



**Agreement between**

**COMMUNICATIONS WORKERS  
OF AMERICA**

**and**

**BELLSOUTH  
TELECOMMUNICATIONS, LLC**

**Doing Business As:**

**AT&T Alabama**

**AT&T Mississippi**

**AT&T Florida**

**AT&T North Carolina**

**AT&T Georgia**

**AT&T South Carolina**

**AT&T Kentucky**

**AT&T Tennessee**

**AT&T Louisiana**

**for**

**UTILITY OPERATIONS**

**EFFECTIVE: August 9, 2015 through August 3, 2019**

## TABLE OF CONTENTS

<u>ARTICLES</u>	<u>PAGE</u>
Preamble .....	ii
1 Definitions.....	2
2 Scheduling.....	5
3 Pay and Basis of Compensation.....	6
4 Holidays and Vacations .....	9
5 Absences from Duty.....	12
6 Force Reduction .....	14
7 Suspension, Discharge, Demotions and Records .....	17
8 Promotion and Transfer Plan .....	20
9 Employment Security PARTNERSHIP .....	21
10 Jurisdiction of Work.....	23
11 Health and Safety .....	24
12 Travel Expense.....	24
13 Union Representation.....	25
14 Benefits .....	27
15 Grievance, Arbitration and Mediation Procedures.....	28
16 Compliance with Law .....	33
17 Payroll Dues Deduction and Union Security .....	33
18 Responsible Union-Company Relationship .....	36
19 Non-Discrimination .....	37
20 Collective Bargaining Procedure .....	38
21 Duration of Agreement .....	39
App A Wage Schedules .....	40
App A AT&T Pension Benefit Plans.....	42
App A Success Sharing Plan .....	43
App B Inclement Weather .....	47
App B Promotional Wage Treatment .....	48
App B Uniform Program .....	49
App B Utility Operations Incentive Compensation Plan.....	51
App B Wire Work .....	53

## **PREAMBLE**

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

For the Union:

Billy O'Dell  
CWA Representative  
CWA District 3

For the Company:

Belinda K. Lacey  
Director  
Labor Relations

**AGREEMENT**  
**Between**  
**COMMUNICATIONS WORKERS OF AMERICA**  
**and**  
**BELLSOUTH TELECOMMUNICATIONS, LLC**  
**for**  
**UTILITY OPERATIONS**

This Agreement, made by and between Communications Workers of America, herein called Union, and BellSouth Telecommunications, herein called the Company:

The parties agree that the Company recognizes the Union as the exclusive representative of the employees holding the job titles set forth in Appendix A for purposes of collective bargaining with respect to rates of pay, wages, hours and conditions of employment. The parties agree that the employees who are subject to this Agreement constitute a unit appropriate for purposes of collective bargaining.

This Agreement between the Union and the Company represents the full and complete Agreement between the parties. No modification to this Agreement shall be effective unless signed by the above mentioned parties.

**ARTICLE 1**  
**DEFINITIONS**

A. Basic Rates, Wages, Pay

The rate of pay, exclusive of all differential or extra payments, as shown in Appendix A.

B. Calendar Week

A consecutive period of 7 days, the first day of which is Sunday.

C. Calendar Year

The 12 month period which begins January 1 and ends December 31.

D. Employee Classification

1. Full-time employee - One who is engaged to work a full-time or normal work week of 40 hours.
2. Part-time employee - One who is engaged to work at least 20 hours per work week.

E. Entity

For purposes of force movement, an entity is defined as BellSouth Telecommunications, LLC, AT&T Billing Southeast, LLC, Utility Operations, and National Directory and Customer Assistance.

F. Holiday Work

Any work which begins on an authorized holiday.

G. Non-Scheduled Day

A day on which an employee is not assigned or scheduled to work.

H. Normal Work Day (Tour)

A normal tour is 8 hours for full-time employees.

I. Normal Work Week

A normal work week shall consist of 5 scheduled tours worked in a calendar week.

J. Overtime Rate, Pay

Overtime rate of pay is 1-1/2 times the basic rate of pay plus such other differential increment as required under the terms of the Fair Labor Standards Act in effect on the date of this Agreement.

K. Scheduled Hours

Hours falling within an employee's scheduled tour.

L. Scheduled Tour

Any of the tours which are officially posted on the weekly work schedule for a particular employee.

M. Seniority/Net Credited Service Date

1. Seniority/Net Credited Service shall mean Term of Employment (TOE)/Net Credited Service (NCS) as defined by the applicable Pension Plan, or if no Pension Plan is applicable to an employee, then Seniority shall mean length of service calculated as if the employee were covered by the Bargained Cash Balance Program #2 of the AT&T Pension Benefit Plan. Seniority/TOE/net credited service shall govern for all matters to the extent and with the limitations set out in this Agreement.

2. In applying any of the provisions of this Agreement, in any case where 2 or more employees' seniority/net credited service date/TOE is equal, they shall rotate as the senior employee in the choice of vacations; seniority will be determined by the following:

The last four digits of the employee's social security number will be used to determine the order in which seniority will be exercised, with the lowest number equating to the highest seniority.

EXAMPLE: The employee whose social security number ends with 5166 will be the higher in seniority than the employee whose number ends with 7531.

#### N. Service Requirements

Whenever used in this Agreement, "Service Requirements" means such Service Requirements as determined by the Company, but such determination shall be subject to the grievance procedure set forth in Article 15, and a charge of bad faith or arbitrary action shall be subject to the arbitration procedure set out in Article 15.

#### O. Working Leader

A non-supervisory employee on productive work who is designated to coordinate the work activities of a group of workers and/or who contributes to the training of employees. The selection of a Working Leader will be offered in seniority order of qualified employees in the work group.

**ARTICLE 2**  
**SCHEDULING**

- A. Posting. Work schedules shall be posted for all employees by 11:00 A.M. on each Thursday to show the schedule or assigned tours for the next two weeks.
1. Holiday schedules shall be posted by 11:00 A.M. on Tuesday of the second week preceding the week in which the holiday falls.
- B. Hours of Work. The normal work day (Tour) shall be 8 hours for all full-time jobs, exclusive of a meal period.
1. Meal periods shall be 1 hour and shall be scheduled as near the mid-point of the tour as possible. One relief period of 15 minutes shall be granted in each session.
  2. Insofar as business conditions permit, employees shall be excused on authorized holidays.
- C. Work Schedules. Where employees work common hours as a group, a statement stating the hours may be posted for the work group.
- D. Generally, employees should not be worked more than 13 days without their consent.
1. Should an employee work more than 13 consecutive days, he/she shall be paid at the overtime rate beginning with the 14th day until he/she has been granted a day off.
- E. Employees should not be scheduled within 12 hours of the ending time of a previous scheduled tour. However, scheduled time worked which falls within 12 hours from the scheduled end of the preceding tour, shall be paid at the overtime rate except where the employee is exercising his seniority.



- F. Changes from posted tours may be made to accommodate an employee or by the Company to meet unexpected conditions.
- G. Flexible Time Scheduling. Four day work weeks or variable hours may be used when the Local President and the involved have mutually developed and agreed upon guidelines, which are within the general parameters established by the Company and the Union at the executive level.

### ARTICLE 3

#### PAY AND BASIS OF COMPENSATION

Employees shall be paid as follows:

- A. Employees working on a week day shall be paid at the regular rate for all scheduled time worked, except as otherwise provided in this section.
- B. Overtime rate (1-1/2) for all hours worked on a week day in excess of 8 hours and for any work performed in excess of 40 hours in a calendar week. *When an employee has already worked 18 hours of overtime in a week, he/she will have the right to refuse further overtime except when long term service difficulties exist or service emergencies.*
- C. Overtime rate (1-1/2) for all hours worked on Sunday and on a holiday.
- D. Time considered worked shall include only time actually worked except:
  - 1. Number of hours authorized for travel time for a day not scheduled up to the length of a normal tour.
  - 2. Time excused as a holiday or vacation day.

3. Union time paid and not paid (up to the length of a normal tour).
- E. A day's regular pay for an authorized holiday irrespective of any other pay.
1. Employees failing to report for scheduled work on the holiday, or for scheduled work on the day preceding or following the holiday, shall receive no pay for the holiday, unless such absences are excused.
- F. Pay for Vacations
1. Full-time Employees  

The rate of pay for vacations will be calculated using 8 hours per day times the employee's basic rate.
  2. Part-time Employees  

The rate of pay for vacations will be prorated based on employee's normal scheduled hours times the employee's basic rate.
- G. Working Leader and Relieving Supervisor
1. An employee who is designated as Working Leader will receive \$10.00 per day above the appropriate wage scale rate.
  2. An employee who is designated as Relieving Supervisor will receive \$13.00 per day above the appropriate wage scale rate.
  3. In those cases where the Working Leader or Relieving Supervisor designation is for less than 4 hours, the employee will receive 1/2 the allowance. If the designation is for 4 or more hours, they will receive the entire allowance.

H. Stand-by Worker (for CPO only)

When considered for use in any location, management will discuss the need with the Local Union President and seek concurrence on the plan's implementation. Once agreement has been reached at the local level, the Company may utilize one or more volunteers in order of seniority. Employees in the work group will be polled for Stand-by Worker assignment every two months. Should there not be an agreement at the local level or enough volunteers, the Company may rotate assignments among qualified employees in the work group in inverse seniority order. Stand-by Worker assignments will rotate on a weekly basis. One (1) Heavy Equipment Operator and one (1) Utility Worker will be required for weekly Stand-by Worker Assignment(s).

1. Employees that have accepted the Stand-by Worker assignment will be expected to carry or wear a pager during their assignment and respond in one hour or less after they have been paged.
  - a. Stand-by Worker pay will be handled as follows:
    - (1) Full week coverage (Monday-Sunday) without a Holiday will be at 5.75 times the current hourly rate of pay.
    - (2) Full week coverage (Monday-Sunday) with a Holiday will be at 7.25 times the current hourly rate of pay.
2. If the Stand-by Worker is called out, overtime payments will apply in addition to the stand-by pay. Overtime pay calculations will begin once the employee accepts the call and will end when the employee stores his vehicle and equipment at an approved location.

- I. Working on Higher-Rated Job. A Machine Operator temporarily substituting in the job as a Heavy Equipment Operator shall receive

a differential of 10% above his/her basic hourly rate of pay for such time worked provided he/she performs such work for 2 or more hours during the calendar week. In no event shall the basic pay of the employee substituting in a higher-rated job be more for a calendar week than his/her wage experience credit entitles him/her to receive when applied to the higher wage scale for the job on which he/she is temporarily working.

J. Payroll Periods and Paycheck Deliveries

Employees will be carried on bi-weekly payrolls. An employee may be paid by direct deposit into a bank or credit union account, or the check mailed to the employee's home address. The paycheck stub will be made available to employees in the most efficient manner possible.

## ARTICLE 4

### HOLIDAYS AND VACATIONS

A. Holidays

1. Specified Holidays shall be:

New Year's Day	Labor Day
Memorial Day	Thanksgiving Day
(last Monday in May)	Christmas Day
Independence Day	

2. Holidays falling on a Saturday or Sunday which are not normally scheduled work days shall be observed on Friday for Saturday holidays and on Monday for Sunday holidays.
3. When a specified holiday falls within an employee's vacation period, an additional day of vacation shall be provided.

B. Vacations

1. Eligibility for vacation shall be accrued as follows:

<u>Seniority/NCS</u>	<u>Vacation Weeks</u>
Less than 6 mos.	0
6 mos. but less than 1 year	1
1 year but less than 5 years	2
5 years but less than 15 years	3
15 years but less than 25 years	4
25 years or more	5

2. Vacations are not cumulative and may be taken only during the calendar year within which they are due.
  - a. Employees who become eligible for additional vacation during the month of December may opt to carry that time over to the following year.
  - b. Any vacation carried over to the following year must be scheduled and taken by April 1 of that year.
3. Employee shall select vacation in order of seniority/net credited service.
4. If an employee retires or is laid off before his/her vacation is completed, payment in lieu of unused vacation *as* if he/she had worked the entire calendar year shall be made to the employee. In case of death, this payment will be made to the deceased employee's spouse, or if there is no spouse, to the employee's estate.

5. An employee transferring to other BellSouth Telecommunications bargaining units before his/her vacation is scheduled to begin shall receive such vacation before transferring to the other unit if such transfer is arranged upon that basis. If the transfer is made before the vacation is given, the department receiving the employee will be so advised.
  
6. Except as provided otherwise, an employee who is leaving the Company shall be paid in lieu of eligible vacation he/she has accrued but not used in the calendar year based on the following accrual schedule.

Vacation Accrual Schedule					
Month Employee Leaves Company Or Credited Months	Annual Eligible Vacation Hours for 40 Hour Employees (See Section 4B for number of eligible weeks)				
	1 Week or 40 Hours	2 Weeks or 80 Hours	3 Weeks or 120 Hours	4 Weeks or 160 Hours	5 Weeks or 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

**ARTICLE 5**  
**ABSENCES FROM DUTY**

A. Personal Paid Time

1. Personal Paid Days will be granted as follows:
  - a. One personal paid day will be granted to each regular employee who has less than 6 months of seniority on January 1 of any given year.
  - b. Two personal paid days will be granted to each regular employee who has at least 6 months, but less than two years of seniority on January 1 of any given year.
  - c. **Four** personal paid days will be granted to each regular employee who has two or more years of seniority on January 1 of any given year.
2. Each personal paid day is eight hours, which may be taken in one hour increments.
3. The Company will grant a request for paid personal time if no more than 20% of the work force is not already off.
4. One personal paid day in each calendar year may be designated by the Company (such as the day after Thanksgiving).

B. Leaves of Absence

Leaves of absence without pay shall be granted for good cause and for reasonable lengths of time provided business requirements permit and further provided there is nothing in the record of the employee which would prevent re-employment. In all leaves, the first month only will be included in computing seniority/net credited service.



The reinstatement right of an employee returning or wishing to return from leave shall be as follows:

1. The employee shall be reinstated on the same or an equal job at which he/she was working prior to the leave if such work is available. If work is not available as stated above, the following sequence will apply:
  - a. Employee upon his/her request shall be granted an extension of the leave until such time as reinstatement is possible under 1 above, with a limit of 6 months.
  - b. Employee shall be reinstated in a lower rated job provided work is available.

#### C. Military Service

The Company will grant military leaves of absence, and return employees from such leaves, in accordance with its obligations under federal law.

#### D. Absences Excused with Pay

1. In addition to other provisions of this Agreement calling for absences with pay, employees shall be excused without loss of regular pay for absences due to, and in conformity with, any of the following:
  - a. Jury or witness duty. If reasonable notice is given to his/her supervisor, an employee shall suffer no loss of regular pay for the time necessarily consumed in the performance of jury or witness duty, and no deduction shall be made for any amount of monies received from civil authorities.
  - b. Quarantine. Absence due to unavoidable quarantine by the health authorities or a physician.

- c. Deaths. If reasonable notice is given to his/her supervisor, an employee shall suffer no loss of regular pay for a reasonable amount of scheduled time lost on account of death in the immediate family or household of such employee.
  - d. Elections. If reasonable notice is given to his/her supervisor, an employee shall suffer no loss of regular pay for a reasonable amount of scheduled time lost on account of service at the polls in connection with Federal, State, Municipal, County or Parish elections.
  - e. Voting. If reasonable notice is given to his/her supervisor, an employee shall suffer no loss of regular pay for time necessarily consumed in voting in any Federal, State, Municipal, County or Parish elections.
- 2. Immediate family shall be defined as consisting of wife, husband, daughter, son, mother, father, brother, sister, grandmother, grandfather, mother-in-law, father-in-law, son-in-law, daughter-in-law, sister-in-law, brother-in-law, grandchildren, stepchildren and stepparents.
  - 3. Household of employee means persons who regularly make their home with the employee as a part of the family.

## **ARTICLE 6**

### **FORCE REDUCTION**

#### **A. Change of Work Hours**

The Company may increase or decrease the number of scheduled hours/tours in any given week due to load fluctuation. To address extended load imbalances, the Company may place an employee on leave status.

## B. Layoff

1. In the event that the Company determines that there is not enough work to justify the continued employment of any employee, the Company will advise the affected employee or employees, and the Union at the executive level, with a 45 day advance notice prior to the effective layoff date of the individual or individuals.
2. The parties agree that prior to forcing layoff in inverse order of seniority, the Company may allow senior volunteers within the title and exchange to be paid layoff allowance and separate from the Company. The number of volunteers will be limited to the number of positions declared surplus within the title and exchange.

In the event that there are 2 or more employees in the same job title in the same exchange who perform substantially the same job functions, the layoff of employees will normally be in the inverse order of the employees' seniority/net credited service with the Company, provided that the employee or employees who would remain are fully qualified to perform the work available or expected to be available.

### Upfront Bump

- When the most junior employee doing essentially the same type work is located in another exchange within 35 miles, the surplus employee in the original surplus exchange will bump such employee and the bumped employee will become the surplus employee.

### State Bump

- When the most junior employee performing essentially the same type work is located in another exchange within the same state, the senior employee may bump the junior employee.

3. Employees who are laid off pursuant to this Article will be paid a layoff allowance based upon the employee's seniority/net credited service with the Company, according to the following schedule:

<u>Seniority/NCS</u>	<u>Amount of Allowance</u>
Less than 3 years	\$ 1,000.00
3 years but less than 6 years	\$ 1,375.00
6 years or more	\$ 1,750.00

- C. Although the filling of vacancies across entity lines under Article 6 is not subject to the grievance and arbitration procedures, the Company will consider employees who have been identified as surplus in other entities and to place such employees in equal or lower level vacancies.

D. Recall from Layoff

1. Laid off employees will have the right to be recalled after the filling of vacancies under Article 8 and Article 6. A laid off employee may submit up to six requests in their title, state *or anywhere in the bargaining unit and will receive priority consideration for vacancies in the state*. Requests will remain active for a period of *five* years from the date of layoff. Any refusal of an offer will discharge the Company of all obligations. Decisions regarding recall and filling of vacancies under this provision are not subject to the grievance and arbitration procedures.
2. Laid off employees will be recalled based upon their seniority date on the date of layoff.
3. Temporary Hiring of Laid Off Employees
  - a. As a general practice the Company will endeavor to offer laid off employees any temporary vacancies for which they are qualified.

- b. Acceptance of such vacancies will not affect their status as a laid off employee.
4. Any employee recalled under the provisions of this section within 5 years from the date of his/her layoff will have the continuity of his/her service protected, including seniority, and if his/her layoff was not for more than 6 months duration, he/she will be allowed service and seniority credit for such layoff unless it began within 12 months of a previous layoff.

## **ARTICLE 7**

### **SUSPENSION, DISCHARGE, DEMOTIONS, AND RECORDS**

#### **A. Limitations**

1. In the event an employee is suspended or discharged, a charge that the suspension or discharge was without just cause shall be handled in accordance with the following:
  - a. If the employee has 6 months or less of seniority/net credited service, a charge that the discharge was without just cause shall be subject to the full grievance procedure set forth in Article 15, but shall not be subject to arbitration.
  - b. If the employee has more than 6 months seniority/net credited service, a charge that the action was without just cause shall be subject to the full grievance and arbitration procedures set forth in Article 15.
2. In the event an employee is demoted, a charge that the demotion was without just cause shall be handled in accordance with the following:
  - a. If the employee has less than 3 months seniority/net credited service in the job from which he/she was demoted at the time of the demotion, the matter shall be subject to

the grievance procedure set forth in Article 15, but shall not be subject to arbitration.

- b. If the employee has at least 6 months seniority/net credited service in the job from which he/she was demoted, the matter shall be subject to the full grievance and arbitration procedures set forth in Article 15.

## B. Reinstatement

1. In the processing of grievances or arbitration, unless the parties at the State or higher level mutually agree to the contrary with respect to the particular grievance or arbitration case, the following shall apply: If as a result of such grievance or arbitration procedure it is determined that the employee was discharged, suspended or demoted without just cause, the Company agrees to reinstate the employee and to reimburse him/her according to the following:
  - a. In a discharge case, the employee shall receive his/her regular pay for the time lost less the amount of any termination pay received from the Company and unemployment compensation received or receivable; and the employee shall receive an additional 7% of the remaining amount.
  - b. In a suspension case, the employee shall receive his/her regular pay for the time lost less the amount of any unemployment compensation received or receivable, and any amount paid to or receivable by the employee as wages in other employment.
  - c. In a demotion case, the employee shall be made whole for the difference, if any, between his/her rate on the job from which he/she was demoted and his/her rate on the job to which he/she was demoted for each day he/she remains on the lower-rated job.

2. An employee reinstated as the result of an arbitration case will also be entitled to the following:
  - a. If the employee has paid medical insurance premiums under the BellSouth COBRA plan, he/she will be reimbursed for these premiums for any period covered by back pay, up to the 18 month COBRA limitation.
  - b. The employee will receive a Success Sharing Plan lump sum amount calculated to include the time off the payroll.
  - c. Provided an employee was enrolled in the savings plan prior to termination and contributes his/her share to the plan upon reinstatement, the Company will pay the appropriate matching funds and interest. Interest will be based on a composite of all funds for the period the employee was off the payroll.

#### C. Personnel Records

1. Upon request to his/her supervisor, an employee's personnel records shall be made available within 10 working days.
2. When entries other than those of a routine nature are made to an employee's personnel record that may affect conditions of his/her employment, the employee will be given a copy of the entry. The employee will be given the opportunity to affix his/her signature and date acknowledging that the employee has inspected the entry. The acknowledged entry shall be placed in the employee's personnel record within 7 days from the discussion and does not indicate the employee concurs with the entry.
3. A counseling entry that has been on file for a period of 6 months without any intervening disciplinary action pertaining to the same subject matter, will be removed from the employee's personnel record. A warning entry will be removed after 24 months and all remaining entries will be removed after a period

of 36 months subject to the preceding criteria. Any related data will also be removed with the entry from the personnel record and should not be taken into consideration in the future.

## **ARTICLE 8**

### **PROMOTION AND TRANSFER PLAN**

- A. Employees desiring a transfer to a different job title in the same location, to the same job title in a different location, or to a different job title in a different location, may file written requests with the Company for such movement.
- B. In the selection of employees for transfer, the Company will adhere to the principles that seniority/net credited service will govern if all other qualifications of the individuals considered are determined to be substantially equal.
- C. Employees who meet eligibility requirements may submit an unlimited number of “specific” requests for currently advertised vacancies and may submit unlimited “future” requests for consideration of transfer or promotion. Transfer or promotional moves may be requested within and between the following entities: BellSouth Telecommunications, LLC, AT&T Billing Southeast, LLC, Utility Operations, and National Directory and Customer Assistance.

An employee meets eligibility requirements provided the employee: (a) is classified on the payroll as a regular employee; (b) meets time-in-title requirements; and (c) has satisfactory performance in their current job.

- D. Time-in-title requirements for transfer eligibility is outlined in Appendix A by job title. The time-in-title tables are the minimum standard. Due to unique business needs, and upon mutual



agreement, the Company and Union at the Executive level may extend or reduce these time frames.

- E. Decisions in the filling of vacancies across entity lines are subject to the grievance procedure but not arbitration.

## **ARTICLE 9**

### **EMPLOYMENT SECURITY PARTNERSHIP**

- A. The Employment Security PARTNERSHIP is intended to benefit our employee body because we acknowledge that employees represent our best competitive advantage. The parties recognize the mutual advantage of promoting and facilitating the efforts of employees to enhance their job-related knowledge and skills. Therefore CWA and BellSouth realize the need for ongoing employee development. Accordingly, the following provisions are available to employees to aid in their developmental efforts:

- 1. In conjunction with regular performance feedback sessions with their supervisor, employees will receive information on entry level job descriptions in the BST bargaining unit and the skills required to qualify for such jobs.

- 2. All regular full-time and regular part-time employees with at least 6 months of seniority will be eligible to participate in the Educational Assistance Program. Participation in the Program is on the employee's own time with the exception of Orientation meetings and Career Counseling. One Counseling session per contract cycle will be offered on Company time.

- a. Educational assistance will be available for training and/or coursework that would enhance an employee's qualifications for selection for a BST bargaining unit job.

- 1) All such training will be taken at an accredited/approved institution.

Tuition, textbooks and fees for approved coursework will be reimbursed to the employee after successful course completion provided the employee meets all applicable administrative requirements.

- 2) Such training or coursework will be taken on the employee's own time.
- B. Provisions of this Article will not be subject to the grievance, arbitration or mediation procedures set forth in Article 15.
- C. The Program will be funded through an Employment Security PARTNERSHIP Account. This account will be funded for Utility Operations by multiplying term of contract (years) x \$110 x the total number of regular full-time and regular part-time employees in the bargaining unit as used in the wage and benefits calculations for the contract negotiations.
1. Costs to be charged to the Employment Security PARTNERSHIP Account include:
    - a. All training and associated costs for the PARTNERSHIP Program including educational assistance.
    - b. All employees' scheduled time associated with participation in the orientation meeting and career counseling.
    - c. All administrative costs of this Program.
- D. If the Account is fully depleted prior to contract expiration, services will be discontinued.

**ARTICLE 10**  
**JURISDICTION OF WORK**

A. Work Contacts

The parties understand that work contacts may occur between the employees subject to this Agreement and employees in other BellSouth Telecommunications bargaining units who are represented by the Union. Such work contacts may require the affected employees to share information. The parties agree that employees having such contacts will cooperate fully with each other to ensure that their respective duties are performed in an efficient and timely manner.

B. Cross-entity Work

Employees performing work under this contract are not to perform work that is presently performed by employees covered under the other BellSouth Telecommunications contracts. They may be loaned to BellSouth Telecommunications work groups for performance of emergency restoration work.

C. Contract Work

The Company reserves the right to contract out the placement of Buried Service Wire during this contract, if it does not make it necessary to lay off full-time employees.

The Company will not allow contractors to perform “wire work” functions referenced in Appendix B.

The resident forces will have been offered unlimited overtime and other available forces within the Bargaining Unit will have been offered the opportunity to perform the work, prior to contracting work out.

In addition, the Company will give the Union as much advance notice as possible prior to contracting out work.

## **ARTICLE 11**

### **HEALTH AND SAFETY**

- A. The Company will continue to make provisions for the safety and health of its employees during hours of employment. The Union agrees to cooperate with the Company in assuring conformance to all established safety regulations.
  
- B. The maintenance of proper health and sanitary conditions, the observance of all laws relating to fire protection and safety, and hazardous wastes, materials, and substances are of mutual concern to the Company and the Union. Any question regarding such matters may be made the subject of a grievance but shall not be submitted to arbitration. Any grievance regarding safety shall be reviewed by the appropriate General Manager.

## **ARTICLE 12**

### **TRAVEL EXPENSE**

- A. Commuting Expense
  - 1. When an employee is asked to report to work outside his/her headquarters exchange at another location that is 50 miles or less from his/her regular place of reporting and transportation is not provided by the Company, he/she will travel on his/her own time, report for duty at the beginning of his/her assigned tour and be compensated as follows:

Up to and including 35 miles	\$18.00
From 36 through 50 miles	\$25.00
  
  - 2. Distance calculations in this section will be actual mileage on the most commonly used direct route.

## B. Temporary Transfers

1. For temporary transfers of over 50 miles from the employee's regular place of reporting, reimbursement will be based on the option chosen by the employee:

### Option A

IRS mileage rate plus a \$45.00 allowance for all expenses.

### Option B

IRS mileage rate plus a \$35.00 per diem for meals and incidental expenses. Company pays for lodging.

When travel is over 50 miles and the Company pays for transportation and travel time at the overtime rate, the employee will be compensated a \$35.00 per diem for meals and incidental expenses. Company pays for lodging.

2. In those cases where work and travel time exceeds 4 hours, the full per diem will apply. If the work and travel time is less than 4 hours, 1/2 per diem will apply.

## **ARTICLE 13**

### **UNION REPRESENTATION**

#### A. Union Orientation

The appropriate local Union President shall be notified in writing when new employees are hired. Notification will include the employee's name, work location, report date, and the name of the supervisor to whom the employee reports.

The local Union President will arrange with the supervisor designated above to meet with newly-hired employees as part of the overall orientation process for the purpose of furnishing them with information about the Union. The meeting will be limited to a maximum of 30 minutes and may be coupled with a relief or lunch

period. Time spent during the basic scheduled work period for each employee will be paid as time worked.

#### B. Union Representation

1. At the meeting between the Company and an employee in which discipline (warning to be placed in the personnel file, suspension, demotion or discharge) is to be announced, the Union representative from the employee's work group, if available, may be present if the employee so requests. The Union representative shall suffer no loss of pay for time consumed in such meeting.
2. 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 may be present if the employee so requests. The Union representative shall be paid by the Company for time consumed in an investigatory interview with Asset Protection.

#### C. Union Activity on Customer Property

The Company agrees that it will not discipline an employee for violating any provision of this Agreement solely because he/she refuses to cross an authorized picket line established in connection with a lawful strike by the employees of another employer at premises where such striking employees were working.

**ARTICLE 14**  
**BENEFITS**

**A. Benefit Agreements, Plans and Programs.**

In addition to this Agreement the parties have concurrently executed separate agreements either adopting or amending the following Agreements, Plans or Programs:

*Southeast Program of the AT&T Pension Benefit Plan* (for employees hired on or before August 8, 2009)

*Bargained Cash Balance Program #2 of the AT&T Pension Benefit Plan*

*AT&T Dental Program*

*AT&T Southeast Employee Medical Program*

*AT&T Employee Assistance Program*

BellSouth Savings and Security Plan (for employees hired on or before August 8, 2009)

AT&T Retirement Savings Plan (for employees hired or rehired after August 8, 2009)

AT&T Southeast Disability Benefits Program for Special Represented Employees

*AT&T Vision Program*

*AT&T Southeast Leaves of Absence Policy*

AT&T CarePlus – A Supplemental Benefit Program

AT&T Group Life Insurance Program *for Active Employees*

AT&T Consolidated Long-Term Care Insurance Plan (closed to new entrants 05/01/2012)

AT&T Flexible Spending Account Plan

AT&T Commuter Benefit *Policy*

AT&T Adoption Reimbursement *Policy*

The above named Agreements, Plans and Programs are incorporated by reference into this Agreement and become a part of it as though their provisions had been specifically and fully included within this Agreement.

B. Benefit Plan Eligibility

Full time and part time regular employees shall be eligible to participate under the terms of the Plans.

C. Grievance Procedure Regarding Benefit Plans

Nothing herein shall be construed to subject the Plans or their administration to the arbitration procedures of this Agreement, but such matters may be subjected to the grievance procedures. Likewise, nothing herein shall be construed to require the Company to bargain during the life of this Agreement, upon the request of the Union, on any change in the Plans.

**ARTICLE 15**

**GRIEVANCE, ARBITRATION  
AND MEDIATION PROCEDURES**

A. Grievance

1. The Company and the Union recognize the right of any individual employee or group of employees to present grievances, as provided in Section 9 (a) of the National Labor Relations Act, to Company representatives.
2. All grievances, other than discipline related grievances and those involving the true intent and meaning of this Agreement, shall be handled under the procedure set forth below.
  - a. The Informal Level (the level below Operations Level where the aggrieved employee is employed). This meeting is intended to allow both sides to fully explore the incident, clear up any possible misunderstandings and attempt to resolve the dispute.



- b. Operations Level. The grievance is commenced with the filing, in writing, of a request for a grievance meeting with the appropriate Operations level manager or his designee. This request must be filed within 60 days of the occurrence being grieved. The Company will inform the Union within 14 days from the date of the meeting of its proposed position, on a form agreed to by the parties. The Union shall advise the Company within 14 days of receiving the Company's written decision whether it accepts, rejects, or appeals the proposed disposition. If either party fails to respond within the proper time frame, an automatic appeal to the next level is considered to exist. Grievances involving counseling entries shall not be appealed beyond the 2<sup>nd</sup> Level of the grievance procedure.
- c. State Level (Initial Executive Level). Within 30 days from the time that the Union has requested a conference on such grievance, the designated Human Resources management representative shall contact the Union's designated representative, either in person or by telephone, to discuss the grievance. If not disposed of, the Union will indicate its position in writing to the Company. If the parties agree on an adjustment, it will be stated as the proposed disposition. If the Company does not respond within 14 days, it will be considered as an automatic appeal to the next level. The Union shall inform the Company within 14 days as to whether they accept, reject, or appeal the disposition. If not satisfactorily adjusted at the third level and the Union does not request a conference on an appeal to the next level within 30 days of the date of the appeal, the grievance will be closed.
- d. Executive Level (Company Headquarters Final Review). The appropriate Company representative shall meet and discuss the grievance with the Union within 30 days after the request for the conference. If the Company fails to

meet within the 30 days or fails to get an extension, it will  
be

treated as a rejection by the Company of the Union's position. If a remedy cannot be agreed on, it shall be determined by arbitration.

3. In the first two steps of the grievance procedure, certified Union representatives and other employees necessary to a grievance hearing shall suffer no loss of pay for time consumed in meetings with management and necessarily consumed in traveling to and from such meetings. However, in addition to the grievant, the number of persons who shall suffer no loss of pay will be two at the second step and one at the first step.
4. Discipline related grievances up through suspension shall not be appealed beyond the 3rd level of the grievance procedure. If not satisfactorily adjusted at the 3rd level, they may be subject to arbitration procedures.
5. True intent grievances shall initially be presented at the 2nd, 3rd, or 4th level.
6. Grievances involving the filling of vacancies. Grievances will be filed at Human Resources operations level. The Union shall advise the Company of the unsuccessful requestors on whose behalf it is grieving, or designate the employees whom it contends were erroneously selected instead of the aggrieved employee(s).
7. Grievance adjustments at the 2nd and 3rd level shall be final and binding, and shall not be used as a precedent by either party, except that an adjustment at these levels may be made subject to the 4th level approval if either party at the 2nd or 3rd level informs the other in writing within 14 days from the date of settlement that a "true intent and meaning" question exists. Both parties shall inform the other of the names of its representatives at the 4th level who are authorized to finally approve settlements made at the 2nd or 3rd level of the grievance procedure.

8. The time period(s) as prescribed by this Agreement shall not include a Sunday or a holiday as the last day of the agreed time period(s).

#### B. Arbitration and Expedited Arbitration

1. If at any time a controversy should arise regarding the true intent and meaning of any provisions of this Agreement, including Memoranda of Agreement or other Letters of Understanding interpreting the Agreement in regard to the performance of an obligation hereunder, which the parties are unable to resolve by use of the grievance procedure, the matter shall be arbitrated upon written request of either party to this Agreement.  
The Impartial Arbitrator shall have power to decide whether or not a particular finding shall have a retroactive effect. However, no retroactivity shall predate the Union's demand for arbitration except as is or may be otherwise provided in other contracts or agreements between the parties.
2. Any written request for arbitration shall be made within 90 days from the date of the final decision in writing on the grievance. Standard procedures for arbitration and expedited arbitration as agreed to by both parties shall be followed.
3. Compensation and expenses of the Impartial Arbitrator and the general expenses of the arbitration, excluding transcripts, shall be shared equally by the Company and the Union. The total costs and fees of transcripts will be borne 75% by the Company and 25% by the Union.
4. Any grievance filed on behalf of an employee which involves suspensions or discharge, except those which also involve an issue of arbitrability, contract interpretation, work stoppage activity, or which are the subject of an administrative charge or court action, shall be submitted to arbitration under the

expedited arbitration procedure within 15 days after the filing of  
a request for arbitration.

5. In arbitration and expedited arbitration grievances, the Impartial Arbitrator shall not have the authority to modify, add to, or subtract from any provisions of this Agreement.
  - a. In any grievance arbitrated under the expedited provisions of this section, the Company shall under no circumstances be liable for back pay for more than 9 months (plus any time delayed at the request of the Company) after the date of the disciplinary action. In grievances which were scheduled for mediation prior to expedited arbitration, time liability for back pay shall be no more than 12 months. Delays requested by the Union in which the Company concurs shall not be included in such additional time.
  - b. The decision of the Impartial Arbitrator will settle the grievance, and the Company and the Union agree to abide by such decision.

#### C. Mediation

1. Where mutually agreed, grievances appealed to arbitration may be mediated, with the exception of those dealing with matters of contract interpretation.
2. Agreed upon procedures associated with mediation shall be followed.
3. The Company spokesperson will normally be the Director having primary Labor Relations responsibilities or his/her designee. The CWA Representative will normally be the spokesperson for the Union. Attorneys will not be used by the parties at the mediation conference. The number of employees who shall suffer no loss in pay shall be no more than two (2).
4. The parties will share equally the cost associated with mediation.

5. If no settlement is reached at the mediation conference, the grievance is subject to being scheduled for arbitration.

D. Strike Limitations

As the parties have agreed on procedures for handling complaints and grievances, they further agree that there will be no lockouts or strikes during the life of this Agreement.

**ARTICLE 16**  
**COMPLIANCE WITH LAW**

In the event any Federal or State Law or regulation or governmental order affects any provision of this Agreement, those provisions so affected shall be made to comply with the requirements of such laws, regulations or governmental order.

**ARTICLE 17**  
**PAYROLL DUES DEDUCTION AND UNION SECURITY**

A. Payroll Dues Deduction

The Company agrees to make collection of Union dues or an amount equal thereto from any eligible employee through payroll deduction upon the order in writing signed by such employee and to pay over the amount thus deducted to the Union. The Company will continue to make such payroll deductions for employees who have properly executed dues deduction cards on file. Except as provided below, or as provided in Memorandum of Understanding between the parties, or as otherwise provided by applicable law, all cards may only be revoked during the 10 day period preceding the expiration date of this Agreement and the same 10 day period each year during the life of this Agreement.

1. Cancellations by employees of such written authorization for payroll deductions must be in writing and the Company agrees to



- notify the Union forthwith of the receipt of any such written cancellations.
2. Such cancellation requests must be sent individually by certified mail to the Company Disbursement Manager with a copy to the Union, postmarked during one of the 10 day periods described above. The Company shall cease such deductions the month after the receipt by the Company of the certified notice.
  3. The Union may, by written notice (over the signature of its Secretary) given to the Company, terminate, with respect to any employee, the obligation and right of the Company to make such deductions. The Company shall give notice of such termination to the employee.
  4. Cancellation of such dues deductions will be made by the Company on the transfer or promotion of an employee to an ineligible position effective the first payroll period following the transfer or promotion and will notify the Union of such cancellation.
  5. Authorization cards which by their terms are revocable at will are not subject to the 10 day revocation periods referred to above.

#### B. Dues Requirements

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, and all employees entering into the bargaining unit 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 employees entering into the bargaining unit after the effective date, on or after the thirtieth day of such entrance, whichever of these dates is later, until the termination of this Agreement.

C. Effective Dates for Dues Collection

Each employee who is a member of the bargaining unit on or before the effective date of this Agreement and 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 30 days after the effective date of this Agreement, until the termination of this Agreement.

D. Movement In and Out of Bargaining Unit

The conditions of employment specified above shall not apply during periods of formal separation from the bargaining unit by any such employee but shall reapply to such employee on the thirtieth day following his/her return to the bargaining unit. The term "formal separation" includes transfers out of the bargaining unit, removal from the payroll of the Company, and leaves of absence of more than one month duration.

E. Application Under the Law

Section B and C above shall apply only in those States where the law permits the Union to enter into this type of Union security agreement. If during the term of this contract the Union shall become duly authorized under the laws of any other State to enter into this type of Union security agreement, the effective date of this Article as to employee in such State shall be the date upon which the Company receives proper written evidence from the Union that it is fully qualified to enter into such an agreement in such State.

F. COPE Payroll Deduction

The Company agrees to make collection of CWA-COPE-PAC payments of any bargaining unit employee through payroll deduction

upon the order in writing, signed by such employee, and to pay over the amount thus deducted to the CWA-COPE-PAC.

## **ARTICLE 18**

### **RESPONSIBLE UNION-COMPANY RELATIONSHIP**

- A. Each party shall bring to the attention of all employees in the unit the need to conduct themselves in a responsible and respectful manner.
- B. The long-term success of the Company and the Union are interrelated and dependent upon our meeting the needs of our customers. The Union, through its membership, has a vital role in the overall success of the Company's operations. Consequently, each party shall participate in the open exchange of information to the fullest extent possible. The Company must continually improve efficiency in order to ensure its ability to be competitive in the marketplace and to prosper. The Union must play an essential role in sharing in the achievement of these goals.
- C. Adherence to the highest ethical standard in all work done is the cornerstone of this relationship. The parties agree not only to support this principle but to practice it in their interactions. The Company and the Union endorse the concept of employee participation, emphasizing the empowerment of our employees. Empowerment means employees comfortably accepting the responsibility for problem-solving and making informed decisions that will better serve both our external and internal customers. The parties agree on a joint problem-solving approach which emphasizes working together to resolve problems.
- D. Organizational and technological innovations are necessary and inevitable. It is believed that every employee has both the ability and responsibility to contribute to the goals of the organization - and in return, the Company will treat every employee with dignity and respect.

- E. Both parties have the responsibility to assure this improving relationship exists, is endorsed and communicated throughout all levels of the Company and the Union.

## **ARTICLE 19**

### **NON-DISCRIMINATION**

- A. Company Responsibilities

The Company agrees not to discriminate against, interfere with, restrain or coerce employees because of membership or lawful activity in the Union.

- B. Union Responsibilities

The Union agrees not to exert any coercion or intimidation on any employee because of non-membership in the Union or for the purpose of inducing membership therein.

- C. Non-Discrimination Clause

In a desire to restate their respective policies, neither the Company nor the Union shall discriminate against any employee because of such employee's race, color, religion, sex, sexual orientation, national origin, age, disability, creed, gender, gender identity, marital status, military status, citizenship status, veteran status, or any other protected characteristic. The Company and the Union reaffirm their commitment to cooperate fully with each other to ensure such compliance.

- D. Effect on Employment

Affiliation or non-affiliation with any labor organization is a matter solely for the decision of the employees; the decision of an employee in this matter will not affect his/her employment or advancement with the Company.

**ARTICLE 20**  
**COLLECTIVE BARGAINING PROCEDURE**

- A. Bargaining on wages, hours of employment, working conditions, and other general conditions of employment shall be conducted at the Executive Level of Management by duly authorized representatives of the Union and by duly designated representatives of the Company. Both the Company and the Union will limit the Bargaining representatives to no more than five per side. The Union and the Company will notify each other of the names of their representatives who are authorized to represent them under this Article.
  
- B. The authorized representatives of the Union shall suffer no loss of pay (including differentials) for time consumed in bargaining meetings and necessarily consumed in traveling to and from such meetings.
  
- C. The parties recognize it may be appropriate to create new job titles or job classifications in the bargaining unit during the life of this Agreement. Such additions shall be subject to good faith negotiation.

**ARTICLE 21**

**DURATION OF AGREEMENT**

- A. This agreement shall be effective as of August 9, 2015, and shall continue in full force and effect until its termination at 11:59 p.m. (eastern), August 3, 2019.
  
- B. IN WITNESS WHEREOF, Communications Workers of America and BellSouth Telecommunications have caused this Agreement to be executed by their respective officers and agents thereunto duly authorized, all as of the day first above written.

COMMUNICATIONS WORKERS  
OF AMERICA

BELLSOUTH  
TELECOMMUNICATIONS,  
LLC

Richard Honeycutt  
Vice President  
CWA District 3

Michael Keith  
Vice President  
Labor Relations

ATTEST:

ATTEST:

Billy O'Dell  
CWA Representative  
CWA District 3

Belinda K. Lacey  
Director  
Labor Relations

APPROVED:

Chris Shelton  
President  
Communications Workers of America

Appendix A  
Wage Schedules

---

**BELLSOUTH TELECOMMUNICATIONS, LLC**  
**UTILITY OPERATIONS**  
**WAGE SCALE 1A**

**UTILITY WORKER**

---

Hourly Wage Rates Effective

---

Wage Length of Service	9/6/2015	9/4/2016	9/3/2017	9/2/2018
Start----	9.65	9.65	9.65	9.65
End of 6th Month	11.25	11.35	11.45	11.55
End of 12th Month	13.15	13.40	13.60	13.85
End of 18th Month	15.35	15.80	16.15	16.55

**BELLSOUTH TELECOMMUNICATIONS, LLC**  
**UTILITY OPERATIONS**  
**WAGE SCALE 1B**

**MACHINE OPERATOR**

---

Hourly Wage Rates Effective

---

Wage Length of Service	9/6/2015	9/4/2016	9/3/2017	9/2/2018
Start----	11.05	11.05	11.05	11.05
End of 6th Month	12.80	12.90	12.95	13.05
End of 12th Month	14.85	15.05	15.25	15.45
End of 18th Month	17.20	17.60	17.90	18.25
End of 24th Month	19.95	20.55	21.00	21.55

**BELLSOUTH TELECOMMUNICATIONS, LLC**

**UTILITY OPERATIONS  
WAGE SCALE 1C**

**HEAVY EQUIPMENT OPERATOR  
MECHANIC**

---

Hourly Wage Rates Effective

---

Wage Length of Service	9/6/2015	9/4/2016	9/3/2017	9/2/2018
Start----	14.05	14.05	14.05	14.05
End of 6th Month	16.10	16.20	16.30	16.40
End of 12th Month	18.40	18.65	18.85	19.10
End of 18th Month	21.05	21.50	21.85	22.30
End of 24th Month	24.10	24.80	25.35	26.00

**TIME-IN-TITLE REQUIREMENTS**

Utility Worker	12 months
Machine Operator	12 months
Heavy Equipment Operator	12 months
Mechanic	12 months



***Southeast Program of the AT&T PENSION BENEFIT PLAN***

***Employees will cease to participate in the Southeast Program effective June 1, 2016. Employees' benefits will be frozen to additional accruals effective June 1, 2016.***

**Bargained Cash Balance Program #2 (BCB2)  
*of the AT&T Pension Benefit Plan***

Employees are covered by the Bargained Cash Balance Program #2 (BCB2). Refer to plan document for information.

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

### A. Plan Components

#### 1. Success Units

Employees will be awarded 150 success units at the beginning of each award year (October 1, **2015**, October **3, 2016** and October **2, 2017 and October 1, 2018**). Those success units will only be valid for that award year and will not carryover to the next award year. A success unit is only used as a multiplier in the payout calculation and is not a share of stock nor has any other value.

#### 2. Determining Stock Appreciation Award Value

Award Year	Beginning Award Value	Ending Award Value
<b>2016</b> (October 1, <b>2015</b> to September 30, <b>2016</b> )	October 1, <b>2015</b> closing AT&T stock price	September 30, <b>2016</b> closing AT&T stock price
<b>2017</b> (October 3, <b>2016</b> to September 29, <b>2017</b> )	October 3, <b>2016</b> closing AT&T stock price	September 29, <b>2017</b> closing AT&T stock price
<b>2018</b> (October 2, <b>2017</b> to September 28, <b>2018</b> )	October 2, <b>2017</b> closing AT&T stock price	September 28, <b>2018</b> closing AT&T stock price
<b>2019</b> (October 1, <b>2018</b> to September 30, <b>2019</b> )	<b>October 1, 2018</b> closing AT&T stock price	<b>September 30, 2019</b> 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

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. Payout

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

**Stock Appreciation Value:**

Beginning award value – October 1, **2015** closing AT&T stock price **\$33.00**

Ending award value – September 30, **2016** closing AT&T stock price **\$38.00**

Payout – **\$38 - \$33** = \$5 x 150 success units = \$750.00

Dividend Rate Value:

December <b>2015</b> declared dividend	<b>\$.47</b>
March <b>2016</b> declared dividend	<b>\$.47</b>
June <b>2016</b> declared dividend	<b>\$.47</b>
September <b>2016</b> declared dividend	<b>\$.47</b>
Total Declared Dividend	<b>\$1.88</b>

Dividend Rate Value - ***\$1.88*** x 150 success units = ***\$282.00***

Total Award

\$750.00 stock appreciation value + ***\$282.00*** dividend rate value  
= ***\$1,032.00***

The award payment will be made as soon as practicable after the award year and will normally occur the payday of the last full pay period in November.

#### B. Eligibility

Employees eligible for payments as described above are those regular, temporary and term employees who are 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. Eligible employees who are on approved leaves of absence, short-term disability absence or partial disability absence and meet the other eligibility requirements on the ending date of the award year shall receive a payment, provided they return to duty on or before December 31 of the year in which the payment is made.

An eligible employee who transfers between AT&T Companies participating in the SSP will be eligible to receive a payout under the terms of the SSP applicable to the employee's current bargaining unit at the time of a payout, so long as the combined service in both AT&T Companies satisfies the above eligibility provisions.

#### C. Part-Time Employees

Eligible part-time employees will receive prorated payments based on their part-time classification (or "part-time equivalent work week") on the ending date of the award year.

D. Benefits Treatment

SSP payments will be recognized as eligible compensation under all benefit plans, as applicable.

E. Taxes, Personal Allotments

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

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

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.

## INCLEMENT WEATHER

Dear Mr. O'Dell:

Following is the Inclement Weather Work Policy for Utility Operations. On scheduled workdays when weather conditions have been deemed by the supervisor to be unsafe or not conducive for productive work the following will apply:

Inclement weather time will be used for safety training, job training or general operational information sharing. If there is no required training or meeting time needed, the supervisor shall offer all employees at their designated work locations Excused Time (time not paid) for the remainder of the scheduled work day.

All employees not taking excused time will perform work assignments such as preventative maintenance on work equipment, cleaning of work equipment, organizing and cleaning of work location, and other general task as assigned by the supervisor. This work will be performed until such time as the supervisor deems the weather conditions to be safe and favorable for productive work.

The Company will review this policy periodically and make adjustments as necessary. This policy will be subject to changes.

Sincerely,

Belinda K. Lacey  
Director  
Labor Relations

**MEMORANDUM OF AGREEMENT  
PROMOTIONAL WAGE TREATMENT  
BST UTILITY OPERATIONS**

This Memorandum of Agreement between the Communications Workers of America (the Union) and BellSouth Telecommunications, Inc. (the Company) and outlines the agreement reached by the parties regarding handling of promotional wage increases for employees covered under the BST Utility Operations Working Agreement.

When employees within Utility Operations are promoted to a higher rated job within the Utility Operations bargaining unit, the Company and Union have agreed to use the following approach:

An employee's length of service in the lower rated position or Wage Experience Date ("WED") will be used in determining the appropriate step rate for the higher rated job, whichever is greater. In no instance will this result in an employee receiving less than their current rate of pay.

This provision will apply to Utility Operations employees that are promoted within the Utility Operations bargaining unit during the life of the **2015** Utility Operations Working Agreement.

For the Union:

Billy O'Dell  
CWA Representative  
CWADistrict 3

For the Company:

Belinda K. Lacey  
Director  
Labor Relations

## UNIFORM PROGRAM

The Company and Union recognize the importance of our customers and the general public. In order to assure consistency in dress and present a professional image, the Company and the Union agree to the following uniform policy.

- The Utility Operations employees will be provided an initial vendor credit of \$443.55 to purchase uniforms from an approved catalog.
- The initial allowance must purchase a minimum wardrobe of 6 shirts, 5 pants, and 1 outer wear with the balance of the allowance to be spent at the employees' discretion.
- All new employees to Utility Operations will receive the initial allowance of \$443.55 within 30 days of employment.
- An annual credit of \$214.87 will be provided in January of each year for the life of the contract.
- Each employee may receive a vendor cost adjustment credit to their allowance if necessary.
- Employees required by the Company to wear protective footwear will be provided a **\$100.00** per year footwear allowance through the life of this agreement. This allowance is considered taxable income.

For employees in the Uniform Program, unused balances may be carried over from one year to the next.

Additional uniform items may be purchased from the catalog at the employee's expense.

Employees will wear the approved uniforms while on Company paid time. Individual exceptions to the Company's uniform policy may be allowed on a daily case-by-case basis with prior supervisory approval.



## Appendix B

### Uniform Program

---

The Company shall provide shorts as an option for employee selection. Both the Company and the Union recognize that Company safety rules and obligations will not be lessened in any degree to accommodate employee wearing of the shorts.

The Company and the Union understand that if the employee chooses to wear a uniform with the Union logo, an approved Union logo will be placed on the uniform shirt sleeve, cap and outerwear by the vendor and be the same size as the Company logo. Clothing needing replacement as a result of work related damage will be the responsibility of the Company. Additionally, both parties understand that employees will not suffer any financial risk due to a change in vendor or increases in clothing costs.

The Company and the Union are committed to working together on the Uniform Program and to discussing problems of mutual concern.

## **UTILITY OPERATIONS INCENTIVE COMPENSATION PLAN**

The Utility Operations Incentive Plan is intended to recognize and reward the contribution of Utility Operations employees to the financial performance and operational efficiency of the Company.

1. The plan is designed and can be implemented for employees within the Utility Operations organization based on individual or team results.
2. Incentives within the plan may be designed and/or paid on a monthly, quarterly, semi-annual or annual basis.
3. Measures that will be used for the incentive(s) may include, but are not limited to, the following types:
  - Productivity
  - Quality
  - Financial
4. The incentive compensation is subject to state and local taxes, federal income and social security taxes in effect at the time of payment. Personal allotments will not be made. Deductions for Union dues will be made from incentive payments as authorized by the employee and the Union.

During the development of an incentive plan, the Company will meet with the Union at the Executive level and 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 30 days advance notification to the Union at the Executive Level.

## Appendix B Incentive Compensation Plan

---

The Union may only grieve, or otherwise challenge, general disputes that arise over the Company's enforcement of the terms of an incentive plan. 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. General disputes may not be brought over differences that may exist in the treatment of employees who participate in different incentive plans.

General disputes will be grieved at the Executive Level. Grievances that are not resolved at the Executive Level may be appealed by the Union to full arbitration.

## WIRE WORK

Dear Mr. O'Dell:

During 1998 Bargaining, we agreed to move the “wire work” functions that were performed by BellSouth Telecommunications WS 31 Services Technicians to the Utility Operations Bargaining Unit. The wire work function will now be performed by WS 1B Machine Operators in Utility Operations:

“Wire Work” is defined as establishing continuity from the service termination point (including encaps) to the ONI after the initial visit by the ST.

Encap wire work will consist of and be defined as follows:

1. The ST connects a permanent BSW to the encapsulated cable end and leaves it to be buried by the Machine Operator.
2. The ST connects a temporary service line to the encapsulated cable end due to a road crossing or other obstruction and turns the request over to the Utility Operations to bury a permanent line. The Machine Operator will bury a BSW and connect it to the Encap using the appropriate connectors and closure. The Machine Operator will then connect the BSW to the ONI.

Utility Operations employees will be allowed to make permanent repairs to buried service wire damage caused by them while performing the placing operation.

Appendix B  
Wire Work

---

Additionally, the following functions will not be performed by Utility Operations employees:

Providing dial tone on pre-buries.

The use of Fault Test equipment. However, Utility Operations employees will use a “butt-in” or hand set to establish continuity and polarity.

Belinda K. Lacey  
Director  
Labor Relations

## NOTES

## NOTES

## NOTES