers will be trained in analyzing observation data, in planning appropriate training, and in improving their interviewing skills, including placing emphasis on the positive aspects of an employee's job performance.

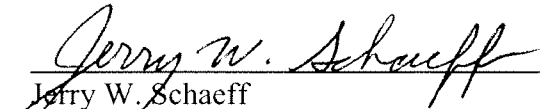
At their request, employees will be allowed reasonable time during working hours (normally during a feedback of the results of manager's monitoring) to review their monitoring records and work performance summaries.

It is not the Company's primary intent to use GPS, AMAs or electronic reports to monitor and discipline employees. However, should the Company become aware of misconduct through the normal use of GPS, AMA's or electronic reports the Company can not ignore such information and reserves the right to take appropriate action, including application of appropriate discipline.

This Memorandum of Agreement will remain in effect through the term of the 2012 Collective Bargaining Agreement between the Parties.

AGREED:

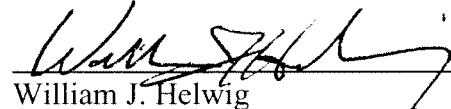
FOR THE UNION:



Jerry W. Schaeff
CWA Assistant to the Vice-President

April 8, 2012
Date

FOR THE COMPANY:



William J. Helwig
Director Labor Relations

April 8, 2012
Date

MEMORANDUM OF AGREEMENT

**INNOVATIVE SCHEDULING
(FLEXTIME)**

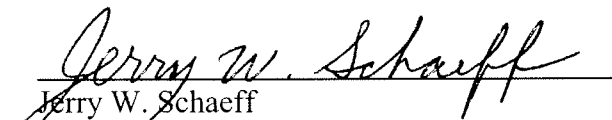
This Memorandum will confirm our understanding that the Company will encourage innovative scheduling including flextime in those organizations that determine such scheduling permits them to meet the needs of the business. Such scheduling shall be in accordance with those provisions of the 2012 Collective Bargaining Agreement between the Union and the Company governing scheduling. Both the Company and the Union will encourage the active involvement of Local Union Officers in "Flextime" implementation efforts.

It is further understood that if such scheduling does not prove to be in the best interest of the business, it will be discontinued effective with one (1) week's notice to the employees involved.

This Memorandum of Agreement will remain in effect through the term of the 2012 Collective Bargaining Agreement between the Parties.

AGREED:


FOR THE UNION:



Jerry W. Schaeff
CWA Assistant to the Vice-President

April 8, 2012
Date

FOR THE COMPANY:



William J. Helwig
Director Labor Relations

April 8, 2012
Date

MEMORANDUM OF AGREEMENT

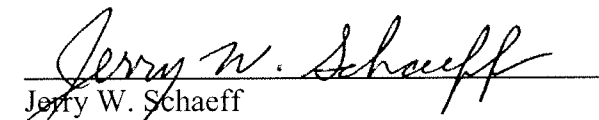
MEDICAL FACILITIES OR PHYSICIAN VISITS

The Company will reimburse employees for personal travel expenses incurred in connection with Company directed visits to Medical Facilities or Company designated local physicians, including such visits related to cases of disability. The Company will not reimburse employees for any expense incurred in connection with non-Company directed medical related visits or for those visits to a personal physician in order to secure a doctor's signature on a disability certificate.

This Memorandum of Agreement will remain in effect through the term of the 2012 Collective Bargaining Agreement between the Parties.

AGREED:

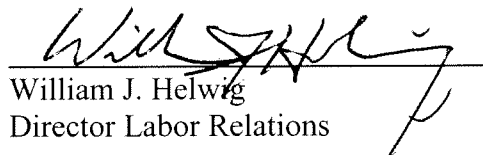
FOR THE UNION:



Jerry W. Schaeff
CWA Assistant to the Vice-President

April 8, 2012
Date

FOR THE COMPANY:



William J. Helwig
Director Labor Relations

April 8, 2012
Date

MEMORANDUM OF AGREEMENT

LABOR ADVISORY FORUM

The Union and Company recognize that the ever changing telecommunications marketplace makes it mutually beneficial to maintain open and meaningful dialogue at the highest Union/Management levels concerning the Company's competitive challenges, business needs and the Union's desire to provide significant input concerning related Company decisions and actions which may effect and/or impact Union-represented employees.

Therefore, the Parties agree to initiate a joint Labor Advisory Forum for the purpose of ensuring such open dialogue and to forge a stronger partnership dedicated to the promotion of mutually beneficial objectives.

The Parties intend that Forum members may convene to collectively address a wide range of key business and employee related issues including, but not limited to the following:

- Market changes;
- New and potential business initiatives;
- Industry-wide technological change and opportunities;
- Ways to improve terms and conditions of employment;
- Enhancing employees' readiness for future opportunities.

The Forum will be co-chaired by the Company's Vice President-Labor Relations and the CWA Vice President - District Four. Other Forum members will include:

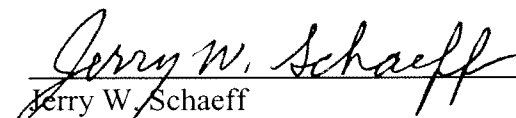
- Those Union representatives assigned responsibilities for contact with the respective Market Business Units;
- Key Labor Relations staff managers, including Labor Relations liaisons to the respective Market Business Units;
- Key Market Business Unit leaders as agreed upon.

The Forum may be scheduled to meet at least twice per calendar year, but may meet more or less often as mutually agreed upon by the co-chairs. Forum meetings may be convened as appropriate to include additional participants upon mutual agreement of the co-chairs, e.g., convene a larger group meeting to include all local Union presidents region-wide and additional Market Business Unit leaders.

This Memorandum of Agreement will remain in effect through the term of the 2012 Collective Bargaining Agreement between the Parties.

AGREED:


FOR THE UNION:



Jerry W. Schaeff
CWA Assistant to the Vice-President

April 8, 2012
Date

FOR THE COMPANY:



William J. Helwig
Director Labor Relations

April 8, 2012
Date

MEMORANDUM OF AGREEMENT

GUARANTEED PERSONAL TIME OFF

The Company is sensitive to our employees' personal responsibilities and in an effort to accommodate employees in this area, the Company and the Union have mutually agreed to the following provisions regarding an employee's guaranteed unscheduled time off.

1. An employee will be allowed, on request, to take off two (2) of his or her single days (Excused Work Day or a Day-At-A-Time Vacation Day) per year except during the months of June, July or August. One (1) person per work group, per day, (for work groups of less than 100 employees) or 1 person per 100 employees (for work groups larger than 100 employees), will be allowed off unless otherwise mutually agreed locally. Eligibility requirements for Excused Work Days and Day-At-A-Time Vacation are set forth in Articles 22 and 23 of the 2012 Collective Bargaining Agreement, respectively.
2. In addition, twice every six (6) months, employees will be allowed to utilize, on request, either:
 - one (1) half-day excused work day; or
 - one (1) 2-hour increment of an excused work day; or
 - one (1) half-day vacation day.

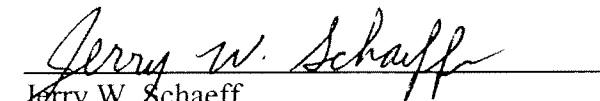
The granting of this time off is limited to four (4) incidents per calendar year per eligible employee. One (1) employee per work group, per day, (for work groups of less than 100 employees) or 1 person per 100 employees (for work groups larger than 100 employees), will be allowed off unless otherwise mutually agreed locally. Eligibility requirements for 2-hour increments or half-day excused work days or half-day vacation are set forth in Article 22 and 23 of the 2012 Collective Bargaining Agreement, respectively.

3. Time off identified in paragraphs 1 & 2 above may not be taken on a Company Recognized Holiday and may only be utilized Monday through Friday.

This Memorandum of Agreement will remain in effect through the term of the 2012 Collective Bargaining Agreement between the Parties.


AGREED:

FOR THE UNION:


Jerry W. Schaeff
CWA Assistant to the Vice-President

April 8, 2012
Date

FOR THE COMPANY:


William J. Helwig
Director Labor Relations

April 8, 2012
Date

MEMORANDUM OF AGREEMENT

OVERTIME

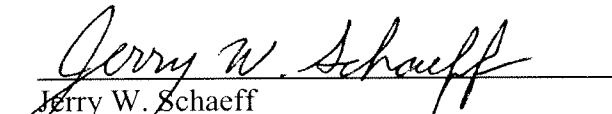
This Memorandum of Agreement covers the agreement reached between the Company and the Union concerning the need to work overtime when required by service requirements and conditions of the business.

1. The Parties agree that Company employees working at Company locations in the states of Michigan, Indiana, Illinois and Wisconsin shall be required to work overtime when required by the demands of the business, consistent with existing practices and/or contractual agreements in those states.
2. The requirement to work overtime for employees in these states shall be under the following conditions:
 - (A) Employees shall not be required to work overtime in excess of nine (9) hours in any calendar week during eight (8) months of the calendar year nor in excess of twelve (12) hours in any calendar week during four (4) months of the calendar year as designated by each Market Business Unit. Such designation shall be made by December 31 of the preceding calendar year.
 - (B) The provisions of (A) above shall not apply in cases of emergency or when an employee agrees to overtime assignments in excess of the hours specified in (A) above. An emergency shall be defined as an event of national or local importance, fire, explosion, or other catastrophe, civil strife, severe weather conditions, or any other occurrence which restricts the Company in meeting service demands.
3. In those instances where the Company determines that employees will be required to work overtime, the Company shall provide employees at least two (2) hours notice prior to the end of their shift. In the event of unforeseen circumstances, the Company shall provide employees with as much notice in advance as possible.
4. The Parties further agree that Company employees working at Company locations in the state of Ohio shall work overtime on a voluntary basis, consistent with existing practices in Ohio.

This Memorandum of Agreement will remain in effect through the term of the 2012 Collective Bargaining Agreement between the Parties.


AGREED:

FOR THE UNION:


Jerry W. Schaeff
CWA Assistant to the Vice-President

April 8, 2012
Date

FOR THE COMPANY:


William J. Helwig
Director Labor Relations

April 8, 2012
Date

MEMORANDUM OF AGREEMENT

EMPLOYMENT SECURITY COMMITMENT

This Memorandum of Agreement – Employment Security Commitment (“Memorandum”, “Commitment” or “ESC”) covers understandings reached between the Company and the Union regarding employment security.

In response to CWA and employee concerns regarding employment security and in addition to the existing provisions in Article 26, Training and Employment Security, Section: Force Adjustment, of the 2012 Collective Bargaining Agreement between the Company and the Union (“Agreement”), the Parties agree as follows:

1. The Company will guarantee employment security from involuntary layoff (“Job Offer Guarantee”) during the period stated herein to qualified surplus regular employees, hired prior to April 04, 2004, subject to the conditions and provisions contained in this Commitment.

NOTE:

- (A) This Commitment does not apply to an employee who has been offered the opportunity to follow the work within their Market Zone (Attachment) nor shall it continue to apply to an employee who is offered the opportunity to fill a position in their Market Zone under Article 26, Training and Employment Security, Section: Force Adjustment, of the 2012 Collective Bargaining Agreement.
 - (B) In addition, an employee who is offered a job under an expanded Voluntary SIPP option as defined in Article 26, Training and Employment Security, Section: Force Adjustment, paragraph 26.40 (B (1-5)) may not participate in this ESC.
 - (C) An employee who elects to participate in the ESC cannot participate in the Training Opportunity Plan (“TOP”).
2. Any regular employee hired prior to April 04, 2004 (except those excluded by the note in paragraph 1, above) who, after the effective date of this Agreement, is declared surplus pursuant to Article 26, Training and Employment Security, Section: Force Adjustment shall, prior to involuntary layoff, be offered a job in their Market Zone by the Company for which they are qualified, provided the employee has first fulfilled the following conditions:
 - (A) Is already test qualified for consideration, or becomes so qualified by passing the Technical Mechanical Test (TMT) and the Customer Contact Audition (CC Audition) or their replacements.
 - (B) Meets current job requirements.

- (C) Within sixty (60) days of the date of Surplus Notification, or by such later date as is determined by Management, advises the Company of their election to invoke the Job Offer Guarantee, and to be considered for all jobs at all locations within their Market Zone beginning on the ninety-first (91st) day* following the date of Surplus Notification (*on the day following the anticipated force disposition date for those surplus situations declared more than ninety [90] days in advance). After the sixty (60) day election period, or by such later date as is determined by management, an employee who elects the ESC cannot change their election and choose TOP.

NOTE: The provisions of Article 26, Training and Employment Security, Section: Force Adjustment, paragraph 26.41 will not apply to employees who invoke the Job Offer Guarantee.

- 3. The guaranteed job offer shall be made to those qualified employees in the Surplus Employee Group as defined in Article 26, Training and Employment Security, Section: Force Adjustment, by order of seniority beginning on the 91st day* following the date of Surplus Notification (*on the day following the anticipated force disposition date for those surplus situations declared more than ninety [90] days in advance). The Company may make a guaranteed job offer for positions with companies not signatory to this 2012 Collective Bargaining Agreement consistent with the terms of the Inter Subsidiary Movement Process/CWA Surplus Exchange referenced in the 2012 National Transfer Plan ("2012 NTP"). Employees accepting a job offer outside their current bargaining unit shall be treated as if they had transferred under the terms and conditions of the 2012 NTP processes and shall be subject to all applicable receiving company practices, policies, collective bargaining agreement provisions and benefit plan eligibility standards, including those related to or affected by Net Credited Service.

- (A) An employee to whom a guaranteed job offer has been made has one (1) working day to accept the offer after which it will be considered rejected.
- (B) Rejection of a guaranteed job offer** for which a Company referenced in the National Transfer Plan has vacancies, voids this ESC, and shall be considered an election by the employee to continue under the terms of Article 26, Training and Employment Security, Section: Force Adjustment, except for the provisions outlined in paragraph 26.41, Article 26, Training and Employment Security, Section: Force Adjustment.

** If the guaranteed job offer is not a lateral or an upgrade within the Force Adjustment Area (FAA), the employee may accept the Company's earlier offer of the Transitional Leave of Absence (TLA) as referenced in Article 26.36(H) of the current Collective Bargaining Agreement, if eligible.

- (C) A qualified surplus employee who, at his/her force disposition date, is entitled to, but has not yet received, a guaranteed job offer shall remain on the payroll at

his/her existing wage rate and shall be assigned such work within the FAA, as management deems appropriate until a guaranteed job offer is made.

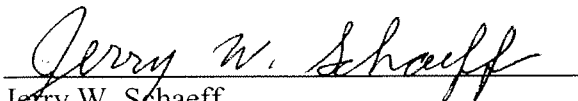
NOTE: Any employee who has been retained on the Company payroll beyond his/her force disposition date pursuant to this ESC and who then rejects a guaranteed job offer, in their Market Zone for which the companies listed in the 2012 NTP process have vacancies shall be terminated. The amount of wages paid said employee between the force disposition date and termination shall be deducted from any termination payment due.

4. The terms of this Commitment shall not apply to "Union-Management modifications" to the force surplus disposition procedures as provided for in paragraph 26.44 of Article 26, Training and Employment Security, Section: Force Adjustment, unless Union and Management mutually agree.
5. The force surplus conditions contemplated and dealt with in this Commitment are those which occur in the normal course of business for reasons such as technological change, etc. The Company retains the right, however, to suspend or cancel at any time the application of this Commitment when a force surplus is declared because of any significant change or extraordinary fluctuation in economic or business conditions as determined by the President of the Market Business Unit. Examples of significant changes, include but limited to, the following:
 - (A) The cessation of a line of business;
 - (B) An interexchange carrier takeback of billings and collections functions.
6. Wage treatment for employees who accept or receive jobs pursuant to paragraph 3, above, shall be in accordance with the Parties' 2012 Collective Bargaining Agreement.
7. Upon ratification of the Parties' 2012 Collective Bargaining Agreement, the Company agrees that, for the term of the 2012 Collective Bargaining Agreement the Company will not exercise its right to suspend or cancel this Memorandum, as set forth in Paragraph 5, above.
8. Paragraph 2 of this Memorandum will be subject to arbitration. Paragraphs 1, 3, 4, 5, 6 and 7 shall not be subject to arbitration.

This Memorandum of Agreement will remain in effect through the term of the 2012 Collective Bargaining Agreement between the Parties.

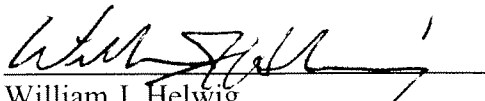
AGREED:

FOR THE UNION:


Jerry W. Schaeff
CWA Assistant to the Vice-President

April 8, 2012
Date

FOR THE COMPANY:


William J. Helwig
Director Labor Relations

April 8, 2012
Date

MARKET ZONES

<u>ZONE NUMBER</u>	<u>MARKET ZONE</u>	<u>DEFINITIONS</u>
1	Illinois	The entire State of Illinois
2	Indiana	The entire State of Indiana
3	Wisconsin	The entire State of Wisconsin
4	Metropolitan Detroit	The area of the State that is both East of U.S. Route 23 and South of Interstate 69 and including, in their entirety, the cities of Ann Arbor, Monroe, Port Huron, and also including Toledo, Ohio, but excluding in its entirety the City of Flint. ¹
5	Outstate Michigan	That area of the State of Michigan not included in Zone 4.
6	Northern Ohio	The area of the State North of the Northernmost city limit of Uhrichsville, but excluding Toledo.
7	Southern Ohio	That area of the State of Ohio not included in Zone 6, but excluding Toledo.

¹ As used in this chart, the city of "Flint" includes locations within the current jurisdiction of CWA Local 4103, even if outside the Flint city limits.

MEMORANDUM OF AGREEMENT

EXTENDED EMPLOYMENT OPPORTUNITY PERIOD

This Memorandum of Agreement (“Memorandum”) covers understandings reached between AT&T Midwest (“Company”) and District 4 of the Communications Workers of America (“Union”) regarding the ability of certain employees to continue to seek jobs for a defined period after they have been declared surplus and reached their Force Disposition Date. In response to CWA and employee concerns regarding employment opportunities for employees hired on or after April 4, 2004 but prior to April 8, 2012, the Parties agree as follows:

1. The Company will provide employment security from involuntary layoff (“Job Offer Guarantee”) to qualified surplus regular employees hired on or after April 4, 2004 but prior to April 08, 2012 in accordance with the terms of this Memorandum. This Memorandum does not apply to an employee who:
 - (A) Has been offered the opportunity to follow the work within Illinois, Indiana, Michigan, Ohio or Wisconsin (the “Midwest Region”), nor shall it continue to apply to an employee who is offered the opportunity to fill a position in the Midwest Region under the Agreement;
 - (B) Has been offered a job under a Voluntary SIPP option as defined in Article 26 of the Agreement, paragraph 26.40 (B - E); or
 - (C) Elects to participate in the Training Opportunity Plan (“TOP”).
2. Any regular employee hired on or after April 4, 2004 but before April 08, 2012 (except those excluded by the note in paragraph 1, above) who, after the effective date of this Agreement, is declared surplus pursuant to Article 26, Training and Employment Security, Section: Force Adjustment shall, prior to involuntary layoff, be offered a job in the Midwest Region for which they are qualified, provided the employee has first fulfilled the following conditions:
 - (A) Is already test qualified for consideration, or becomes so qualified by passing the Technical Mechanical Test (TMT) and the Customer Contact Audition (CC Audition) or their replacements.
 - (B) Meets current job requirements.
 - (C) Within sixty (60) days of the date of Surplus Notification, or by such later date as is determined by Management, advises the Company of their election to invoke this Job Offer Guarantee, and to be considered for all jobs at all locations within the Midwest Region beginning on the ninety-first (91st) day* following the date of Surplus Notification (*on the day following the anticipated force disposition

date for those surplus situations declared more than ninety [90] days in advance). After the sixty (60) day election period, or by such later date as is determined by management, an employee who elects to invoke the Job Offer Guarantee cannot change their election and choose TOP.

NOTE: The provisions of Article 26, Training and Employment Security, Section: Force Adjustment, paragraph 26.41 will not apply to employees who invoke this Job Offer Guarantee.

3. This guaranteed job offer shall be made to those qualified employees in the Surplus Employee Group as defined in Article 26, Training and Employment Security, Section: Force Adjustment, by order of seniority beginning on the 91st day* following the date of Surplus Notification (*on the day following the anticipated force disposition date for those surplus situations declared more than ninety [90] days in advance). The Company may make a guaranteed job offer for positions with companies that may not be signatory to this 2012 Collective Bargaining Agreement, including bargained-for positions with any Legacy T entity (e.g. AT&T Corp., AT&T Operations, Inc., AT&T Laboratories, Inc., TC Systems, Inc., TCG Services, Inc., etc.) and/or SBC Internet Services, Inc. Employees accepting a job offer outside their current bargaining unit shall be treated as if they had transferred under the terms and conditions of the Inter Subsidiary Movement Process/CWA Surplus Exchange referenced in the 2012 National Transfer Plan ("2012 NTP") process and shall be subject to all applicable receiving company practices, policies, collective bargaining agreement provisions and benefit plan eligibility standards, including those related to or affected by Net Credited Service.
 - (A) An employee to whom a guaranteed job offer has been made has one (1) working day to accept the offer after which it will be considered rejected.
 - (B) Rejection of a guaranteed job offer for which a company referenced above has vacancies, voids this Job Offer Guarantee, and shall be considered an election by the employee to continue under the terms of Article 26, Training and Employment Security, Section: Force Adjustment, except for the provisions outlined in paragraph 26.41, Article 26, Training and Employment Security, Section: Force Adjustment.
 - (C) A qualified surplus employee who, at his/her force disposition date, is entitled to, but has not yet received, a guaranteed job offer shall remain on the payroll at his/her existing wage rate and shall be assigned such work within the FAA as management deems appropriate until a guaranteed job offer is made.

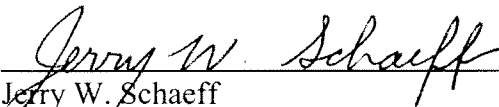
NOTE: Any employee who has been retained on the Company payroll beyond his/her force disposition date pursuant to this Memorandum and who then rejects a guaranteed job offer in the Midwest Region for which the companies listed in the 2012 NTP process have vacancies shall be terminated. The amount of wages paid said employee between the force disposition date and termination shall be deducted from any termination payment due.

4. The terms of this Memorandum shall not apply to "Union-Management modifications" to the force surplus disposition procedures as provided for in paragraph 26.44 of Article 26, Training and Employment Security, Section: Force Adjustment, unless the Company and the Union mutually agree.
5. The force surplus conditions contemplated and dealt with in this Memorandum are those which occur in the normal course of business for reasons such as technological change, etc. The Company retains the right, however, to suspend or cancel at any time the application of this Memorandum when a force surplus is declared because of any significant change or extraordinary fluctuation in economic or business conditions as determined by the President of the Market Business Unit. Examples of significant changes, include but limited to, the following:
 - (C) The cessation of a line of business;
 - (D) An interexchange carrier takeback of billings and collections functions.
6. Wage treatment for employees who accept or receive jobs pursuant to paragraph 3, above, shall be in accordance with the Parties' 2012 Collective Bargaining Agreement.
7. Upon ratification of the Parties' 2012 Collective Bargaining Agreement, the Company agrees that, for the term of the 2012 Collective Bargaining Agreement the Company will not exercise its right to suspend or cancel this Memorandum, as set forth in Paragraph 5, above.
8. Paragraph 2 of this Memorandum will be subject to arbitration. Paragraphs 1, 3, 4, 5, 6, and 7 shall not be subject to arbitration.

This Memorandum of Agreement will remain in effect through the term of the 2012 Collective Bargaining Agreement between the Parties.

AGREED:


FOR THE UNION:



 Jerry W. Schaeff
 CWA Assistant to the Vice-President

April 8, 2012
 Date

FOR THE COMPANY:



 William J. Helwig
 Director Labor Relations

April 8, 2012
 Date



William J. Helwig
Director
Labor Relations - Midwest

AT&T Services, Inc.
2000 W. AT&T Center Drive
Location 2H67
Hoffman Estates, IL 60192-5000

T: 847-248-6952
F: 847-248-8844

Appendix A
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April 8, 2012

Mr. Jerry W. Schaeff
Assistant to the Vice-President
Communications Workers of America, AFL-CIO
20525 Center Ridge Road
Room 700
Cleveland, Ohio 44116

RE: Neutral Evaluation Process

Dear Mr. Schaeff:

The Parties agree to continue the use of the neutral evaluation process for the term of the 2012 Collective Bargaining Agreement.

As soon as is reasonable, following ratification of the 2012 Collective Bargaining Agreement, the Parties will each select five (5) new arbitrators who will comprise a special panel of ten (10) neutral evaluators ("evaluators") to be utilized for the purpose of this process. The Parties will schedule neutral evaluation days with the evaluators, where the evaluator may hear up to three (3) dismissal and/or suspension cases per day. Each case will be limited to one hundred and twenty (120) minutes as set forth below. The cases will be evenly distributed among the evaluators as practicality permits. The Parties agree to equally share the compensation and expenses of cases evaluated, except in instances where cases are withdrawn less than twenty-four (24) hours in advance of the scheduled time for the evaluation. In such event, the withdrawing Party will be responsible for any cancellation fees and/or expenses incurred.

Proceedings before the evaluator shall be informal in nature. The presentation of evidence and the issues heard will be limited to that which has already been presented or asserted during the grievance and/or Union-Management Review Board process. Formal rules of evidence will not apply. The Parties will be represented by Labor Relations Case Managers and local Union Representatives, and no official record of the neutral evaluation will be kept.

Each Party may have no more than two (2) individuals attend the neutral evaluation proceeding; and, each Party will be limited to a forty-five (45) minute presentation. When unusual circumstances warrant, the Parties may mutually agree, prior to the date of the evaluation, that one additional representative may attend for either Party; or, that the presentation time for each Party may be extended by a period not to exceed thirty minutes.

The evaluator will be provided one half hour to question both Parties in the presence of one another, and to render his or her advisory opinion. This advisory opinion will resolve any procedural or substantive arbitrability issues and/or determine whether the Company acted with

or without just cause and, where the disciplinary action lacked just cause, what remedy, if any, should be imposed. Under no circumstances will the Company be liable for back pay for more than six (6) months after the date of the disciplinary action.

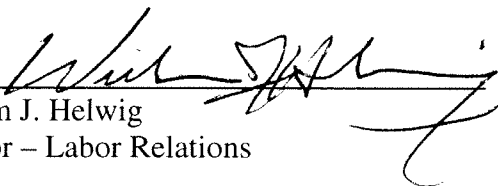
Within two (2) working days following the evaluator's advisory opinion, a Party must notify the other Party in writing if the Party rejects the evaluator's advisory opinion; otherwise it will be treated as accepted by the Party. In instances where the Parties accept the evaluator's advisory opinion of no just cause, the Company agrees to implement the remedy within ten (10) working days. In instances where the Parties accept the evaluator's advisory opinion of just cause, the Union agrees to withdraw the grievance in writing within ten (10) working days.

In instances where the Company or the Union rejects the evaluator's opinion the case will be deferred to the regular arbitration process. No statements made by either Party at the neutral evaluation proceeding may be introduced as evidence at an arbitration hearing by the other Party.

This neutral evaluation process will be in effect and will include all applicable cases appealed to arbitration through December 31, 2015.

This letter will remain in effect through the term of the 2012 Collective Bargaining Agreement between the Parties.

Sincerely,



William J. Helwig
Director – Labor Relations



William J. Helwig
Director
Labor Relations - Midwest

AT&T Services, Inc.
2000 W. AT&T Center Drive
Location 2H67
Hoffman Estates, IL 60192-5000

T: 847-248-6952
F: 847-248-8844

Appendix A
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April 8, 2012

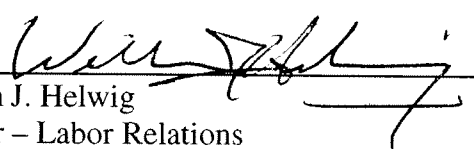
Mr. Jerry W. Schaeff
Assistant to the Vice-President
Communications Workers of America, AFL-CIO
20525 Center Ridge Road
Room 700
Cleveland, Ohio 44116

RE: Proper Use Of Union-Management Review Board

Dear Mr. Schaeff:

When properly used by both Parties, the Union-Management Review Board process has facilitated the resolution of cases short of arbitration, including, in a number of cases, the reinstatement of employees with backpay when warranted by the facts. The Company is fully committed to the proper use of the Review Board process and will not tolerate its misuse.

Sincerely,



William J. Helwig
Director – Labor Relations



William J. Helwig
Director
Labor Relations - Midwest

AT&T Services, Inc.
2000 W. AT&T Center Drive
Location 2H67
Hoffman Estates, IL 60192-5000

T: 847-248-6952
F: 847-248-8844

Appendix A
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April 8, 2012

Mr. Jerry W. Schaeff
Assistant to the Vice-President
Communications Workers of America, AFL-CIO
20525 Center Ridge Road
Room 700
Cleveland, Ohio 44116

RE: OSA Temporary Assignment

Dear Mr. Schaeff:

This letter confirms understandings concerning Operator Services issues reached by the Company and the Union during the course of the 2012 Collective Bargaining discussions:

1. The method for assignment of schedules and weekly days off for employees in the title Operator Services Assistant (OSA) temporarily assigned as Service Assistants (SA) for one or more shifts in a week will be locally determined between the Local Union president and the Operator Services Center (OSC) Manager. Either of two (2) methods shall be chosen:

- (1) The OSA may be assigned in seniority within the SA title group

or

- (2) The OSA may be assigned in seniority within the Operator title group

The method selected will remain in effect for a minimum of one (1) year, unless mutually agreed otherwise.

2. The method for selection for employees in the title Operator Services Assistant (OSA) temporarily assigned as Service Assistants (SA) for one or more shifts in a week will be locally determined between the Local Union president and the OSC Manager. Either of two (2) methods shall be chosen:

- (1) The OSA may be selected by rotation.

or

- (2) The OSA may be selected by seniority

The method selected will remain in effect for a minimum of one (1) year, unless mutually agreed otherwise.

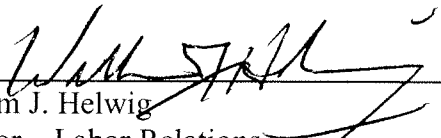
3. Lead Person differential will be paid to a Service Assistant (SA) who is assigned non-supervisory management responsibilities, over and above those duties assigned to the

Service Assistant due to the absence of all Operator Services managers assigned to an OSC on a normally scheduled shift. Lead Person differential will not be paid for a shift with no regularly scheduled Operator Services manager.

This Letter of Understanding will remain in effect through the term of the 2012 Collective Bargaining Agreement between the Parties.

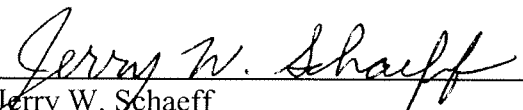
Please confirm your understanding of these arrangements by signing both copies of this letter and returning the second copy to me.

Sincerely,



William J. Helwig
Director – Labor Relations

Acknowledged:



Jerry W. Schaeff
CWA Assistant to the Vice-President



William J. Helwig
Director
Labor Relations - Midwest

AT&T Services, Inc.
2000 W. AT&T Center Drive
Location 2H67
Hoffman Estates, IL 60192-5000

T: 847-248-6952
F: 847-248-8844

Appendix A
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April 8, 2012

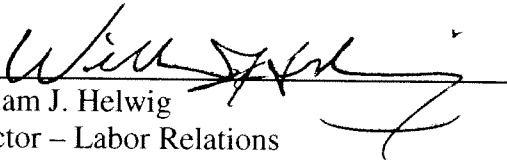
Mr. Jerry W. Schaeff
Assistant to the Vice-President
Communications Workers of America, AFL-CIO
20525 Center Ridge Road
Room 700
Cleveland, Ohio 44116

RE: Surplus Employee Training/Retraining Procedures

Dear Mr. Schaeff:

In response to discussions between the Company and the Union during the 2012 collective bargaining process relative to the Union proposal regarding Surplus Employee Training/Retraining Procedures, Surplus Orientation Meetings are held with the Surplus Employee Group as referenced in Article 26.36 of the Collective Bargaining Agreement. Given the unique circumstances of each anticipated force adjustment, the Company agrees to discuss with the appropriate Union representatives other issues, such as an interview process and the training needs of the surplus employees prior to any formal declaration of force surplus.

Sincerely,



William J. Helwig
Director – Labor Relations

**MEMORANDUM OF AGREEMENT
REGARDING REQUIRED OVERTIME**

This Memorandum of Agreement covers the understanding reached between the Company and the Union concerning required overtime in the Core Installation & Maintenance Midwest Market Business Units in the states of Illinois, Indiana, Michigan and Wisconsin.

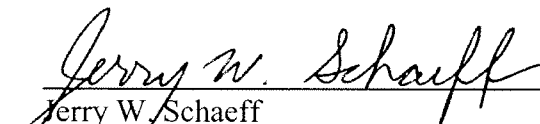
In those situations when the Company deems it necessary to work required overtime, the Company agrees that employees will be guaranteed one (1) weekend off per month. This requirement shall not pertain in cases of emergency or when an employee agrees to overtime assignments in excess of this limitation.

This Memorandum in no way modifies or supersedes the provisions of the Memorandum of Agreement-Overtime, Appendix A A18, in the Collective Bargaining Agreement. That Memorandum of Agreement continues to pertain to the Core Installation & Maintenance Midwest Market Business Unit.

This Memorandum of Agreement will remain in effect through the term of the 2012 Collective Bargaining Agreement between the Parties.

AGREED:

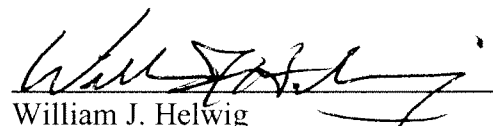
FOR THE UNION:



Jerry W. Schaeff
CWA Assistant to the Vice-President

April 8, 2012
Date

FOR THE COMPANY:



William J. Helwig
Director Labor Relations

April 8, 2012
Date

MEMORANDUM OF AGREEMENT
REGARDING SERVICE OPERATORS

The Company and Union have agreed to include the title "Service Operator" in the Collective Bargaining Agreement, dated April 8, 2012 through April 11, 2015.

The Service Operator title will perform Wholesale Operator Services work, which includes directory assistance and information services for wireless and other non-competing carriers.

Service Operators will be exempt from shift differentials and Article 27 of the Collective Bargaining Agreement.

Scheduling will be in accordance with Article 17 of the Collective Bargaining Agreement with the follow exception: "Full-time employees shall be assigned a fifteen (15) minute break during each session of their assigned shift. Such breaks shall be assigned no earlier than one and one half (1 ½) hours after the start of a session nor later than one (1) hour before the end of a session."

In the event AT&T Midwest Operator Services requires employees to work split shifts, the Company and the Union will meet and discuss the parameters for split shifts prior to implementing split shifts to the Service Operators.

Non-Wholesale Market work will not be transferred to Service Operators if such transfer of work would result in a force adjustment, office merger, and/or surplus condition within AT&T Midwest Operator Services.

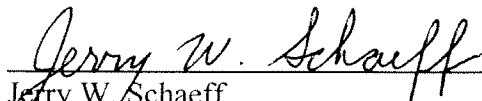
All other provisions of the 2012 Collective Bargaining Agreement will apply unless specified in this Memorandum of Agreement.

The Company and Union agree to meet and discuss any and all other issues that may arise concerning the inclusion of the Service Operator title in the Collective Bargaining Agreement.

This Memorandum will remain in effect through the term of the 2012 Collective Bargaining Agreement between the Parties.

AGREED:


FOR THE UNION:



Jerry W. Schaeff
CWA Assistant to the Vice-President

April 8, 2012
Date

FOR THE COMPANY:



William J. Helwig
Director Labor Relations

April 8, 2012
Date

MEMORANDUM OF AGREEMENT

INCENTIVE PLANS

The Company and the Union recognize the competitive nature of the business and the desire to encourage and reward employees for their contributions. The Company may implement voluntary incentive plans associated with established goals which include but are not limited to sales, service, productivity, customer experiences and/or other business considerations.

Plans may be designed and implemented for employees or groups of employees based on individual or team results.

The payments may be paid monthly, quarterly, semi-annually or annually. Awards may be in cash or other forms of payments pursuant to Company sponsored programs, for example Ipoints or Blue Points. Such payments will be subject to all applicable taxes and withholdings.

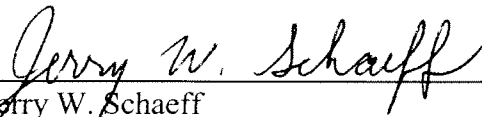
The Company and the Union will meet, prior to implementing a plan, to provide the Union with an opportunity to have input concerning the terms of the plan. The Company reserves the right to amend, modify or discontinue any incentive plan with advance notification to the Union.

The Union may only challenge general disputes that arise over the Company's enforcement of the terms of an incentive plan, and then only through the grievance and arbitration process. A general dispute is one that involves a plan enforcement issue that commonly affects all employees (as opposed to individual employees) who participate in the same incentive plan. Grievances for such disputes shall begin at Step 3 of the grievance procedure, and should be sent to the Director of Labor Relations or designee. If the issue is not resolved with Labor Relations, the grievance may be appealed to arbitration. Disputes may not be brought over differences that may exist in the treatment of employees who participate in different incentive plans. Individual employee disputes regarding an incentive plan payment or plan application to an individual employee may be brought to the employee's supervisor for resolution.

This Memorandum of Agreement will remain in effect through the term of the 2012 Collective Bargaining Agreement between the Parties.

AGREED:


FOR THE UNION:



Jerry W. Schaeff
CWA Assistant to the Vice-President

April 8, 2012
Date

FOR THE COMPANY:



William J. Helwig
Director Labor Relations

April 8, 2012
Date

MEMORANDUM OF AGREEMENT

REGARDING

LEVERAGED TITLE

The Company and the Union recognize the importance of rewarding performance with compensation in today's competitive marketplace. This Memorandum of Agreement covers understandings reached between the Company and the Union concerning the leveraged title, Sales Consultant. It is the intent of this Memorandum to address the terms of the Sales Consultant title under a leveraged compensation plan to ensure compensation is earned commensurate with results.

1. Leveraged Title

The Company has established a Sales Consultant title with compensation paid under a leveraged compensation plan consisting of base pay and incentive pay. The Company may establish, modify and/or discontinue target incentive compensation plans, provided that any such plan shall be consistent with this Memorandum.

- a. The maximum wage rate of the Sales Consultant title will be 60% of the maximum base wage rate of the current job title performing like functions. The Sales Consultant title will have a thirty-six (36) month wage schedule with six (6) month wage progression steps within the appropriate wage zone.
- b. In addition to base wages, employees in the Sales Consultant title will be eligible for compensation under a target incentive compensation plan once they exceed 50% of their established targets.
- c. The target incentive dollar amount will be the same for all wage zones and will be considered eligible compensation under any benefit plans for which the employee is eligible. The dollar basis upon which target incentives are initially created may be adjusted. Annually, the target incentive amount will be increased in accordance with any general wage increases provided in Article 13.
- d. The incentive plan will be capped at 300% of target incentive. Employees in initial training will be eligible to receive 100% of the target incentive amount during initial training.

2. Conversion

Except as provided in this Memorandum, the terms of the 2012 Collective Bargaining Agreement (“CBA”) apply to these employees. Employees performing like functions within the same work group of a Sales Consultant may choose to convert to the Sales Consultant title and associated compensation plan. In addition, on a one-time basis and at the employee’s request, the Company will retreat the employee to their former title within six months of the transfer. Employees earning a pension under the Midwest Program of the AT&T Pension Benefit Plan who transfer into a Sales Consultant title will have their pension calculated using the pension band that would be applicable to other employees performing like functions in the same Wage Zone.

3. Movement Into and Out of Sales Consultant Title

Force Adjustment

In the event a force surplus condition occurs at any location in which Sales Consultant employees are part of the same Work Group as employees in a different job title performing the same or similar functions, the titles will be combined and considered as one Surplus Employee Group for purposes of Article 26 administration.

Pay Protection

An employee entitled to Pay Protection pursuant to Article 26.29 of the CBA who is placed into a Sales Consultant position will not be entitled to the target incentive compensation plan referenced in Section 1 above (Leveraged Title), but will be assigned to the base incentive plan available, if any, to similarly situated non-Leveraged Title employees performing like functions.

Reassignment Pay Protection Plan

An employee entitled to a Reassignment Pay Protection Plan payment pursuant to Article 26.31 of the CBA who is placed into a Sales Consultant position shall, for purpose of calculating this benefit, have the rate of pay for the Sales Consultant position calculated as the wage rate reflected in Appendix B to the CBA and, instead of the table reflected in Article 26.31, such employee shall be entitled to payment in accordance with the following table:

RPPP PAYOUT TABLE
ASSIGNMENT TO LOWER WAGE RATE

<u>Weekly Difference</u>		<u>Years Of Net Credited Service</u>	
		<10	≥10
\$ 0.50	\$ 4.50	\$ 70	\$ 140
5.00	9.50	90	320
10.00	14.50	130	460
15.00	19.50	200	640
20.00	24.50	220	790
25.00	29.50	270	960
30.00	34.50	320	1,110
35.00	39.50	360	1,280
40.00	44.50	410	1,430
45.00	49.50	450	1,610
50.00	54.50	490	1,750
55.00	59.50	550	1,930
60.00	64.50	580	2,080
65.00	69.50	640	2,260
70.00	74.50	670	2,400
75.00	79.50	720	2,570
80.00	84.50	770	2,730
85.00	89.50	820	2,900
90.00	94.50	850	3,050
95.00	99.50	900	3,220
100.00	104.50	950	3,370
105.00	109.50	1,000	3,550
110.00	114.50	1,040	3,700
115.00	119.50	1,080	3,870
120.00	124.50	1,120	4,020
125.00	129.50	1,180	4,190
130.00	134.50	1,220	4,350
135.00	139.50	1,270	4,520
140.00	144.50	1,300	4,660
145.00	149.50	1,370	4,840
150.00	154.50	1,400	4,990
155.00	159.50	1,450	5,170
160.00	164.50	1,490	5,310
165.00	169.50	1,530	5,490
170.00	174.50	1,590	5,640
175.00	179.50	1,630	5,810
180.00	184.50	1,660	5,960
185.00	189.50	1,720	6,130
190.00	194.50	1,750	6,280
195.00	199.50	1,820	6,460
200.00	204.50	1,850	6,600
205.00	209.50	1,910	6,780
210.00	214.50	1,940	6,930
215.00	219.50	1,980	7,110
220.00	224.50	2,040	7,260
225.00 +		2,080	7,420

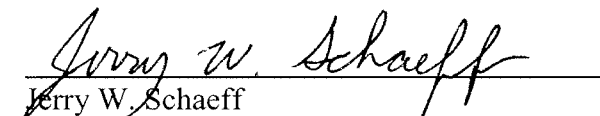
4. Classification and Assignments

Employees in leveraged titles may be hired in any employee classification such as, but not limited to, Regular Full Time, Regular Limited Term, and Temporary. Leveraged titles may be created in any Market Business Unit affiliated with the Consumer, Business or Finance organizations. Job assignments performed by leveraged titles will generally include sales and/or collections.

This Memorandum of Agreement will remain in effect through the term of the 2012 Collective Bargaining Agreement between the Parties.

AGREED:

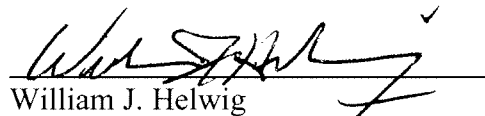
FOR THE UNION:



Jerry W. Schaeff
CWA Assistant to the Vice-President

April 8, 2012
Date

FOR THE COMPANY:



William J. Helwig
Director Labor Relations

April 8, 2012
Date

MEMORANDUM OF AGREEMENT

POOLED TITLES FOR SURPLUS

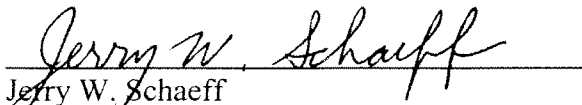
This Memorandum of Agreement covers understandings reached between the Company and the Union regarding combining certain Market Business Units (“Combined MBUs”) and, within such Combined MBUs, pooling certain titles for surplus purposes.

1. A surplus employee who meets the provisions of Article 26, Training and Employment Security, Section: Force Adjustment of the 2012 Collective Bargaining Agreement will be pooled by title (or as described in 3 below), in order of seniority, within their Combined MBU, if applicable, within their Force Adjustment Area (FAA), provided the employee meets the basic qualifications of the job.
2. For surplus purposes, certain Market Business Units will be combined during the term of this Agreement. The names and vice president level decision makers of Market Business Units existing on April 7, 2012 that will be combined for such purposes are listed in Attachment 1.
3. The following Job Titles in Attachment 1, combination #7 will also be pooled for this purpose:
 - a. Pool #1: Customer Service Specialist, Construction Technician and Service Technician
 - b. Pool #2: Clerical Associate, Administrative Specialist, Technical Associate, and Technical Specialist
4. Should the Company reorganize in such a way as to alter the Market Business Units (MBU’s) as they existed on April 7, 2012 the Parties agree to meet to identify new combined MBUs and pooled titles in order to accomplish the intent of this Memorandum.

This Memorandum of Agreement will expire at the end of the 2012 Collective Bargaining Agreement between the Parties, unless the Parties mutually agree to extend.

AGREED:

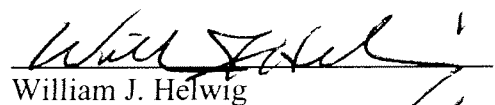
FOR THE UNION:



Jerry W. Schaeff
CWA Assistant to the Vice-President

April 8, 2012
Date

FOR THE COMPANY:



William J. Helwig
Director Labor Relations

April 8, 2012
Date

Combination #1

Market Business Unit	4/7/12 VP Level Decision Maker & Name
Consumer U-Verse, Sales, Service & Care	John G. Palmer - VP Consumer Sales Center
Consumer U-Verse, Sales, Service & Care	Jody Garcia - VP Consumer Sales Center
Home Solutions (Value)	Kimberly Baskett McEnany-VP Consumer Sales & Service

Combination #2

Market Business Unit	4/7/12 VP Level Decision Maker & Name
Corporate Real Estate	John Menkhaus, VP Property Management
CRE Design & Construction	John Vinson, VP Design & Construction

Combination #3

Market Business Unit	4/7/12 VP Level Decision Maker & Name
Corporate Finance	Kevin Jefferies, VP Finance
Credit & Collections	Sharion Dunlap, VP Credit & Collections

Combination #4

Market Business Unit	4/7/12 VP Level Decision Maker & Name
Global Network Field Operations - East	Moe Mustafa, VP Central Office Operations
Global Network Operations - West	Bill Chubb, VP Central Office Operations
Global Network Operations- Dispatch	Peter Cornell, VP Central Operations
Network Reliability Center	Sue Biancheri, VP Network Reliability
Network Operations Centers Staff	Mark Francis – VP Network Operations Centers Planning
Network Provisioning	Bill McSorley, VP NTP&T

Combination #5

Market Business Unit	4/7/12 VP Level Decision Maker & Name
Regional & Local Business Markets - Staff	Diane Stroebel, Ex Director Channel Marketing
Regional & Local Business Markets - Call Centers	Mike Downey, VP-Regional & Local Bus Mkts-West/Midwest

Combination #6

Market Business Unit	4/4/09 VP Level Decision Maker & Name
IT Consumer	Patrick Galvin, VP- Consumer Wireline & Wholesale Delivery
IT Billing Operations	Cathleen Southwick, VP- Service Development

Combination #7

Market Business Unit	4/7/12 VP Level Decision Maker & Name
First Mile	Tim Salmon, AVP C&E
Construction & Engineering Midwest	Kevin Haynes, VP Construction & Engineering
Core Installation & Maintenance Midwest - East	Tracy Garner, VP Core Installation & Maintenance
Core Installation & Maintenance Midwest- West	Keith Korte – VP Core Installation & Maintenance
Core Installation & Maintenance – Staff	Darryl Cooper, VP- LFO Methods & Support
Core Installation & Maintenance - Centers	Charles Hubbard – AVP Network Operations

Combination #8

Market Business Unit	4/7/12 VP Level Decision Maker & Name
Global Service Assurance	John Walsh, VP Global Service Assurance
National Integrated Connectivity Service Delivery	Bernie Ragland, VP-Ntl Integrated Connectivity Sv Delivery

Combination #9

Market Business Unit	4/7/12 VP Level Decision Maker & Name
Global Engineering Support	David Brandvold – VP Global Engineering Support
US Layer 4+ Network Engineering	Richard Batelaan VP-US Lyr 4+ (SW/V/V/I) & MOB NTWK ENG
US Common Systems Network Engineering	Gregory Beck, VP-Implementation Eng & Common Systems

Combination #10

Market Business Unit	4/4/09 VP Level Decision Maker & Name
Customer Care – Ordering	Laurie Hay VP – Customer Care Ordering

MEMORANDUM OF AGREEMENT

CORE INSTALLATION AND MAINTENANCE ORGANIZATION AND CONSTRUCTION & ENGINEERING SURPLUS EMPLOYEES

This Memorandum of Agreement (“MOA”) covers understandings reached between the Company and the Union regarding the job titles of Customer Service Specialist (“CSS”) and Service Technician (“ST”) when a surplus is declared in the Core Installation and Maintenance Midwest Market Business Unit (“CIM”) and/or the Construction & Engineering Midwest Market Business Unit (“C&E”) which results in the pooling of CSS/ST’s within CIM and C&E.

A surplus CSS/ST in CIM or C&E who meets the provisions of Article 26, Training and Employment Security, Section: Force Adjustment of the 2012 Collective Bargaining Agreement (“Core Agreement”) and has:

- a) filed a Surplus Transfer Request within the requisite time frame,
- b) not received a job offer prior to the Force Disposition Date, and
- c) not had any Voluntary SIPP Candidates identified for him/her in accordance with Article 26.40 (B – E)

shall, by order of seniority, displace the least senior Premises Technician in the U-Verse Field Operations Midwest Market Business Unit within his/her Force Adjustment Area, provided that he/she meets the basic qualifications of the Premises Technician job title and is meeting job requirements in his/her current title. However, no surplus CSS in C&E shall displace a Premises Technician if 12% or more of the employees in the Premises Technician job title within the Force Adjustment Area came to the Premises Technician job title from CSS/ST job titles in CIM and/or C&E with economic protections pursuant to the Memorandum of Agreement Regarding Economic Protection Following Placement Into Appendix F of Surplus Core Employees and Global Service Employees Identified for Layoff (“Economic Protection MOA”) and the Memorandum of Agreement Regarding Force Movement of Employees (“Movement MOA”), both of which are Attachments to Appendix F of the Core Agreement and its predecessor Agreement.

Such a displacement opportunity will be considered a valid job offer for purposes of ESC eligibility of the CSS/ST.

The displaced Premises Technician shall be laid off within fourteen (14) calendar days following notification of displacement.

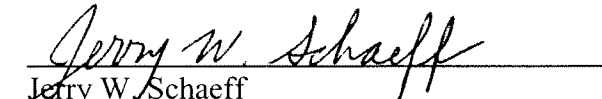
If a surplus CSS/ST is placed into a Premises Technician job pursuant to this MOA, and the surplus CSS/ST’s current weekly pay rate exceeds that of a Premises Technician, there will be no change in the surplus CSS/ST’s weekly rate of pay until it is exceeded by that of the Premises Technician title. Until such time, the surplus CSS/ST shall not be eligible for any wage increases.

Any displacement that occurs as a result of this MOA shall be pursuant to the Movement MOA, and any surplus CSS/ST placed into a Premises Technician job pursuant to this MOA shall be afforded the economic protections provided for in the Movement MOA and the Economic Protections MOA.

This Memorandum of Agreement will expire at the end of the 2012 Collective Bargaining Agreement between the Parties, unless the Parties mutually agree to extend.

AGREED:

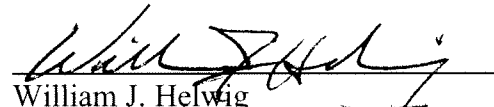
FOR THE UNION:



Jerry W. Schaeff
CWA Assistant to the Vice-President

April 8, 2012
Date

FOR THE COMPANY:



William J. Helwig
Director Labor Relations

April 8, 2012
Date

MEMORANDUM OF AGREEMENT

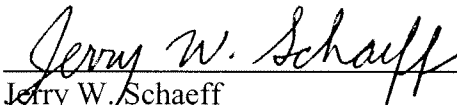
PRESIDENTIAL COUNCIL

The CWA and the company enjoy a strong historic relationship as partners on many issues. In recognition of the parties' desire to continue to foster meaningful dialogue on matters of mutual interest, the Company and CWA agree to establish a Presidential Council to discuss such matters.

The Council commits to meet semiannually to continue this relationship. The parties agree to utilize this Council to engage in substantive discussions and exchange information concerning the ongoing state of the company and the union, the economy, federal and state political issues, and other concerns of both parties. Those attending this Council will include leaders of the Company and CWA. It is the Company's intent to have the appropriate senior business unit leaders in attendance if their schedules so permit.

AGREED:


FOR THE UNION:



Jerry W. Schaeff
CWA Assistant to the Vice-President

April 8, 2012
Date

FOR THE COMPANY:



William J. Helwig
Director Labor Relations

April 8, 2012
Date

MEMORANDUM OF AGREEMENT

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, as long as such company(s) remain wholly-owned subsidiaries of AT&T, the Company agrees to extend the Intersubidiary Movement (IMF) process and the CWA Surplus Exchange (CSE) process with the following modifications:

IMF:

1. Mobility company for the bargaining units listed below will be added to the list of participating companies (Attachment A)
 - Mobility Bargaining Units
 - Mobility – District 3
 - Mobility – Districts 1, 2, 4, 7, 9, 13
 - Mobility – District 6
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 2012 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. Mobility company for the bargaining units listed below will be added to the list of participating companies (Attachment B)
 - Mobility Bargaining Units
 - Mobility – District 3
 - Mobility – Districts 1, 2, 4, 7, 9, 13
 - Mobility – District 6

2. 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.
3. 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.
4. 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.
5. 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.
6. 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.
7. 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.
8. 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.
9. 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).
10. Unless expressly provided to the contrary by the Benefits Agreement in the 2012 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.

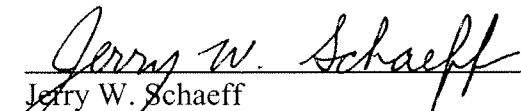
- (1) Surplus employee currently on the payroll and surplus employees involuntarily laid off within the last twelve (12) months
- (2) Current employee using the IMF process

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.

AGREED:


FOR THE UNION:



Jerry W. Schaeff
CWA Assistant to the Vice-President

April 8, 2012
Date

FOR THE COMPANY:



William J. Helwig
Director Labor Relations

April 8, 2012
Date

**CURRENT PARTICIPATING COMPANIES
COVERED BY INTERSUBSIDIARY MOVEMENT**

Ameritech Services, Inc.
AT&T Billing Southeast, Inc.
AT&T Corp.
AT&T Laboratories, Inc.
AT&T Mobility, LLC
AT&T Operations, Inc.
AT&T Services, Inc.
BellSouth Communication Systems, LLC
BellSouth Telecommunications, Inc. LLC
Illinois Bell Telephone Company
Indiana Bell Telephone Company
Michigan Bell Telephone Company
Nevada Bell Telephone Company
The Ohio Bell Telephone Company
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

**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 Mobility, LLC
AT&T Operations, Inc.
AT&T Services, Inc.
BellSouth Communication Systems, LLC
BellSouth Telecommunications, Inc. LLC
Illinois Bell Telephone Company
Indiana Bell Telephone Company
Michigan Bell Telephone Company
Nevada Bell Telephone Company
The Ohio Bell Telephone Company
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

MEMORANDUM OF AGREEMENT

REGARDING NEUTRALITY AND CARD CHECK RECOGNITION

AT&T Inc. (“the Company”) and Communications Workers of America (“the Union”), enter into this Memorandum of Agreement Regarding Neutrality and Card Check Recognition as of the last date of the parties’ signatures on this Agreement.

1. Duration. This Agreement is effective as of the date stated above, and shall remain in effect for the life of the 2012 Core Collective Bargaining Agreement, unless extended, modified or terminated by mutual written agreement of the parties or their successors. The parties expressly understand, however, that in the event this Agreement is terminated, all of the terms hereof nevertheless shall survive said termination and remain in effect with respect to any reorganization or restructuring of any bargaining unit as a result of which management creates any new subsidiary, division, or operating entity as to which no Union representation then exists.

2. Applicability.

- (a). All card check procedures and any Union recognition provided for by this Agreement shall be applicable to all non-management employees of the Company effective with execution of this Agreement.
- (b). As used herein, “the Company” means AT&T Inc. and all other present and future companies, divisions, subsidiaries or operating units thereof, except AT&T of Puerto Rico, Inc., AT&T of the Virgin Islands, Inc., AT&T Government Solutions, Inc., and AT&T Support Services Company, Inc.
- (c). As used herein, “non-management” means employees who normally perform work in non-management job titles as determined by the Company, in accordance with the statutory requirements of the National Labor Relations Act, as amended, and applicable decisions of the National Labor Relations Board and reviewing courts. If the Union disagrees with any such determination, the parties agree to submit the issues of unit definition to arbitration as set forth in paragraph 3. below, using the aforesaid statutory requirements and decisions as the governing principles. At the request of the Union, the Company will discuss with the Union neutrality as to Union representation of employees who are not defined above as “non-management.”
- (d). In addition to the foregoing, the parties further agree that any proposed bargaining unit shall exclude all professional, managerial, and confidential employees, guards and supervisors as defined in the National Labor Relations Act.
- (e). The Company agrees that, for future divisions, subsidiaries or operating units that are not wholly owned, it will, at the request of the Union, discuss with the other

owners the extension of this agreement to such divisions, subsidiaries, or operating units.

3. Card Check Recognition Procedure.

- (a). When requested by the Union, the Company agrees to furnish the Union lists of employees in the bargaining unit in each applicable company entity. This list of employees will include the work location, job title, and home address.
- (b). The Union will give twenty-one (21) days notice for access to Company locations. Access will be limited to one sixty (60) day period in any twelve months for each unit agreed upon or determined as provided herein.
- (c).
 - (1). The Union and the Company shall meet within a reasonable period, but not to exceed ninety (90) days, after the effective date hereof for the purpose of defining appropriate bargaining units for all presently existing potential bargaining units. During this process, the Company will share job titles, job functions, work locations, and management structure with the Union representatives in order to facilitate agreements on the appropriate bargaining units. In the event that the parties are unable to agree, after negotiating in good faith for a reasonable time, upon the description of an appropriate unit for bargaining, the issue of the description of such unit shall be submitted to arbitration administered by, and in accordance with, the rules of the American Arbitration Association (AAA). The Arbitrator shall be confined solely to the determination of the appropriate unit for bargaining and shall be guided in such deliberations by the statutory requirements of the National Labor Relations Act. The parties agree that the decision of the Arbitrator shall be final and binding. The Company and the Union agree that the permanent Arbitrator to hear disputes with respect to this sub-paragraph shall be Thomas Angelo and the alternative Arbitrator will be Richard Bloch. If either of these Arbitrators cannot serve, the parties shall select an Arbitrator from a list or lists of prospective Arbitrators provided by the AAA.
 - (2). If either the Company or the Union believes that the bargaining unit as agreed or determined in (c). (1). above, is no longer appropriate due to organizational changes, then the parties shall meet and confer in good faith for the purpose of re-defining the appropriate unit. In the event that the parties are unable to agree, after negotiating in good faith for a reasonable time, upon the re-definition of an appropriate unit, the issue of the description of such unit shall be submitted to arbitration as provided in (c). (1).
- (d). The Company agrees that the Union shall be recognized as the exclusive bargaining agent for any agreed-upon or otherwise determined bargaining unit(s) not later than ten (10) days after receipt by the Company of written notice from the AAA that the Union has presented valid authorization cards signed by a majority of the employees in such unit(s).

- (e). For the purposes of determining the number of employees that constitute a majority of the bargaining unit, the employee population will be composed of only those employees employed in the bargaining unit on the earliest date which appears on the cards presented to the AAA. The cards so presented must be dated within sixty (60) days of each other, but no earlier than the date of execution of this Agreement, and each card so presented must contain at least the language set forth in Attachment 1 hereto. The Company shall provide the AAA all employees, job titles and other information required for the AAA to verify the existence of more than 50% of employee authorizations as provided for in this Agreement.
- (f). In the event the Union fails to deliver to the AAA valid authorization cards signed by a majority of employees in any aforesaid bargaining unit upon completion of its card signing effort, the Union agrees not to begin any further card signing effort in such unit for a period of one year from the date on which access was first granted as provided in (b). above.
- (g). As soon as practicable after the aforesaid recognition and upon written request by the Union, the Company, or the appropriate subsidiary, division or operating unit thereof shall commence bargaining in good faith with the Union with respect to wages, hours, and other terms and conditions of employment for the employees employed within the agreed upon or otherwise determined appropriate bargaining unit.

4. Neutrality.

- (a). The Company agrees, and shall so instruct all appropriate managers, that the Company will remain neutral and will neither assist nor hinder the Union on the issue of Union representation.
- (b). For purposes of this Agreement, “neutrality” means that management shall not, within the course and scope of their employment by the Company, express any opinion for or against Union representation of any existing or proposed new bargaining unit, or for or against the Union or any officer, member or representative thereof in their capacity as such. Furthermore, management shall not make any statements or representations as to the potential effects or results of Union representation on the Company or any employee or group of employees. The Union also agrees that, in the course of any effort by the Union to obtain written authorizations from employees as provided for in paragraph 3. (b)., above, neither the Union nor any of its officers, representatives, agents or employees will express publicly any negative comments concerning the motives, integrity or character of the Company, AT&T, Inc., or any of their officers, agents, directors or employees.
- (c). This agreement supersedes and terminates any and all other agreements, Memorandum of Understanding, commitments or statements of intent regarding neutrality or card-check procedures that may exist as of the date hereof between the Union and any Company entity.

5. Valid Authorization Cards. For purposes of this Agreement, a valid written authorization card shall state specifically that by signing the card, the employee agrees to be represented by the Union, using the language set forth in Attachment 1.

6. Recognition for New Entities and New Work.

- (a). The Company agrees that it will give the Union reasonable advance notice, once a firm management decision has been made, of its intent to effect any reorganization or restructuring, or to engage in any new line(s) of business, as a result of which management expects to create any new subsidiary, division, or operating entity as to which no Union representation then exists. After execution of this Agreement, should the Company acquire new companies or engage in a new line of business or enter a new market in which there is no active labor agreement or bargaining agreement in place, the parties agree that this Agreement shall apply to that acquired company or new line of business or enterprise in a new market after that company has been operating for a period of one hundred twenty (120) days.
- (b). If management determines that more than fifty percent (50%) of the employees employed within an appropriate unit for bargaining by a new entity were, immediately prior to such employment, employed in a bargaining unit represented by the Communications Workers of America, the Company agrees that it shall recognize and bargain with the Union as the duly constituted bargaining representative of such bargaining unit employees, and the Union agrees to acknowledge such new entity as a Successor Employer for all applicable purposes under the labor laws of the United States and any relevant state.
- (c). If management determines that fifty percent (50%) or less of the non-management work to be performed by any such new entity will consist of work previously performed by members of a pre-existing Union bargaining unit, then the Company agrees that, within a reasonable time after the said determination has been made, or concurrently with the giving of the notice referenced in paragraph 6. (a)., above, whichever is later, the Company will so inform the Union in writing. To the extent permitted by law, the Company shall presume, in making any determination as set forth in this paragraph 6., that each employee of the new entity who was a member of a pre-existing Union bargaining unit wishes to remain represented by the Union. These employees shall be counted as having signed valid authorization cards should a card signing effort be undertaken in the new entity within one year after the new entity begins operations employing such employees.
- (d). Except as specified in paragraph 9., below, the Union shall retain any legal rights it may have to challenge any management decision or determination described in this paragraph 6.

7. Regulatory and Legislative Support. The Union hereby agrees to continue its support before the appropriate regulatory and legislative bodies for the Company's efforts to remain competitive in, and/or to gain entry to, all telecommunications and related markets in which the Company chooses to participate, unless the Union determines such support to be in conflict with its interests. If the Union determines such a conflict exists, the Union will promptly

so notify the Company and, at the request of the Company, meet to discuss and confer on such conflict.

The Company hereby agrees to support Union efforts before regulatory and legislative bodies unless the Company determines such support to be in conflict with its interests. If the Company determines such a conflict exists, the Company will so notify the Union and will, if requested by the Union, meet to discuss and confer on such conflict.

8. Job Offers to Employees in Existing Bargaining Units. In connection with any reorganization, restructuring or other event that gives rise to application of the terms of this Agreement, and which involves either:

- (a) the transfer of non-management work from any Union bargaining unit to any other entity of the Company or of any subsidiary of AT&T Inc., or
- (b) the elimination of bargaining unit work while new jobs are created in any other entity of the Company or any subsidiary of AT&T Inc.,

the Union agrees that, once the recognition has occurred, an offer of a job in another entity to an employee in an existing bargaining unit shall have the same effect as if the same job or one of similar status and pay were offered by the employer under the collective bargaining agreement(s) for that bargaining unit. This shall include, without limitation, application of any contractual reassignment pay protection provisions and the satisfaction of any bargained-for employee right to a job offer. Except as specified in paragraph 10., below, nothing in this paragraph 8 shall be construed as a waiver by the Union of any legal rights it may have to challenge or contest the reorganization, restructuring, or other event described in 8.a. and/or 8.b. above.

9. Dispute Resolution. Except as to disputes referenced in paragraph 3. (c). of this Agreement, all disputes concerning the meaning or application of the terms of this Agreement shall be handled and addressed by the meeting of designated representatives of the Company and the Union. Either party may request such a meeting and each party pledges its best efforts to address any and all concerns raised as to the meaning or application of this Agreement. With the exception of matters referenced in paragraph 3.(c). above, the meaning or application of this Agreement shall not be subject to arbitration. Each party reserves its right to seek judicial or other relief provided by law to enforce this Agreement. However, the parties agree that prior to seeking such relief, they will meet and confer as set forth above.

10. Waiver of Certain Other Claims.

- (a). The Union promises and agrees that, in connection with any arbitration provided for in this Agreement, and in connection with any legal or administrative suit, proceeding or charge arising subsequent to the effective date of this Agreement between the Union and any AT&T company, including but not limited to any proceeding before the National Labor Relations Board or its delegate, the Union hereby waives any claim, allegation or argument, and agrees to refrain from presenting this Agreement as evidence in support of any claim, allegation or argument, that AT&T Inc. and/or any of its current or future subsidiaries, and/or

their divisions, units, agents or affiliates, are or have been a single employer, joint employers, accretions or alter egos with respect to each or any of them, to the extent that any such claim, allegation or argument is based upon:

- (1) any change on or after the execution date of this Agreement, in the administration and/or control of labor relations by AT&T or any of its entities, companies, divisions, or subsidiaries; or
- (2) any change in the scope, availability to employees, or administration by management of any program or practice for the effectuation of employee-initiated transfers between or among different subsidiaries or bargaining units;

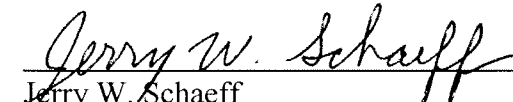
provided, however, that this paragraph shall not be construed as having any effect on the Union's right or the Company's obligation, to the extent the same may exist under applicable law and/or any preexisting collective bargaining agreement(s), to negotiate changes in the terms and conditions applicable to such transfers.

- (b). The provisions of this paragraph 10 shall survive the expiration of the remainder of this Agreement, and shall have full force and effect until specifically voided by mutual written agreement of the parties.

11. Severability. Should any portion of this Agreement be voided or held unlawful or unenforceable by the National Labor Relations Board or any court of competent jurisdiction, the remaining provisions shall remain in full force and effect for the duration of this Agreement.

AGREED:


FOR THE UNION:



Jerry W. Schaeff
CWA Assistant to the Vice-President

April 8, 2012
Date

FOR THE COMPANY:



William J. Helwig
Director Labor Relations

April 8, 2012
Date

MEMORANDUM OF AGREEMENT

PAYMENT IN LIEU OF VACATION

This Memorandum of Agreement (“Memorandum”) confirms the understanding reached between AT&T Midwest (“Company”) and the Communications Workers of America, AFL-CIO (“Union”) (collectively “Parties”) during 2012 collective bargaining regarding payment in lieu of vacation. The Parties agree that employees who resign (other than under applicable employment security/force adjustment provisions) or are terminated for cause shall be paid out only the unused portion of their annual vacation allotment based on when they left the payroll. The chart below shall be used to determine the vacation allotment for employees who have completed at least six (6) months of service and who leave the payroll during the calendar months provided:

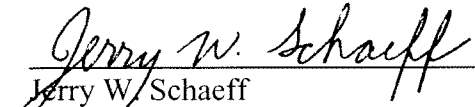
Month Employee Leaves Company Or (Credited Months)	Annual Eligible Vacation Hours (See eligibility above for number of eligible weeks)				
	5 Days or 1 Week (40 Hours)	10 Days or 2 Weeks (80 Hours)	15 Days or 3 Weeks (120 Hours)	20 Days or 4 Weeks (160 Hours)	25 Days or 5 Weeks (200 Hours)
	Number of "Earned" Current Year Vacation Hours				
Jan. (1)	3	7	10	13	17
Feb. (2)	7	13	20	27	33
Mar. (3)	10	20	30	40	50
Apr. (4)	13	27	40	53	67
May (5)	17	33	50	67	83
Jun. (6)	20	40	60	80	100
Jul. (7)	23	47	70	93	117
Aug. (8)	27	53	80	107	133
Sep. (9)	30	60	90	120	150
Oct. (10)	33	67	100	133	167
Nov. (11)	37	73	110	147	183
Dec. (12)	40	80	120	160	200

However, the Parties also agree that except for those employees addressed specifically in the preceding paragraph, all other employees will be paid out vacation at the time of separation as if they had accrued vacation for the entire year of separation, provided they are not on a leave of absence for at least one day during the year of their separation.

This Memorandum applies to all employees covered by the CBA, including Appendices F and G. It will remain in effect through the life of the 2012 Collective Bargaining Agreement.

AGREED:


FOR THE UNION:



Jerry W. Schaeff
CWA Assistant to the Vice-President

April 8, 2012
Date

FOR THE COMPANY:



William J. Helwig
Director Labor Relations

April 8, 2012
Date

MEMORANDUM OF AGREEMENT

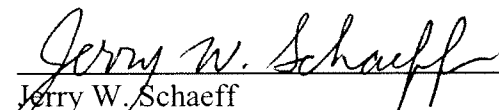
SUCCESSORSHIP

AT&T Midwest ("Company") agrees that in any agreement to sell a portion of its assets in a transaction involving the transfer of employees subject to this Collective Bargaining Agreement, as a condition of the closing of such sale, that the Buyer shall agree to assume the terms of the existing Collective Bargaining Agreement(s), provided that the Buyer shall have the right to re-open the unexpired Collective Bargaining Agreement at any time after eighteen (18) months but no longer than twenty-four (24) months following the Closing of the sale, the re-opening of which the Communications Workers of America ("Union") hereby agrees to accept or, the Buyer and Union may bargain at the expiration of the Collective Bargaining Agreement(s), whichever is earlier. In no event will the terms of this [Successorship] Memorandum of Agreement limit any of the Company's existing rights under this Agreement(s). The Company further agrees it will notify the Union at least 30 days prior to the close of such proposed transaction and, during such 30 day period, will meet with the Union upon request to engage in effects bargaining and to discuss the business reasons for the Company's decision.

This Memorandum of Agreement will remain in effect through the term of the 2012 Collective Bargaining Agreement between the Parties.

AGREED:

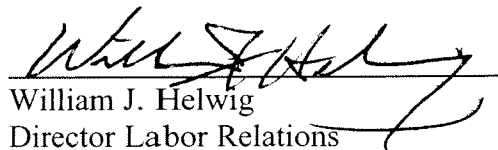
FOR THE UNION:



Jerry W. Schaeff
CWA Assistant to the Vice-President

April 8, 2012
Date

FOR THE COMPANY:



William J. Helwig
Director Labor Relations

April 8, 2012
Date

MEMORANDUM OF AGREEMENT
BENEFITS RULES FOR MOVEMENT

This Memorandum of Agreement covers the understanding reached between AT&T Midwest (“Company”) and the Communications Workers of America, AFL-CIO (“Union”) (collectively “Parties”) concerning benefits treatment for Employees who move during the term of the 2012 Collective Bargaining Agreement between the Parties (“2012 CBA”). The Parties agree that such treatment shall be that provided for in this Memorandum of Agreement. Definitions contained in the 2012 CBA shall also apply in this Memorandum.

Section 1 - General Provision

Any individual who moves after August 17, 2012 from a job title not covered by the 2012 CBA to a job title covered by the 2012 CBA, where the circumstances of the move are not specifically accounted for in one of the following paragraphs, will be treated as a 2012 New Hire under Article 16 of the 2012 CBA (“Article 16”). In addition, any Employee who moves from a job title not covered by Appendix F to the 2012 CBA (“Appendix F”) to an Appendix F job title, where the circumstances of the move are not specifically accounted for in one of the following paragraphs, will be treated as a 2012 New Hire under Article 16.

Section 2 - Treatment of Surplus Appendix F Employees

i. *Definitions:*

- A “Surplus Appendix F Employee” means an individual who is a Current Employee under Article 16 and who was transferred or transfers during the term of this Agreement to an Appendix F job title pursuant to the force adjustment surplus process from a non-Appendix F job title under the 2009 Collective Bargaining Agreement between the Parties (“2009 CBA”) or the 2012 CBA, including Appendix G.

ii. *Applicable Benefit Plans:*

- A Surplus Appendix F Employee will be eligible to participate in the same plans, policies and provisions on the same terms and conditions as will be provided to Current Employees under Article 16.

iii. *Subsequent Movement:*

- If the Surplus Appendix F Employee subsequently moves during the term of this Agreement to a non-Appendix F job title under the 2012 CBA including Appendix G, the benefits available to the Surplus Appendix F Employee will be the benefits provided to Current Employees under Article 16.

Section 3 - Treatment of Inter-Region Transferred Converted Temp/Term Employees, Inter-Region Transferred Appendix Employees and Inter-Region Transferred 2009 New Hire Employees

i. Definitions:

- An “Inter-Region Transferred Converted Temp/Term Employee” means an individual who was classified as a temp or term employee as of August 8, 2009 in one of the 2009 Core CWA Collective Bargaining Agreements in the East, West, Midwest, Southeast, Southwest regions and Legacy T (“2009 Core CBAs”) and was subsequently reclassified to “regular employee” status on or before August 17, 2012 and then moved pursuant to the National Transfer Plan to any job title, except a job title under Appendix F, covered by the 2012 CBA.
- An “Inter-Region Transferred Appendix Employee” means an individual who was employed as of August 8, 2009 in one of the following appendices under the 2009 Core CBAs: East Region Appendix F, West Region Appendix E, or Southwest Region Appendix J, and while in such job title did not have economic protections as a result of a surplus and then moved pursuant to the National Transfer Plan to any job title, except a job title under Appendix F, covered by the 2012 CBA.
- An “Inter-Region Transferred 2009 New Hire” means an individual who hired or rehired after August 8, 2009 and on or before August 17, 2012 in a job title in one of the 2009 Core CBAs and who moved pursuant to the National Transfer Plan into any job title, except a job title under Appendix F, covered by the 2012 CBA.

ii. Applicable Benefit Plans: Inter-Region Transferred Converted Temp/Term Employees, Inter-Region Transferred Appendix Employees and Inter-Region Transferred 2009 New Hire Employees will be eligible to participate in the same plans, policies and provisions on the same terms and conditions as will be provided under Article 16 to 2009 New Hires.

iii. Subsequent Movement: If an Inter-Region Transferred Converted Temp/Term Employee, an Inter-Region Transferred Appendix Employee or an Inter-Region Transferred 2009 New Hire Employee subsequently moves during the term of this Agreement to any other job title, except a job title under Appendix F, under the 2012 CBA, the benefits available will continue to be the benefits provided to 2009 New Hires under Article 16.

Section 4 - Treatment of Inter-Region Transferred Current Employees and Inter-Region Transferred Core to Appendix Employee

i. *Definitions :*

- An “Inter-Region Transferred Current Employee” means an individual who was employed as of August 8, 2009 in one of the 2009 Core CWA CBAs who moved pursuant to the National Transfer Plan into any job title (except an Appendix F job title) covered by the 2012 CBA, and immediately preceding such movement was being treated as a “current employee” for benefit plan purposes under the transferring applicable collective bargaining agreement.
- An “Inter-Region Transferred Core to Appendix Employee” means an individual who was employed as of August 8, 2009 in one of the 2009 Core CBAs other than one of the following appendices under the 2009 Core CBAs: East Region Appendix F, West Region Appendix E, or Southwest Region Appendix J, who moved pursuant to the National Transfer Plan into a job title covered by Appendix F of the 2012 CBA, and immediately preceding such movement was being treated as a “current employee” for benefit plan purposes under the transferring applicable collective bargaining agreement.

ii. *Applicable Benefit Plans:*

- Inter-Region Transferred Current Employees will be eligible to participate in the same plans, programs and policies on the same terms and conditions as will be provided to Current Employees under Article 16.
- Inter-Region Transferred Core to Appendix Employees will be eligible to participate in the same plans, programs and policies on the same terms and conditions as will be provided to 2012 New Hires under Article 16.

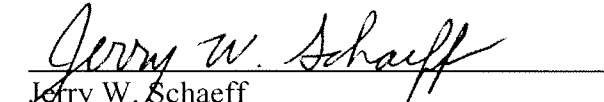
iii. *Subsequent Movement:*

- If an Inter-Region Transferred Current Employee subsequently moves during the term of this Agreement to any other job title under the 2012 CBA other than a job title under Appendix F, the benefits available to the individual will continue to be the benefits provided to Current Employees pursuant to Article 16.
- If an Inter-Region Transferred Core to Appendix Employee subsequently moves during the term of this Agreement to any other job title under the 2012 CBA, the benefits available to the individual will continue to be the benefits provided to 2012 New Hires pursuant to Article 16.

This Memorandum of Agreement will remain in effect through the term of the 2012 Collective Bargaining Agreement between the Parties.

AGREED:

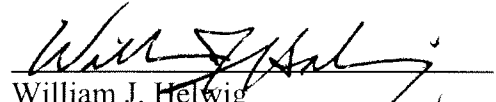
FOR THE UNION:



Jerry W. Schaeff
CWA Assistant to the Vice-President

April 8, 2012
Date

FOR THE COMPANY:



William J. Helwig
Director Labor Relations

April 8, 2012
Date

APPENDIX B

JOB DUTIES

**I & R
(SERVICE TECHNICIAN)**

1. Installs, rearranges, moves and disconnects equipment on customer premises, but not including that which is considered top craft work.
 - Can replace non-complex defective equipment, line and channel packs, etc.
2. Works inside or outside of buildings and on telephone poles to repair damaged or broken equipment, to restore service, or to check equipment and make necessary connections to provide telephone service.
3. Tests for, locates, clears all faults and defects and performs preventive routines on all size distribution cables, but not that which is considered top craft work.
 - Opening, repairing and closing lead cable is top craft work.
 - Mid-span opening, repairing and closing of cable is top craft work.
4. Sends tone and tests for cable pair identification including placing and removal of heat coils, carbons, and blocks in central offices and buildings, but not that which is considered top craft work. This also includes assisting other higher level craft in the performance of these duties for purposes of locating and clearing all faults and defects.
5. Sells appropriate items of telephone service on contacts with customers.
6. Installs telephone booths, shelves and associated coin telephones, including electrical service and performs the mechanical maintenance of the equipment.
7. Performs reconcentration (recon) of drops and inside wire.
8. Operates load coil detector when checking for loaded cable (go/no-go type of tests).
9. Checks for shorts, grounds, open battery and/or DC continuity.
10. Mounts terminating channel equipment, installs and maintains non-designed special service circuits (those which do not extend beyond one wire center), and places cross-connections in underground boxes and in other outside plant connection points.
11. Places outside drop wire and inside wire on customer premises.
12. Works with and assists other craft level employees. Orders, receives, dispenses and stores materials.

**PICS
(INVENTORY SPECIALIST)**

1. Performs the following functions related to plug-in equipment: packaging, unpackaging, locating, transporting, ordering, storing, inventorying, and coordinating transfers and plug disposition.
2. Performs all activities related to the procurement of plug-in equipment.
3. Interacts with administrative and operational support systems associated with the outlined job duties.
4. Monitors, maintains and updates the “IDP” administration system in central office and garage locations.

**CENTRAL OFFICE
(NETWORK TECHNICIAN)**

1. Performs routine maintenance on various power equipment in central offices including the locating and clearing of associated electric faults; also performs certain other routines (frame, safety, and environmental).
 - Leveling and work inside the rectifier cabinet is top craft work.
 - Semi-annual and annual power routines are top craft work.
 - The analyzation of alarm logs and the diagnostics of the power room is top craft work.
2. Handles disconnect work on Central Office frames, cross connect work on distributing frames and continuity testing for installation work, for both designed and non-designed circuits.
 - Toll equipment acceptance is top craft work.
 - Final testing for turn up of designed circuits is top craft work.
3. Provides assistance on other types of frame work, e.g., placing shoes, sending tone, opening and testing pairs including placing and removal of heat coils, carbons and blocks.
4. Orders, handles, options and performs initial installation and disconnects of channel packs for service order operations.
 - Option setting on common equipment and processors is top craft work.
5. Interacts with computerized support systems associated with routine service orders and maintenance.

6. Assists in verification, minor trouble correction and cutovers under the direction of higher level technicians (e.g., change heat coils, replace non-complex defective equipment, change line, trunk, and other transport channel packs, etc.).
 - Work beyond the change-out of equipment specified by the design of a circuit is top craft work.
7. Performs equipment inventory verification checks on central office equipment.
8. Handles service orders and other documents related to Central Office operations.
9. Orders, unpacks and stores supplies.

**CONSTRUCTION
(CONSTRUCTION TECHNICIAN)**

1. Transports, places, removes and rearranges poles and cable including buried, aerial and underground.
 - Makes cable terminations and connections, single pair at a time, (using discrete wire connectors such as “Scotch-Locks”) on new construction or “C” type work which does not require specialized tools.
2. Places tags on poles and cables.
3. Digs holes, splicing pits, trenches and similar openings.
4. Reads prints that indicate where equipment is to be placed.
5. Tests, ventilates and sets work area protection for underground work. Serves, as required, as second person on job to meet safety and legal requirements. Also serves as second person on air pressure crews.
 - Construction Technicians working air pressurization will work under the direction of top craft.
6. Performs reconcentration (recon) of drops and inside wire.
7. Sends tone and tests for cable pair identification including placing and removal of heat coils, carbons, and blocks in central offices and buildings, but not that which is considered top craft work. This also includes assisting other higher level craft in the performance of these duties for purposes of locating and clearing all faults and defects.
8. Orders, receives and stores materials, and prepares necessary time and inventory reports. Handles associated supply yard functions.

MEMORANDUM OF AGREEMENT

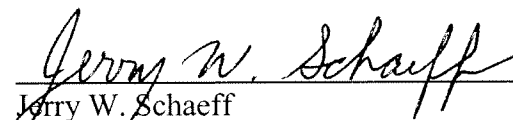
**REGARDING SERVICE TECHNICIANS, CONSTRUCTION TECHNICIANS,
NETWORK TECHNICIANS AND INVENTORY SPECIALISTS**

The Company agrees that the number of CWA-represented employees holding the combined job titles of Service Technician, Construction Technician, Network Technician and Inventory Specialist, when taken as a percentage of the total number of CWA-represented top craft employees, will not exceed twenty-five percent (25%).

This Memorandum of Agreement will remain in effect through the term of the 2012 Collective Bargaining Agreement between the Parties.

AGREED:

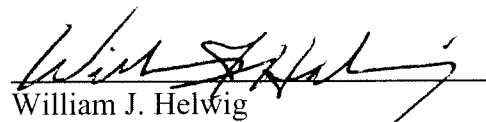
FOR THE UNION:



Jerry W. Schaeff
CWA Assistant to the Vice-President

April 8, 2012
Date

FOR THE COMPANY:



William J. Helwig
Director Labor Relations

April 8, 2012
Date

WAGE ZONES

ILLINOIS:	Zone 1
INDIANA:	Zone 2 Zone 3 Zone 4 Zone 5
MICHIGAN:	Zone 6 Zone 7
OHIO:	Zone 8 Zone 9 Zone 10 Zone 11
WISCONSIN:	Zone 12 Zone 13

APPENDIX B / WAGE ZONES & LOCATIONS**ILLINOIS****WAGE ZONE 1**

ARLINGTON HEIGHTS	CICERO	GENEVA	OAK BROOK
BELLEVILLE	DANVILLE	GRANITE CITY	O'FALLON
BLOOMINGTON	DECATUR	HARVEY	PEORIA
CAHOKIA	EAST ST. LOUIS	JOLIET	PONTOON BEACH
CANTON	EDGEMONT	LANSING	SPRINGFIELD
CHICAGO	ELMHURST	LIBERTYVILLE	WAUKEGAN
CHICAGO HEIGHTS		LOMBARD	WHEATON

INDIANA**WAGE ZONE 2**

GARY
HAMMOND

WAGE ZONE 3

ACTON
BROWNSBURG
CARMEL
CASTLETON
CUMBERLAND
DANVILLE
FISHERS
GREENFIELD
GREENWOOD
INDIANAPOLIS
MOORESVILLE
NEW AUGUSTA
NEW PALESTINE
NOBLESVILLE
OAKLANDON
PLAINFIELD
WEST NEWTON
ZIONSVILLE
FAIRLAND

WAGE ZONE 4

CULVER
KENDALLVILLE |
KOKOMO
MICHIGAN CITY
MISHAWAKA
OSCEOLA
SOUTH BEND

WAGE ZONE 5

ALEXANDRIA
ANDERSON
ATTICA
AUBURN
BEDFORD
BLOOMINGTON
BLOOMFIELD |
BLUFFTON
BOONVILLE
BUCK CREEK
CHARLESTOWN
CHESTERFIELD
CLINTON
COLUMBUS
COVINGTON
CRAWFORDSVILLE
EDINBURGH |
ELWOOD
EVANSVILLE
FOWLER
FRANKFORT
GALENA |
HARTFORD CITY
HELTONVILLE
HUNTINGTON
JEFFERSONVILLE

LEBANON
LINTON
MARION
MARTINSVILLE
MCCUTCHANVILLE
MECCA
MIDDLETOWN |
MT. VERNON
MUNCIE
NASHVILLE
NEW ALBANY
NEW CASTLE
NEWBURGH
PERU
ROCKPORT
ROCKVILLE
SELLERSBURG
SHELBYVILLE
SPENCER
ST. JOSEPH
ST. PHILIP
TELL CITY
VINCENNES
WASHINGTON
YORKTOWN |

APPENDIX B / WAGE ZONES & LOCATIONS

MICHIGAN

WAGE ZONE 6

DETROIT
HIGHLAND PARK

WAGE ZONE 7

ACME	CRYSTAL FALLS	KALAMAZOO	RICHLAND
ADA	DEARBORN	KALKASKA	ROCHESTER HILLS
ALBION	DEXTER	LINDEN	ROCKFORD
ALGONAC	DIMONDALE	LAKE ORION	ROMEO
ALLEN PARK	DRAYTON PLAINS	LANSING	ROMULUS
AUBURN HILLS	DUTTON	LAPEER	ROSEVILLE
ANN ARBOR	DUTTON LAKE	LINCOLN PARK	ROYAL OAK
BAD AXE	EAST LANSING	LIVONIA	SANDUSKY
BALDWIN	EAST TAWAS	LOWELL	SAULT STE. MARIE
BATTLE CREEK	ELK RAPIDS	MANCELONA	SAGINAW
BAY CITY	ESCANABA	MANISTEE	SCOTTVILLE
BEAVERTON	FAIRGROVE	MARINE CITY	SOUTH LYON
BELLEVILLE	FARMINGTON	MARNE	SOUTHFIELD
BENTON HARBOR	FARMINGTON HILLS	MARQUETTE	SPRINGFIELD
BEULAH	FENTON	MARSHALL	ST. IGNACE
BIG RAPIDS	FLAT ROCK	MARYSVILLE	STANDISH
BIRMINGHAM	FLINT	MENOMINEE	STERLING HEIGHTS
BLOOMFIELD	FRANKENMUTH	MIDDLEVILLE	TAWAS CITY
BOYNE CITY	FREELAND	MIDLAND	TAYLOR
BRIDGEPORT	FREEMONT	MONROE	TRAVERSE CITY
BRIGHTON	GALESBURG	MORLEY	TRENTON
BUCHANAN	GLADWIN	MT. CLEMENS	TROY
BURTON	GRAND BLANC	NEW BALTIMORE	UNION LAKE
BYRON CENTER	GRAND HAVEN	NEW BUFFALO	UTICA
CADILLAC	GRAND RAPIDS	NEWAYGO	VASSAR
CALUMET	GREENVILLE	NEWBERRY	WALLED LAKE
CANTON	HANCOCK	NILES	WARREN
CEDAR SPRINGS	HARTLAND	NILES WEST	WASHINGTON
CENTER LINE	HASTINGS	NORTHVILLE	WATERFORD
CHARLEVOIX	HILLSDALE	OAK PARK	WAYLAND
CHARLOTTE	HOLLAND	OKEMOS	WAYNE
CHEBOYGAN	HOLT	OSHTEMO	WEST BLOOMFIELD
CHELSEA	HOWELL	OXFORD	WEST BRANCH
CHESTERFIELD	HUDSONVILLE	PETOSKEY	WESTLAND
CLARE	INDIAN RIVER	PLAINWELL	WHITE CLOUD
CLARKSTON	IONIA	PLYMOUTH	WHITMORE LAKE
CLAWSON	IRON MOUNTAIN	PONTIAC	WILLIS
CLINTON TOWNSHIP	IRON RIVER	PORT HURON	WYANDOTTE
CLIO	IRONWOOD	REDFORD	WYOMING
COMMERCE	ISHPEMING	REDFORD TOWNSHIP	YPSILANTI
COMMERCE TOWNSHIP	JACKSON	REED CITY	ZEELAND
COMSTOCK PARK			
CROSWELL			

APPENDIX B / WAGE ZONES & LOCATIONS

OHIO

<u>WAGE ZONE 8</u>	<u>WAGE ZONE 9</u>	<u>WAGE ZONE 10</u>	
CLEVELAND (DOWNTOWN)	BEACHWOOD	AKRON	MASSILLON
	BEDFORD	ALLIANCE	MAUMEE
	BEREA	BARBERTON	MIAMISBURG
	BOSTON HEIGHTS	BEAVERCREEK	MIFFLIN TWP.
	BRECKSVILLE	BOARDMAN	MOGADORE
	BROOK PARK	BOARDMAN TWP.	MONROE
	BROOKLYN HEIGHTS	BROOKFIELD	MUSKINGUM TWP
	BURTON	BUTLER TWP.	NEW ALBANY
	CHAGRIN FALLS	CANAL FULTON	NEW ROME
	CLEVELAND	CANAL WINCHESTER	NEW WATERFORD
	CLEVELAND HEIGHTS	CANTON	NILES
	EUCLID	CANTON TWP.	NORTH CANTON
	HIGHLAND HEIGHTS	CENTERVILLE	OREGON
	INDEPENDENCE	COLUMBIANA	PERRYSBURG
	LAKESWOOD	COLUMBUS	PERRYSBURG TWP.
	MAPLE HEIGHTS	COVENTRY TWP.	PERRY TWP.
	MAYFIELD HEIGHTS	CUYAHOGA FALLS	PLAIN TOWNSHIP
	MENTOR	DAYTON	POLAND
	NORTH OLMSTED	DUBLIN	PRAIRIE TWP.
	NORTH ROYALTON	EAST LIVERPOOL	RAVENNA.
	OLMSTED FALLS	EAST PALESTINE	REYNOLDSBURG
	PAINESVILLE	FAIRBORN	SALEM
	PARMA	FRANKLIN	SALEM TOWNSHIP
	ROCKY RIVER	GREEN TWP	SPRINGFIELD TWP.
	SHAKER HEIGHTS	GROVE CITY	STOW
	SOLOM	HAMILTON TWP.	STRUTHERS
	SOUTH EUCLID	HILLIARD	TALLMADGE
	STRONGVILLE	HOLLAND	TOLEDO
	WESTLAKE	HUBBARD	UPPER ARLINGTON
	WILLOUGHBY	KENT	VANDALIA
		KETTERING	WALBRIDGE
		LISBON	WASHINGTON TWP.
		MADISON TWP.	WESTERVILLE
			WORTHINGTON
			YOUNGSTOWN

APPENDIX B / WAGE ZONES & LOCATIONS

OHIO

WAGE ZONE 11

BARNESVILLE	LANCASTER	PEASE TWP.	WASHINGTON COURT HOUSE
BRIDGEPORT	LIBERTY TWP.	PIQUA	WINCHESTER
CHILLICOTHE	LONDON	SANDUSKY	WOODSFIELD
COSHOCTON	LOUISVILLE	SPRINGFIELD	XENIA
FINDLAY	MARIETTA	ST. CLAIRSVILLE	ZANESVILLE
FOSTORIA	MARTINS FERRY	STEUBENVILLE	
FREMONT	MIDDLETOWN	TIFFIN	
GALLIPOLIS	MOOREFIELD TWP.	UHRICHSVILLE	
HILLSBORO	NELSONVILLE	UNIONTOWN	
HOPEWELL TWP.	NEW CARLISLE	UNION TWP.	
IRONTON	NEW LEXINGTON	UPPER SANDUSKY	
JACKSON TWP.			

APPENDIX B / WAGE ZONES & LOCATIONS

WISCONSIN

WAGE ZONE 12

BROOKFIELD	NEW BERLIN
BURLINGTON	OAK CREEK
CALEDONIA	PEWAUKEE
CEDARBURG	PORT WASHINGTON
GREENFIELD	RACINE
HALES CORNERS	STOUGHTON
HARTLAND	SUSSEX
HUBERTUS	UNION GROVE
JACKSON	WAUKESHA
KENOSHA	WAUWATOSA
MADISON	WEST ALLIS
MENOMONEE FALLS	WEST BEND
MEQUON	
MILWAUKEE	
MUSKEGO	

WAGE ZONE 13

APPLETON	LAKE GENEVA
BEAVER DAM	LITTLE CHUTE
BELOIT	MANITOWOC
BERLIN	MAYVILLE
CHIPPEWA FALLS	MENOMONIE
COLUMBUS	NEENAH
DE PERE	NEW LONDON
DELAVAN	OCONOMOWOC
EAU CLAIRE	OMRO
EVANSVILLE	OSHKOSH
FOND DU LAC	RIVER FALLS
FORT ATKINSON	SHEBOYGAN
GREEN BAY	STEVENS POINT
HUDSON	STURGEON BAY
JANESVILLE	WATERTOWN
JEFFERSON	WAUPACA
KAUKAUNA	WHITEWATER
KEWAUNEE	

Pension Band	On or After 1/1/2013 and Before 1/1/2014	On or After 1/1/2014 and Before 1/1/2015	On or After 1/1/2015
200A	28.87	29.16	29.45
200B	30.87	31.18	31.49
200C	32.85	33.18	33.51
201	34.86	35.21	35.56
202	36.81	37.18	37.55
203	38.79	39.18	39.57
204	40.80	41.21	41.62
205	42.78	43.21	43.64
206	44.80	45.25	45.70
207	46.79	47.26	47.73
208	48.78	49.27	49.76
209	50.77	51.28	51.79
210	52.70	53.23	53.76
211	54.72	55.27	55.82
212	56.74	57.31	57.88
213	58.74	59.33	59.92
214	60.72	61.33	61.94
215	62.70	63.33	63.96
216	64.55	65.20	65.85
217	66.41	67.07	67.74
218	68.27	68.95	69.64
219	70.11	70.81	71.52
220	71.93	72.65	73.38
221	73.76	74.50	75.25
222	75.56	76.32	77.08
223	77.37	78.14	78.92
224	79.18	79.97	80.77
225	80.93	81.74	82.56
226	82.91	83.74	84.58
227	84.84	85.69	86.55
228	86.83	87.70	88.58
229	88.75	89.64	90.54
230	90.72	91.63	92.55
231	92.67	93.60	94.54
232	94.62	95.57	96.53
233	96.56	97.53	98.51

THE 2012 - 2014 WAGE SCHEDULES ARE
LOCATED ONLINE AT
AT&T OneStop- Labor Relations - Midwest Page

APPENDIX D

MEMORANDUM OF AGREEMENT

BENEFITS

Except as set forth in Article 16 and Attachment A, or as previously provided in Article 16, Attachment A and Appendix D of the 2009 Collective Bargaining Agreement, no change shall be made in the terms of the plans identified in this Memorandum of Agreement - Benefits or their successor plans which would reduce or diminish the benefits or privileges provided thereunder as they apply to Employees represented by the Union without the consent of the Union. For purposes of convenience the collectively bargained plans, programs and policies referenced, which remain subject to all terms contained in Article 16, are listed below:

- Ameritech Comprehensive Health Care Plan
- AT&T Medical Plan, Consumer Driven Health Plan (Tier 1 Provisions)
- AT&T Dental Plan (management provisions)
- AT&T Vision Plan (management provisions)
- AT&T Midwest Disability Benefits Program
- AT&T Care Plus – A Supplemental Benefit Program
- AT&T Medical & Group Life Insurance Plan – Group Life Insurance
- AT&T Supplementary Group Life Insurance Plan
- AT&T Dependent Group Life Insurance Program
- AT&T Consolidated Long Term Care Insurance Plan (existing participants only)
- AT&T Flexible Spending Account Plan
- AT&T Adoption Reimbursement Program
- AT&T Retirement Savings Plan
- AT&T Savings & Security Plan
- Bargained Cash Balance Program #2 of the AT&T Pension Benefit Plan
- Midwest Program of the AT&T Pension Benefit Plan*
- Midwest Leaves of Absence Policy

*The Pension Band Schedule is located in Appendix B.

In addition, the Company and the Union agree that provisions of the following Benefit Plans will continue to be represented in Summary Plan Descriptions (SPDs):

- Ameritech Comprehensive Health Care Plan
- AT&T Medical Plan, Consumer Driven Health Plan (Tier 1 Provisions)
- AT&T Midwest Disability Benefits Program
- AT&T Care Plus - A Supplemental Benefit Program
- AT&T Adoption Reimbursement Program
- AT&T Vision Plan
- AT&T Dental Plan
- AT&T Flexible Spending Account 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 Savings & Security Plan
AT&T Retirement Savings Plan
Midwest Program of the AT&T Pension Benefit Plan
Bargained Cash Balance Program #2 of the AT&T Pension Benefit Plan

The Parties further agree with respect to Plan amendments, as provided for in Appendix D, the SPD for each Plan so amended may be revised following ratification of the Agreement to appropriately reflect all such amendments. If so revised, the final draft copy of the revised SPD or other proposed means of communicating the change to employees represented by the Union will be provided to the Union, sufficiently in advance of its publication, to allow for their review, input and recommended changes and to assure it appropriately reflects the provisions of the plan.

This Memorandum of Agreement will remain in effect through the term of the 2012 Collective Bargaining Agreement between the Parties.

AGREED:


FOR THE UNION:



Jerry W. Schaeff
CWA Assistant to the Vice-President

April 8, 2012
Date

FOR THE COMPANY:



William J. Helwig
Director Labor Relations

April 8, 2012
Date

MEMORANDUM OF AGREEMENT

BENEFIT INVESTIGATION COMMITTEE (BIC)

The Company and the Union mutually agree to maintain a regional committee known as the Benefit Investigation Committee (BIC). The BIC will meet to investigate specific cases of employees represented by the Union to insure that treatment is in accordance with Benefit plans.

The BIC will consist of the following:

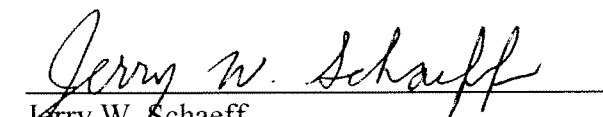
- Co-Chairs; one (1) CWA International Representative and one (1) AT&T Midwest Labor Relations Representative,
- One (1) additional Union appointed representative and One (1) additional Labor Relations representative.
- Two (2) AT&T Benefit Organization Representatives.
- And additional representatives as mutually agreed.

The BIC will meet monthly via conference call to investigate specific cases referred by CWA Locals to the CWA International Benefit Representative. The BIC will have no authority to change the Benefit Plans or grant or deny Benefits but may make recommendations concerning the Benefit delivery process.

This Memorandum of Agreement will remain in effect until the expiration of the 2012 Collective Bargaining Agreement.


AGREED:

FOR THE UNION:


Jerry W. Schaeff
CWA Assistant to the Vice-President

April 8, 2012
Date

FOR THE COMPANY:


William J. Helwig
Director Labor Relations

April 8, 2012
Date

MEMORANDUM OF AGREEMENT
LEGALLY RECOGNIZED PARTNERS

This Memorandum of Agreement covers the agreement reached between the Company and the Union regarding Legally Recognized Partners.

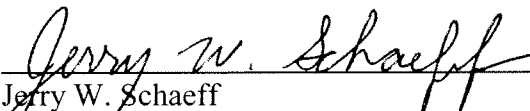
Legally Recognized Partners will be treated as a dependent in the following Company sponsored plans, under the same terms and conditions as those made available to an eligible spouse: medical, dental, vision, long term care, flexible spending accounts, pension death benefit, dependent life, adoption reimbursement, Employee Assistance Program, Family Care Leave and Care Plus.

Legally Recognized Partners may be subject to imputed income based on applicable Federal and state tax laws.

This Memorandum of Agreement will remain in effect through the term of the 2012 Collective Bargaining Agreement.

AGREED:


FOR THE UNION:



Jerry W. Schaeff
CWA Assistant to the Vice-President

April 8, 2012
Date

FOR THE COMPANY:



William J. Helwig
Director Labor Relations

April 8, 2012
Date

MEMORANDUM OF AGREEMENT

PRE-RETIREMENT SURVIVOR BENEFIT

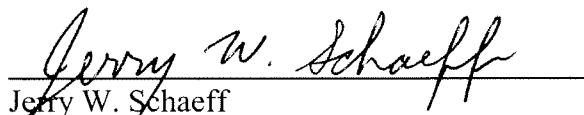
Effective January 01, 2002, the benefit payable to a spouse became the lump sum equivalent of the survivor annuity benefit otherwise payable to the spouse if the employee had retired on the date of his/her death. The benefit payable to a non-spouse beneficiary became equivalent to the 50% survivor annuity benefit, converted to a lump sum based upon the employee's age at death, regardless of marital status, subject to spousal consent.

The AT&T Rules for Employee Beneficiary Designations ("the Beneficiary Designation Rules") will apply to employees who retire(d) on and/or after January 1, 2005 for distribution of Pension Benefits that allow the Employee to designate a beneficiary. In addition, the Beneficiary Designation Rules will be used for Final Unpaid Compensation and Benefits.

This Memorandum of Agreement will remain in effect through the term of the 2012 Collective Bargaining Agreement between the Parties.

AGREED:

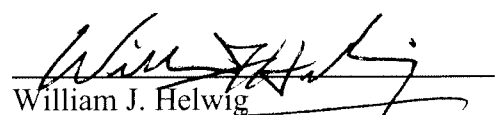
FOR THE UNION:



Jerry W. Schaeff
CWA Assistant to the Vice-President

April 8, 2012
Date

FOR THE COMPANY:



William J. Helwig
Director Labor Relations

April 8, 2012
Date

APPENDIX F

MEMORANDUM OF AGREEMENT

Section 1 – Agreement

1.01 This Memorandum of Agreement (hereinafter called “Memorandum” or “MOA”) is made and entered into by and between AT&T Teleholdings, Inc. d/b/a AT&T Midwest, Illinois Bell Telephone Company, Indiana Bell Telephone Company, Incorporated, The Ohio Bell Telephone Company, Wisconsin Bell, Inc. and Michigan Bell Telephone Company and AT&T Services, Inc. (hereinafter referred to collectively in this MOA as the “Company”), and the COMMUNICATIONS WORKERS OF AMERICA, affiliated with the American Federation of Labor, Congress of Industrial Organizations (hereinafter referred to in this MOA as the “Union”). The Company and the Union (hereinafter referred to collectively in this MOA as the “Parties”) agree as follows:

1.02 Applicable job titles:

Premises Technician
Dispatcher
Technical Support Representative II

1.03 This Memorandum contains the entire agreement between the Company and the Union with respect to all positions referenced in Section 1.02 herein, except that Articles 1, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 15, 16, 20, 28, 29, and the following Memoranda of Agreement and letter agreements:

- A6 Success Sharing Plan
- A8 Safety Advisory Council
- A14 Innovative Scheduling (Flextime)
- A34 Memorandum of Agreement Payment in Lieu of Vacation
- A36 Memorandum of Agreement Benefits Rules for Movement
- Common Attendance Guidelines Letter

of the 2012 Core Collective Bargaining Agreement between the Company and the Union (“Contract”), and only those provisions, will also apply to positions covered by this Memorandum.

1.04 Where conflicts may exist or arise between provisions of this Memorandum and those of the above-referenced provisions of the Contract, the provisions of this Memorandum will prevail.

1.05 The following attachments shall apply to job titles covered by this Appendix:

Attachment I – Memorandum of Agreement Force Movement of Employees

Attachment II – Memorandum of Agreement Regarding Economic Protection Following Placement of Surplus Core Employees and Global Services Employees Identified for Layoff

Attachment III – Memorandum of Agreement Regarding Employment Classification

Section 2 – Classification of Employees

2.01 Regular Employee

One whose employment is expected to be indefinite. A regular employee may be either full-time or part-time.

2.02 Regular Limited Term Employee

One hired for a specific project or a limited period with the definite understanding that their employment will terminate or be converted to Regular Employee status upon the completion of the project or at the end of the period, and whose employment is expected to continue for more than one (1) year but, unless mutually agreed to by the Company and the Union, not longer than thirty-six (36) months as a Regular Limited Term employee. Regular Limited Term employees shall be excluded from the provisions in Section 7 of this Memorandum. If a Regular Limited Term employee covered by Appendix F attains 36 months of service, the employee shall either be work completed or converted to a Regular Employee at the Company's discretion. If the employee is converted to Regular Employee, the employee will continue to be covered by the terms, conditions and benefits provided by Appendix F.

2.03 Temporary Employee

One hired for a specific project or a limited period with the definite understanding that their employment will terminate upon the completion of the project or at the end of the period, and whose employment is expected to continue for not more than twelve (12) months. Temporary employees shall be excluded from the provisions in Section 7 of this Memorandum.

2.04 For the purposes of this Memorandum, all employees hired into a title covered by this Memorandum, unless otherwise specified by management, will be probationary. Employees will remain probationary for twelve (12) months.

Section 3 – Seniority

3.01 Seniority as used in this Memorandum shall mean Net Credited Service (NCS) with the Company as determined by the Pension Plan Administrator.

3.02 Where two or more employees have the same net credited service, the employee with the lowest last four digits of social security number shall be considered to be the most senior. In case there should be two or more employees with the same last four digits of the social security number, the lowest middle two digits of the social security number will determine seniority. Should two or more employees have identical numbers to this point, the employees will be arranged alphabetically by last name.

Section 4 – Time Off

4.01 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 Day
Christmas Day

Holidays that fall on a Sunday will be observed on the following Monday. When a holiday falls on a Saturday, employees will be given another day off in a subsequent week or a preceding week as determined by the Company. All time off earned in the previous vacation year, must be taken before any time off in the current vacation year can be taken.

4.02 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. Such hours worked at the premium rate shall be used in the calculation of the forty (40) hour overtime threshold.

4.03 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.

4.04 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 31st and ending on December 30th 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.

4.05 Vacation Eligibility

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

- A. One (1) week of vacation upon completion of (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.

4.06 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 30th.

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.

4.07 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.

4.08 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 one (1) 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 employee.

4.09 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, except for the one (1) day in the vacation year that the Company may assign. The Company shall determine periods available for selection and the number of employees allowed off on Personal Days Off.

4.10 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. Employees are expected to notify their supervisors as soon as possible of the need for time off to comply with any court order.

4.11 Death In An Employee's Immediate Family/Household

Employees may elect 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 or, father-in-law. 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.

4.12 Absence

Employees having one (1) or more years of NCS shall be paid at the basic wage rate for absences, including illness on scheduled workdays, not to exceed five (5) paid days per calendar year. Employees must notify their supervisor before their scheduled start time that they will be absent from work. Absences of longer than seven (7) consecutive days will be governed by the AT&T Midwest Disability Benefits Program.

4.13 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 5 – Working Conditions

5.01 Work Apparel

The Company may, at its discretion, implement appearance standards and/or a dress code consistent with State and Federal laws. The Company may change the standards and code at its discretion.

For the employees in Appendix F, participation in the U-verse Branded Apparel Program (BAP) is mandatory.

The Company can modify or discontinue this program at its discretion. If the BAP is discontinued for the employees listed in Appendix F, the Company will give those employees a minimum notice of thirty (30) days prior to such discontinuance.

5.02 Work Schedules

Insofar as service requirements and the conditions of the business permit, selection of work schedules shall be, when practical, by seniority. The responsibility for determining the requirements and conditions rests solely with the Company. Employees' 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. 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.

5.03 Four-Ten Work Schedules

The Company will determine if, when and in which 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.

Overtime will be paid according to Section 5.06 below. Overtime is time worked in excess of forty (40) hours in a workweek.

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 specified in Section 4.08 of the Memorandum will be eight (8) hours.

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.

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 accordance with Section 5.06 below.

If a holiday falls during the 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.

Paid absence will be granted in accordance with Section 4.12 of this Memorandum. An employee who is eligible for absence payments will receive ten (10) hours of pay if the employee is sick on a scheduled ten (10) hour day, unless the remaining balance of paid absence time is less than ten (10) hours.

5.04 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.

5.05 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 begins the scheduled workday, management cannot cancel the employee's hours for the remainder of that workday.

5.06 Overtime

Employees may be required to work up to seventeen (17) hours of overtime per week subject to the needs of the business, except that this limitation will not apply in cases of emergency. Overtime hours worked in excess of forty (40) in a calendar week will be paid at the rate of one and one-half (1½) times the basic hourly wage rate and in accordance with applicable Federal and/or State Laws.

For the purpose of crediting time not worked towards an employee's eligibility for overtime payments, only the following absences during a scheduled shift shall be considered:

- Joint Meeting with the Company including Joint Union-Company Committee Meeting and Union-Management Review Board Meetings
- Absence for Union Business (Unpaid)
- Collective Bargaining with the Company

5.07 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 6:00 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.

5.08 Sunday Premium Payments

Employees who work on a Sunday shall receive the rate of one and one-half (1 ½) 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. Such hours worked at the premium rate shall be used in the calculation of the forty (40) hour overtime threshold.

5.09 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.

5.10 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 in Appendix F.

5.11 Home Garaging

The Company may, at its discretion, implement a mandatory Home Garaging Program. The Company may change the program at its discretion. Once implemented, the Company can cancel the program with thirty (30) days notice.

5.12 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.

5.13 Contracting Out

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.

5.14 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 5.12 (D) above.
- B. Lodging, approved in advance by the Company
- C. Meals, not to exceed thirty-five dollars (\$35) per day, unless management approves a higher amount in advance.

5.15 Monitoring/GPS

The Company, at its discretion, may monitor and/or record calls of those employees in Appendix F in accordance with State and Federal laws.

The Company, at its discretion, may use GPS technology with those employees in Appendix F in accordance with State and Federal laws.

Section 6 – Compensation

6.01 Wage Schedules

TIME INTERVAL BETWEEN STEPS – 6 MONTHS

Job Title	Time in Title
Premises Technician	30
Dispatcher	18
Technical Support Representative II	18

PREMISES TECHNICIAN

	<u>EFFECTIVE</u> <u>04/08/2012</u>	<u>EFFECTIVE</u> <u>04/07/2013</u>	<u>EFFECTIVE</u> <u>04/06/2014</u>
START 0-6	\$490.00	\$490.00	\$490.00
07 - 12	\$516.00	\$517.00	\$518.50
13 - 18	\$543.00	\$546.00	\$549.00
19 - 24	\$571.50	\$576.00	\$581.50
25 - 30	\$601.50	\$608.00	\$615.50
31 - 36	\$633.50	\$642.00	\$651.50
37 - 42	\$666.50	\$677.50	\$689.50
43 - 48	\$701.50	\$715.00	\$730.00
49 - 54	\$738.50	\$755.00	\$773.00
55 - 60	\$777.50	\$797.00	\$818.50
MAX 61+	\$818.50	\$841.00	\$866.50

DISPATCHER

	EFFECTIVE	EFFECTIVE	EFFECTIVE
	<u>04/08/2012</u>	<u>04/07/2013</u>	<u>04/06/2014</u>
START 0-6	\$420.00	\$420.00	\$420.00
07 - 12	\$440.50	\$442.00	\$443.00
13 - 18	\$462.50	\$465.00	\$467.50
19 - 24	\$485.00	\$489.00	\$493.50
25 - 30	\$509.00	\$514.50	\$520.50
31 - 36	\$534.00	\$541.00	\$549.50
37 - 42	\$560.00	\$569.50	\$579.50
43 - 48	\$587.50	\$599.00	\$611.50
49 - 54	\$616.50	\$630.00	\$645.00
55 - 60	\$647.00	\$663.00	\$681.00
MAX 61+	\$678.50	\$697.50	\$718.50

TECHNICAL SUPPORT REPRESENTATIVE II

	EFFECTIVE	EFFECTIVE	EFFECTIVE
	<u>04/08/2012</u>	<u>04/07/2013</u>	<u>04/06/2014</u>
START 0-6	\$695.00	\$695.00	\$695.00
07 - 12	\$735.50	\$737.50	\$740.00
13 - 18	\$779.00	\$783.00	\$788.00
19 - 24	\$824.50	\$831.50	\$838.50
25 - 30	\$873.00	\$882.50	\$893.00
31 - 36	\$924.00	\$936.50	\$950.50
37 - 42	\$978.00	\$994.00	\$1,012.00
43 - 48	\$1,035.50	\$1,055.50	\$1,077.50
49 - 54	\$1,096.00	\$1,120.50	\$1,147.00
55 - 60	\$1,160.50	\$1,189.00	\$1,221.00
MAX 61+	\$1,228.50	\$1,262.50	\$1,300.00

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.

The current wage schedules shall be modified as follows:

- A. Basic weekly wage rates will be increased 2.25% at the maximum rate, exponentialized with no change in the start rate. The effective date of this wage increase will be April 8, 2012.
- B. Effective April 7, 2013 basic weekly wage rates will be increased 2.75% at the maximum rate, exponentialized with no change in the start rate.

- C. Effective April 6, 2014, basic weekly wage rates will be increased 3.0% at the maximum rate, exponentialized with no change in the start rate.
- D. In addition to the increases provided above, wage rates of the title Dispatcher shall be increased 1.5% at the maximum rate, exponentialized with no change in the start rate, immediately prior to the increase provided for in paragraph (A) above.

For the purpose of establishing recognition, job titles and wage schedules above shall be treated as if they were set forth in full in Appendix B of the Contract.

6.02 Eligibility

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

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

6.03 Wage Credit/Changes In Start Rate

Applicants for employment who possess skill or knowledge over and above that normally expected of a new employee may be given wage schedule service credit equivalent to this knowledge or experience and receive as a starting rate the rate corresponding to this wage schedule service credit. Subsequent increases will be in accordance with the progression schedule.

6.04 Discretionary Lump Sum Payments

A lump sum payment of up to five (5) percent of an employee's annualized (52 weeks) weekly wage rate may be granted to individual employees at the Company's discretion.

6.05 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.

Section 7 – Force Adjustment

7.01 Transfers

The Company may in its discretion hire employees off the street or from outside of the bargaining unit to fill vacancies in Appendix F titles. However, if the Company determines that a vacancy is to be filled from within Appendix F, it will post a notice of the vacancy. Regular full-time employees with at least thirty (30) months of time in title, unless waived by the Company, who have satisfactory attendance and work performance may apply for the vacancy.

Regular full-time employees covered under this Memorandum who have at least thirty (30) months time in title, unless waived by the Company, who have satisfactory attendance and work

performance will have the opportunity to be considered for transfers to available positions, covered by this Appendix or the Contract, at the discretion of the Company.

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, such qualifications 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.

7.02 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.

7.03 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, prior to notifying the affected employees. Employees will be laid off in a process to be determined by the Company based on the needs of the business and all business needs being equal, such adjustments shall occur in inverse order of seniority. The surplus employees designated for layoff will be notified a minimum of two (2) weeks prior to the layoff date, unless otherwise provided by law.

7.04 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:

LENGTH OF SERVICE	LAYOFF ALLOWANCE
0 - 12 Months	1 week of pay
13 - 24 Months	2 weeks of pay
25 - 47 Months	3 weeks of pay
48 Months or More	4 weeks of pay

7.05 Priority Rehire

Employees who are laid off with satisfactory attendance and work performance and who apply for re-employment to the same position from which they were laid off, will receive priority consideration for re-hire over new applicants for twenty-four (24) months from his/her layoff date.

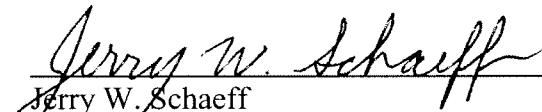
Section 8 – Conclusion

8.01 CWA further 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 Memorandum. Further, CWA will not, on the basis of this Memorandum or on the basis of any change in operations or practices as a result of this Memorandum, 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 any 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 CWA are a single bargaining unit, or are or should be otherwise altered in their scope or composition. This commitment on the part of CWA 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.

8.02 This Memorandum shall be effective upon ratification of the Contract and shall continue until April 11, 2015.

AGREED:


FOR THE UNION:



Jerry W. Schaeff
CWA Assistant to the Vice-President

April 8, 2012
Date

FOR THE COMPANY:



William J. Helwig
Director Labor Relations

April 8, 2012
Date

**MEMORANDUM OF AGREEMENT
REGARDING
FORCE MOVEMENT OF EMPLOYEES**

The Communications Workers of America, District 4 (“CWA” or “the Union”) and AT&T Teleholdings, Inc. d/b/a AT&T Midwest, Illinois Bell Telephone Company, Indiana Bell Telephone Company, Incorporated, The Ohio Bell Telephone Company, Wisconsin Bell, Inc., Michigan Bell Telephone Company, Ameritech Services, Inc. and AT&T Services, Inc. (collectively “the Company”) hereby agree to the following terms with respect to the movement of surplus employees and/or employees identified for layoff covered by the 2012 Collective Bargaining Agreement between the CWA and the Company (the “Core Agreement”), the 2010 National Internet Contract between the Communications Workers of America and SBC Internet Services (the “National Internet Contract”), and Appendix G to the Core Agreement which applies to employees of SBC Global Services, Inc. (the “Global Services Agreement”) (collectively referred to as “Labor Agreements”) into Appendix F job titles under the Core Agreement and the treatment to be afforded to such employees, and employees who voluntarily move into or are newly hired directly into these job titles. In the event of a discrepancy or inconsistency between the terms and conditions in Appendix F and any applicable provisions of the Core Agreement other than Article 16 and the Memorandum of Agreement regarding Benefits Rules for Movement, the terms contained in Appendix F and any associated agreement(s) shall prevail. However, in the event of a discrepancy or inconsistency between the terms and conditions in Appendix F or any associated agreement(s) and Article 16 of the Core Agreement or the Memorandum of Agreement regarding Benefits Rules for Movement, the terms contained in Article 16 of the Core Agreement and the Memorandum of Agreement regarding Benefits Rules for Movement shall prevail.

I. TREATMENT OF EMPLOYEES WHO ARE NEWLY HIRED INTO AN APPENDIX F JOB TITLE

Individuals who are newly hired into an Appendix F job title (“new hire”) will be eligible to participate in benefit plans as provided in Article 16 of the Core Agreement and the Memorandum of Agreement regarding Benefits Rules for Movement.

II. TREATMENT OF SURPLUS EMPLOYEES WHO MOVE TO AN APPENDIX F JOB TITLE FROM A JOB TITLE UNDER THE CORE AGREEMENT

The Company, at its discretion, may offer employees identified as surplus under the Core Agreement jobs in Appendix F job titles through the Core Agreement force adjustment/surplus process. Any job offer to a job title within Appendix F will meet the commitment of a guaranteed job offer under the Core Agreement memorandum of agreement regarding Employment Security Commitment. Surplus employees who refuse such offers will be treated

under the same terms and conditions as other employees who refuse a job offer under the Core Agreement and the aforementioned memorandum. Surplus employees covered by the Core Agreement who are placed in a job title in Appendix F who meet the eligibility requirements of the Core Agreement's Employment Security Commitment shall continue to be eligible for the Core Agreement's Employment Security Commitment if they are subsequently declared surplus while in the job title in Appendix F to which they have been placed as surplus. Any job offer from such Appendix F position to a job title within the Core Agreement, which may include lateral, downgrade, or upgrade offers, will meet the commitment of a guaranteed job offer under this provision. In addition a surplus employee covered by the Core Agreement placed into Appendix F may utilize the AT&T Midwest Non-Management Staffing Process to be considered for either lateral or downgrade positions, or former titles for which they are qualified for the term of this Agreement without serving the time in title referenced in section III below. The former surplus employee shall, in order of seniority with other employees similarly situated, be given preference after surplus, but prior to "Lifeline Employees" covered under Article 26.45 of the Core Agreement.

The terms and conditions of Appendix F will apply to surplus employees who accept a position within Appendix F. If a surplus employee accepts a position in Appendix F, and the employee's current weekly rate of pay is above the maximum weekly wage rate for the new title, there will be no change in the employee's rate of pay until the weekly rate of pay in the new job title exceeds the employee's weekly rate of pay at the time of the transfer. If, however, the employee's current weekly pay is at or below the maximum weekly wage rate for the new Appendix F title, the employee will be placed on the lowest step of the new wage schedule that will not result in a wage reduction.

III. TREATMENT OF EMPLOYEES WHO VOLUNTARILY MOVE FROM A JOB TITLE IN APPENDIX F

Regular full-time employees in Appendix F job titles are eligible to transfer to a position under the Core Agreement once they have reached at least thirty (30) months time in title (unless waived by the Company) and have satisfactory attendance and work performance, using the "JOBS" transfer process. All requirements of the "JOBS" transfer process are applicable for such transfers, including, but not limited to, eligibility requirements, in addition to any additional eligibility requirements provided for under this Memorandum.

IV. TREATMENT OF SURPLUS EMPLOYEES COVERED BY THE NATIONAL INTERNET CONTRACT OR GLOBAL SERVICES CONTRACT WHO MOVE TO A JOB TITLE IN APPENDIX F

The Company, at its discretion, may offer employees identified as surplus under the Internet Agreement and/or employees identified for layoff under the Global Services Agreement jobs in Appendix F job titles through the force adjustment/surplus process provided in those Agreements.

The terms and conditions of Appendix F will apply to the Internet or Global Services surplus/layoff employees who accept a position within Appendix F. In addition a surplus/layoff

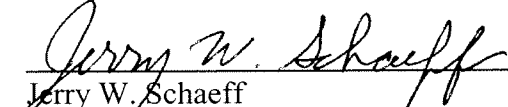
employee covered by the Internet or Global Services Agreement placed into Appendix F may utilize the AT&T Midwest Non-Management Staffing Process to be considered for either lateral or downgrade positions for which they are qualified for the term of this Agreement without serving the time in title referenced in Section III. above. The former surplus/layoff employees shall, in order of seniority with other employees similarly situated, be given preference after surplus, but prior to "Lifeline Employees" covered under Article 26.45 of the Core Agreement.

Regarding wages, if the employee's current weekly rate of pay is above the maximum weekly wage rate for the new Appendix F title, there will be no change in the employee's rate of pay until the weekly rate of pay in the new job title exceeds the employee's weekly rate of pay. If, however, the employee's current weekly pay is at or below the maximum weekly wage rate for the new Appendix F title, the employee will be placed on the lowest step of the new wage schedule that will not result in a wage reduction.

This Memorandum of Agreement shall remain in effect through the life of the 2012 Core Agreement.

AGREED:


FOR THE UNION:



Jerry W. Schaeff
CWA Assistant to the Vice-President

April 8, 2012
Date

FOR THE COMPANY:



William J. Helwig
Director Labor Relations

April 8, 2012
Date

MEMORANDUM OF AGREEMENT

REGARDING

**ECONOMIC PROTECTION FOLLOWING PLACEMENT INTO APPENDIX F OF
SURPLUS CORE EMPLOYEES AND GLOBAL SERVICES EMPLOYEES
IDENTIFIED FOR LAYOFF**

The Communications Workers of America, District 4 (“CWA” or “the Union”) and AT&T Teleholdings, Inc. d/b/a AT&T Midwest, Illinois Bell Telephone Company, Indiana Bell Telephone Company, Incorporated, The Ohio Bell Telephone Company, Wisconsin Bell, Inc., Michigan Bell Telephone Company, Ameritech Services, Inc. and AT&T Services, Inc. (collectively “the Company”) hereby agree to the following terms with respect to the continued application of specified terms of the 2012 Collective Bargaining Agreement between the CWA and the Company (the “Core Agreement”), and Appendix G to the Core Agreement which applies to employees of SBC Global Services, Inc. (the “Global Services Agreement”) (collectively referred to as “Labor Agreements”) when surplus employees under the Core Agreement and/or employees identified for layoff under the Global Services Agreement are involuntarily moved into job titles covered by Appendix F:

I. ECONOMIC PROTECTIONS FOR SURPLUS EMPLOYEES FROM THE CORE AGREEMENT

When surplus employees from the Core Agreement are placed into positions in Appendix F as a result of surplus procedures contained in the Core Agreement as applied in accordance with the Memorandum of Agreement Regarding Force Movement of Employees, the following provisions of the Core Agreement shall continue to apply to such employees in lieu of any otherwise applicable provisions of Appendix F while they remain in the position in which they are placed:

- A. Overtime and premium pay pursuant to sections 17.08 through 17.14;
- B. Personal illness treatment pursuant to section 18.03;
- C. Shift and differential treatment pursuant to sections 19.01 through 19.06;
- D. Recognized holidays pursuant to sections 21.01 through 21.13;
- E. Excused work days pursuant to sections 22.01 through 22.06; and
- F. Vacation pursuant to sections 23.01 through 23.15.

II. ECONOMIC PROTECTIONS FOR EMPLOYEES SELECTED TO BE LAID OFF FROM THE GLOBAL SERVICES AGREEMENT

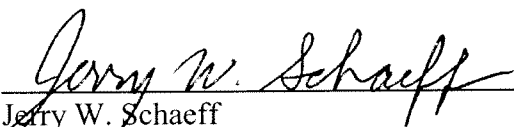
When employees from the Global Services Agreement are placed into positions in Appendix F as a result of transfer procedures contained in the Global Services Agreement as applied in accordance with the Memorandum of Agreement Regarding Force Movement of Employees, the following provisions of the Global Services Agreement shall apply to such employees in lieu of otherwise applicable provisions of Appendix F while they remain in the position in which they are placed:

- A. Shift Differential pursuant to Section 10.02
- B. Overtime pursuant to Section 11;
- C. Recognized Holidays pursuant to Section 17;
- D. Vacations pursuant to Section 18;
- E. Excused work days pursuant to Section 19;
- F. Absences pursuant to Section 20.01.

This Memorandum of Agreement shall remain in effect through the life of the 2012 Core Agreement.

AGREED:


FOR THE UNION:



Jerry W. Schaeff
CWA Assistant to the Vice-President

April 8, 2012
Date

FOR THE COMPANY:



William J. Herwig
Director Labor Relations

April 8, 2012
Date

MEMORANDUM OF AGREEMENT

REGARDING

**EMPLOYMENT CLASSIFICATIONS BASED UPON
ENTRY INTO APPENDIX F**

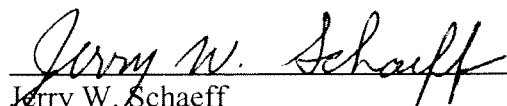
The Communications Workers of America, District 4 (“CWA” or “the Union”) and AT&T Teleholdings, Inc. d/b/a AT&T Midwest, Illinois Bell Telephone Company, Indiana Bell Telephone Company, Incorporated, The Ohio Bell Telephone Company, Wisconsin Bell, Inc., Michigan Bell Telephone Company, Ameritech Services, Inc. and AT&T Services, Inc. (collectively “the Company”) hereby agree to the following terms with respect to the employment classifications of employees upon commencement of positions within Appendix F to the 2012 Collective Bargaining Agreement between the CWA and the Company (the “Core Agreement”) which shall depend, for the term of this Memorandum of Agreement (“Memorandum”), upon the circumstances under which such employees enter into Appendix F, as described herein:

1. Surplus employees from the Core Agreement who accept job offers as a result of surplus procedures contained in the Core Agreement, as applied in accordance with the Memorandum of Agreement Regarding Force Movement of Employees (“Movement Memo”), shall be placed into positions in Appendix F as Regular Employees. The Memorandum of Agreement Employment Security Commitment shall apply to all such employees to whom they applied while employees of the Core Agreement while they remain in the position in Appendix F in which they are placed.
2. Employees identified for layoff from Appendix G to the Core Agreement which applies to employees of SBC Global Services, Inc. (the “Global Services Agreement”) who are placed into positions in Appendix F as a result of transfer procedures contained in the Global Services Agreement as applied in accordance with the Movement Memo shall be placed in positions classified as Regular Employees.

This Memorandum of Agreement shall remain in effect through the life of the 2012 Core Agreement.

AGREED:


FOR THE UNION:



Jerry W. Schaeff
CWA Assistant to the Vice-President

April 8, 2012
Date

FOR THE COMPANY:



William J. Helwig
Director Labor Relations

April 8, 2012
Date

MEMORANDUM OF AGREEMENT

REGARDING

GUARANTEED WEEKEND OFF

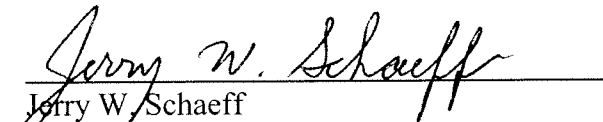
This Memorandum of Agreement covers the understanding reached between the Company and the Union concerning required overtime in the job title of Premises Technician in Appendix F.

The Company agrees that employees will be guaranteed one (1) weekend off per month. This requirement shall not pertain in cases of emergency or when an employee agrees to overtime assignments in excess of this limitation.

This Memorandum of Agreement will remain in effect through the term of the 2012 Collective Bargaining Agreement between the parties.

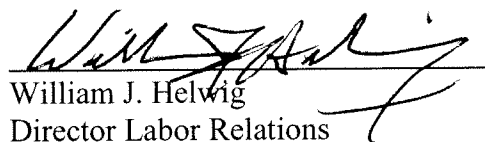
AGREED:

FOR THE UNION:


Jerry W. Schaeff
CWA Assistant to the Vice-President

April 8, 2012
Date

FOR THE COMPANY:


William J. Helwig
Director Labor Relations

April 8, 2012
Date

MEMORANDUM OF AGREEMENT
SURPLUS OF PREMISES TECHNICIAN

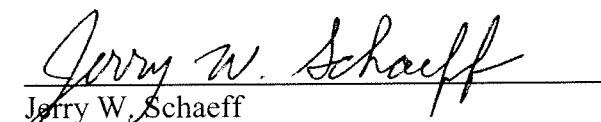
This Memorandum of Agreement (“MOA”) covers understandings reached between the Company and the Union regarding the job title Premises Technician when a Surplus is declared.

A Premises Technician scheduled to be laid off in accordance with the provisions of Appendix F, Section 7.03 shall for a minimum of two weeks prior to layoff, be allowed to submit the required form(s) to Staffing in an effort to be matched to available open positions for which they are qualified, in the appropriate order of consideration.

This Memorandum of Agreement will expire at the end of the 2012 Collective Bargaining Agreement between the Parties, unless the Parties mutually agree to extend.


AGREED:

FOR THE UNION:


Jerry W. Schaeff
CWA Assistant to the Vice-President

April 8, 2012
Date

FOR THE COMPANY:


William J. Helwig
Director Labor Relations

April 8, 2012
Date

MEMORANDUM OF AGREEMENT

GUARANTEED PERSONAL TIME OFF

The Company is sensitive to our employees' personal responsibilities and in an effort to accommodate employees in this area, the Company and the Union have mutually agreed to the following provisions regarding an employee's guaranteed unscheduled time off.

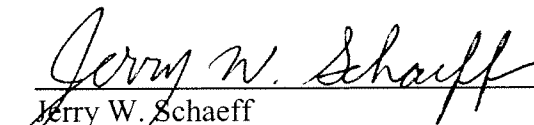
An employee will be allowed, on request, to take off one (1) of his or her single days (Personal Day Off or a day-at-a-time Vacation Day) per year except during the months of June, July or August. This day may be taken in half (½) day increments. One (1) person per work group, per day, (for work groups of less than 100 employees) or 1 person per 100 employees (for work groups larger than 100 employees), will be allowed off unless otherwise mutually agreed locally. Eligibility requirements for Personal Days Off and day-at-a-time Vacation are set forth in Appendix F, Section 4 of the 2012 Collective Bargaining Agreement.

The time off identified above may not be taken on a Company Recognized Holiday and may only be utilized Monday through Friday.

This Memorandum of Agreement will remain in effect through the term of the 2012 Collective Bargaining Agreement between the Parties.

AGREED:


FOR THE UNION:



Jerry W. Schaeff
CWA Assistant to the Vice-President

April 8, 2012
Date

FOR THE COMPANY:



William J. Helwig
Director Labor Relations

April 8, 2012
Date

APPENDIX G

MEMORANDUM OF AGREEMENT

Section 1 – Agreement

This Memorandum of Agreement (“Memorandum”) is between SBC Global Services, Inc. (“Company”) and District 4 of the Communications Workers of America, AFL-CIO (“Union”). The Company and the Union are referred to as the “Parties.”

Section 2 - Recognition

The Company recognizes the Union as the exclusive representative of those Company employees, in Michigan, Ohio, Wisconsin and Indiana, excluding Lake County, whose occupations are currently represented by the Union and whose job titles are included in Attachment 6.

Section 3 – Applicable Core Articles

3.01 This Memorandum contains the entire agreement between the Company and the Union with respect to all positions referenced in Section 2 herein, except that Articles 3, 4, 5, 6, 7, 8, 9, 11, 12, 14, 15, 16, 20, 24, 28, 29, and the following Memoranda of Agreement and letter agreements:

- A6 Success Sharing Plan
- A34 Memorandum of Agreement Payment in Lieu of Vacation
- A36 Memorandum of Agreement Benefits Rules for Movement
- Common Attendance Guidelines Letter
- Mobility Retail Letter

of the 2012 Core Collective Bargaining Agreement between the Company and the Union (“Contract”), and only those provisions, will also apply to positions covered by this Memorandum.

3.02 Where conflicts may exist or arise between provisions of this Memorandum and those of the above-referenced provisions of the Contract, the provisions of this Memorandum will prevail.

Section 4 – Time Off for Union Business

4.01 Treatment of Time Off

- A.** Authorized Union representatives, who are Company employees, shall be compensated so that they do not lose pay for time spent in grievance meetings with the Company.
- B.** Joint meetings for purposes other than the processing of grievances may be held between authorized representatives of the parties at any reasonable time upon mutual agreement.

Time spent by Union representatives in such meetings will not be paid for by the Company unless the appropriate representative of the Company agrees, in advance, to such payment.

- C. No employee shall engage in any Union activity during working hours except when in collective bargaining with the Company or otherwise meeting with the Company in joint conferences or when handling grievances.
- D. Authorized representatives of the Union shall be excused without pay or shall be granted leaves of absence without pay, for the purpose of handling Union business, provided service requirements permit, up to a maximum of ninety (90) working days during any calendar year.
- E. Authorized representatives of the Union will notify the Company at least forty-eight (48) hours in advance when non-compensated time is required for Union business during working hours.
- F. Excused time off for Union business on either the scheduled work day immediately preceding and/or the scheduled work day immediately following any Recognized Holiday shall be considered as time worked for the purposes of Section 17.03 of this Memorandum.
- G. Such paid excused time above shall be considered as time worked for the purpose of computing overtime pay.

4.02 Requests for Time Off

- A. Requests for excused time off for Union business for one (1) employee for one (1) day or a lesser period within a work week may be verbally requested by the Union of the employee's immediate supervisor. Such requests will not be unjustly denied.
- B. Requests for excused time off for Union business for more than one (1) employee and/or for an employee or employees for more than one (1) day must be made in writing by the Union to the Director of Labor Relations or designee at least one (1) week in advance. The Company shall not unjustly deny requests so received.
- C. No more than two (2) employees or five percent (5%), whichever is greater, of the bargaining unit will be allowed to be off for Union business at any one time.

4.03 Return from Time Off

- A. A Union representative, upon return from excused time off or a leave of absence for Union business, shall be re-engaged at work generally similar to that in which he was engaged last prior to the absence.
- B. No physical or occupational examination shall be required as a prerequisite of re-employment except where an obvious physical or mental condition exists which requires medical advice regarding job placement or fitness for work. Any such case not satisfactorily adjusted with the Company through the Grievance Procedure may be submitted to Arbitration.
- C. A representative of the Union who returns to the job at the expiration of a leave of absence granted in accordance with the terms of this Section will have the period of such leave counted in determining his seniority, and will accrue, during such period of leave, any rights and/or benefits associated with or determined by seniority.
- D. A representative of the Union who returns to duty in accordance with the terms of this Section, shall be placed on the payroll at the wage rate received when such leave of absence was granted, adjusted for any change in the wage schedule which took place during the period of absence.

4.04 Up to four (4) authorized representatives of the Union, who are Company employees and in the bargaining unit, will be compensated so that they do not lose pay during collective bargaining with the Company. Any such time spent will be considered as excused time off under this Section.

Section 5 – Management Rights

The Company hereby reserves all prerogatives and rights regarding the management of its business and the direction of its work force including the right to establish reasonable rules and regulations, except where those rights are specifically limited by the actual terms of this Memorandum.

The Union reserves the right to discuss any rules that they may consider unreasonable.

Section 6 – Work Done By Management

Management employees will normally perform management duties. Outside of their normal hours of duty, they will not perform work other than normally performed by them during their regular working hours. Nothing herein is intended, however, to prevent management employees from receiving or giving training, meeting emergency situations, or engaging in any other activity that contributes to the operation of the business. The instances mentioned above shall not be used to deprive a bargaining unit member normal work.

Section 7 – Contracting Out of Work

The Company agrees that it will not contract out to any other person, company, firm or corporation, any work covered by Section 2 of this Memorandum, if such contracting out will result in layoff of Company employees or reduction of normal straight-time working hours in the working schedule under this Memorandum, or where employees capable of doing the work are on layoff from the Company and who have recall rights and are readily available.

Section 8 – Promotions

8.01 As bargaining unit job openings occur within the Company, they shall be posted for seven (7) calendar days on the Job Opportunity Broadcast System (JOBS) or its replacement. Employees shall be able to apply for an opening within the posting period.

8.02 A current employee who has made an application for advancement to a higher job title shall be given preference for the opening over new hires when ability, training, experience and capability are equal.

8.03 In making promotions, where ability, capability and work performance of the employees being considered are equal, the employee with the most seniority shall be given full consideration. In filling such vacancies, an employee's overall record on his present job, as well as training and experience for the proposed job, shall also be considered.

8.04 An employee who is promoted to a higher job title shall be placed on the nearest wage schedule step of the new title that results in a higher rate of pay. If the increase is less than ten (10) dollars per week, the promoted employee shall be given one (1) additional step increase.

8.05 An employee may refuse a promotion without affecting his status for a future promotion.

Section 9 – Wage Progression Treatment

9.01 An employee shall progress to the maximum rate for his job title in accordance with the wage tables Attachment 1 hereto.

9.02 Each bargaining unit employee who is below the maximum rate of pay for his/her respective job title shall progress to the next higher step in the wage schedule at six (6) month intervals until reaching the maximum rate of pay for the job title held by each respective employee.

Section 10 – Hours

10.01 The regular work week shall normally consist of five (5) days, eight (8) hours per day, beginning at 12:00 a.m. Sunday and ending at 11:59 p.m. Saturday.

10.02 Any regularly scheduled tour or shift which begins before 6:00 a.m. or ends after 6:59 p.m. shall be compensated at \$1.75 per hour above the employee's regularly hourly rate. This rate does not apply to the on-call person or to employees working overtime hours before 6:00 a.m. or after 6:59 p.m. on a given day.

10.03 The Company shall specify the starting and quitting time for all operations. The employees shall be notified as far in advance as possible of any changes in the regular starting and quitting time.

Section 11– Overtime

11.01 Employees may be required to work overtime and during non-scheduled periods when necessitated by the needs of the business. Management shall authorize all overtime before it is worked. When an employee is required to work overtime, he will be given notice as soon as possible by the supervisor, or designee. Management may excuse employees with reasonable cause from the overtime requirement.

- A.** For calculating overtime, the work week shall run from Monday through Saturday, inclusive.
- B.** Employees shall be compensated for time worked in excess of eight (8) hours in a work day at a rate of one and one-half (1 ½) times the regular hourly rate of pay. For the purpose of this subsection, work day shall mean a twenty-four (24) hour period beginning at 00:01 and ending at 24:00. When continuous overtime hours worked extends from one day to the next, such continuous time worked after midnight shall also be paid at the appropriate overtime rate.
- C.** Employees will be compensated for time worked in excess of forty (40) hours in a work week at a rate of one and one-half (1 ½) times the regular hourly rate of pay.
- D.** Employees will be compensated for all hours worked on a Sunday at a rate of two (2) times the regular hourly rate of pay.
- E.** Employees shall be compensated for actual time worked in excess of fifty (50) hours in a work week at the rate of two (2) times the regular hourly rate of pay.
- F.** Employees will be compensated at a rate of one and one-half (1 ½) times the regular hourly rate of pay for all hours worked on Recognized Holiday, plus eight (8) hours holiday pay, as provided in Section 17 of this Memorandum. The time worked in excess of eight (8) hours on a Recognized Holiday shall be paid at a rate of two and one-half times (2 ½) the regular hourly rate of pay.

- G. No combination of overtime, premium and/or any other payments for time worked and/or any payments for time not worked, may produce an effective rate of pay greater than two and one-half (2 ½) times an employee's regular hourly rate of pay.

11.02 Whenever possible, the employees working on a job will be the first employees to be assigned to any overtime needed on that job. The Company will attempt to spread pre-planned overtime as equally as possible. Exceptions may be necessary due to specific accounts or customer demands.

Section 12– On Call/Call-Up

12.01 Management shall solicit volunteers to be part of the semi-annual on-call pool. Management will assign said qualified volunteers to the on-call schedule. The assignment shall be rotated weekly. If, at the discretion of the Company, there is an insufficient number of volunteers, the Company may assign qualified employees to on-call duty by inverse order of seniority. The employee must be available to report for duty as required by the Company at any time from 08:00 a.m. Monday through 07:59 a.m. Monday of the following week.

12.02

- A. An employee assigned to the on-call duty shall be compensated for each week so worked at the rate of One Hundred and Twenty-five Dollars (\$125) per week.
- B. If an emergency prevents the employee from fulfilling his on-call responsibilities, the employee must immediately inform his supervisor. Compensation will be adjusted for the time the employee was unable to be on-call.
- C. On-call employees actually called out to work, shall be paid at the appropriate rate for all time worked, including travel time.
- D. In any case where an employee is authorized to use his own vehicle for on-call assignment, he shall be compensated for all reasonable mileage traveled in connection with the assignment at the approved IRS rate.

12.03 Employees who are not on the on-call assignment but who are called in for duty by their supervisor, or designee, shall be paid for all time actually worked, including reasonable travel time, for each call out. The minimum payment for such assignment shall be an amount equal to three (3) hours at the straight time rate.

12.04 When a telephone call is made by or approved by a supervisor or an authorized technician to an employee during periods the employee is not on work time, the employee shall be compensated for the work time associated with the telephone call, including the telephone call itself, if the call meets all of the following criteria:

- A. The call is made outside of the employee's normal work hours (before or after a scheduled tour, on a non-scheduled day, or on a Recognized Holiday);
- B. The employee uses his job knowledge and skill; and
- C. The call was not necessitated by error or omission by the employee.

12.05 An employee who meets the criteria set forth above shall be compensated as follows:

- A. Call-up work of one-quarter (1/4) hour or less in duration shall be compensated for one-half (1/2) hour paid at the appropriate wage rate.
- B. Call-up work of more than one-quarter (1/4) hour shall be compensated for one (1) hour paid at the appropriate wage rate for each hour or fraction thereof of call-up work.
- C. When more than a single call is involved, the compensation for each call shall be as described above, however, the total compensation for all of the calls shall not be greater than that to which the employee would have been entitled to had the employee been continuously performing call-up work for the combined duration of the work associated with all of the calls.

Section 13 – Temporary Work Location

13.01 A temporary work location is a work or training assignment that is more than fifty (50) road miles from an employee's regular work location or residence (which ever is less). A regular work location is any work location designated by the Company at which an employee normally works.

The Company may assign any employee to start and/or end his work day at a location other than his regular work location. The employee will be given, when possible, at least seven (7) days notice for training assignments.

13.02 The Company shall pay reasonable travel time and mileage or common carrier expense to and from a temporary work location. The supervisor will authorize overnight lodging at the temporary work location and transportation to and from the temporary work location, when appropriate. The Company shall pay for the employee's lodging and reimburse an employee for expenses in connection with a temporary assignment as follows:

- A. When overnight lodging is required, the Company shall reimburse the employee for meal expenses incurred by paying a Daily Meal Allowance of thirty-seven dollars (\$37.00), or a flat allowance of seven dollars (\$7.00) for breakfast, seven dollars (\$7.00) for lunch, and twenty-three (\$23.00) for dinner. Such payments shall only be made when said meals are not included in the price of the arranged board and lodging or otherwise provided .
- B. When the supervisor authorizes overnight lodging for the temporary work assignment, the authorized lodging and common carrier expenses shall be paid by the Company.

- C. The employee may elect to take a Forty Dollar (\$40) per diem instead of Company paid lodging and meal allowance.
- D. A telephone call home each day, not to exceed fifteen (15) minutes, shall be included as part of the employee's authorized expense. The Company recognizes that due to extenuating circumstances, there may be times where a fifteen (15) minute telephone call may not be sufficient, (i.e. family emergencies). These situations will be treated on a case-by-case basis and may be approved by the employee's supervisor.
- E. If the Company authorizes travel via public transportation, the employee shall be paid an allowance of Nineteen Dollars (\$19) for each day on such assignment. This transportation allowance shall not be made in cases where the Company has provided a rental car.

13.03 When an employee is on a temporary work or training assignment for more than two weeks, the Company shall pay reasonable travel time and mileage or authorized common carrier fare for a week-end trip home for each two-week period. Week-end trips will normally be made on Friday, following the training or work assignment. The employee must return to the temporary work or training assignment by the start of the next scheduled day of training or work.

Section 14– Meals and Relief Periods

14.01 A full work day shall include a paid 15-minute relief period in the first half of the scheduled shift, a paid 15-minute relief period in the second half of the scheduled shift. Relief periods may not be taken any sooner than one (1) hour after the start of the work day or any later than one (1) hour before the end of the work day. If the employee is working on a job site and facilities are on the premises, the two (2) paid fifteen (15) minute relief periods must be taken on the job site.

14.02 An unpaid thirty to sixty (30 - 60) minute lunch period, as approved by the Company, shall normally be taken between 11:30 a. m. and 1:30 p. m.

Section 15 –Personal Vehicles

Employees shall maintain automobile insurance coverage against normal risks and in such amounts as may be required to operate a motor vehicle. The Company may request a copy of the employee's insurance policy and/or certificate of insurance. Employees shall take all reasonable measures to insure the safekeeping of the Company equipment and material.

Section 16 – Company Vehicles

16.01 The Company may, at its sole discretion, provide an employee with a vehicle. When a Company provided vehicle is made available, the following provisions shall apply:

- A. The use of the vehicle is restricted to Company business. There shall be no personal use of any Company provided motor vehicle.

- B. Operating and maintenance costs shall be at the Company's expense, and will either be reimbursed upon presentation of proper receipts for such services or payment for such services will be made by other approved payment methods such as direct bill or use of a Company issued payment card.
- C. The employee shall make arrangement for the maintenance of the Company provided vehicle at a service garage approved by the Company. The employee shall also be responsible for ensuring that the vehicle is in proper and safe operating condition and maintained in accordance with the requirements contained in the owner's manual.
- D. When a Company provided vehicle is to be stored at the employee's place of residence, the employee shall provide a secure and legal place for storage of said vehicle.

16.02 In the event that the Company makes the decision that a Company provided vehicle is no longer required or moves the employee to another job assignment, the Company shall notify the affected employee at least thirty (30) calendar days in advance of removing such vehicle. In situations where the employee voluntarily moves to an assignment that does not require a Company provided vehicle, the vehicle will be returned for other Company use effective with the change of job responsibilities for the employee.

Section 17– Recognized Holidays

17.01 During the term of this Memorandum, the following days will be observed as Recognized Holidays:

- New Year's Day
- Martin Luther King Jr.'s Birthday*
- Good Friday*
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day
- Friday immediately following Thanksgiving Day
- Christmas Eve Day
- Christmas Day
- Floating Holiday

* An eligible employee must select one of these days as a fixed Recognized Holiday.

If a holiday falls on the weekend, the Company will designate the Friday preceding the recognized holiday or the succeeding Monday to be observed as the holiday, or, designate the holiday as a floating holiday in advance. If so designated, the floating holiday will be taken on the day of the employee's choice any day after the holiday. December floating holidays may be carried over to the next calendar year.

A holiday is the period from midnight to midnight on the day observed as the holiday.

17.02 Employees who are regularly dedicated to a customer site, and such customer requests observance of its holiday schedule, shall instead observe the same holidays as the customer observes. Provided, however, that if the customer observes a lesser number of holidays, the employee will then be eligible for the Company Recognized Holidays not observed by the customer. If the customer observes more holidays than the Company, the Company will determine which holidays will be observed by the employee. In no case will an employee be eligible for more than or less than ten (10) paid holidays in a calendar year.

17.03 Employees will be compensated with eight (8) hours pay for observance of the holidays identified in Section 17.01 or 17.02 above as long as they work on the scheduled work days preceding and succeeding the holiday or are excused by the Company from working on those days.

Employees who work on the above holidays shall be compensated as specified in Section 11 of this Memorandum.

Section 18 – Vacations

18.01 Employees shall be eligible to accrue annual vacation with pay based on seniority, as defined in Article 14 of the Contract, as follows:

- A. One (1) week vacation after the completion of six (6) months of service. If completion of six months of service falls on or after November 1, such vacation may be carried into the following year, provided it is completed no later than the last full calendar week of May and prior to granting of any of the current year's vacation.
- B. Two (2) weeks vacation during each vacation year in which the first to sixth year service anniversary date falls. If an employee completes six months of service and the first service anniversary falls within the same year, only two weeks of vacation shall be granted. The first week may be granted anytime after the completion of six months of service, and the second week granted after the completion of twelve months of service.
- C. Three (3) weeks vacation during each vacation year in which the seventh to fourteenth year service anniversary falls.
- D. Four (4) weeks of vacation during each vacation year in which the fifteenth to twenty-fourth service anniversaries fall.
- E. Five (5) weeks of vacation during each vacation year in which the twenty-fifth and subsequent service anniversaries fall.
- F. The vacation year shall be from December 31st through December 30th of the following year.

18.02 The selection of vacation dates shall be made on the basis of seniority. The number of employees in any group who are permitted to be on vacation at the same time shall be governed by the needs of the business and the needs of the employee shall be considered.

In the event an employee selects a vacation week which begins during the last week of December of the vacation year, any portion of such vacation week which falls in the next vacation year shall be treated as though it occurred in the vacation year in which the week began for purposes of vacation scheduling.

Employees who are eligible for a vacation in any calendar year may schedule in the following calendar year a part of the vacation for which they are eligible in the current calendar year, provided any vacation "carried over" from one calendar year into the next must be scheduled and taken no later than the last full calendar week of May of the following year. In no case shall an eligible employee schedule less than one (1) week of vacation in any calendar year nor schedule more than two (2) weeks as carry over vacation into the succeeding year.

18.03 Vacation pay shall be based on the employee's basic weekly wage rate in effect at the time of vacation, including any wage increase which normally would be made effective during the vacation period. Vacation time shall be considered as time worked in the calculation of overtime.

18.04 When a Recognized Holiday, as defined in Section 17 of this Memorandum, falls within an employee's paid vacation period, the employee shall be granted a day off with pay in lieu of the holiday. Such day off may be scheduled by the employee, with Company approval within the same calendar year of the holiday and shall not necessarily be continuous with any vacation period.

18.05 When an absence due to sickness or disability begins during an employee's scheduled vacation and the employee notifies the Company within the calendar week in which the sickness or disability begins, such week shall be treated as vacation and any subsequent consecutive weeks of scheduled vacation shall be treated as sickness or disability, as appropriate.

18.06 When an absence due to sickness or disability begins prior to an employee's scheduled vacation and continues into such scheduled vacation period, the time off shall be treated as sickness or disability, as appropriate. When the employee's sickness or disability is terminated and he returns to work, the employee shall reschedule his vacation from remaining time available in the current vacation year. If such employee does not return to work in the same vacation year, his vacation shall be deferred until his return to work in the subsequent vacation year. Any deferred vacation should be selected by the employee within one (1) week after his return to work and taken as soon as practicable.

18.07 An employee who leaves the service of the Company shall receive payment in lieu of any unused portion of the vacation he or she has accrued in the Calendar Year.

Section 19 – Excused Work Days

19.01 Each employee who has at least twelve (12) months of seniority on January 1 of each calendar year shall be eligible for four (4) paid Excused Work Days and one (1) non-paid Excused Work Day. Employees who do not have twelve (12) months of service on January 1 of a calendar year shall be eligible for two (2) paid Excused Work Days to be taken after they have attained twelve (12) months of service.

Employees shall be paid for the Excused Work Days as if for a normal or standard eight (8) hour day worked.

Subject to the needs of the business and force requirements of the assigned work group, time off not scheduled during the vacation scheduling process may be selected by an employee on the basis of the earliest request to the employee’s manager.

Not more than one (1) Excused Work Day may be taken in two (2) hour increments however it cannot be pre-scheduled as part of the vacation selection process. The incremental use of the Excused Work Day will be granted on a first come, first serve basis, based on the needs of the business.

All Excused Work Days will be considered as time worked for purposes of overtime compensation.

Employees who resign or are discharged will not be paid for unused Excused Work Days.

Excused Work Days must be used during the current calendar year and cannot be "carried over" to the following year.

19.02 If an employee agrees to work on a day he has requested as an Excused Work Day and the Company determines that the day cannot be rescheduled, the employee shall be paid for all time worked at his basic hourly wage rate in addition to regular pay for the Excused Work Day.

19.03 One (1) paid Excused Work Day in each calendar year may be designated by the Company. When the Company designates one (1) Excused Work Day, it shall inform the employees of such designation no later than January 31st of the current year. Employees who are not eligible for a paid Excused Work Day shall be shown as excused not paid for such designated day.

Section 20 – Absences

20.01 Employees who are not probationary may be paid up to five (5) work days during an absence due to illness. Payments for absence due to such illness shall be as follows:

YEARS OF SERVICE	PAYMENT STARTS
5 AND OVER	1ST FULL WORK DAY OF ABSENCE
2 BUT LESS THAN 5	2ND FULL WORK DAY OF ABSENCE

1 BUT LESS THAN 2
LESS THAN 1

3RD FULL WORK DAY OF ABSENCE
NOT APPLICABLE

The first regularly scheduled work day (excluding a sixth day) on which an employee does not report for duty because of illness shall be considered as the first day of absence for disability and pay purposes. All such time is considered as "unexcused" time off from work. Time so paid will not be counted in the calculation of overtime.

Effective January 1, 2013, the maximum amount of paid illness time for an employee covered by this Article shall be eighty (80) hours in a calendar year, except that if an employee uses forty (40) hours or fewer of paid illness time during the previous calendar year, that employee may use up to an additional forty (40) hours of paid illness time in the next calendar year for the sole purpose of providing paid illness time for the five (5) day period leading up to an approved disability after the initial eighty (80) hours has been exhausted. Nothing in this Agreement shall be interpreted to provide for paid illness time in excess of this amount.

Absences of longer than seven (7) consecutive days will be governed by the AT&T Midwest Disability Benefits Program.

20.02 In the event of a death in the immediate family of an employee, who is not considered probationary, he shall be granted time off with pay for his regularly scheduled shifts (excluding a sixth shift) beginning with the day of death through the day of the funeral, up to a maximum of three (3) scheduled work days (including travel time) can be taken to make arrangements for the funeral and attend the same. If the funeral is held more than two hundred (200) miles away from the employee's normal work location, such time shall not exceed four (4) work days.

Immediate family is defined as spouse, child, step-child, parent, step-parent, brother, sister, mother-in-law, father-in-law, grandparent, grandchild, brother-in-law, sister-in-law, Legally Recognized Partner or any relative living in the same house with the employee.

Paid time off for the above reason shall be considered "excused" time off and shall be counted as time worked for overtime calculations.

20.03 An employee and who is required to appear in court for jury service on any day on which he has a regularly scheduled shift shall be excused from work with pay for such day so served. Employees are required to report to their work assignments if they are excused from jury duty at a time that will permit returning to work part or all of their scheduled work time.

Employees must present to their supervisor their jury summons for payment authorization. Jury duty will be considered "excused" time off from work and shall count as time worked for the calculation of overtime.

Section 21 - Severe Weather

21.01 During periods of severe weather, employees will be required to be available for such work as may be necessary to meet the needs of the business. Employees who do not report for

work or who arrive late for work, due to severe weather, shall not be paid for the time not worked. However, if work is available, tardy employees will be allowed to make up tardy time during the same calendar week and paid at the straight time rate. If working conditions permit, the supervisor may allow employees to take the day as a day of vacation, paid Excused Work Day, unpaid Excused Work Day, or unpaid excused absence.

21.02 During periods of severe weather, the Company may, at its sole discretion, release some but not necessarily all of its employees on an early release basis. Employees who are released early will be paid for the balance of their scheduled work day on a straight time basis. Such time shall not be used in the overtime calculation.

Section 22– Workforce Adjustment Procedures

22.01 When layoffs are necessary due to lack of work in a given service area (Attachment 2), the Company agrees to notify the Union as soon as practicable prior to the effective date of the layoff.

22.02 In the event of a layoff, the Company shall bargain with the Union with respect to the method to be employed for the purposed layoff. If an agreement cannot be reached within fourteen (14) calendar days of the date of notification, the Company shall layoff employees by service area and job title in the inverse order of seniority and in accordance with the following:

The Company shall layoff Term Employees. If additional layoffs are necessary, the Company shall layoff part-time employees. If additional layoffs are necessary, the Company shall layoff full-time employees.

An employee with less than five (5) years of seniority designated for layoff in a service area and job title shall be laid off in the inverse order of seniority.

An employee with five (5) or more years of seniority designated for layoff may avoid such layoff by assuming the job of the least senior employee with the same job title covered by this Memorandum. That employee would then be laid off.

The Company reserves the right to retain employees who possess the essential skill or knowledge necessary to perform the work available. The Company has the right to retain a maximum of 10% of the force to be laid off. Any fraction in computing the formula will be rounded to the next higher whole number. A minimum of one (1) employee may be retained for special skills, if less than 10% of the force. There may be situations that this process will not provide for a sufficient number of employees to perform the work available. In such cases, the Company shall discuss the situation with the Union in an attempt to retain a sufficient number of employees.

The Company shall attempt to notify employees who are subject to layoff at least forty-five (45) calendar days prior to the effective date of layoff. If an employee is laid off with less than forty-five (45) calendar days notice, the employee shall be provided with eight (8) hours of pay, at the regular hourly rate of pay, for each regular work day the employee was laid off short of such notice.

22.03 In the event that the application of seniority with respect to layoffs, as set forth above, would require an employee to be laid off and workload requirements necessitate his replacement, such employee shall not be laid off unless a replacement is obtained from within the service area. An employee who is not subject to layoff in accordance with the foregoing, but who is surplus in either a job title or service area and has the least seniority therein shall accept any transfer or reassignment offered by the Company with relocation pay as provided in Section 23 of this Memorandum, or shall be laid off. The Company shall not be obligated to offer more than one reassignment to an employee. Such employee shall receive the wage rate provided for the employee's wage schedule service by the wage progression schedule for the new assignment.

22.04 In rehiring laid off employees, the Company shall offer re-employment to regular full-time laid-off employees having the most seniority, as defined in Article 14 of the Contract, who at the time of layoff were the same job title as required for the vacancy; provided that the period of layoff of such former employee does not exceed one (1) year. Such rehiring shall be subject to the following conditions:

- A. Such former employee must keep the Company informed of the address at which he can be reached. Any offer of such re-employment shall be made by registered, return receipt requested mail addressed to the last address so furnished by the former employee. When an offer of employment has been so made, the former employee shall indicate his acceptance within a period not to exceed five (5) work days and shall report for duty within five (5) work days from the day when such re-employment is accepted.

If such former employee is re-engaged and is assigned to essentially the same type of work as that at the time he was laid off, he shall be paid at the rate then in effect for that assignment and for the period of service which was credited to him for wage purposes at the time of layoff.

22.05 Employees who have not refused a job offer or declined displacement as described in 22.02 and 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:

<u>LENGTH OF SERVICE</u>	<u>LAYOFF ALLOWANCE</u>
0 - 23 Months	1 week of pay
24 - 47 Months	2 weeks of pay
48 - 59 Months	3 weeks of pay
60 Months or more	4 weeks of pay

- A. Layoff allowances shall, at the employee's option, be paid as follows: (1) The total amount calculated above shall be paid as a lump sum within sixty (60) days after the employee has left service; or (2) the total amount calculated above shall be paid as a lump sum within sixty (60) days after start of the following calendar year.
- B. An employee who has left the service of the Company and who has received a layoff allowance and who is employed or reemployed by any of the companies referred to in

paragraph 22.05 D will be treated as follows. If the number of weeks from the effective date of leaving service to the date of employment or reemployment is less than the number of weeks' pay upon which the layoff allowance was based, exclusive of any payment in lieu of vacation, the amount paid to the employee for the excess number of weeks shall be considered as an advance to the employee by the Company and repayment shall be made as a lump sum or through authorized payroll deductions at the rate of fifteen percent (15%) of the employee's basic weekly wage rate until the amount of excess is repaid.

- C. A re-engaged employee who has received a layoff allowance and who is again laid off will be paid the difference between the computed payment to which he or she is eligible and the net amount of any payment which he or she may have received due to any previous layoff.
- D. The provisions of section 22.05 do not apply in case of an employee leaving service voluntarily, an employee on a leave of absence, or an employee transferred to any other AT&T Company that participates in the NTP or successors or assigns thereto.

Section 23 – Relocation

23.01 An employee transferring at the Company's request to a new location, fifty-five (55) road miles further from his residence than was the old location, may elect to relocate his principal residence to the new location and shall be eligible for the following move treatment:

- \$4,500 to an employee who owns his principal residence;
- \$3,500 to an employee who rents his principal residence.

23.02 The above payments will be grossed up for taxes and are contingent upon the employee moving his principal residence within one year from the effective date of the change to the new work location and the employee remaining on the payroll for the same period of time. If the employee does not report for work, the payment shall be reimbursed to the Company or the Company may withhold the amount of the payment from any monies otherwise due to the employee.

23.03 In addition to the above payments, the employee shall be excused with no loss of basic pay for a maximum of three (3) scheduled days to perform tasks associated with relocation.

Section 24 – Service Leader

24.01 The Company may, as it determines necessary, appoint a qualified non-management employee who volunteers to act as a Service Leader. The Service Leader will have the responsibility for directing the efforts of the work group while at the same time performing his normal duties. When an employee is appointed by the Company to perform the duties of a Service Leader for one or more days in a week, he shall be paid a Service Leader differential of Sixteen Dollars (\$16) for each day so worked.

24.02 An employee acting as a Service Leader shall not take or recommend disciplinary action against another employee.

Section 25 – Tools

The Company shall supply employees with the tools necessary to perform their job duties. Employees shall take appropriate steps to care for and secure tools and equipment issued to them by the Company. The Company on an exchange basis will replace worn or broken tools.

Section 26 – Training

Both the Company and the Union recognize the benefit of offering product and technical training to employees. The Company shall, at its sole discretion, offer such training to its regular employees, at Company expense. The Company shall give due consideration to the employee's ability, job performance, request for training, seniority and skills, in addition to the needs of the business, and training availability, when selecting employees for training.

Section 27 – Career & Personal Development

27.01 Employees may become eligible for the Company's educational assistance in accordance with certain provisions of the Career & Personal Development Plan (CPDP).

The CPDP shall include the following:

- Assessment of employee's aptitude/skills through a counseling process;
- aid to employees returning to school (including where to focus formal education and how to develop a support network at the school);
- assist in sharpening training skills, studying and testing; and
- assessment of prior formal and informal education for college credit.

Each employee eligible for and participating in CPDP will be eligible for any or all portions of the Plan, provided a CPDP counselor finds such portions of the Plan appropriate for the employee.

27.02 Those employees eligible for CPDP must be:

- Classified as full-time employee, excluding full-time employees classified as Term;
- on the active payroll;
- in possession of at least one (1) year net credited service; and
- not concurrently enrolled in any Company-sponsored tuition reimbursement program.

27.03 Eligibility to remain in the Program will be forfeited by those who have not shown evidence that they completed the course within 60 days of the scheduled completion date on record. In addition, employees will forfeit eligibility if they on two (2) occasions fail a course during their participation in CPDP, fail to complete a course while participating in CPDP and/or fail to submit or maintain a Payroll Deduction Authorization Form at the time of request.

Disability or business reasons may be grounds to waive such ineligibility at the Company's discretion. Employees dropped from the Program may be reinstated to the Program after waiting for at least one (1) academic year.

27.04 Enrollment by employees in CPDP will be voluntary and time spent by employees in the Program will be outside of scheduled working hours and not paid or considered as time worked for any purpose.

27.05 Employees eligible for CPDP may receive counseling, testing and Company pre-paid tuition assistance.

27.06 Selected educational institutions will be utilized to deliver services, courses and programs. The Company reserves the right to approve institutions, services, courses and programs.

27.07 Employees participating in CPDP will be reimbursed for fifty percent (50%) of textbook costs annually upon successful completion of approved courses and programs. Participants will also be reimbursed for one hundred percent (100%) of fees up to a maximum of two hundred fifty dollars (\$250) annually upon successful completion of approved courses and programs.

27.08 The amounts of any refunds, charges for negligence, and outside assistance (grants, remissions, scholarships, veteran's assistance, etc.) shall be deducted from the Program payments.

27.09 In no event will the cost to the Company for each employee's direct CPDP expenses (i.e. tuition, books, fees, workshops, counseling) exceed three thousand five hundred dollars (\$3,500) annually. Employees participating in the Program at the time this cost figure is reached will be able to complete the course in which they are currently enrolled.

27.10 The Company will make payments for any courses, testing and/or counseling that begins before the expiration of this Agreement.

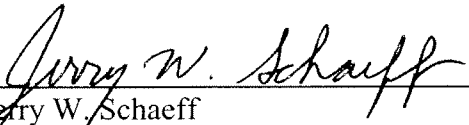
Section 28 – Conclusion

28.01 CWA will not, on the basis of this Memorandum or on the basis of any change in operations or practices as a result of this Memorandum, 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 any 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 CWA are a single bargaining unit, or are or should be otherwise altered in their scope or composition. This commitment on the part of CWA 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.

28.02 This Memorandum shall be effective upon ratification of the Contract and shall continue until the expiration of the Contract.

AGREED:


FOR THE UNION:



Jerry W. Schaeff
CWA Assistant to the Vice-President

April 8, 2012
Date

FOR THE COMPANY:



William J. Helwig
Director Labor Relations

April 8, 2012
Date

THE 2012 - 2014 WAGE SCHEDULES ARE
LOCATED ONLINE AT

AT&T OneStop- Labor Relations - Midwest Page

INDIANA

Service Area 1

Adams
Allen
Cass
De Kalb
Elkhart
Fulton
Huntington
Jasper
Kosciusko
La Porte
Lagrange
Marshall
Miami
Newton
Noble
Porter
Pulaski
St. Joseph
Starke
Steuben
Wabash
Wells
White
Whitley

Service Area 2

Benton
Blackford
Boone
Carroll
Clinton
Delaware
Fayette
Franklin
Grant
Hamilton
Hancock
Hendricks
Henry
Howard
Jay
Johnson
Madison
Marion
Montgomery
Morgan
Putman
Randolph
Rush
Shelby
Tippecanoe
Tipton
Union
Warren
Wayne

Service Area 3

Bartholomew
Brown
Clark
Clay
Crawford
Daviess
Dearborn
Decatur
Dubois
Floyd
Fountain
Gibson
Greene
Harrison
Jackson
Jefferson
Jennings
Knox
Lawrence
Martin
Monroe
Ohio
Orange
Owen
Parke
Perry
Pike
Posey
Ripley
Scott
Spencer
Sullivan
Switzerland
Vanderburgh
Vermillion
Vigo
Warrick
Washington

MICHIGAN

Service Area 1

Bay
Genesee
Huron
Lapeer
Lenawee
Livingston
Macomb
Midland
Monroe
Oakland
Saginaw
St. Clair
Sanilac
Shiawassee
Tuscola
Washtenaw
Wayne

Service Area 2

Alcona
Alpena
Arenac
Berrien
Branch
Calhoun
Cass
Clinton
Eaton
Gladwin
Gratiot
Hillsdale
Ingham
Iosco
Jackson
Kalamazoo
Montmorency
Ogemaw
Osceola
St. Joseph
Van Buren

Service Area 3

Allegan
Antrim
Barry
Benzie
Charlevoix
Cheboygan
Clare
Crawford
Emmet
Grand Traverse
Ionia
Isabella
Kalkaska
Kent
Lake
Leelanau
Manistee
Mason
Mecosta
Missaukee
Montcalm
Muskegon
Newaygo
Oceana
Oscoda
Otsego
Ottawa
Presque Isle
Roscommon
Wexford

Service Area 4

Alger
Baraga
Chippewa
Delta
Dickinson
Gogebic
Houghton
Iron
Keweenaw
Luce
Mackinac
Marquette
Menominee
Ontonagon
Schoolcraft

OHIO

Service Area 1

Ashland
Ashtabula
Carroll
Columbiana
Cuyahoga
Erie
Geauga
Holmes
Huron
Jefferson
Lake
Lorain
Mahoning
Medina
Portage
Stark
Summit
Trumbull
Tuscarawas
Wayne

Service Area 2

Allen
Auglaize
Crawford
Defiance
Fulton
Hancock
Hardin
Henry
Logan
Lucas
Mercer
Ottawa
Paulding
Putman
Sandusky
Seneca
Shelby
Williams
Wood
Wyandot
Van Wert

Service Area 3

Brown
Butler
Champaign
Clark
Clermont
Clinton
Drake
Greene
Hamilton
Highland
Miami
Montgomery
Preble
Warren

Service Area 4

Adams
Athens
Belmont
Coshocton
Delaware
Fairfield
Fayette
Franklin
Gallia
Guernsey
Harrison
Hocking
Licking
Marion
Meigs
Jackson
Knox
Lawrence
Madison
Monroe
Morgan
Morrow
Muskingum
Noble
Perry
Pickaway
Pike
Richland
Ross
Scioto
Union
Vinton
Washington

WISCONSIN

Service Area 1

Ashland
Barron
Bayfield
Brown
Burnett
Calumet
Chippewa
Clark
Door
Douglas
Dunn
Eau Claire
Florence
Fond du Lac
Forest
Green Lake
Iron
Kewaunee
Langlade
Lincoln
Manitowoc
Marathon
Marinette
Marquette
Menominee
Oconto
Oneida
Outagamie
Pierce
Polk
Portage
Price
Rusk
Sawyer
Shawano
St. Croix
Taylor
Vilas
Washburn
Waupaca
Waushara
Winnebago
Wood

Service Area 2

Dodge
Jefferson
Kenosha
Milwaukee
Ozaukee
Racine
Sheboygan
Walworth
Washington
Waukesha

Service Area 3

Adams
Buffalo
Columbia
Crawford
Dane
Grant
Green
Iowa
Jackson
Juneau
La Crosse
Lafayette
Monroe
Pepin
Richland
Rock
Sauk
Trempealeau
Vermont

**MEMORANDUM OF AGREEMENT
BETWEEN
SBC Global Services, Inc.
(The Company)
AND
Communications Workers of America
(The Union)**

TERM EMPLOYEES

The Parties understand that the needs of the business may require the hiring of employees for specific projects that are not expected to last longer than one (1) year. The Parties further understand that the Company may hire Term Employees specifically for this reason.

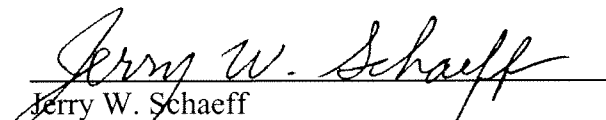
For the purpose of this Memorandum, a Term Employee is an employee engaged for a specific project, up to a maximum of twelve (12) months (on a full-time or part-time basis) with an understanding that his employment is to terminate upon completion of the project.

Any Term Employee hired for a project in excess of twelve (12) months must be mutually agreed to by the Parties.

This Memorandum of Agreement will remain in effect through the term of the 2012 Collective Bargaining Agreement between the Parties.

AGREED:

FOR THE UNION:


Jerry W. Schaeff
CWA Assistant to the Vice-President

April 8, 2012
Date

FOR THE COMPANY:


William J. Helwig
Director Labor Relations

April 8, 2012
Date

**MEMORANDUM OF AGREEMENT
BETWEEN
SBC Global Services, Inc.
(The Company)
AND
COMMUNICATIONS WORKERS OF AMERICA
(The Union)**

FOUR DAY WORK WEEK

The Union and Company recognize that in certain work groups it may be beneficial to the employee and in the best interest of the business to establish a four (4) day schedule as the normal work week. Accordingly, in a work group where local management and the local agree, the number of hours which presently constitute a regular five (5) day work week will be scheduled in equal amounts over four (4) days.

The work groups selected for such four (4) day work weeks will be solely at the discretion of the Company. The local management and the local union will discuss the process by which the number of employees who volunteer will be assigned their shifts and work days within the calendar week. It is further agreed that if the needs of the business require the Company to discontinue the four day work week, the Company will notify the Union in advance.

Four (4) day work weeks will be scheduled in advance as full work weeks. No daily overtime payment shall be made for any of the scheduled hours worked which constitute the normal four (4) day work week.

Subject to the above, and before implementing a four (4) day schedule in any work group, the local management and the local union will establish the parameters and implementation procedures for such four (4) day work weeks. Unless otherwise agreed, the following will apply:

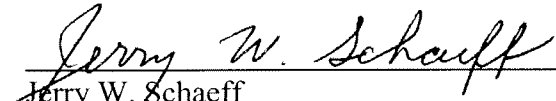
1. Weeks in which a Recognized Holiday falls will revert to a normal five (5) day work week.
2. Employees scheduled for a week of vacation will have their tours revert to the normal five (5) day work week.
3. Employees pre-scheduled for Excused Work Days, Vacation, Floating Holiday or jury duty will revert their work week to normal five (5) day work week. Non-scheduled Floating Holidays, Excused Work Days, or Vacation within a week in which the employee's work week is four (4) ten (10) hour days will be treated as ten (10) hour days. Employees may take no more than four (4) ten (10) hour unscheduled days (i.e. forty hours) on a day-at-a-time basis. These unscheduled days include Floating Holidays, Excused Work Days, or Vacation days.
4. Payment will be based upon a ten (10) hour day for employees who are absent because of sickness disability during the course of the four (4) day work week. If the disability continues

into the next week, the employee's work week will revert to the normal five (5) day work week.

This Memorandum of Agreement will remain in effect through the term of the 2012 Collective Bargaining Agreement between the Parties.

AGREED:


FOR THE UNION:



Jerry W. Schaeff
CWA Assistant to the Vice-President

April 8, 2012
Date

FOR THE COMPANY:



William J. Helwig
Director Labor Relations

April 8, 2012
Date

**MEMORANDUM OF AGREEMENT
BETWEEN
SBC Global Services, Inc.
(The Company)
AND
Communications Workers of America
(The Union)**

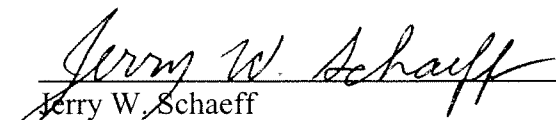
EMPLOYMENT OPPORTUNITIES

The parties to the 2012 Collective Bargaining Agreement agree that SBC Global Services, Inc. employees represented by the Union will have the opportunity to be considered for available positions under the AT&T Midwest (“Core”) Collective Bargaining Agreement. These employees shall be subject to all applicable qualifications and selection criteria under the “JOBS” process. Based on the staffing levels effective January 1, 2013, January 1, 2014 and January 1, 2015, a maximum of three percent (3%) of the employees each calendar year, equally distributed every quarter, will be allowed to accept a position under the AT&T Midwest (“Core”) Collective Bargaining Agreement.

This Memorandum of Agreement will remain in effect through the term of the 2012 Collective Bargaining Agreement between the Parties.

AGREED:

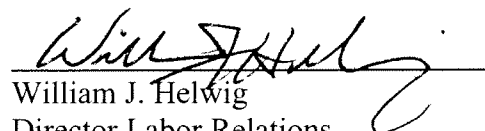
FOR THE UNION:



Jerry W. Schaeff
CWA Assistant to the Vice-President

April 8, 2012
Date

FOR THE COMPANY:



William J. Helwig
Director Labor Relations

April 8, 2012
Date

JOB TITLES

INDIANA (EXCLUDING LAKE COUNTY)

SYSTEMS TECHNICIAN
COMMUNICATION TECHNICIAN
REPAIR DISPATCH CLERK
WAREHOUSE OPERATOR
AREA SERVICE ASSISTANT
ASSOCIATE TECHNICIAN
TECHNICAL CLERK

MICHIGAN

FIELD SERVICE SUPPORT ENGINEER
SYSTEMS TECHNICIAN
COMMUNICATION TECHNICIAN
ASSOCIATE TECHNICIAN
WAREHOUSE OPERATOR
REPAIR DISPATCH CLERK
AREA SERVICE ASSISTANT
TECHNICAL CLERK

OHIO

SYSTEMS TECHNICIAN
COMMUNICATION TECHNICIAN
ASSOCIATE TECHNICIAN
REPAIR DISPATCH CLERK
TECHNICAL CLERK
WAREHOUSE OPERATOR
AREA SERVICE ASSISTANT

WISCONSIN

SYSTEMS TECHNICIAN
COMMUNICATION TECHNICIAN
ASSOCIATE TECHNICIAN
TECHNICAL SUPPORT SPECIALIST
CLERICAL SPECIALIST
WAREHOUSE OPERATOR

**MEMORANDUM OF AGREEMENT
BETWEEN
SBC Global Services, Inc.
(The Company)
AND
Communications Workers of America
(The Union)
JOB OFFER GUARANTEE**

This Memorandum of Agreement (“Memorandum”) covers understandings reached between SBC Global Services Inc. (“Company”) and District 4 of the Communications Workers of America, AFL-CIO (“Union”) regarding employment security. For this purpose, the Parties agree as follows:

1. The Company will guarantee a job offer prior to involuntary layoff (“Job Offer Guarantee”) during the period stated herein to qualified employees hired prior to April 4, 2004, subject to the conditions and provisions contained in this Memorandum.
2. Any employee hired prior to April 4, 2004 who, after the effective date of this Memorandum, is identified for layoff shall prior to layoff, be offered a job within the geographic jurisdiction of the Memorandum of Agreement between the Company and the Union (“Appendix G”), for which they are qualified, provided the employee has first fulfilled the conditions listed below:
 - (A) Did not have the opportunity to assume the job of the least senior employee with the same job title pursuant to section 22.02 of Appendix G and did not refuse a transfer or reassignment offered by the Company pursuant to section 22.03 of Appendix G.
 - (B) Is already test qualified for consideration, or becomes so qualified by passing the Technical Mechanical Test (TMT) and the Customer Contact Audition (CC Audition) or their replacements.
 - (C) Meets current job requirements.
 - (D) By the close of business on the day (Monday – Friday) following the date of Layoff Notification, or by such later date as is determined by Management, advises the Company of his/her election to invoke the Job Offer Guarantee, and to be considered for all jobs within the geographic area covered by the Agreement.

NOTE: The provisions of Section 22, of Appendix G - Workforce Adjustment Procedures will no longer apply to employees once they have invoked the Job Offer Guarantee, except as specifically provided herein. The job offer referenced herein may also be to any entity referenced

(“NTP Entity”) in the attachments to the Inter Subsidiary Movement Process/CWA Surplus Exchange referenced in the 2012 National Transfer Plan (“2012 NTP”) process.

3. The guaranteed job offer shall be made to qualified employees by order of seniority following the date of layoff notification. The guaranteed job offer may be for any position with the Company or any company not signatory to Appendix G consistent with the terms of the 2012 NTP. Employees accepting a job offer outside their current bargaining unit shall be treated as if they had transferred under the terms and conditions of the 2012 NTP process and shall be subject to all applicable receiving company practices, policies, collective bargaining agreement provisions and benefit plan eligibility standards, including those related to or affected by Net Credited Service.
 - (A) An employee to whom a guaranteed job offer has been made has one (1) working day to accept the offer after which it will be considered rejected.
 - (B) Refusal to test for an available job, rejection of a guaranteed job offer or failure to pass a test for a job title for which the Company or any NTP Entity has vacancies voids this Memorandum, and shall be considered an election by the employee to forego the Job Offer Guarantee and continue under the terms of Section 22, Force Adjustment Procedures of Appendix G as if JOG was not invoked.
 - (C) A qualified employee who, at his/her layoff date, is entitled to, but has not yet received, a guaranteed job offer shall remain on the payroll at his/her existing wage rate and shall be assigned such work as management deems appropriate until a guaranteed job offer is made.

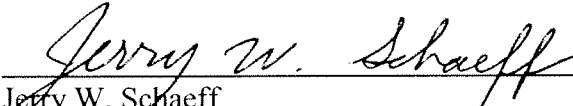
NOTE: Any employee who has been retained on the Company payroll beyond his/her layoff date pursuant to this Memorandum and who then rejects a guaranteed job offer, refuses to take a test for an available job, or fails a test for which the Company has openings shall be laid off. The amount of wages paid said employee between the layoff date and termination shall be deducted from any termination payment due.

4. The Company retains the right to suspend or cancel at any time the application of this Memorandum when a layoff is declared because of any change or fluctuation in economic or business conditions as determined by the Company.
5. Upon ratification of the Parties 2012 Collective Bargaining Agreement, the Company agrees that, for the term of the 2012 Collective Bargaining Agreement the Company will not exercise it's right to suspend or cancel this agreement, as set forth in Paragraph 4, above.
6. This Memorandum shall not be subject to arbitration.

This Memorandum of Agreement will remain in effect through the term of the 2012 Collective Bargaining Agreement between the Parties.

AGREED:

FOR THE UNION:



Jerry W. Schaeff
CWA Assistant to the Vice-President

April 8, 2012
Date

FOR THE COMPANY:



William J. Helwig
Director Labor Relations

April 8, 2012
Date

**MEMORANDUM OF AGREEMENT
BETWEEN
SBC Global Services, Inc.
(The Company)
AND
Communications Workers of America
(The Union)**

**CONCERNING NCS & SENIORITY OF GLOBAL SERVICES EMPLOYEES
COVERED BY APPENDIX G**

This confirms the understanding between the Company and the Union (the "Parties) regarding the method of determining seniority for CWA Global Services, Inc. employees who share the same NCS date. The Parties agree that Article 14.02 of the CWA Core Agreement will not apply to current employees covered by Appendix G as of April 5, 2009. Instead, the following provision will apply to these employees:

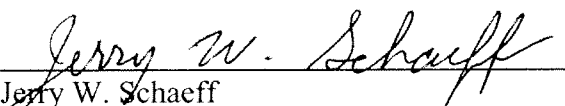
Except as set forth in paragraph 14.03, Seniority shall be determined by the net credited service of the employee affected. Where two or more employees have the same net credited service, the employee who has the highest last four digits of the social security number shall be considered to be the most senior. In case there should be two or more employees with the same last four digits of the social security number, the highest middle two digits of the social security number will determine seniority. Should two or more employees have identical numbers to this point, the employees will be arranged alphabetically by last name.

Any employees who become covered by Appendix G after April 5, 2009, will be treated under the language of Article 14.02 of the Core Agreement as indicated in Appendix G.

This Memorandum of Agreement will remain in effect through the term of the 2012 Collective Bargaining Agreement between the Parties.

AGREED:

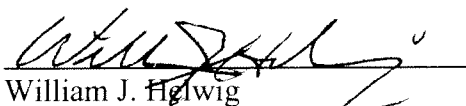
FOR THE UNION:



Jerry W. Schaeff
CWA Assistant to the Vice-President

April 8, 2012
Date

FOR THE COMPANY:



William J. Helwig
Director Labor Relations

April 8, 2012
Date