

TO EMPLOYEES:

Here is your copy of the Labor Agreements between the Communications Workers of America ("CWA" or the "Union") and Southwestern Bell Telephone, L.P., SBC Advanced Solutions, Inc., SBC DataComm, Inc., SBC Operations, Inc., SBC Services, Inc., and SBC Telecom, Inc. (collectively referred to as the "Company" or "Management"). The Communications Workers of America is the official bargaining representative for all employees in your collective bargaining unit. This official relationship carries with it serious obligations and responsibilities which the Company and the Union are determined to fulfill. As a sign of good faith between the Company and the Union, a "Responsible Union-Company Relationship" clause is included in the Agreements which also govern your wages, hours, and working conditions. This clause reads:

"ARTICLE VIII
RESPONSIBLE UNION-COMPANY
RELATIONSHIP

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 continue to be characterized by mutual responsibility and respect. To ensure that this relationship continues and improves, the Company and the Union and their respective representatives at all levels will apply the terms of this 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 Bargaining Unit. Each party shall bring to the attention of all employees in the Bargaining Unit, including new hires, their purpose to conduct themselves in a spirit of responsibility and respect and the measures they have agreed upon to ensure adherence to this purpose.

Further, during the orientation of new hires, each party will bring to the attention of new employees the relationship between the parties and the Union's role as the bargaining representative of employees."

Company representatives, particularly the first level of supervision, have the day-to-day responsibility to deal reasonably and in good faith with Union representatives. To continue the tradition of responsible relations between the Company and the Union, it is the intent of both organizations to deal with one another at all levels in a sincere, honest, and businesslike manner.

COMMUNICATIONS
WORKERS OF AMERICA

SOUTHWESTERN BELL
TELEPHONE, L.P.
SBC ADVANCED SOLUTIONS, INC.
SBC DATACOMM, INC.
SBC OPERATIONS, INC.
SBC SERVICES, INC.
SBC TELECOM, INC.

By: _____
Andy Milburn
Vice President
District 6

By: _____
Mike Smith
Vice President
Labor Relations

2004 LABOR AGREEMENTS



**Communications Workers
of America
and**



**Southwestern Bell Telephone, L.P.
SBC Advanced Solutions, Inc.
SBC DataComm, Inc.
SBC Operations, Inc.
SBC Services, Inc.
SBC Telecom, Inc.**

2004 DEPARTMENTAL AGREEMENT

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2004 DEPARTMENTAL AGREEMENT

THIS AGREEMENT is made as of April 4, 2004, and effective as of April 4, 2004, by and between COMMUNICATIONS WORKERS OF AMERICA (hereinafter called the "Union"), and SOUTHWESTERN BELL TELEPHONE, L.P., a Texas limited partnership, SBC ADVANCED SOLUTIONS, INC., a Delaware corporation, SBC DATACOMM, INC., a Delaware corporation, SBC OPERATIONS, INC., a Delaware corporation, SBC SERVICES, INC., a Delaware corporation, and SBC TELECOM, INC., a Delaware corporation (hereinafter collectively called the "Company" or "Management"). The Union and the Company agree, subject to any applicable provisions of the 2004 SETTLEMENT AGREEMENT, as follows:

ARTICLE I RECOGNITION AND ESTABLISHMENT OF THE UNIT

Section 1. The Company hereby continues to recognize the Union as sole collective bargaining agent for those employees of the Company with the job titles and job classifications listed in Appendices A, B, C, D, H, and I, of this Agreement and as subsequently established under Article III of this Agreement, excluding confidential and professional employees, guards, and supervisors as defined in Section 2.(11) of the National Labor Relations Act, as amended.

Section 2. Nothing herein shall be construed as authorizing the inclusion of any employee or employees not properly includible in the above-described Bargaining Unit, nor shall be construed as a waiver or forbearance on the part of the Union of any right to represent any employee or employees properly includible in such Bargaining Unit as contemplated under the National Labor Relations Act as now or hereafter amended or superseded.

Section 3. The provisions contained in Articles I through XXVII of this Agreement apply to all Bargaining Unit employees, except as indicated to the contrary.

ARTICLE II CLASSIFICATION OF EMPLOYEES

Section 1. For the purpose of this Agreement, all employees are classified into one of the classifications as defined in Section 2.

Section 2.

- a. **Regular Employees.** A regular employee is one who is engaged for the usual activities of the business and whose employment is reasonably expected to continue for longer than eighteen (18) months, although it may be terminated earlier by action on the part of the Company or the employee.
- b. **Temporary Employees.** A temporary employee is one who is engaged for a specific project or a limited period, with the definite understanding that his or her employment is to 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) consecutive weeks, but not more than eighteen (18) months.
- c. **Occasional Employees.** An occasional employee is one who is engaged on a daily basis for a period of not more than three (3) consecutive weeks; or for a cumulative total of not more than thirty (30) days, in any calendar year, regardless of the length of daily or weekly assignments. An occasional employee who actually works or is engaged to work in excess of three (3) consecutive weeks or thirty (30) days in a calendar year shall be reclassified as a regular or a temporary, full-time or part-time employee as appropriate.

Section 3. Employees who are classified as Regular or Temporary as defined in Section 2. above, will be further classified as either full-time or part-time as defined below:

- a. **Full-Time.** A full-time employee is one who is employed and scheduled to work forty (40) hours (or its equivalent for Operating employees) in a calendar week.
- b. **Part-Time.** A part-time employee is one who is employed and normally scheduled to work less hours per average month than a comparable full-time employee in the same job title, classification, and work group working the same normal daily tour.

Note A. The classification of a part-time employee is based on the employee's "part-time equivalent work week" which shall be initially determined by dividing the employee's anticipated 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.)

Note B. The "part-time equivalent work week" classification of each part-time employee shall be recalculated by the Company no less often than every six (6) months on April 1 and October 1 of each year, based on the actual average number of hours worked per month during the preceding six (6)-month period. The recalculated "part-time equivalent work week" classification shall be placed in effect if it differs by more than plus or minus three (+/-3) hours from the employee's current "part-time equivalent work week" classification, or if it would change the employee's current premium payment percentage for the Medical, Dental, and Vision Plans, as described in the "Memorandum of Understanding Regarding Part-Time Employees," in the 2004 Labor Agreements, paragraph 5., a., b., and c. Any hours worked which are paid at the overtime rate shall not be counted in computing the average number of hours worked.

ARTICLE III NEW JOB TITLES

Section 1. Whenever the Company determines it appropriate to create a new job title in the Bargaining Unit or restructure an existing job title, it shall notify the Vice President of the Union in writing. Restructure, for purposes of this Article, shall be limited to those situations in which the restructure of the duties of an existing job title is so significant that the associated job description is no longer representative of the major functions of the restructured job. Such notification shall include the job title, the job description of the duties for such job title, and the initial Wage Schedule for such job title. The initial Wage Schedule shall be classified as temporary.

Section 2. Following such notice to the Union, the Company may proceed to staff such job title.

Section 3. The Union shall have the right, within thirty (30) days from receipt of notice from the Company, to initiate negotiations concerning the initial Wage Schedule established as temporary by the Company.

- a. If negotiations are not so initiated within thirty (30) days as outlined in Section 3. above, the temporary designation shall be removed. If negotiations are so initiated, and agreement is reached between the parties within sixty (60) days following the receipt of notice from the Company, the agreed-upon Wage Schedule shall immediately replace the Wage Schedule designated as temporary.
- b. If negotiations are so 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 Wage Schedule shall be subject to a binding mediation process. A mediation conference shall be held

as soon as possible following the conclusion of negotiations, but no later than ninety (90) days from receipt of notice from the Company.

- (1) If agreement is reached in the mediation process, the agreed-upon Wage Schedule shall immediately replace the Wage Schedule designated as temporary.
 - (2) If no agreement is reached in the mediation process, each party shall submit a final proposed permanent Wage Schedule to the mediator at the conclusion of the mediation conference. The mediator shall determine which of the final submissions is appropriate, taking into account the facts, discussions and arguments presented by the parties during the conference. The Wage Schedule designated by the mediator shall immediately replace the Wage Schedule designated as temporary.
- c. The mediator used in the mediation process referred to in paragraph b. above, shall be selected by mutual agreement from a list of five (5) mediators compiled by the American Arbitration Association. Such individuals on the list shall possess acknowledged expertise in the area of job evaluation.

Section 4. The Company agrees to notify in writing the Vice President of the Union of the addition of an Exchange to Appendix F, Exchanges and Job Vacancy Scopes, of the Departmental Agreement when the Company intends to initially locate employees in such Exchange.

Section 5. The Company agrees to notify in writing the Vice President of the Union of any additions, deletions, or rearrangements to the Job Groups contained in Appendix G of the Departmental Agreement. Following such notice to the Union, the Company may implement the identified modifications to the Job Groups for the purposes of Article XVII,

Force Adjustment, application. Within thirty (30) days from receipt of notice from the Company, the Union shall have the right to initiate negotiations with the Vice President-Labor Relations concerning such Job Group modifications.

ARTICLE IV
BASIS OF COMPENSATION

(For SBC Operations, Inc. employees, refer to Appendix I,
Supplemental Statement 1.)

Section 1. Rates of Pay.

- a. The Wage Schedules for all job titles shall be as set forth in Appendices A through E.
- b. **Minimum Rates.** Each employee who enters the service of the Company shall begin employment at the minimum wage rate for the appropriate job title and schedule, except that appropriate allowance over such minimum rate may be made by the Company for an employee who has had previous experience or training considered to be of value.
- c. **Maximum Rates.** The applicable maximum rates are set forth in the Wage Schedules included as Appendices A through E.

Section 2. Progression Plan. Progression increases shall be in accordance with the following:

- a. Increase to the next higher rate as provided for in the applicable Wage Schedules included as Appendices A through E shall be after a progression interval equal to the difference in months between 1) the wage length of service shown by the applicable Wage Schedule for such next higher rate, and 2) that shown for the employee's current wage rate.

- b. Increase dates will be at six (6) month intervals, or at such other intervals as may be specified in the applicable Wage Schedules.
- c. No wage increase shall become effective during a period of total disability which is continuous for eight (8) days or more.
- d. **Progression Following Upgrading.** The length of consideration intervals for progression increases following upgrading shall be as provided in the Wage Schedules for the classification or job to which upgraded. The consideration interval for the first progression increase following upgrading shall begin with the date previously established for progression on the schedule of the job or classification from which upgraded except that if the wage rate step is established as the result of a step down from maximum as provided in Article XIV, Promotional Pay Treatment, of the 2004 Departmental Agreement, a new progression date shall be established in accordance with paragraph a. preceding.

Section 3. The following treatment shall be accorded to the job titles of Building Maintainer and Driver-Tractor Trailer:

- a. **Building Maintainer.** In those buildings where three (3) or more regular full-time House Service Maintainers are employed and where the title of Building Mechanic or Air Conditioning Specialist is not currently in use, not to exceed one (1) employee from the regular House Service Maintainer force in any such building shall be assigned the title Building Maintainer. Building Maintainers shall continue to perform house service work, and any of the duties normally performed by Building Maintainers shall be carried out by House Service Maintainers to the extent required.

- b. **Driver-Tractor Trailer.** The basic weekly wage rates for Driver-Tractor Trailer shall be twenty-five (25) dollars higher than each corresponding step of the Supplies Attendant's Schedule. The amount of increase and progression interval shall be that which would apply for a Supplies Attendant rate, which is lower by twenty-five (25) dollars. In determining what wage rate shall apply in the event a Driver-Tractor Trailer is transferred to another occupation, the rate of the Driver-Tractor Trailer shall be used for purposes of determining the applicable new rate.

Section 4. **Overtime at One and One-Half Times the Basic Hourly Rate.**

- a. Except for Operating employees, certain part-time employees identified in paragraph c. below, Console Operators, and Central Office Assistants, compensation at the rate of one and one-half ($1\frac{1}{2}$) times the basic hourly rate shall be paid to employees for all time of ten (10) minutes or more worked at the Company's request either before or after the scheduled tour (except on an Authorized Holiday), or for work time in excess of forty (40) hours worked on scheduled tours (except on an Authorized Holiday) in any calendar week (except as may be otherwise required by law).

Note: Time worked less than ten (10) minutes in excess of scheduled tours shall be treated as normal trade time, and the time shall not be accounted for on work reports. This is in recognition of the fact that because of practical considerations or uncontrollable circumstances, employees occasionally will quit work a few minutes before or after the end of their scheduled tour. Such differences in work time shall be "traded out" on days following, in the same week. Trade time must be made up within the calendar week or else paid for as work time.

Trade time applies also to that travel time defined as work time. If employees are returned to a designated place of reporting less than ten (10) minutes after the close of a scheduled tour, such time, defined as work time, may be traded out during that current week. Trade time not traded out during the current week shall be paid for as work time.

It is the general policy of the Company to avoid the necessity of using trade time as far as practicable.

- b. Compensation for Operating employees shall be at the rate of one and one-half ($1\frac{1}{2}$) times the basic hourly rate for time worked in excess of a full-time tour on any one (1) day or time worked during a calendar week in excess of the number of hours that constitute a full work week except for three (3) or more consecutive Sundays worked as set forth in Section 5.b. of this Article and for work in excess of a full-time tour on an Authorized Holiday (except as may be otherwise required by law).
- c. Compensation to a part-time employee hired on or after January 1, 1981, for hours worked in excess of an equivalent normal daily tour or work week for a comparable full-time employee shall be at the applicable overtime rate for a comparable full-time employee based on such part-time employee's basic hourly rate. Any employee who is 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 be paid on the same basis as provided in paragraph a. preceding.
- d. Compensation for Console Operators and Central Office Assistants shall be at the rate of one and one-half ($1\frac{1}{2}$) times the basic hourly rate for all time of ten (10) minutes or more worked at the Company's request in excess of eight (8) hours on any day or for time worked

in excess of forty (40) hours in any calendar week (except as may be otherwise required by law).

- e. **Authorized Holidays.** For all employees, either time worked or not worked but excused without loss of pay on an Authorized Holiday observed Monday through Saturday, up to the length of a normal tour, shall be considered as work time for the purpose of determining hours in excess of the number of hours that constitute a normal work week at the basic rate in the calendar week; provided, however, that such treatment shall not apply where the employee is an “absentee” as defined in Article VIII, Section 4., Holidays, of the 2004 Departmental Agreement, or is treated as absent on the Holiday under Article XI, Absences From Duty, of the 2004 Departmental Agreement.
- f. **Overtime at Two Times the Basic Hourly Rate.** Where an employee, at the Company’s request, works overtime for which the rate of one and one-half (1½) times the basic hourly rate is otherwise applicable under Section 4., paragraphs a., b., c., and d. preceding, and such overtime worked exceeds nine (9) hours in a calendar week, compensation for such overtime in excess of nine (9) hours in that week shall be paid, instead, at the rate of two (2) times the basic hourly rate.

Section 5. **Sunday Work.**

- a. Except for Operating employees and those part-time employees identified in paragraph c. below, employees scheduled to work a Sunday tour shall be paid at the rate of one and one-half (1½) times the basic hourly rate for the first eight (8) hours worked.
- b. For Operating employees, Sunday work shall be paid for at the rate of one and one-half (1½) times the basic hourly rate for the normal tour worked, except that if an

Operating employee works on three (3) or more consecutive Sundays all at the direction of Management, such work on the third and subsequent consecutive Sundays shall be paid for at twice the basic hourly rate. When an Operating employee shall work on Sunday as a result of a trade of assignments by mutual agreement with another employee, no such time worked shall be construed as Sunday work in determining the number of consecutive Sundays worked.

- c. Part-time employees hired on or after January 1, 1981, and who work in Customer Service Centers, Phone Booths (Kiosks), DM/DR (Direct Marketing/Direct Response) Centers and any equivalent retail sales or service center operation, payment for all hours worked, except for overtime hours worked, shall be made at the equivalent basic hourly rate for a comparable full-time employee working a normal daily tour in the same job title, classification, and work group. Any employee who is 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 be paid on the same basis as provided in paragraph a. preceding.

Section 6. Night Differentials.

- a. A night differential shall be paid to employees for each scheduled night tour worked in the amount of ten (10) percent of the employee's basic day's pay except for Cable Splicing Technicians, Operating employees and certain part-time employees identified in paragraph d. below.
- b. Cable Splicing Technicians scheduled to work less than four (4) consecutive night tours in a series of consecutive scheduled work days shall be paid at the rate of one and one-half ($1\frac{1}{2}$) times the basic hourly rate without

the night differential for such night tours worked. When scheduled to work four (4) or more consecutive night tours in a series of consecutive scheduled work days, such employees shall be paid at the rate of one and one-half (1½) times the basic hourly rate without the night differential for the first three (3) such night tours worked, and at the basic hourly rate plus the night differential and any payment otherwise applicable for each succeeding consecutively scheduled night tour worked.

- c. Operating employees shall receive extra payments for the normal work week as follows:

For employees working tours ending after 6 p.m. and not later than 9 p.m.	\$ 1.50*
For employees working tours ending after 9 p.m. excluding all night employees	\$ 2.50*
For all night employees	\$21.00

* Extra payment at the weekly rate of \$2.50 for tours 7.5 hours in length.

- d. Night differentials will not be paid to part-time employees hired on or after January 1, 1981, and who work in Customer Service Centers, Phone Booths (Kiosks), DM/DR (Direct Marketing/Direct Response) Centers and any equivalent retail sales or service center operation. However, any employee who is 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 be paid on the same basis as provided in paragraph a. preceding.
- e. **Night Differentials—Company Schools.** Night differentials to the extent normally applicable shall be paid to an employee regularly scheduled for night tours, for

scheduled tours paid within the first week when assigned by the Company on scheduled day tours in a Company school.

ARTICLE V

COST-OF-LIVING ALLOWANCE

Section 1. The amount of the April 1, 2007 adjustment shall be 0.7 times the increase above two and one-quarter percent (2.25%) in the U.S. Department of Labor Bureau of Labor Statistics "CPI-W" (1982-84 = 100) for December 2006 over December 2005. It will be applied to the scheduled rates in effect in each wage schedule on March 31, 2007.

Section 2. The amount of the April 6, 2008 adjustment shall be 0.7 times the increase above two and one-quarter percent (2.25%) in the U.S. Department of Labor Bureau of Labor Statistics "CPI-W" (1982-84 = 100) for December 2007 over December 2006. It will be applied to the scheduled rates in effect in each wage schedule on April 5, 2008.

ARTICLE VI

HOURS OF WORK

(For SBC Operations, Inc. employees, refer to Appendix I, Supplemental Statement 2.)

Section 1. **Normal Work Week.** Forty (40) hours consisting of five (5) scheduled tours of eight (8) hours each, or five (5) full-time tours for Operating employees, shall constitute the normal work week; however, if service requirements demand, the forty (40) scheduled hours may be spread over any six (6) days in the calendar week. Tours may fall on any days of the week necessary to meet service requirements.

Section 2. **Normal Tour.**

- a. Except for Operating employees, a tour for full-time employees shall be considered as consisting of two (2) ses-

sions, each of which shall not be less than three (3) hours, nor more than five (5) hours in length, exclusive of overtime periods. When the nature of the employee's assignment requires constant attention at the post of duty, the tour is assumed to be divided into two (2) sessions.

- b. For Operating employees, eight (8) hours of time on duty shall constitute the normal full-time tour of work except tours shall be shortened as follows:

Note 1: The normal full-time tour for Operators, Central Office Clerks, and Service Assistants who are under the supervision of the Manager-Operator Services shall be seven and one-half (7½) hours of time on duty, which shall be compensated for on the basis of eight (8) hours' pay.

Note 2: The full-time tour ending in the evening shall be shortened as follows:

For Operating employees, the normal full-time tour for tours ending after 7 p.m. but not after 10 p.m. shall be seven (7) hours in length, and for tours ending after 10 p.m. shall be six (6) hours in length, which shall be compensated for on the basis of eight (8) hours' pay.

- c. A work day shall be the day on which a tour or session shall start. All time scheduled, assigned, or worked during or contiguous to a tour shall be considered as falling on the day the tour started.

Section 3.

- a. **Full-time Tours.** Full-time tours of work shall be divided into two (2) sessions.

- b. **Part-time Tours.** Part-time tours may be assigned. For employees whose job titles are shown in Appendix D, such tours shall be not less than three (3) hours in length.
- c. **Day Tours.** A day tour shall be one which falls wholly within the period from 6 a.m. to 6 p.m.
- d. **Night Tours.** A night tour shall be one which falls wholly or partially between the hours of 6 p.m. and 6 a.m.
- e. **Sunday Tours.** A Sunday tour shall be one which starts at or after 12 midnight Saturday and before 12 midnight Sunday.

Section 4. For Employees Whose Job Titles are Shown in Appendix A.

- a. **Assignment of Tours.** Subject to the needs of the business and abilities of the employees involved, employee preference in the assignment of tours shall be taken into account in order of seniority among full-time employees within the affected work group.
- b. **Opportunities for Choice of Tours.** Opportunities for choice of tours will be arranged for at six (6)-month intervals unless abnormal conditions exist.
- c. **Additions to Work Group.** Employees hired, upgraded, transferred in, reinstated from leave of absence, or otherwise added to an affected work group shall at the time of addition be assigned to an available tour within the work group. When a new choice of tours is selected by the work group, assignment of tours for these employees shall be as provided in paragraph a. preceding.

- d. **Seniority Lists.** Upon request to his/her supervisor, any employee within the affected work group, or any authorized representative of the Union, shall be advised of the seniority dates of employees within the work group.

Section 5. For Employees Whose Job Titles are Shown in Appendix D.

- a. **Assignment of Hours.** Insofar as the service requirements will permit, employee preference in each office in order of seniority shall be taken into account in the assignment of hours.
- b. **Seniority Lists.** The supervisor in charge of a central office will show to any employee who is employed in that office, or to any authorized representative of the Union, on request, the order of seniority established for expression of preference for hour assignment in that office.
- c. **Night Tours.** Insofar as possible, night tours will be assigned to those people to whom they are acceptable. If it is necessary to assign to night work people to whom such work is not acceptable, such assignments will be made in inverse order of seniority among those people who are qualified for night work.

Section 6. Assignment of Nonworking Days. Assignment of nonworking days shall take into account both the service requirements and the preferences of the employees.

Section 7. Callout Time.

- a. Employees who report for special duty at the Company's request on a scheduled day off or fifteen (15) minutes or more after release at the completion of

their regular scheduled tour, shall be paid at the rate applicable to such work time for a minimum of two (2) hours except that this minimum shall not apply if the special time worked on such duty immediately precedes regular scheduled tours.

- b. If an employee is required to report for special duty at a designated hour and adequate notice is given, the time between notification and the time required to reach the place of reporting for the job shall not be counted as work time unless such notification is given between 12 midnight and 5 a.m. If called between midnight and 5 a.m., work time shall be counted from the time called. A telephone call to anyone at the employee's place of residence shall constitute sufficient notice.
- c. When an employee is called outside of scheduled hours for immediate special duty involving service emergencies, work time shall begin at the time of notification and shall include the necessary travel time going to the job and returning home after release on the job; provided, however, that if the special duty extends into the employee's next scheduled tour, the time required to return home shall not be so included.
- d. Without changing the provisions of paragraphs a., b. or c. preceding, covering "callouts" for special duty, an employee who is directed by the Company to report for work on a day not scheduled as a work day shall be entitled to perform any work which he or she may be directed to do by the supervisor throughout the hours specified in such direction in each case where such employee reports for duty at the appointed time, weather conditions permit the performance of the work, the physical condition and conduct of the employee permit such employee to satisfactorily perform the work, and a sufficient period of time for adequate rest has elapsed since the employee last worked.

- e. **Adequate Rest.** Paragraph d. preceding, and Article VII, Work Schedules, both provide that the employee shall be entitled to work provided that the physical condition and conduct of the employee permit such employee to satisfactorily perform the work, and a sufficient period of time for adequate rest has elapsed since the employee last worked.

It is not possible to specifically evaluate “a sufficient period of time for adequate rest,” as this is dependent upon the nature of the work being performed, the conditions under which the work is performed, and the employee’s physical condition. In general, under ordinary circumstances, sixteen (16) hours of work may be performed without an intervening period of rest. Normally eight (8) hours should be allowed for adequate rest between such a work period and the next work period.

The following examples illustrate how this clause might reasonably be applied for a normal person under ordinary circumstances:

Example 1

An employee works his or her regular tour from 8 a.m. to 5 p.m. He or she is needed to carry out emergency work and continues to work, with only meal time intervening, until 12 midnight, at which time the employee is released. A sufficient time for adequate rest would be from 12 midnight until 8 a.m. the next morning. In the same instance, if the employee had continued to work beyond midnight until 3 a.m., then that employee would not be expected to work his or her normal tour from 8 a.m. to 5 p.m., but would be permitted to come on duty at 11 a.m. and work the remainder of the tour (with adequate time out for meal) until 5 p.m.

Example 2

If an employee who normally works from 8 a.m. to 5 p.m. is called out at 4 a.m. and works until 8 a.m., the employee will, of course, be expected to work his or her normal tour in addition to the period from 4 a.m. to 8 a.m.

- f. **Standby Duty.** An employee required by the Company to remain on standby duty on Company premises during an emergency, as determined by the Company, shall be paid until released, at the rate applicable to such work time.

Section 8. **On Call Duty.**

- a. On Call Duty is defined as being assigned to be available for a callout during a designated seven (7) day period.
- b. When management determines the need for a work group to have someone on call, management will solicit volunteers to be a part of the on-call pool on a six (6) week basis. Management will assign these qualified volunteers to the on-call schedule. If, at the discretion of the Company, there are insufficient volunteers among the Group 1 Craft employees whose predominant functions comprise the installation/maintenance of PBX equipment and the RMATS technicians, 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 during the seven (7) day period assigned.
- c. An employee assigned to on-call duty shall be compensated for each week so worked at the rate of fifteen percent (15%) of the employee's basic week's pay. If circumstances prevent the employee from fulfilling on-call responsibilities, the employee must immediately inform

the supervisor. Compensation will be adjusted for the time the employee was unable to be on call. Subject to management approval, employees may volunteer for on-call duty for less than seven (7) days. Such employees will be compensated on a pro-rata basis. On-call employees actually called out to work shall be paid at the appropriate rate for all time worked.

Section 9. **Assigned Overtime.** For assigned overtime at the end of a tour, the employee must receive two (2) hours notice prior to the end of the tour. Excluding work on an Authorized Holiday, an employee will not be assigned to work overtime, either on a scheduled day or a nonscheduled day, in excess of nine (9) hours in a calendar week during nine (9) months in a calendar year or in excess of twelve (12) hours in a calendar week during three (3) months in a calendar year unless the employee consents to such overtime assignment, with the following exceptions:

- a. in case of emergency — such as an event of national, state or local importance, fire, explosion, or other catastrophe, severe weather conditions, major cable or equipment failure, or an act of God, etc.;
- b. long-term service difficulties;
- c. the employee involved is the “employee on job”; or
- d. the employee is directed or assigned to work on a day not scheduled as a work day, in which case the employee will remain on duty as required during the hours so directed.

The Company shall specify the months, which need not be contiguous, by Department and location, in which the overtime limitations referred to above shall apply.

Section 10. **Relief Periods.**

- a. Employees, except for Operating employees, shall be assigned or allowed one (1) fifteen (15)-minute relief period to start not less than one (1) hour from the beginning or end of each session when working in Company buildings unless unusual conditions develop.
- b. For Operating employees, a fifteen (15)-minute relief period in each session shall be assigned or allowed in each office. Fifteen (15) minutes of relief away from the operator workstation shall be allowed at times when only one (1) employee is on duty in an office, subject to the demands of the service.
- c. Employees shall be assigned or allowed one (1) fifteen (15)-minute relief period during each session of overtime worked which is more than two (2) consecutive hours in excess of an employee's regularly scheduled tour when working in Company buildings unless unusual conditions develop. Such relief period shall be scheduled by Management.

Section 11. **Extra Payments on Divided Tours.**

When an employee works both sessions of a divided tour in which the sessions are separated by three (3) hours or more, the Company will reimburse the employee in the amount of two (2) dollars per tour for transportation expense.

Section 12. **Additional Payment for Night Work on Christmas Eve and New Year's Eve — Appendix D.**

On Christmas Eve and on New Year's Eve, in addition to payment at the basic rate and other payments applicable for night work, payment of three (3) dollars shall be made for each assigned tour worked ending after 7 p.m. to 9 p.m., inclusive, and payment of four (4) dollars shall be made for each assigned tour worked ending after 9 p.m.

ARTICLE VII
WORK SCHEDULES
(Except Operating Employees, Console Operators, and
Central Office Assistants)

Section 1. Subject to any changes made prior to 12 noon of each Friday, work scheduled for the next calendar week shall be officially posted or furnished by the Company to show the scheduled tours the employee is to work that week, the starting and ending time of each of the tours making up his or her scheduled work week, and the length of the period to be allowed for meals. If no change is so posted or furnished prior to the time specified above, the schedule in effect for the employee for the last calendar week assigned to work shall be considered as that employee's work schedule for the next calendar week. Except as to scheduled time when excused with pay, each such employee shall be entitled to work throughout the work schedule applicable to him/her during the next calendar week, provided that the physical condition and conduct of the employee permit such employee to satisfactorily perform his/her regular work, and a sufficient period of time for adequate rest has elapsed since the employee last worked. The term "regular work" hereinabove shall be deemed to include the work which the supervisor may direct the employee to perform.

Such work schedules may not include more than five (5) eight (8)-hour tours per week for any such employee. In those calendar weeks during which an Authorized Holiday is observed (Monday through Saturday), each such Authorized Holiday shall be included as one (1) of the five (5) eight (8)-hour tours for a full-time employee.

If it is known, prior to the time that the weekly work schedule is officially posted or furnished as provided above, that it will be necessary for an employee to work on Sunday of that scheduled week, Sunday shall be treated as one of the normally scheduled work days as addressed in Section 1., Article VI, Hours of Work.

Section 2. **Scheduled Tour and Scheduled Hours.** A scheduled tour shall be one appearing in a work schedule posted or furnished as provided in Section 1. above. Any time not included within the hours appearing on such schedule shall be considered as outside scheduled hours except that the provisions of Article IV, Basis of Compensation, Section 4.c., shall apply to part-time employees hired on or after January 1, 1981.

Section 3. **Change of Day Off or Scheduled Hours at Request of Employee.** Scheduled tours or any of the hours of such tours may with the approval of the supervisor be changed, if for personal reasons, other than sickness, an employee wishes to shift his/her day off or wishes to change any of the hours of his/her scheduled tour or session, provided service and coverage requirements as determined by Management permit and that such change does not involve the payment of premium overtime to the employee making the request or to any other employees involved. If replacement of the employee making the request is necessary, it will, with the approval of the supervisor, be the responsibility of that employee to arrange an exchange of tours or hours with some other employee having the necessary qualifications. In order to prevent misunderstandings, a form or memorandum shall be signed by the supervisor and the employee(s) involved, acknowledging the fact that the change of tours or hours is made at the employee's request. When scheduled tours or hours are changed at the employee's request, neither the employee making the request nor any other employees involved in the change shall be entitled to any premium overtime pay otherwise applicable for such time worked.

ARTICLE VIII HOLIDAYS

(For SBC Operations, Inc. employees, refer to Appendix I,
Supplemental Statement 3.)

Section 1. **Authorized Holidays.** Ten (10) Authorized Holidays shall be observed as follows:

New Year's Day	Christmas Day
Memorial Day	Designated Holiday
Independence Day	(See Note below)
Labor Day	Two (2) Floating Holidays
Thanksgiving Day	(See Note below)
Day After Thanksgiving	

Note: Each employee who could complete six (6) months of service within the calendar year shall be eligible for one (1) Designated Holiday and two (2) Floating Holidays. An eligible employee will designate three (3) days in the same calendar year, or prior to April 1 of the following year, other than a Sunday or another Authorized Holiday, for the days to be observed as the employee's Designated Holiday and Floating Holidays. Unlike other Authorized Holidays, Management cannot require an employee to work on his/her Designated Holiday or Floating Holidays.

When an Authorized Holiday falls on Sunday, it shall be observed on the following Monday.

Section 2. **Holiday Tours.** Holiday tours are those which begin on the Authorized Holiday.

Section 3. **Holiday Pay.**

- a. Insofar as service requirements permit, full-time employees (except absentees) shall be excused from duty without loss of pay on an Authorized Holiday. A part-time employee (except an absentee) shall receive a prorated holiday allowance based on the relationship of the employee's equivalent work week classification to the normal work week of a comparable full-time employee in the same job title, classification, and work group.

Note: An employee who meets the requirements of Section 3.a. above shall be eligible for a holiday allow-

ance for New Year's Day if he/she is on the active payroll on the preceding December 31.

- b. Employees, except certain part-time employees shown in paragraph c. below, required to work on an Authorized Holiday shall be paid for their work (in addition to their holiday allowance) at the rate of one and one-half ($1\frac{1}{2}$) times the basic hourly rate for the first eight (8) hours worked (for the normal full-time tour for Operating employees listed in Appendix D) and thereafter at the rate of two and one-half ($2\frac{1}{2}$) times the basic hourly rate for additional hours worked on an Authorized Holiday. At the employee's option, and with advance notice to Management, employees scheduled to work on an Authorized Holiday may, in lieu of the immediately preceding pay treatment, select a day off later in the calendar year or a day prior to April 1 of the following calendar year, other than Sunday or another Authorized Holiday. Employees selecting this option will be paid at the applicable rate for all hours worked.

One (1) night differential (extra payment for night work for Operating employees listed in Appendix D) shall also be paid to employees (except absentees) either excused from working or required to work a night tour on an Authorized Holiday in accordance with Section 6. of Article IV, Basis of Compensation.

- c. Part-time employees hired on or after January 1, 1981, and who work in Customer Service Centers, Phone Booths (Kiosks), DM/DR (Direct Marketing/Direct Response) Centers and any equivalent retail sales or service center operation who are required to work on an Authorized Holiday shall be paid for their work (in addition to their holiday allowance) at the equivalent basic hourly rate for a comparable full-time employee working a normal daily tour in the same job title, classification, and work group.

Section 4. **Absentee.** An “absentee” for the purpose of this Article is an employee who (a) does not work on the Authorized Holiday and who is absent from assigned work on the scheduled work day next preceding and the scheduled work day next following the Holiday, without being excused by the supervisor prior to such absence, or (b) is absent on the Holiday without being excused by the supervisor prior to such absence.

Section 5. None of the provisions of this Article shall be applicable to any employee whose particular term of employment is to be three (3) weeks or less.

ARTICLE IX VACATIONS

(For SBC Operations, Inc. employees, refer to Appendix I, Supplemental Statement 4.)

Section 1. **Vacation Eligibility.** Subject to the provisions of Sections 3., 4., 8., and 9. hereof, vacations with pay shall be granted during the vacation year to each employee, except upon dismissal for misconduct, who shall have completed a period of six (6)-months’ employment since date of engagement or reengagement, whichever is later, and who has performed work for the Company within the vacation year, as follows:

- a. One (1) week’s vacation to any such employee who has completed six (6) months or more but less than twelve (12) months of service;
- b. Two (2) weeks’ vacation to any such employee who has completed twelve (12) months of service but who could not complete seven (7) years of service within the vacation year, provided that if such employee initially completes six (6) months’ service and twelve (12) months’ service within the same vacation year only two (2) weeks of vacation shall be granted in that vacation year, with the first week granted after completion of six (6)

months of service and the second week granted after completion of twelve (12) months of service;

- c. Three (3) weeks' vacation to any such employee who could complete seven (7) or more but less than fifteen (15) years of service within the vacation year;
- d. Four (4) weeks' vacation to any such employee who could complete fifteen (15) or more but less than twenty-five (25) years of service within the vacation year; or
- e. Five (5) weeks' vacation to any such employee who could complete twenty-five (25) or more years of service within the vacation year.

Note A: Where eligibility for a vacation week under either of the first two subparagraphs of this Section first occurs on or after December 1 of a vacation year, such vacation week may be granted in the next following vacation year provided it is completed prior to April 1 and completed prior to the start of vacation for such following year.

Note B: The service prescribed above shall be the Net Credited Service as determined by the pension plan administrator.

Note C: The vacation year shall begin on December 31 and end on the following December 30.

Section 2. Holiday Falling Within a Vacation Week. When an Authorized Holiday falls in a week during which an employee is absent on vacation, an additional day of vacation with pay shall be granted later, in either the same vacation year or prior to April 1 of the following vacation year. When such additional day of vacation is for the Authorized Holiday of Christmas Day, it may also be granted immediately preceding the vacation. Such additional day of vacation will be selected in seniority order within each vacation group subsequent to the scheduling of full vacation weeks and

should be granted to the extent practicable consistent with force requirements and the needs of the business.

Section 3. Separations Prior to Vacation Through Dismissal, Layoff, Resignation, Retirement, or Death. If, before receiving the vacation to which he or she has become entitled, an employee is dismissed (except for reason of misconduct), laid off, resigned, or retired, such employee shall be entitled to an allowance in cash equal to and in lieu of such vacation.

If an employee dies before receiving his/her unused vacation for the vacation year, as provided for in Section 1. of this Article, payment in lieu of vacation shall be made for any unused vacation time to the employee's estate.

Section 4. Leaves of Absence Prior to Vacation. An employee who goes on a leave of absence before receiving the vacation to which such employee has become entitled shall, at the employee's election, prior to the time of leaving be given such vacation. If an employee does not elect to take such vacation prior to going on a leave of absence and does not return to work within the vacation year, the employee shall, upon written application to the Company within the vacation year, be entitled to receive an allowance in cash equal to and in lieu of the vacation to which he or she was entitled at the time of leaving.

Section 5. Illness Associated with Vacation.

- a. An employee who becomes ill and notifies his/her supervisor before the beginning of his/her vacation period (normally Saturday midnight) may have that vacation period cancelled and rescheduled.
- b. An employee who becomes ill during a vacation period, and notifies his/her supervisor before the beginning of any subsequent contiguous week, may have such subsequent contiguous week cancelled and rescheduled.

- c. Such rescheduled vacation week(s) as set out in paragraphs a. and b. above, may not be carried over into the next vacation year, except as provided in Section 1., Note A, and shall be scheduled taking into account both the service requirements and preferences of the employee. The Company may at its option require satisfactory medical evidence to substantiate the illness referred to in paragraphs a. and b. above. For all purposes, the first day of absence under this Section shall be the first day previously scheduled as vacation in the cancelled vacation week.

Section 6. Vacation Pay for Full-time Employees.

Full-time employees shall be paid for each week of vacation at the basic rates of pay (including any night differentials, to the extent normally applicable to the employees' regularly scheduled tours) for the time constituting a full-time work week at the time of their vacations.

Section 7. Vacation Pay for Part-time Employees.

Part-time employees who work regularly shall be paid for vacations on the basis of the time which constitutes their normal work week at the time of their vacations at the basic rates of pay (including any night differentials to the extent normally applicable to the employees' regularly scheduled tours).

Section 8. Time Off Scheduling. (Effective December 31, 2004)

Note: For Time Off Scheduling provisions applicable prior to December 31, 2004, refer to Article IX, Vacations, Section 8., Time Off Scheduling, of the 2001 Departmental Agreement.

- a. Scheduling of vacations for the vacation year shall be in seniority order within the vacation group and should be granted to the extent practicable consistent with force requirements and the needs of the business.

- b. Insofar as service requirements permit, employees may split their vacations into periods of not less than one (1) week except as provided in paragraph c. below. Vacations shall usually start on the first day of the calendar week.

- c. (1) Employees may elect to take one (1) week of vacation [five (5) paid vacation days] on a day-at-a-time basis at the time the vacation schedule is initially assigned. Employees eligible for three (3) or more weeks of vacation may elect to take two (2) weeks of vacation on a day-at-a-time basis at the time the vacation schedule is initially assigned. Employees eligible for four (4) or more weeks of vacation may elect to take three (3) weeks of vacation on a day-at-a-time basis at the time the vacation schedule is initially assigned. Individual vacation days may be taken in half-day increments. The actual days to be scheduled on a day-at-a-time, or half-day increment basis, will be assigned subsequently. After all employees have expressed their preferences for full weeks, those employees who had elected this option will be given the opportunity to express a preference for an available vacation week(s) as a reserve week(s) from the vacation schedule. The period during which this reserve week(s) may be scheduled shall extend through the last full calendar week of March of the following vacation year, and will be assigned in accordance with paragraph a. above.

Employees engaged or reengaged after the schedule has been posted, and who will become eligible for vacation within the vacation year, may elect to schedule one (1) week of vacation on a day-at-a-time basis, two (2) weeks of vacation on a day-at-a-time basis if eligible for three (3) weeks of vacation, or three (3) weeks of vacation on a day-at-a-time basis if eligible for four (4) or more weeks of vacation at the time of their addition to the group.

- (2) Individual vacation days and days to be taken in half-day increments (exclusive of Authorized Holidays) to be deducted from the employee's reserve week(s) may be granted to employees on the basis of the earliest request without regard to seniority. If the employee has not received all five (5) days of vacation, or ten (10) or fifteen (15) days of vacation, if applicable, on a day-at-a-time or half-day increment basis prior to the scheduled reserve week(s), those vacation days or half-day increments remaining will be scheduled and taken during such week(s).
 - (3) Individual vacation days or vacation days taken in half-day increments, will be granted to an employee while on Company duty outside the exchange where the employee's Regular Place of Reporting is located. In such event, the employee shall be entitled to receive no more compensation, allowances, or expense reimbursement than such employee would receive if located in the same exchange as his or her Regular Place of Reporting.
- d. Vacation schedules (subject to change) shall be posted or furnished once a year prior to December 31 of the vacation year.
 - e. As stated in paragraph c.(1) above, employees must first express preferences for full weeks of vacation in seniority order within the vacation group and must also, at the time of expressing such preferences, indicate whether they elect to take one (1) week of vacation on a day-at-a-time basis, or two (2) weeks of vacation on a day-at-a-time basis if eligible for three (3) weeks of vacation, or three (3) weeks of vacation on a day-at-a-time basis if eligible for four (4) or more weeks of vacation.

In a subsequent interview by Management, also in seniority order within the vacation group, employees must select a specific reserve vacation week(s) (if such election has been made). During this subsequent interview, employees may also select a Designated Holiday and Floating Holidays as provided in Article VIII of this Agreement; full day-at-a-time vacation days, as provided in paragraph c.(1) above; additional days of vacation, as provided in Section 2. of this Article; and full Excused Work Days (whether paid or not paid), as provided in Article X of this Agreement.

In addition to the time off scheduled above, employees shall also select “reserve time” in this subsequent interview. “Reserve time” shall equate to all time off (other than scheduled weeks of vacation) whether or not scheduled above. The period during which the reserve time may be scheduled shall extend through March 31 of the following vacation year. Any time off not taken by an employee prior to the scheduled reserve time must be taken during the scheduled reserve time for that employee.

Employees who do not select specific days in this subsequent interview and employees who elect to take half-day increments, will be granted such days or half-day increments, force requirements and the needs of the business permitting, on the basis of the earliest request (“first come, first served”) to the employees’ immediate supervisor.

Except for Management-designated Excused Work Days, for administrative purposes but not for pay purposes, all time off subject to scheduling under this provision shall be treated in the same manner as vacation time.

Section 9.

- a. Upon written request by the employee and by specific prior Management approval in each case, subject to service requirements and for a cause deemed sufficient by Management, an employee may be granted the vacation to which he/she is otherwise entitled for a vacation year, without performing work for the Company in that year, provided such vacation is contiguous to and continuous with the employee's vacation for the preceding year; or
- b. Subject to the conditions applicable to vacation scheduling, and upon specific Management approval in each case, an employee may be scheduled and granted the vacation to which he or she is otherwise entitled for a vacation year, without performing work for the Company in that year, provided such vacation begins with the first week of the vacation year which includes the days Monday through Friday.
- c. In the event an employee, in accordance with Section 1. of this Article, is assigned a vacation week which begins during the last week of December of the vacation year, that 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 eligibility.

Section 10. **Vacation Buy Back.** When necessary due to service requirements, such as those outlined in Article VI, Hours of Work, Section 9., Assigned Overtime, paragraphs a. and b., Management may offer an employee with at least fifteen (15) years of service the opportunity to sell his/her vacation back to the Company as follows:

- a. An employee eligible for four (4) weeks' vacation under the provisions of Section 1.d. of this Article may be

paid in lieu of one (1) week [or up to five (5) day-at-a-time vacation days] of unused vacation.

- b. An employee eligible for five (5) weeks' vacation under the provisions of Section 1.e. of this Article may be paid in lieu of two (2) weeks [or up to ten (10) day-at-a-time vacation days] of unused vacation.

Note: The offer of pay in lieu of vacation pursuant to this Section shall be effective only if agreed to by the employee.

ARTICLE X

EXCUSED WORK DAYS

Section 1. Eligibility.

- a. Each full-time employee who has at least six (6) months of Net Credited Service on the first day of the vacation year shall be eligible for four (4) Excused Work Days with pay and one (1) Excused Work Day without pay during such vacation year. Each full-time employee who has less than six (6) months service on the first day of the vacation year, or who is hired after the first day of the vacation year, shall be eligible for two (2) Excused Work Days with pay and one (1) Excused Work Day without pay to be scheduled and taken after six (6) months of service is completed. Excused Work Days may be taken in two (2)-hour increments.

Note: Two (2)-hour increments for Operating employees with shortened tours shall be one-fourth ($1/4$) of the total number of hours comprising the full-time tour as defined in Article VI, Hours of Work, Section 2., Normal Tour.

- b. Part-time employees who fulfill the service requirements of Section 1.a. above, shall be eligible for Excused Work Days on a pro rata basis, based upon the ratio of any

such part-time employee's equivalent work week to the normal work week of a comparable full-time employee.

Section 2. Pay Treatment for Paid Excused Work Day Not Worked. Employees who do not work on their paid Excused Work Day or two (2)-hour increment thereof shall be paid for the day as if for a normal or standard day or two (2)-hour increment worked provided they are on the active payroll of the Company on that Excused Work Day or two (2)-hour increment.

Section 3. Excused Work Day Designated by the Company. One (1) paid Excused Work Day in each calendar year may be designated by the Company for employees in an administrative work group (as designated by the Company) or in any larger group, including the entire Company. Employees (except occasional employees) in any such group for which an Excused Work Day is designated by the Company and who are not otherwise eligible for a paid Excused Work Day shall be excused and paid for such designated day provided they are on the active payroll of the Company on the designated Excused Work Day.

Section 4. Selection. Employee choice of Excused Work Days (including the unpaid Excused Work Day, if desired) will be in seniority order within each vacation group, and will be granted to the extent practicable consistent with force requirements and the needs of the business. Such selection will be subsequent to the scheduling of full vacation weeks. Excused Work Days not scheduled at that time, and the Excused Work Days with pay (and the Excused Work Day without pay, if desired) to be taken in two (2)-hour increments will be selected subsequently on the basis of the earliest request to the employee's supervisor. The period during which these Excused Work Days may be scheduled shall extend through March 31 of the following calendar year.

Section 5. Employees Absent for Other Reasons on Their Paid Excused Work Days. Employees who are on vacation or absent with pay on their paid Excused Work Day or two (2)-hour increment thereof for reasons other than having observed it as an Excused Work Day shall have their paid Excused Work Day or two (2)-hour increment thereof rescheduled if a vacation day would have been rescheduled under the same circumstances.

Section 6. Employees Who Agree to Work on Their Paid Excused Work Days. If employees agree to work on their paid Excused Work Day or two (2)-hour increment thereof and the Company determines that the day or two (2)-hour increment cannot be rescheduled, they shall be paid as applicable in accordance with the following:

- a. Employees who agree to work before the work schedule becomes fixed shall receive one (1)-day's pay or two (2)-hours' pay in lieu of their Excused Work Day or two (2)-hour increment thereof and shall in addition be paid in accordance with the provisions of this Agreement covering work on a scheduled day of work.
- b. Employees who agree to work after the work schedule becomes fixed shall receive one (1)-day's pay or two (2)-hours' pay in lieu of their Excused Work Day or two (2)-hour increment thereof and shall in addition be paid in accordance with the provisions of this Agreement covering work on a nonscheduled day.
- c. Time worked by an employee on his/her Excused Work Day or two (2)-hour increment thereof shall be considered time worked on a regular scheduled day of work for all purposes, except as is otherwise expressly provided in this Article.

ARTICLE XI
ABSENCES FROM DUTY

Section 1. Leaves of Absence.

- a. Insofar as the requirements of the service permit, leaves of absence without pay will be granted upon request for good cause and for reasonable lengths of time. The intention of the employee with respect to return to work shall be established in writing between the employee and the Company at the time the leave is granted and a copy shall be furnished the employee at the time the leave is granted.
- b. Leave of absence procedures for Union representatives on Union business as established by the current Agreement of General Application between the Union and the Company shall be applicable to such employees in the Bargaining Unit.

Section 2. Military Training Duty and Emergency Duty.

- a. The provisions of this Section apply only to regular and temporary employees who are members of the National Guard, Air National Guard, Army Reserve, Air Force Reserve, Naval Reserve, Marine Corps Reserve, Coast Guard Reserve, or any other category designated by the President of the United States in time of war or emergency.
- b. An employee called 1) for training duty in any organization listed in paragraph a., or 2) for emergency duty in the National Guard, Air National Guard, or any other category designated by the President of the United States in time of war or emergency, if such duty requires absence during hours in which he/she otherwise would be on scheduled Company duty, shall be excused or granted a leave of absence for such cause for a period or periods not exceeding in the aggregate fifteen (15) calendar days in the same calendar year.

- c. Except for that group under paragraph a. defined as “any other category designated by the President of the United States in time of war or emergency,” if absence on such leave is continuous, difference in pay shall be allowed for not exceeding the first eleven (11) scheduled work days falling within the period of the excused absence. If the absence is not continuous, difference in pay shall be allowed for the number of scheduled work days falling within the periods of excused absence, but not to exceed the first eleven (11) such days within the calendar year. Time absent for training duty under paragraph b.(1) and time absent for emergency duty under paragraph b.(2) shall be treated separately with no effect of one upon the other as to eligibility for pay treatment.

- d. The term “difference in pay,” as used in paragraph c. for hours absent on a scheduled work day means the excess, if any, of Company pay at the employee’s basic hourly rate for such absent time (plus any night differentials, to the extent normally applicable) over the hourly equivalent of the employee’s government pay obtained by dividing the monthly government pay rate by two hundred and forty (240). For this purpose, government pay shall be the monthly rate of compensation including basic pay and, where quarters allowances are received because of dependents, the excess, if any, of such allowances established for members of the armed forces with dependents over those established for members of the armed forces of equal rank without dependents.

Section 3. Jury, Witness, Voting, and Election Duty.

Employees shall be allowed pay for necessary scheduled time absent due to jury, witness, or election duty. Payment for such absent time shall consist of basic pay and any extra payments for night work which would otherwise have been received had the regular scheduled tour been worked. Subject to the provisions of any applicable State or Federal law, any employee entitled to vote shall be excused from Company duty

on election day for the necessary time required to vote without deduction in pay for such absence.

Section 4. **Funerals.**

- a. In accordance with (1) and (2) below, employees shall be allowed pay for absence from scheduled time because of death in their immediate family. Payment for such absent time shall consist of basic pay and any extra payments for night work which would otherwise have been received had the regular scheduled tour been worked. The term "immediate family" as used herein is defined as consisting of wife, husband, daughter, son, daughter-in-law, son-in-law, mother, father, mother-in-law, father-in-law, brother, sister, brother-in-law, sister-in-law, grandmother, grandfather, grandson, granddaughter, stepmother, stepfather, stepson, stepdaughter, parent of employee's dependent child, great-grandmother, great-grandfather, great-grandson, great-granddaughter, registered domestic partner, or any other relative living in the same household as the employee.
- (1) In the event of a death in the immediate family as noted in paragraph a. above, an employee will be allowed pay for absence from scheduled time, from the day of death through the day of the funeral, not to exceed three (3) days.
- (2) In the event of death of an employee's wife, husband, daughter, son, mother, father, or registered domestic partner, an employee shall, upon the employee's request, be excused from scheduled time up to an additional five (5) days. Paid individual days may be substituted for these excused days at the employee's option.
- b. Pay shall be allowed for necessary scheduled time lost, not to exceed one (1) day, to serve as an active pallbearer for a deceased employee or deceased retired employee, when requested to do so by the family of the deceased.

Section 5. **Illness.**

- a. Payment shall be made to employees having one (1) or more years of Net Credited Service for absence of at least one (1) session due to illness on scheduled work days, in accordance with the following table:

<u>Employees with Net Credited Service of</u>	<u>To Be Paid After Waiting Periods of Consecutive Scheduled Working Days</u>
1 year but less than 5	Of 2 days
5 years but less than 8	Of 1 day
8 years and over	No waiting period

- b. No payment will be made for any part of the waiting period set out above.
- c. A day in the waiting period shall be considered as an absence of at least one (1) session from scheduled time.
- d. No payment hereunder shall be due for any time absent beyond a period of seven (7) consecutive calendar days which includes days on which the employee is absent for at least one (1) session from scheduled time.
- e. Payment made for absent time shall consist of basic rates and any extra payments for night work which would otherwise have been received had the regular scheduled tour been worked.
- f. For purposes of this Article, tours are the assignments for full days and sessions are the two (2) parts into which tours are divided.

Section 6. **Quarantine.** An employee having two (2) or more years of Net Credited Service shall be allowed pay in accordance with the provisions of Section 5. of this Ar-

ticle for absence from scheduled time determined by the Company to be necessary because of quarantine.

ARTICLE XII SENIORITY

Section 1. Length of service (Net Credited Service as determined by the pension plan administrator) shall be taken into account in the treatment of employees insofar as the conditions of the business and the abilities of the employees permit.

ARTICLE XIII JOB VACANCY

(For SBC Operations, Inc. employees, refer to Appendix I, Supplemental Statement 5.)

Section 1. Job Vacancy Requests.

- a. An employee may request a change in his/her present job title and/or location by submitting a written request for transfer on a Company-provided job vacancy request form. All such requests shall be deemed to be employee-initiated.

- b. No employee may have more than seven (7) valid requests on file at the same time. One (1) of the seven (7) requests may be a single Surplus Transfer Request as defined in Article XVII, Force Adjustment, Section 2., if the employee is in a work group declared surplus. A request other than a Surplus Transfer Request shall specify only one (1) job title or, if within the same Craft classification or Clerical Band, up to three (3) job titles may be specified. Each request shall also specify one (1) of the following location options:
 - (1) a specific work address (or area of the city in metropolitan locations);

(2) any combination of five (5) or less Exchanges within a Job Vacancy Scope as defined in Appendix F; or

(3) an entire Job Vacancy Scope.

c. An employee who is offered an opportunity to fill a vacancy, as defined in Section 3.a. below, shall notify the Company of his/her acceptance within one (1) business day of the offer. Failure to so notify the Company shall constitute rejection of the offer, and any associated job vacancy request (except for Surplus Transfer Requests) shall be cancelled in its entirety, together with any other pending requests (except for Surplus Transfer Requests) to the extent that they include the same job title(s) and location(s). An employee other than a surplus employee who rejects any job offer under this Section shall not be permitted to submit a new job vacancy request which includes the same job title(s) and location(s) as contained in the cancelled request(s) for a period of three (3) months following the date of rejection.

Section 2. Time-In-Title and Location. An employee shall not be eligible for transfer to any other job title or location until such employee has completed the time-in-title and location requirements in the respective job title or classification as set forth below. Time-in-title and location requirements may be waived when required by the conditions of the business or for personal reasons affecting the employee.

	<u>Time-In-</u>	
	<u>Title</u>	<u>Location</u>
(1) E-1 through E-3 Clerical, including all job titles with a maximum wage rate at or below E-3 Clerical, except for Console Operator and Central Office Assistant.	6 months	6 months

	Time-In-	
	<u>Title</u>	<u>Location</u>
(2) Console Operator, Central Office Assistant, and all job titles with a maximum wage rate above E-3 Clerical but below Service Representative, except for job titles listed below.	9 months	9 months
(3) New hires in job titles included in (1) and (2) above.	12 months	12 months
(4) Technical Associate, CAD Technical Specialist and Fraud Specialist.	15 months	15 months
(5) Service Representative, Senior Consultant, Central Office Translations Specialist (effective October 10, 2004) and Line Translations Specialist.	24 months	24 months
(6) All job titles above the maximum wage rate of Service Representative but below Group 1 Craft.	15 months	12 months
(7) All job titles with a maximum wage rate of Group 1 Craft and above.	24 months	12 months

Section 3. **Vacancy.**

- a. For purposes of this Article, a vacancy shall be deemed to exist when 1) Management determines that a permanent addition to the work force is required; or 2) a position is vacated on a permanent basis and Management determines that such position will not be filled under Section 3.b.
- b. No vacancy shall be deemed to exist when Management determines that a position is to be filled:
 - (1) on a temporary basis;
 - (2) by an employee returning from a leave of absence, including military leaves of absence, to the same, equivalent, or lower level job;
 - (3) by the employee initially displaced by the return of an employee from military leave of absence;
 - (4) by an employee returning from a special Company training program;
 - (5) by an employee returning from disability absence;
 - (6) by reemployment of a laid-off employee;
 - (7) by Company-initiated laterals or downgrades for force rearrangements within the Force Adjustment Area as defined in Article XVII, Force Adjustment; or
 - (8) by Company-initiated laterals or downgrades for force adjustments that involve surplus conditions.

Section 4. **Order of Consideration.** When the Company determines that a vacancy, as defined in Section 3.a.

above, shall be filled from valid job vacancy requests on file, those requests shall be considered in the following order of priority:

- (1) within the Job Vacancy Scope,
- (2) within the State (Texas only),
- (3) within the Company.

Section 5. **Selection.**

- a. When a vacancy shall be filled in accordance with Section 4. above, the selection of an employee shall be on the basis of length of service [Net Credited Service (NCS)] when demonstrated abilities are substantially equal and the service requirements permit.
- b. Within fourteen (14) calendar days of such selection, the Company shall advise the Union of the name, title, NCS date, and location of the individual accepting the job, together with the effective date of the transfer. The Company shall also provide the Union a list of all senior employees whose job vacancy requests were considered by the Company, but who were not offered the job.

Section 6. **Employee Retreats.**

- a. An employee who has accepted a transfer under this Article may elect to retreat to the former job, or an equivalent job if the former job is not available, within ninety (90) calendar days following the effective date of transfer.
- b. An employee who retreats shall thereafter be required to remain in the title and location for the applicable period of time, as provided in Section 2. above.

Section 7. **Other.**

- a. Time-in-title and location requirements shall not apply with respect to any Company-initiated move.
- b. Notwithstanding any other provision, the Company shall retain the right to make placements for the purpose of placing an employee when justified by personal reasons affecting the employee.
- c. Notwithstanding any other provision, the Company shall retain the right to fill a vacancy with any individual in a manner other than as provided in Section 4. above, for the purpose of:
 - (1) employing qualified individuals with disabilities;
 - (2) complying with affirmative action requirements;
 - (3) complying with requirements of the law; or
 - (4) satisfying the demands of the job, provided that prior to hiring from the street to fill the job title of Operator or those job titles currently identified in the E-1 and E-2 Clerical Bands, the Company will first offer to qualified surplus employees having valid job vacancy requests on file the opportunity of placement therein.

ARTICLE XIV

PROMOTIONAL PAY TREATMENT

(For SBC Operations, Inc. employees, refer to Appendix I, Supplemental Statement 6.)

Section 1. Each employee promoted from one job in the Bargaining Unit to another job in the Bargaining Unit with a stated Wage Schedule and having a higher-established top rate of pay whether into or within job categories, shall have

his or her rate of pay in the higher-rated job determined as follows:

- a. Upgrades within a job category shall be at full wage experience credit, or Net Credited Service as determined by the pension plan administrator, if its use is more favorable to the employee.
- b. When such upgrade results in a change from one job category to another, the employee shall be placed on the step of the new Wage Schedule as determined by allowing the employee full wage experience credit on the old Wage Schedule, or Net Credited Service as determined by the pension plan administrator, if its use is more favorable to the employee, but not to exceed the wage rate associated with the number of months step down from maximum on the new schedule as listed in Section 4., unless the following Note is applicable:

Note: An employee who had previously been at the maximum step of the new Wage Schedule during the three (3)-year period immediately preceding the upgrade, and who had been subsequently assigned to a position with a lower wage rate as a result of a surplus situation, shall not be subject to any step down.

- c. When placement on the new Wage Schedule as a result of such upgrade produces a wage rate below the employee's current wage rate, the new rate should then be determined by placing the employee on the next step of the new Wage Schedule which produces a rate above the employee's current wage rate.

Section 2. Resultant rates following upgrading shall in no case exceed the top rate for the job to which upgraded.

Section 3. Progression following upgrading shall be in accordance with the appropriate provisions of Article IV, Basis of Compensation, Section 2.d., in each Appendix ap-

plicable to the job titles included in job classifications contained therein.

Section 4. The following table establishes the number of months step down from maximum referred to in Section 1.b.:

	<u>Upgraded to Job Titles and Categories</u>	<u>No. of Months Step Down From Top Rate</u>
I.	Business Representative Communications Consultant Customer Representative Customer Service Representative II Pay Telephone Consultant	12
II.	Group 1 Craft Air Conditioning Specialist Motor Equipment Inspector/Maintainer	12
III.	Outside Plant Technician Systems Analyst	6
IV.	Building Mechanic Frame Attendant	6
V.	S-2 Clerical Band S-1 Clerical Band SS-2 Clerical Band SS-1 Clerical Band Assistant Customer Service Technician Business Services Instructor Business Systems Representative CAD Technical Specialist Central Office Clerk Central Office Translations Specialist Circuit Design Specialist Coin Counter Customer Services Representative	6

	<u>Upgraded to Job Titles and Categories</u>	<u>No. of Months Step Down From Top Rate</u>
	Customer Service Representative I	6
	Customer Services Specialist	
	Driver-Tractor Trailer	
	Facilities Specialist	
	Field Assistant	
	Graphics Specialist	
	Installation Coordinator	
	Line Translations Specialist	
	Marketing Assistant	
	Pay Telephone Technician	
	Revenue Management Representative	
	Senior Consultant	
	Service Assistant	
	Service Representative	
	Supplies Attendant	
	Technical Associate	
<hr/>		
VI.	E-3 Clerical Band	0
	Customer Clerk	
	Sales and Service Consultant	
	Teller	
<hr/>		
VII.	E-2 Clerical Band	0
	E-1 Clerical Band	
	Sales Agent	
	Sales Clerk	
<hr/>		
VIII.	Operator	0
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IX.	Building Maintainer	0
	Garage Attendant	
	House Service Attendant	
	House Service Maintainer	
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	<u>Upgraded to Job Titles and Categories</u>	<u>No. of Months Step Down From Top Rate</u>
X.	Central Office Assistant Console Operator	0

ARTICLE XV

TEMPORARY WORK IN HIGHER POSITIONS

(For SBC Operations, Inc. employees, refer to Appendix I,
Supplemental Statement 7.)

Section 1. **Temporary Upgrade for Clerical Employees.**

- a. A temporary upgrade for purposes of this Section shall mean a temporary change in assignment of a Clerical employee to another clerical position with a higher established maximum rate of pay either to fill an absent employee's assignment or to fill a temporary assignment.
- b. Employees shall be selected on the basis of length of service when qualifications of the employees are substantially equal and the conditions of the business permit.
- c. When the Company determines that it is necessary to temporarily upgrade a Clerical employee and such upgrade is for a period of fourteen (14) or more consecutive calendar days, the following wage treatment shall apply:

For the period of the temporary assignment the selected employee shall be upgraded to the higher job classification with change of title and promotional pay treatment as provided for in Article XIV, Promotional Pay Treatment.

- d. Employees who are temporarily upgraded under this Section shall be returned to their regular classification

and rate of pay when Management determines the temporary assignment is no longer required.

Section 2. Temporary Work in Higher Position — Craft.

- a. A Group 2 Craft employee other than a Frame Attendant, who has a basic wage rate lower than the Group 1 Craft rate, who is temporarily scheduled or assigned to and works throughout two (2) or more full tours in a work week in a Group 1 Craft occupation, except for purposes of training, shall receive for each full tour worked in the Group 1 Craft occupation a Classification Differential equal to one-fifth ($\frac{1}{5}$) of the amount of the weekly upgrade increase to which the employee would be at that time entitled if the employee were actually upgraded to the higher classification at the employee's regular location.
- b. A Frame Attendant, who has been at the applicable Group 2-A maximum basic rate for six (6) months or longer, who is temporarily scheduled or assigned to and works throughout two (2) or more full tours in a work week in either a Group 1 Craft or Group 2 Craft occupation, except for purposes of training, shall receive for each full tour worked in such occupation, a Classification Differential equal to one-fifth ($\frac{1}{5}$) of the amount of the weekly wage progression increase to which the employee would at that time be entitled if the employee were actually changed to the higher applicable classification at the employee's regular location.

Section 3. Temporary Work in Higher Position — Noncraft. A Supplies Attendant who is temporarily scheduled or assigned to and works throughout one (1) full tour as a Driver-Tractor Trailer, except for purposes of training, shall receive for each such full tour, a Classification Differential of five (5) dollars.

Section 4. **Temporary Upgrading-Operating Employees.**

- a. Temporary upgrading (changes to positions within Appendix D with higher established top rates of pay) shall be determined by the requirements of the service and the abilities of the employees.
- b. Management will consider all employees in the office involved in order of their seniority for any vacancy determined by Management to be filled on a temporary basis.
- c. An employee who is temporarily upgraded and works or is being trained for two (2) days or more in a calendar week in a classification covered by Appendix D with an established higher top rate of pay, shall receive for each full tour paid during that calendar week, a Classification Differential equal to one-fifth ($\frac{1}{5}$) of the amount of the weekly wage progression increase to which the employee would at the time be entitled if the employee were actually changed to the higher applicable classification at the employee's regular location.
- d. Employees receiving the Classification Differential described in Section 4.c. above, shall be returned to their regular rate of pay in inverse order of seniority when Management determines the temporary assignment(s) is no longer required.

Section 5. **Relief Differential for Employees Whose Job Titles are Shown in Appendix B-Contact and Appendix-I Contact.**

- a. A relief differential consisting of ten (10) percent of one-fortieth ($\frac{1}{40\text{th}}$) of the employee's current applicable weekly wage rate will be paid to any employee in a service center where customer calls are handled, who is assigned to relieve or assist a manager, for each hour

the employee performs this work or receives associated training.

- b. These assignments may involve planning, distributing, directing, coordinating, and training responsibilities.
- c. In no event shall such assigned employee have any involvement in discipline or performance evaluation of other employees.
- d. An employee involved in such training and/or assignment as described in a. above, shall continue to be subject to all applicable provisions of this Agreement.

Section 6. **Bilingual Differential.**

- a. A Bilingual Differential consisting of twenty-five (25) dollars per week payable at one-fifth ($1/5$) per day for each full tour worked when being assigned to speak in a foreign language to customers is the preponderance of duties for the following employees:
 - (1) Employees whose job titles are shown in Appendix B—Contact and who work in a service center where customer calls are handled.
 - (2) Customer Services Representatives who work in customer service bureaus and maintenance centers.
 - (3) Operating employees, Console Operators and Central Office Assistants.
- b. A Bilingual Differential consisting of twenty-five (25) dollars per week payable at one-fortieth ($1/40^{\text{th}}$) per hour to any employee referenced in paragraph a. above, for each hour worked when being assigned to speak in a foreign language to customers is less than the preponderance of his/her duties.

Section 7. All Other Temporary Work in a Higher Position.

- a. A qualified employee not otherwise covered by the provisions of Sections 1. through 5. above, who is temporarily scheduled or assigned and does work in a position with a higher established maximum rate of pay throughout a period of two (2) or more full tours in a work week, except for the purposes of training, shall receive for each full tour worked in such position a Classification Differential equal to one-fifth ($\frac{1}{5}$) of the amount of the weekly wage progression increase to which the employee would at the time be entitled if the employee were actually changed to the higher applicable classification at the employee's regular location.
- b. Employees receiving the Classification Differential described in Section 7.a. above, shall be returned to their regular rate of pay when Management determines the temporary assignment is no longer required.

Section 8. Nothing herein shall be construed as requiring the Company to make replacements of absent employees.

**ARTICLE XVI
TRAVEL**

(Effective January 1, 2005, except as otherwise noted)

Note: For Travel provisions applicable prior to January 1, 2005, refer to Article XVI, Travel, of the 2001 Departmental Agreement.

Section 1. General.

- a. The purpose of this Article is to provide a means of compensating employees who are assigned to report for duty, or be released from duty, on a temporary basis, at

a location other than their Regular Place of Reporting (referred to throughout this Article as the “RPR”.)

- b. Management will determine and designate the location at which employees will be required to report for duty and the location at which employees will be released from duty. Such locations may include, but are not limited to, an administrative office, a business office, a central office, an equipment location, a garage or work center, or the location at which work is performed.
- c. Except as otherwise specifically provided in Article XV, Temporary Work In Higher Positions, an employee working away from the RPR will continue at his/her basic wage rate.

Section 2. **Definitions.**

- a. Regular Place of Reporting (RPR) is the location at which an employee normally is assigned to work, i.e., where the employee normally is required to report for duty and is released from duty.
- b. Regular Reporting Zone is the circular area having a radius of three (3) airline miles from the employee’s RPR.
- c. For purposes of this Article, an employee’s Residence is the location at which the employee’s discounted (concession) telephone service is provided, or the location of the non-Company telephone service for which the employee is being reimbursed by the Company. If the employee does not receive either concession service or reimbursement for non-SWBT telephone service, then the residence will be the address then currently contained in the employee’s service record.
- d. A Same Day Temporary Assignment is one which requires the employee to report for duty at the beginning

of the work period, or to be released from duty at the end of the work period, at a location outside the employee's Regular Reporting Zone and within sixty (60) odometer miles from the employee's residence.

- e. An Overnight Temporary Assignment is one which requires the employee to report for duty at the beginning of the work period, or to be released from duty at the end of the work period, at a location outside the employee's Regular Reporting Zone and more than sixty (60) odometer miles from the employee's residence.

Note 1: The Company reserves the right in cases of emergency or long-term service difficulties to require an employee to remain overnight at or near the location of the temporary assignment, regardless of 2.d. and 2.e. above.

Note 2: In those unusual cases where 1) an employee reports for a Same Day Temporary Assignment as described in d. above, but is released at the end of the work period at a location beyond the limits of a Same Day Temporary Assignment, and not in his/her Regular Reporting Zone or 2) a temporary assignment believed in good faith to be located within the limits of a Same Day Temporary Assignment later is discovered to be located beyond such limits and not in his/her Regular Reporting Zone, the employee will receive the Same Day Travel Allowance for both the reporting trip and the return trip. In these cases, the employee will not be entitled to any Per Diem Allowance for such day.

Note 3: In unusual circumstances beyond the employee's control, such as inclement weather or assignment to the SBC Center for Learning, an employee on a Same Day Temporary Assignment may, upon request and with the supervisor's approval, remain away from home overnight and be treated ac-

cordingly under the provisions of Section 4., Overnight Temporary Assignment, below.

- f. Travel Day means the day the employee begins travel to the Overnight Temporary Assignment location and the day the employee begins travel to return from his/her Overnight Temporary Assignment to his/her home location, including authorized trips home as discussed in Section 4.a.(3) below.

Section 3. Same Day Temporary Assignment. When an employee, as directed by the supervisor, reports for or returns from a Same Day Temporary Assignment, the employee will be entitled to a Same Day Travel Allowance at the rate of sixty-five (65) cents per odometer mile based on the distance between the employee's residence and the location of the temporary assignment. Effective January 1, 2005, the Same Day Travel Allowance will be increased to sixty-seven (67) cents per odometer mile, effective January 1, 2006 it will be increased to sixty-nine (69) cents per odometer mile, effective January 1, 2007 it will be increased to seventy-one (71) cents per odometer mile, effective January 1, 2008 it will be increased to seventy-three (73) cents per odometer mile, and effective January 1, 2009 it will be increased to seventy-five (75) cents per odometer mile. The Company will treat as taxable income to the employee only that portion of this allowance which exceeds the IRS maximum allowable personal vehicle reimbursement.

Note 1: The Same Day Travel Allowance will not be granted for more than fourteen (14) consecutive calendar days in a situation where an employee is offered the opportunity to work in a temporary assignment that involves work in a higher position at another location and the employee accepts the offer.

Note 2: In situations which relate to efforts to stabilize the work force within a given geographical area and are not covered in Note 1 above, mutually agreed-upon modifica-

tions with respect to application of the Same Day Travel Allowance may be negotiated between local Union and Management representatives. (“Union” shall mean the Vice President of District 6, CWA, or his/her designated representative.) Any such agreed-upon modification will apply to that particular situation only and will not serve as a precedent for other current or future temporary assignments.

Transportation prior to reaching the place of reporting for duty and after leaving the place of release from duty will be the responsibility of the employee. Transportation associated with travel during the work period (the time for which is treated as work time) will be furnished by the Company or will be by means of other transportation approved by the Company. If public transportation (such as a bus or taxicab, for example) is used, the Company will reimburse the employee for the associated out-of-pocket expense. If the employee requests and receives permission from the supervisor to drive his/her personal car instead, the Company will reimburse the employee as provided in Section 5. below.

Section 4. Overnight Temporary Assignment.

a. Per Diem Allowance.

- (1) Excluding Travel Days, days on which all three (3) meals are provided by the Company while on the Overnight Temporary Assignment, and days for which the employee receives an Overnight Travel Allowance as provided in Section 4.c. below, when an employee, as directed by the supervisor, reports for an Overnight Temporary Assignment, the employee will be entitled to a Per Diem Allowance, as follows:
 - (a) If the Overnight Temporary Assignment location is within the five-state Company operating area, an amount equal to the IRS maximum Meals & Incidental Expenses (M&IE)

Allowance but not to exceed thirty-six (36) dollars. The Overnight Temporary Assignment Allowance will be increased from thirty-six (36) dollars to thirty-eight (38) dollars effective January 1, 2005, and to thirty-nine (39) dollars effective January 1, 2008.

Note: The Per Diem Allowance in the Dallas (Dallas County), Fort Worth (Tarrant County), Houston (Harris County), Kansas City, Kansas (Johnson and Wyandotte Counties), Kansas City, Missouri (Clay, Jackson, and Platte Counties), San Antonio (Bexar County), and St. Louis (St. Charles and St. Louis Counties) Exchanges will be the IRS maximum, but not to exceed forty-six (46) dollars. The Per Diem Allowance will be increased from forty-six (46) dollars to forty-eight (48) dollars effective January 1, 2005, and to forty-nine (49) dollars effective January 1, 2008.

- (b) If the Overnight Temporary Assignment location is outside the five-state Company operating area, an amount equal to the IRS maximum M&IE Allowance.
- (2) Excluding Travel Days, days on which all three (3) meals are provided by the Company while on the Overnight Temporary Assignment, days for which the employee receives an Overnight Travel Allowance and except as provided in Section 4.a.(3) below, the Per Diem Allowance will be paid on a seven (7)-day basis. The allowance is to cover all expenses of the employee for the duration of the temporary assignment, except for the cost of:
- (a) lodging;

- (b) telephone calls home, as provided in Section 6. of this Article;
- (c) round-trip intercity public transportation (airplane, train and/or bus);
- (d) local transportation between the employee's residence and the home city's public transportation terminal, as designated by Management [to be reimbursed at the Same Day Travel Allowance rate of sixty-five (65) cents per odometer mile if the distance is sixty (60) odometer miles or less, and at the rate of ninety-five (95) cents per odometer mile if the distance is more than sixty (60) odometer miles];

Note 1: Effective January 1, 2005, the Same Day Travel Allowance, if the distance is sixty (60) odometer miles or less, will be increased to sixty-seven (67) cents per odometer mile, effective January 1, 2006 it will be increased to sixty-nine (69) cents per odometer mile, effective January 1, 2007 it will be increased to seventy-one (71) cents per odometer mile, effective January 1, 2008 it will be increased to seventy-three (73) cents per odometer mile, and effective January 1, 2009 it will be increased to seventy-five (75) cents per odometer mile.

Note 2: Effective January 1, 2005, the Same Day Travel Allowance, if the distance is more than sixty (60) odometer miles, will be increased to ninety-eight (98) cents per odometer mile, effective January 1, 2006 it will be increased to one dollar and one cent (\$1.01) per odometer mile, effective January 1, 2007 it will be increased to one dollar and

four cents (\$1.04) per odometer mile, effective January 1, 2008 it will be increased to one dollar and seven cents (\$1.07) per odometer mile, and effective January 1, 2009 it will be increased to one dollar and ten cents (\$1.10) per odometer mile.

- (e) parking within the five-state reporting area at the home city's public transportation terminal, in the designated "Long Term Parking Facility," will be reimbursed up to, but not to exceed nine (9) dollars per each day of the Overnight Temporary Assignment, beginning on the day the employee begins travel to the temporary location and ending on the day the employee returns to the home location. The Company may designate what is to be considered the "Long-Term Parking Facility," so long as there is shuttle service from the parking facility to the airport terminal and reasonable security provided for parked vehicles;

Note: Expenses for parking in a designated parking facility outside the five-state operating area, when directed by Management, will be reimbursed at actual cost.

- (f) laundry expenses at the rate of four (4) dollars per day when a Per Diem Allowance, a Partial Per Diem Allowance or an Overnight Travel Allowance is not applicable, and laundry facilities are not provided free of charge, for each day the overnight assignment exceeds one (1) week excluding authorized trips home [see (3) below];
- (g) local transportation expense between the distant city's public transportation terminal and the designated place of lodging; and

- (h) local transportation expense, if required and transportation is not otherwise provided by the Company, between the designated place of lodging and the location of the temporary assignment.

Reimbursement for the expenses listed in (a) through (h) above, will be made only if the expenditures are actually incurred. The Company will determine the manner of reimbursement for telephone calls home, referred to in (b) above.

- (3) When the assignment requires the employee to remain away from home overnight for a continuous period of four (4) weeks or more, the employee may elect to return home on weekends as follows:

<u>Length of Assignment</u>	<u>Return Trip Home</u>
Less than 4 Weeks	None
4 through 6 Weeks	One—normally at end of third week.
7 Weeks or More	Normally, one at end of each third week.

The Company will reimburse the employee for the costs of the round-trip intercity public transportation and local transportation as described in (2)(c), (d), and (g) above, only if the employee actually makes the trip. Travel time so spent is neither directed nor required by the Company and is, therefore, not to be paid time. The Per Diem Allowance in (1) above, will not be paid for such days (normally Saturday, Sunday and, in some cases, a contiguous Authorized Holiday).

- b. **Partial Per Diem Allowance.** The employee will be entitled to a Partial Per Diem Allowance for M&IE on

Travel Days in connection with an Overnight Temporary Assignment (including authorized trips home) as follows:

	<u>Traveling To</u> <u>Temporary Location</u> (Departure Time)		
	Current	1/1/2005	1/1/2008
Departure: 12 a.m. - 6:59 a.m.	\$33	\$36	\$38
Departure: 7 a.m. - 10:59 a.m.	\$26	\$28	\$30
Departure: 11 a.m. - 11:59 p.m.	\$18	\$19	\$20

	<u>Returning To</u> <u>Home Location</u> (Arrival Time)		
	Current	1/1/2005	1/1/2008
Arrival: 12 a.m. - 10:59 a.m.	\$ 7	\$ 8	\$ 8
Arrival: 11 a.m. - 4:59 p.m.	\$15	\$17	\$18
Arrival: 5 p.m. - 11:59 p.m.	\$33	\$36	\$38

Note: Departure Time is that time when the employee is reasonably expected to begin traveling to the Overnight Temporary Assignment. Arrival Time is that time the employee would reasonably be expected to arrive at the home work location or his/her Residence, whichever is applicable. No more than one (1) Partial Per Diem Allowance will be payable for any given Travel Day; if both the Departure and the Arrival take place on the same day, the employee will receive the greater of the two (2) applicable payments.

c. **Overnight Travel Allowance.**

- (1) An employee on an Overnight Temporary Assignment may elect either to stay in lodging provided by the Company or to travel (on his/her own time and at his/her own expense) between his/her Residence and the temporary assignment location. If the employee elects not to stay in Company-provided lodging, and subject to the conditions set forth in

(2) below, the employee will receive an Overnight Travel Allowance of thirty-six (36) dollars each day on which work is performed and will not be entitled to any Per Diem Allowance or Partial Per Diem Allowance for such day.

- (2) In order to be eligible for the Overnight Travel Allowance described in (1) above, an employee must notify his/her supervisor prior to the beginning of the temporary assignment and early enough to avoid an obligation by the Company to pay for lodging not taken. Once elected, the Overnight Travel Allowance will continue for the duration of the assignment, unless the employee notifies his/her supervisor of a change in his/her election and requests Company-provided lodging. Subsequent changes in the employee's election will be permitted only upon the supervisor's approval.
- (3) The Company will furnish the transportation for the initial trip to the location of the Overnight Temporary Assignment and for the final trip back to the employee's RPR at the conclusion of the assignment. Normally such transportation will be by Company vehicle in that the vehicle will be needed during the work day. If the Company vehicle is not used, the employee may request to drive his/her personal car instead. If the supervisor gives such permission, the Company will reimburse the employee at the rate provided in Section 5. below, for such travel as well as for any authorized incidental use of the personal car on Company business during the temporary assignment. The time spent in traveling on these initial and final trips will be counted as work time.

d. **Time Spent Traveling.** Time spent traveling between the home city's public transportation terminal and the designated place of lodging in the distant city, except

for authorized trips home, shall be paid as work time, including a reasonable amount of time spent at the home city's or distant city's terminal due to public transportation delays beyond the employee's control. When en route sleeping accommodations are paid for by the Company, no payment will be made for the hours from 11 p.m. to 7 a.m.

- e. **Transportation.** The Company will furnish all means of transportation or specify what transportation shall be used for Company business and will reimburse the employee for necessary fares.
- f. **Use of Personal Car.** If the employee is offered public transportation but requests and receives permission from the supervisor to drive his/her personal car instead:
 - (1) The paid travel time shall be the amount of time which would have been spent in traveling by public transportation from the home city's public transportation terminal to the distant city's public transportation terminal plus one (1)-hour's pay at the employee's basic hourly wage rate (and vice versa) or the time actually spent in traveling by personal car, whichever is less.
 - (2) Transportation reimbursement shall be equal to the round-trip intercity public transportation fare which otherwise would have been furnished by the Company or at the rate provided in Section 5. below, whichever is less.
 - (3) If the employee uses his/her personal car on authorized Company business during the temporary assignment, the employee will be reimbursed for such usage at the rate provided in Section 5. below.
 - (4) In no case will any Per Diem Allowance or Partial Per Diem Allowance payments exceed the amount

that would have been paid had the employee utilized Company-provided public transportation.

Section 5. Reimbursement Rate for Authorized Use of Personal Car on Company Business. Authorized use of an employee's personal vehicle on Company business shall be reimbursed at the Internal Revenue Service (IRS) reimbursement rate for mileage. In the event the IRS changes the reimbursement rate for mileage, the Company will adjust the mileage reimbursement rate to the maximum allowable, effective on the first of the month following the effective date of the change by the IRS.

Section 6. Telephone Calls Home. When an employee must remain away from home overnight while on Company business, the Company will assume the cost of toll charges on the employee's residence telephone bill for telephone calls (station-to-station) made by the employee to his/her city of residence or received by an employee from his/her city of residence in an amount not to exceed an average of fifteen (15) minutes for each night the employee is away from home. With prior Management approval, these calls may originate or terminate outside of the employee's city of residence. Any unused time may be accumulated from day-to-day but not beyond a calendar week (Sunday through Saturday). In the event that the total number of minutes exceeds the applicable fifteen (15)-minute increment (15, 30, 45, etc.), the number of calls for which toll charges are to be assumed shall be reduced until the number of minutes is below the applicable fifteen (15)-minute increment. For this purpose the Company will assume the cost of total individual calls only, not portions thereof.

Section 7. Calls for Special Duty. The provisions of Article VI, Hours of Work, Section 7., Callout Time, rather than the provisions of this Article, will apply in cases of calls for special duty ("callout time").

Section 8. **Motor Vehicle Usage Program.** An employee who is participating in this Program shall not be accorded treatment under any other provisions of this Article when such treatment would represent a duplication of compensation or reimbursement received under this Program.

Section 9. **Changes in IRS Maximum Amounts.** As used in this Article, “IRS Maximum” means the maximum nontaxable M&IE and personal vehicle reimbursement amounts stated in IRS regulations, rulings, and procedures applicable to employee business travel expenses. If, during the term of this Agreement, the IRS raises these maximum amounts, the Company will adjust the affected payments accordingly (except as specifically limited elsewhere in this Article) on the first day of the month next following the effective date of the IRS adjustment.

ARTICLE XVII

FORCE ADJUSTMENT

(For SBC Operations, Inc. employees, refer to Appendix I, Supplemental Statement 8.)

Section 1. **General.** The purpose of this Article is to provide the method of effecting force adjustments that reduce the number of employees. 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 Management-initiated action, shall not constitute a force adjustment as contemplated by this Article.

Section 2. **Definitions.**

- a. **Seniority**—Seniority is an employee’s Net Credited Service as determined by the pension plan administrator.

- b. **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 rate of pay is within plus or minus five dollars (+/- \$5) of the established maximum rate of pay for the employee's prior job title, excluding the changes to jobs whose maximum rates of pay are below the maximum rate for E-3 Clerical titles.

- c. **Downgrade**—A downgrade is a change to a job title with: 1) an established maximum rate of pay which is more than five (5) dollars lower than the employee's prior job title; or 2) an established maximum rate of pay which is below the maximum rate for E-3 Clerical titles and the maximum rate of pay for the employee's prior job title.

- d. **Maximum Rate of Pay**—The maximum rate of pay is the highest basic wage rate for a job title.

- e. **Surplus Work Group**—A Surplus Work Group, as determined by the Company, is the Work Group in which the surplus exists.

- f. **Job Group**—A Job Group, the parameters of which are defined in Appendix G, is identified alphabetically and is comprised of a cluster of job titles.

- g. **Force Adjustment Area**—The Force Adjustment Area comprises the Exchange in which the Surplus Work Group is located and those contiguous Exchanges within the same state. (An Exchange is the territory designated for exchange telephone service for a city or town and its environs. Appendix F to this Agreement lists those Exchanges.)

Note 1: The Kansas City, Missouri Exchange and all contiguous Missouri Exchanges, and the Kansas City, Kansas Exchange and all contiguous Kansas Ex-

changes, shall be considered as part of the same Force Adjustment Area.

Note 2: The Kansas City metro area shall have both the state of Missouri and the state of Kansas as its Job Vacancy Scope.

- h. Expanded Force Adjustment Area**—An Expanded Force Adjustment Area comprises the Force Adjustment Area and those Exchanges contiguous to the Force Adjustment Area within the same state.
- i. Surplus Transfer Request**—A Surplus Transfer Request is a transfer request that affords a surplus employee the opportunity to receive consideration for any available nonmanagement position at any location within the Company and priority consideration for any lateral or downgrade placement.
- j. Voluntary Severance Candidate Request**—Any regular full-time, nonsurplus employee who has met time-in-title requirements may express his/her interest in receiving a Voluntary Severance Payment by submitting a Voluntary Severance Candidate Request. Such a Candidate shall have two (2) business days following a Voluntary Severance Payment offer to confirm acceptance of the offer. Failure to confirm acceptance within this time frame shall result in the Request being cancelled. In such a case, a new Request may not be submitted for thirty (30) calendar days following the cancellation of the prior Request. A former surplus employee who has been placed on a lateral or upgrade position vacated by the acceptance of a Voluntary Severance Payment by a Voluntary Severance Candidate must reestablish time-in-title prior to submitting a Voluntary Severance Candidate Request.

Section 3. **Force Adjustment Procedures.**

- a. When the Company determines that a force surplus exists pursuant to this Article, it shall, prior to notifying the affected employees, advise the Union in writing with respect to the Work 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 sixty (60) 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 unless he/she has received a job offer in the Force Adjustment Area.

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

- b. The Company shall first attempt to reduce or eliminate the surplus within the Surplus Work Group by:
 - (1) Offering lateral transfers, by order of seniority, to employees in the work group.
 - (2) Offering downgrades, by order of seniority, to employees in the work group.
 - (3) Making lateral transfers, by inverse seniority, of employees within the work group to fill any available job openings therein.
- c. An affected employee shall notify the Company of his/her acceptance of any "follow-the-work" job offer, where applicable, within thirty (30) calendar days following the affected employee's surplus notification or

by such later date as is determined by Management. Failure to so notify the Company by the deadline date shall constitute rejection of the offer.

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

- d. In the event a surplus remains, the Company next shall offer to eligible employees in the Surplus Work Group, in seniority order and to the extent necessary to eliminate the surplus, the opportunity to voluntarily terminate from the Company and receive a Severance Payment in accordance with Section 2.b. of Article XVIII, Severance Payments.
 - (1) Voluntary Severance Payments shall be offered to affected employees in the Surplus Work Group no earlier than twenty-eight (28) calendar days following the affected employees’ surplus notification. At-risk employees who have not submitted a Surplus Transfer Request within this time frame shall be considered to have elected to voluntarily terminate from the Company and accept a Voluntary Severance Payment. Failure on the part of an employee who has filed a Surplus Transfer Request to respond to the offer of a Voluntary Severance Payment within four (4) business days shall constitute a rejection of the offer.
 - (2) Employees seeking to voluntarily terminate shall be required to remain with the Company until the force disposition date or such earlier date as to which Management may agree.

- e. In the event that a surplus remains following the application of d. preceding, the Company shall canvass nonsurplus employees who have filed Voluntary Severance Candidate Requests for confirmation that they are willing to accept Voluntary Severance Payments under Article XVIII, Severance Payments, Section 2.b., and voluntarily terminate from the Company.
- (1) Voluntary Severance Payments shall be offered to nonsurplus Voluntary Severance Candidates beginning no earlier than thirty-two (32) calendar days following the affected employees' surplus notification. Such a Candidate shall have two (2) business days following a Voluntary Severance Payment offer to confirm acceptance of the offer.
 - (2) The canvassing of Severance 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 with reference to Appendix G:
 - (a) the same job title in the Force Adjustment Area (Tier 1);
 - (b) the same job title in the Expanded Force Adjustment Area (if a surplus employee has expressed an interest in the position on his/her Surplus Transfer Request) (Tier 1);
 - (c) a lateral position in the same Job Group within the Force Adjustment Area (Tier 2);
 - (d) a lateral position in the same Job Group within the Expanded Force Adjustment Area (if a surplus employee has expressed an interest in the position on his/her Surplus Transfer Request) (Tier 2);

- (e) a downgrade in the same Job Group first, within the Force Adjustment Area and second, within the Expanded Force Adjustment Area (if a surplus employee has expressed an interest in the position on his/her Surplus Transfer Request) (Tier 2);

Note: A surplus employee who, within the two (2) years preceding the surplus notification, had successfully performed in a job title outside his/her current Job Group, and who has expressed an interest in returning to this previous title, may be placed, if qualified, in such a vacancy created through the offering of a Voluntary Severance Payment to a Voluntary Severance Candidate after lateral and downgrade opportunities within the surplus employee's current Job Group have been exhausted and before consideration is given as to placement in a Tier 3 Job Group.

- (f) a lateral position in a Tier 3 Job Group, in successive order, within the Force Adjustment Area;
- (g) a lateral position in a Tier 3 Job Group, in successive order, within the Expanded Force Adjustment Area (if a surplus employee has expressed an interest in the position on his/her Surplus Transfer Request);
- (h) a downgrade in a Tier 3 Job Group, in successive order, first, within the Force Adjustment Area and second, within the Expanded Force Adjustment Area (if a surplus employee has expressed an interest in the position on his/her Surplus Transfer Request); and

Note: For Job Groups J and K, Tier 3 Job Groups shall consist of those Job Groups specified on Appendix G with respect to the process described in (f), (g), and (h) above. In addition to these steps, for Job Groups J and K, an upgrade in a Tier 3 Job Group first, within the Force Adjustment Area and second, within the Expanded Force Adjustment Area will be considered prior to upgrade positions in Tier 4 Job Groups (if a surplus employee has expressed an interest in the position on his/her Surplus Transfer Request).

- (i) an upgrade in a Tier 4 Job Group first, within the Force Adjustment Area and second, within the Expanded Force Adjustment Area (if a surplus employee has expressed an interest in the position on his/her Surplus Transfer Request).

(3) If a surplus employee refuses a job offer under this Section 3.e., no further job offers for that title and location shall be made to the employee.

- f. Any surplus employee who does not receive a job offer under Section 3. may elect to replace the most senior Voluntary Severance Candidate (for whose job the surplus employee is qualified) who has confirmed his/her interest in accepting the Voluntary Severance Payment and who holds the same job title as the surplus employee first, within the Job Vacancy Scope and second, within the State.
- g. Any surplus employee who has filed a Surplus Transfer Request within the requisite time frame, but has not received a job offer by the force disposition date, and for whom no Severance Candidates were identified in accordance with Section 3.e. or f. above, shall be entitled by order of seniority, to displace the most junior em-

ployee with his/her same job title within the Force Adjustment Area, who performs similar job functions and possesses essentially the same skills. [The displaced employee shall be subject to layoff fourteen (14) calendar days following notification of displacement.]

- h. If a surplus remains after application of Section 3.g. preceding, any remaining surplus employees within the Surplus Work Group may, upon his/her election, displace, if such displacement can be achieved with limited or no training, the least-senior temporary or occasional employee within the Expanded Force Adjustment Area.

Note 1: The surplus employee who displaces a temporary or occasional employee shall assume that employee's work completion date and the surplus employee's force disposition date shall be extended to coincide with the work completion date. The employee shall also retain surplus status and job title up to the date of the extended force disposition date.

Note 2: The Company, when filling regular vacancies for the job title of Operator and those job titles included in the Clerical Bands currently identified as E-1 and E-2, shall consider qualified surplus employees who have filed a valid Surplus Transfer Request therefore prior to hiring from the street.

- i. At the force disposition date, any remaining surplus employees within the Surplus Work Group who have not previously accepted a Voluntary Severance Payment in accordance with Section 3.d. above, shall be laid off by inverse seniority order until the surplus is eliminated. Such employees shall receive Involuntary Severance Payments in accordance with Article XVIII, Severance Payments, Section 2.a.

Section 4. Wage Treatment.

a. Wage progression increases for employees who accept or receive jobs in accordance with Section 3. above, shall be based on the Wage Schedule applicable to the new job classification, and the progression on that schedule shall be determined by the employee's wage length of service as follows:

- (1) If employees are assigned to vacancies where the current rate of pay of the employee's regular job is below the rate for the appropriate wage step under the new schedule, the employee's rate of pay shall be raised to the applicable rate.
- (2) **Reassignment Pay Protection Plan.** An eligible employee (including an employee returning from a Surplus Leave of Absence) who, because of a force surplus adjustment, is assigned to a position where the rate of pay for the new position is less than the surplus employee's former rate of pay in the Surplus Work Group will, upon reporting to the new position, receive a payout in accordance with the following table:

**RPPP PAYOUT TABLE
ASSIGNMENT TO LOWER WAGE RATE**

Weekly Difference		Years of Net Credited Service			
		< 10	10 < 15	15 < 25	25 +
\$ 0.50	\$ 4.50	\$ 80	\$ 140	\$ 610	\$ 730
5.00	9.50	100	330	1,290	1,550
10.00	14.50	130	480	1,960	2,370
15.00	19.50	210	670	2,640	3,170
20.00	24.50	230	830	3,310	3,980
25.00	29.50	290	1,000	3,990	4,800
30.00	34.50	330	1,170	4,680	5,610
35.00	39.50	370	1,340	5,350	6,420
40.00	44.50	430	1,500	6,030	7,240
45.00	49.50	470	1,680	6,700	8,050
50.00	54.50	520	1,840	7,380	8,860
55.00	59.50	570	2,020	8,060	9,680

**RPPP PAYOUT TABLE
ASSIGNMENT TO LOWER WAGE RATE**

Weekly Difference		Years of Net Credited Service			
		< 10	10 < 15	15 < 25	25 +
60.00	64.50	610	2,180	8,730	10,490
65.00	69.50	670	2,370	9,420	11,300
70.00	74.50	700	2,520	10,090	12,110
75.00	79.50	760	2,700	10,770	12,930
80.00	84.50	800	2,860	11,450	13,750
85.00	89.50	860	3,040	12,120	14,550
90.00	94.50	890	3,190	12,800	15,370
95.00	99.50	950	3,380	13,480	16,180
100.00	104.50	990	3,530	14,160	16,980
105.00	109.50	1,050	3,720	14,840	17,810
110.00	114.50	1,090	3,870	15,510	18,620
115.00	119.50	1,130	4,060	16,190	19,440
120.00	124.50	1,180	4,210	16,860	20,240
125.00	129.50	1,230	4,390	17,550	21,050
130.00	134.50	1,280	4,550	18,230	21,880
135.00	139.50	1,330	4,730	18,900	22,690
140.00	144.50	1,360	4,880	19,580	23,500
145.00	149.50	1,430	5,070	20,250	24,310
150.00	154.50	1,460	5,230	20,930	25,120
155.00	159.50	1,520	5,410	21,620	25,940
160.00	164.50	1,560	5,570	22,290	26,750
165.00	169.50	1,610	5,750	22,970	27,570
170.00	174.50	1,660	5,910	23,640	28,380
175.00	179.50	1,710	6,080	24,320	29,180
180.00	184.50	1,740	6,250	25,000	30,010
185.00	189.50	1,800	6,420	25,670	30,820
190.00	194.50	1,840	6,580	26,360	31,630
195.00	199.50	1,900	6,770	27,030	32,440
200.00	204.50	1,940	6,920	27,710	33,250
205.00	209.50	2,000	7,110	28,390	34,080
210.00	214.50	2,040	7,260	29,060	34,880
215.00	219.50	2,080	7,450	29,740	35,700
220.00	224.50	2,130	7,600	30,420	36,510
225.00+		2,180	7,780	31,100	37,310

Note 1: In those cases where the total payout the employee is to receive exceeds five thousand (5,000) dollars, an initial payment of five thousand (5,000) dollars shall be made at the time the employee reports to the new position. Subsequent payments of five thousand (5,000) dollars (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 three (3) conditions are met:

- (i) the employee has a valid transfer request on file to return to the same job level he/she held in the Surplus Work Group immediately prior to his/her placement on the new position;
- (ii) the employee has not rejected a job offer at that prior job level; and
- (iii) the employee has not been returned to a job at that prior job level.

Note 2: An employee returning from a Surplus Leave of Absence shall have the amount of monthly Voluntary Severance Payments received during the leave deducted from any RPPP payout.

Any former surplus employee so assigned may immediately submit a transfer request to return to his/her prior job level and shall receive priority consideration for such vacancies for a period of two (2) years following his/her placement in the new position.

(Nothing in this Section 4.a.(2) shall apply to surplus employees who accept an assignment to the titles of Sales Clerk, Sales Agent, Console Operator or Central Office Assistant.)

- b. Surplus employees assigned to the Console Operator and Central Office Assistant titles from a position with a higher rate of pay will be eligible for a Transition Allowance in accordance with the table below:

**Transition Allowance
Console Operator and Central Office Assistant**

Weekly Difference		Years of Net Credited Service		
		<10	10<25	25+
\$ 0.50	\$ 99.50	\$260	\$1,050	\$ 3,150
100.00	149.50	350	1,320	4,250
150.00	199.50	450	1,660	5,750
200.00	249.50	600	2,090	7,770
250.00+	—	790	2,630	10,500

Payment of the allowance is subject to the same conditions specified in Note 1 in paragraph a.(2) preceding.

- c. Nothing in this Section shall apply to employees engaged or reengaged as occasional or temporary employees.

Section 5. Surplus Transfers.

- a. Upon receiving notification as provided in Section 3.a. above, a surplus employee may file as one (1) of the seven (7) Job Vacancy Requests permitted, one (1) Surplus Transfer Request and shall receive consideration pursuant to Article XIII, Job Vacancy, Section 3.b.(8). If the employee refuses four (4) job offers generated as a result of the Surplus Transfer Request, excluding offers resulting from the Voluntary Severance Candidate process outlined in Section 3.e. above, the request shall be cancelled forthwith.
- b. Any surplus employee who has been relocated pursuant to this Article may submit a transfer request to return to a job in the employee's former Force Adjustment Area. The transfer request shall remain in effect for three (3) years following the placement necessitating the employee's relocation and shall, in order of seniority with other employees similarly situated, be placed first in order of consideration for laterals and downgrades. The employee shall not receive reimbursement for relocation expenses back to his/her former Force Adjustment Area.

Section 6. Geographic Scope Modifications. The force surplus disposition procedures herein shall not preclude limited, mutually-agreed to, local Union/Management modifications with respect to the geographic scope of the Force Adjustment Area and Expanded Force Adjustment Area. (“Union” shall mean the Vice President of District 6, CWA, or his/her designated representative. “Management” shall mean the Vice President-Labor Relations, or his/her 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 treatment procedures.

Section 7. Relocation. Surplus employees who accept or receive transfers and who are required to relocate their residence as a result thereof, shall be reimbursed by the Company for reasonable moving expenses incurred.

Section 8. Reemployment.

- a. During the twelve (12) months following their date of termination, former surplus employees who file employment applications and who have been involuntarily laid off shall be recalled to available openings in their former job titles within the Force Adjustment Area, if qualified, in the inverse order in which such employees were laid off, provided there are no currently qualified surplus candidates for that job title who have priority consideration.
- b. Former surplus employees who have been involuntarily laid off and who file employment applications shall be given priority consideration over other job applicants for regular and temporary job vacancies within the Force Adjustment Area, provided:
 - (1) The employee’s layoff has not exceeded three (3) years.

- (2) The employee is physically able and equipped by training and experience to perform the duties of the work available.
- c. Failure on the part of any former employee to notify the Company that its offer of employment is accepted within seven (7) calendar days and to report for duty within fifteen (15) calendar days from the date of such offer shall constitute a rejection of the offer.
- d. It shall be the responsibility of former employees who desire to be considered for reemployment under this Section to notify the Company at the employment office of their desire for reemployment and to keep the Company informed of their current address.

Section 9. **Temporary Layoff.**

- a. If an employee, laid off as a result of a force reduction, is reemployed within two (2) years from and after the date of the layoff, the period of the layoff shall be considered as temporary in any case where such employee is reengaged 1) as a regular employee, or 2) as a temporary employee if subsequently reclassified as a regular employee without interruption of service.
- b. The employee's wage length of service, whether reengaged as a regular or temporary employee, shall be the same as at the time of the temporary layoff; provided, however, if the employee was formerly at maximum and is reengaged in a job title which has a higher top rate of pay than the employee's former job and in a different job category, as described in Article XIV, then the provisions of that Article, Promotional Pay Treatment, shall be applicable.

ARTICLE XVIII SEVERANCE PAYMENTS

Section 1. **Eligibility.** A regular employee shall receive a Severance Payment as provided in Section 2. of this Article when such employee is terminated for one of the following reasons:

- a. Laid off after having been declared surplus pursuant to Article XVII, Force Adjustment;
- b. Terminated voluntarily pursuant to Article XVII, Force Adjustment;
- c. Terminated after a leave of absence when no work is available in the Force Adjustment Area, provided there was every reasonable expectancy at the time the leave was granted that the employee would return to work and the employee is willing and able to do so; or
- d. Dismissed, except for reasons of misconduct, after having three (3) or more years of Net Credited Service.

Note A: An employee terminated for any other reason, such as retirement on service pension*, death, transfer or resignation**, shall not receive a severance payment.

Note B: Any former surplus employee who is dismissed for unsatisfactory job performance from a position the employee accepted during a surplus condition shall receive a Severance Payment equal to the amount the employee would have received in the former surplus position, according to the Voluntary Severance Payment Table, if the dismissal occurs within six (6) months of placement into the position. Payment under this provision shall be determined as of the date the former surplus employee was placed in the current position.

*An employee terminated as provided in Section 1.a., b., c. or d. above, will receive an appropriate Severance Payment under this Article regardless of his/her service pension eligibility.

**“Resignation” includes the situation of an employee who refuses a lateral assignment within the Force Adjustment Area as defined in Article XVII, Force Adjustment, and who is subsequently terminated.

Section 2. Amount of Severance Payment. The amount of the Severance Payment for terminations under Section 1.a., b. and c. above, shall be based on the employee’s completed years of Net Credited Service and the Pension Band applicable to the employee’s job title as of the effective date of the termination. With regard to terminations under Section 1.d. above, the amount of the Severance Payment shall be computed based upon the “Basic Wage Rate for Normal Work Week” applicable to the employee at the effective date of termination, except for those employees covered by Note B above. Regular part-time employees shall receive prorated payments, based on their part-time classification as of the effective date of termination.

- a. An employee who is terminated as provided in Section 1.a. or 1.c. above, shall receive a Severance Payment in accordance with the table set forth on the following page:

INVOLUNTARY SEVERANCE PAYMENT TABLE

Completed Years of Net Credited Service	Pension Band Up to 107 7A8-707	Pension Band 108-109 708-709	Pension Band 110-111 710-711	Pension Band 112-114 712 +	Pension Band 115-118	Pension Band 119-120	Pension Band 121 +
1-3	\$1,760	\$1,820	\$2,000	\$2,140	\$2,430	\$2,490	\$ 2,660
4-5	3,470	3,640	3,960	4,310	4,850	4,970	5,340
6-7	5,780	6,070	6,620	7,160	8,050	8,320	8,860
8-9	8,050	8,490	9,270	10,020	11,290	11,630	12,360
10-11	11,520	12,130	13,230	14,320	16,140	16,600	17,700
12-13	15,590	16,370	17,820	19,350	21,780	22,440	23,880
14-15	20,180	21,220	23,160	25,030	28,270	29,110	30,990
16-17	24,800	26,070	28,440	30,750	34,680	35,720	38,080
18-19	29,420	30,920	33,730	36,500	41,120	42,390	45,190
20	31,710	33,410	36,380	39,420	44,350	45,710	48,710
21	34,020	35,890	39,040	42,340	47,620	49,060	52,270
22	36,330	38,380	41,730	45,240	50,850	52,380	55,820
23	38,640	40,860	44,380	48,130	54,090	55,730	59,370
24	40,950	43,380	47,070	51,050	57,350	59,050	62,920
25	43,230	45,850	49,730	53,970	60,590	62,400	66,480
26	45,540	48,340	52,380	56,890	63,820	65,720	69,990
27	47,850	50,820	55,060	59,800	67,070	69,070	73,540
28	50,160	53,310	57,720	62,690	70,310	72,390	77,100
29 and over	52,470	55,790	60,410	65,600	73,540	75,740	80,650

Wage Progression Treatment

If on Step 12 through 24 months, the employee shall receive 50% of Table Amount
 If on Step 30 through 36 months, the employee shall receive 75% of Table Amount
 If on Step 42 months and over, the employee shall receive 100% of Table Amount

- b. An employee who is terminated as provided in Section 1.b. above or who is covered by Note B above, shall receive a Severance Payment in accordance with the table set forth below:

VOLUNTARY SEVERANCE PAYMENT TABLE											
Completed Years of Net Credited Service	Pension Band Up to 107 7A8-707	Pension Band 108-109 708-709	Pension Band 110-111 710-711	Pension Band 112-114 712 +	Pension Band 115-118	Pension Band 119-120	Pension Band 121 +				
1-3	\$950	\$1,000	\$1,100	\$1,200	\$1,350	\$1,350	\$1,350	\$1,450			
4-5	1,900	2,000	2,200	2,350	2,650	2,650	2,750	2,900			
6-7	3,150	3,350	3,650	3,950	4,450	4,450	4,550	4,850			
8-9	4,450	4,650	5,100	5,500	6,200	6,200	6,400	6,800			
10-11	6,350	6,650	7,250	7,850	8,850	8,850	9,100	9,700			
12-13	8,550	9,000	9,800	10,600	11,950	11,950	12,300	13,150			
14-15	11,050	11,650	12,700	13,750	15,500	15,500	15,950	17,000			
16-17	13,600	14,300	15,600	16,900	19,050	19,050	19,600	20,900			
18-19	16,150	17,000	18,500	20,050	22,600	22,600	23,250	24,800			
20	17,775	18,750	20,375	22,100	24,875	24,875	25,600	27,300			
21	19,400	20,500	22,250	24,150	27,150	27,150	27,950	29,800			
22	21,025	22,250	24,125	26,200	29,425	29,425	30,300	32,300			
23	22,650	24,000	26,000	28,250	31,700	31,700	32,650	34,800			
24	24,275	25,750	27,875	30,300	33,975	33,975	35,000	37,300			
25	25,900	27,500	29,750	32,350	36,250	36,250	37,350	39,800			
26	27,525	29,250	31,625	34,400	38,525	38,525	39,700	42,300			
27	29,150	31,000	33,500	36,450	40,800	40,800	42,050	44,800			
28	30,775	32,750	35,375	38,500	43,075	43,075	44,400	47,300			
29 and over	32,400	34,500	37,250	40,550	45,350	45,350	46,750	49,800			

Wage Progression Treatment

If on Step 12 through 24 months, the employee shall receive 50% of Table Amount

If on Step 30 through 36 months, the employee shall receive 75% of Table Amount

If on Step 42 months and over, the employee shall receive 100% of Table Amount

c. An employee who is dismissed as provided in Section 1.d. above, except for employees covered by Note B above, shall receive a Severance Payment computed as follows:

1 week's pay if the employee has completed three (3) years but has not completed five (5) years of Net Credited Service;

2 weeks' pay if the employee has completed five (5) years but has not completed ten (10) years of Net Credited Service;

10 weeks' pay if the employee has completed ten (10) years but has not completed fifteen (15) years of Net Credited Service;

15 weeks' pay if the employee has completed fifteen (15) years but has not completed twenty (20) years of Net Credited Service;

20 weeks' pay if the employee has completed twenty (20) years but has not completed twenty-five (25) years of Net Credited Service; or

25 weeks' pay if the employee has completed twenty-five (25) or more years of Net Credited Service.

Section 3. **Rehired Employees.** If a former employee who received a Severance Payment in accordance with the above provisions is recalled or rehired within twenty-four (24) months of the effective date of his/her termination, the employee shall be required to repay the amount of the Severance Payment that he/she received less an amount equal to one twenty-fourth ($1/24^{\text{th}}$) of the Severance Payment times the number of full months which elapsed between the date of termination and the date of subsequent reemployment. The repayment of such amount shall be made by payroll deductions

of ten (10) percent of the “Basic Wage Rate For A Normal Work Week” applicable to the job into which the employee is hired until the amount owed has been fully repaid.

ARTICLE XIX GRIEVANCES

Section 1. The Union shall be the exclusive representative of all the employees in the Bargaining Unit for the purposes of presenting to and discussing with the Company grievances of any and all such employees arising from such employment; subject always, however, to the provisions of this Agreement, the current Agreement of General Application between the Union and the Company and of any applicable law.

Section 2.

- a. Any employee complaint (except those which contemplate treatment or proceedings inconsistent with the terms of a collective bargaining contract or agreement then in effect including proposals for the modification of, or addition to, any such contract or agreement) which is reduced to writing and delivered by a Union representative in accordance with Section 2. b. following, within forty-five (45) days of the action complained of shall be considered and handled as a formal grievance.
- b. The grievance procedure shall normally consist of two (2) successive steps. Notice of grievances and appeals of decisions made at the first step shall be forwarded in accordance with the following:

Step Number	Company Representative Designated to Receive Grievance
1	General Management level manager having supervisory authority over the conditions or

circumstances which gave rise to the grievance. (In the absence of a General Management level, the Company shall inform the Vice President, CWA, District 6, in writing of the appropriate Company representative who is designated to hear grievances.)

or

Vice President-Labor Relations if the grievance involves employees in more than one General Management level organization. If the grievance is initially filed at this level, there shall be no successive steps.

2 Vice President-Labor Relations.

- c. If the grievance involves or affects only employees reporting to a single immediate supervisor, a copy of the notice shall also be forwarded at the same time to such supervisor.

Section 3.

- a. The decision made at the first level of the grievance procedure may be appealed to the second level of the grievance procedure provided such appeal is submitted within two (2) weeks of the date the decision is communicated to the Union.
- b. A decision at the second level of the grievance procedure or default on the Company's part to meet with the Union, as explained in Section 7., at the second level shall be construed as full completion of the "Formal Grievance" procedure.
- c. The decision of the Company as to grievances submitted shall be confirmed in writing to the Union.

Section 4. So that the Union may present formal grievances to the appropriate Company representative, the Company will notify the Union of changes in Company organization that require a change in the then existing manner of presentation.

Section 5. After a notice as set forth in Section 2.b. above, has been received by the Company, the Company will not attempt to adjust the grievance with any employee(s) involved without offering the Union an opportunity to be present.

Section 6. At any meeting held pursuant to Section 2. above, the Company will designate its representative(s) to meet with the aggrieved employee(s), the representative(s) designated by the Union, or both.

Section 7. Meetings at each level of the grievance procedure shall be arranged promptly. If, due to the Company's actions, a mutually agreeable meeting date is not arranged within two (2) weeks of either the Company's receipt of the initial notification or the appeal of the grievance, the Union may present its original grievance to the next higher level of the formal grievance procedure.

Section 8. The place of the meeting at each level of the grievance procedure shall be mutually agreed upon, with each party giving due consideration to the convenience of the other.

Section 9. Those employees of the Company including the aggrieved employee(s) and the employee representative(s) designated by the Union, who shall suffer no loss in pay for time consumed in, and necessarily consumed in traveling to and from, grievance meetings shall not be more than three (3) at any level of the grievance procedure.

Section 10. At any meeting held under this Article for the adjustment of a grievance or complaint, any party present

(including Union or Company representatives) shall be afforded full opportunity to present any facts and arguments pertaining to the matter(s) under consideration. The decision made upon such facts and arguments shall be made as promptly after conclusion of the presentation as may be reasonably and effectively possible.

Section 11. Any complaint which is not delivered in writing by the Union as specified in Section 2. above, shall be handled by the Company as an informal complaint on an informal basis; provided, however, that nothing in this Article shall preclude the Union and the Company from using any other mutually satisfactory and proper method of presentation, discussion, and disposition of grievances.

ARTICLE XX **UNION REPRESENTATION**

At any meeting between a representative of the Company and an employee in which discipline (including warnings which are to be recorded as such in the personnel file, suspension, demotion, or discharge) is to be announced, a Union representative may be present if the employee so requests. Time spent in such a meeting shall be considered work time.

ARTICLE XXI **AGENCY SHOP***

Section 1. 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

* Where permitted by law.

effective date, on or after the thirtieth (30th) day of such entrance, whichever of these dates is later, until the termination of this Agreement. For the purpose of this Article, "employee" shall mean any person entering into the Bargaining Unit, except an occasional employee.

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 thirty (30) days after the effective date of this Agreement, until the termination of this Agreement.

Section 2. The condition of employment specified above shall not apply during periods of formal separation* from the Bargaining Unit by any such employee but shall reapply to such employee on the thirtieth (30th) 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 (1)-month duration.

ARTICLE XXII

DEDUCTION OF UNION DUES

Section 1. Subject to the provisions of this Article and the provisions of the written authorizations herein referred to, the Company agrees to make collections twice each month of regular Union dues through payroll deduction from an employee's pay upon receipt of a written authorization complete in all details on Form S-9163 (Rev. 5-51, or as subsequently revised by the parties hereto) signed by the individual employee and delivered by the Union to the Company. The

Company also agrees to remit the amounts so deducted to the order of the Treasurer of Communications Workers of America, and to forward one (1) magnetic tape, per Payroll Office, to CWA Headquarters in Washington, D.C., containing dues remittance data for all regular and temporary bargained-for employees on a monthly basis. The tapes, or other electronic medium, and one (1) check per tape, will be forwarded by the fifth (5th) work day of the month following the month in which the deductions were made. Any manual corrections necessary to bring the tape totals into balance with the remittance check will also be forwarded at that time. The Company shall not be required to fill special requests for employee data on a local basis.

Section 2. 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 the current Collective Bargaining Agreements. These periods are March 21 through April 4 of each of the respective contract years, 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.

Section 3. The Company shall not be required to deduct or remit any such amount or amounts where it has received notice of the claim of any employee from whom dues deductions are being made that such amount or amounts are being deducted from such employee's pay without proper authority.

Section 4. The Company shall bear the full cost of its undertaking hereinabove set forth except that the Union agrees to print at the Union's expense the dues deduction authorization cards in a form and according to specifications approved by the Company and the Union.

Section 5. The application of provisions of this Article shall continue so long as permitted by law.

ARTICLE XXIII
NOTICE OF PROMOTIONS AND TRANSFERS
OF UNION OFFICERS, ELECTED STEWARDS,
AND DESIGNATED REPRESENTATIVES

Section 1. The Union agrees to furnish the Company, and revise from time to time, correct lists of the names, Union titles, and locations of Company employees who are Union officers, elected Union Stewards, or Union representatives specifically designated by the Vice President of the Union for the purposes of this Article.

Section 2. Where practicable, the Company shall give the Union prior notice of its intention to promote to a supervisory position, when the tenure of position is expected to be more than one (1) month, or to transfer to a location outside the jurisdiction of the employee's Local any such employee named on a list furnished to the Company under Section 1. of this Article.

Section 3. The notice by the Company to the Union shall be given to the Local President where the employee involved is an elected Steward, to the CWA Representative where the

employee involved is a Local officer, and to the Vice President of the Union where the employee involved is any other Union officer or a representative who has been designated for the purposes hereof.

ARTICLE XXIV SAFETY AND HEALTH

Safety and health is a mutual concern of the Company and the Union. It benefits all parties to have employees work in safe and healthful environments and for employees to perform their work safely and in the interests of their own health. It is also necessary to promote a better understanding and acceptance of the principles of safety and health on the part of all employees, in order to provide for their own safety and health and that of their fellow employees, customers and the general public.

To achieve the above principles, the Company and the Union agree to establish for the duration of this contract an advisory committee on safety and health principles at the Company's headquarters level. The committee shall consist of not more than five (5) representatives each from the Company and the Union (to be appointed by the Company and the Union, respectively). This committee shall meet from time to time as required, but at least four (4) times per year.

This committee shall be charged with the responsibility to develop facts and recommendations so that both parties can make well-informed decisions regarding occupational safety and health matters.

The committee shall focus on all matters pertaining to occupational safety and health, including ergonomic concerns in the workplace. It shall also consider existing practices and rules relating to safety and health and formulate suggested changes in design and adoption of new practices and rules.

In connection with any Safety and Health Committee meetings under this Article, the employee representative(s) designated by the Union shall suffer no loss in pay for time consumed in, and necessarily consumed in traveling to and from, these meetings.

In addition, the Company will reimburse employee members for the cost of round-trip coach airfare for attending Safety and Health Committee meetings. The number of employee members reimbursed on this Committee shall not exceed the number of employee members as of April 5, 1998.

ARTICLE XXV CONTRACT WORK

Section 1. The Union and the Company agree there shall be no lockout, stoppage, interruption, slowdown or failure to carry out assigned duties for employees whose job titles are shown in Appendix C because of allocation of work to contractors as outlined below where such contracting of work to others does not involve the layoff or part-timing of regular employees.

The work associated with aerial and underground outside plant comprised of conduit construction and rearrangements, tree cutting and trimming, drayage, and the following pole line construction work:

- a. The staking of pole lines.
- b. Unloading and hauling material.
- c. Pole hole digging.
- d. Pole placing on a new line or a line in a new location, consisting of more than ten poles, or extensive replacement on existing rural pole lines.

- e. The placing before erection of the pole of brackets or one crossarm (excluding transposition brackets) on only those pole lines covered by paragraph d.

Section 2. It is the policy of this Company that traditional telephone work will not be contracted out if it will currently and directly cause either layoffs or part-timing of regular employees.

ARTICLE XXVI

PRIOR AGREEMENTS

Section 1. This Agreement supersedes and cancels the 2001 Departmental Agreement and all amendments and supplements thereto.

Section 2. The following agreements applicable to appropriate job titles included in job classifications as shown in Appendix C made by the Southwestern Telephone Workers Union, Southwestern Division No. 20 CWA, and/or the Union, with the Company shall remain in effect until superseded, terminated in accordance with their terms, or until proper notice of their termination from either party to the other:

- a. Supplemental Statements, dated April 4, 2004.
- b. Memorandum of Agreement dated August 25, 1947.
- c. The provisions of those other related Union-Company agreements and understandings in effect on June 3, 1951, which by their terms were to be effective solely within the Plant Group of the Union as constituted on June 3, 1951.

ARTICLE XXVII
DURATION

This Agreement shall become effective as of April 4, 2004, and shall continue until 11:59 p.m., on April 4, 2009, at which time it will terminate unless extended by mutual agreement in writing prior to said termination date.

IN WITNESS WHEREOF, Communications Workers of America and Southwestern Bell Telephone, L.P., SBC Advanced Solutions, Inc., SBC DataComm, Inc., SBC Operations, Inc., SBC Services, Inc., and SBC Telecom, Inc. have caused this Agreement to be executed by their respective officers and representatives, duly authorized, as of the day and year first above written.

COMMUNICATIONS WORKERS OF AMERICA

BY Andy Milburn
Vice President
District 6

APPROVED

BY Morton Bahr
President, Communications Workers of America

SOUTHWESTERN BELL TELEPHONE, L.P.
SBC ADVANCED SOLUTIONS, INC.
SBC DATACOMM, INC.
SBC OPERATIONS, INC.
SBC SERVICES, INC.
SBC TELECOM, INC.

BY Mike Smith
Vice President-
Labor Relations

APPENDIX A

1.01 a. CLERICAL CLASSIFICATIONS AND JOB TITLES

E-1 CLERICAL BAND: Employee who performs simple clerical work which includes answering telephones, serving as a messenger, handling mail, filing, routine typing, etc.

Office Clerical Assistant-A

E-2 CLERICAL BAND: Employee who may perform various clerical work of less advanced nature than that involved in E-3 Clerical.

Benefit Clerk
Mail Clerk-A
Office Service Clerk
Posting Clerk
Ticket Clerk
Typist-A

E-3 CLERICAL BAND: Employee who performs work which requires specialized training and ability.

Copy Machine Operator
Draft Records Clerk
Key Entry Operator
Records Clerk-A
Senior Typist
Service Order Clerk
Stenographer-A

SS-1 CLERICAL BAND: Employee who performs clerical work which requires a still higher degree of specialized training and ability.

Balancing Clerk

Computer Attendant-A
Editing Clerk
Mail Attendant
Senior Records Clerk-A
Senior Stenographer-A
Ticket Record Clerk
Travel Specialist

SS-2 CLERICAL BAND: Employee who performs complex clerical work which requires specialized training and ability.

Advanced Computer Attendant
Benefit Clerical Assistant
Head Clerk-A
Senior General Clerk-A
Service Order Correction Clerk

S-1 CLERICAL BAND: Employee who performs work requiring a thorough knowledge of procedure in specialized branches of finance or information technology.

Accounting Clerk
Cash Control Clerk
Draft Reconciliation Clerk
Fraud Specialist
Technical Assistance Center Administrator

S-2 CLERICAL BAND: Employee who reviews and analyzes various types of field reports or who prepares and analyzes the most important accounting records and reports, the nature of whose work requires an intimate knowledge of Company routines, practices and organization, and frequently a thorough knowledge of accounting principles and a knowledge of legal and regulatory requirements.

Audit Clerk

Claims Representative
 General Financial Clerk
 Senior Accounting Clerk
 Senior Treasury Clerk

b. GRAPHICS AND DRAFTING CLASSIFICATION

Graphics Specialist-A

1.02 Wage Schedules for job titles shown in paragraph 1.01 preceding, shall be applied in accordance with Sections 1. and 2. in Article IV, Basis of Compensation, of the 2004 Departmental Agreement. Applicable Wage Schedules are included as Appendix E for job titles in 1.01 a. preceding, and in this Appendix for the job title in 1.01 b. preceding.

APPENDIX A

**WAGE SCHEDULE
 GRAPHICS AND DRAFTING CLASSIFICATION**

Basic Wage Rates for Normal Work Week

Wage Length of Service	Effective Dates				
	4/04/04	4/03/05	4/02/06	4/01/07	4/06/08
Minimum	\$214.00	\$219.50	\$225.00	\$230.00	\$235.00
After 6 Months	\$251.50	\$258.00	\$264.50	\$270.50	\$276.50
" 12 "	\$295.50	\$303.00	\$310.50	\$317.50	\$324.50
" 18 "	\$346.50	\$355.00	\$364.00	\$372.00	\$380.50
" 24 "	\$406.50	\$416.50	\$427.00	\$436.50	\$446.50
" 30 "	\$477.50	\$489.50	\$501.50	\$513.00	\$524.50
" 36 "	\$560.50	\$574.50	\$589.00	\$602.50	\$616.00
" 42 "	\$658.00	\$674.50	\$691.50	\$707.00	\$723.00
" 48 "	\$772.00	\$791.50	\$811.50	\$830.00	\$848.50
Pension Band	108	108	108	108	108

APPENDIX B

1.01 a. CLERICAL CLASSIFICATIONS AND JOB TITLES

E-1 CLERICAL BAND: Employee who performs simple clerical work which includes answering telephones, serving as a messenger, handling mail, filing, routine typing, etc.

Office Clerical Assistant-B

E-2 CLERICAL BAND: Employee who may perform various clerical work of less advanced nature than that involved in E-3 Clerical.

Assistant Clerk
Clerk-B
Final Accounts Clerk
Mail Clerk-B
PBX Attendant
Typist-B

E-3 CLERICAL BAND: Employee who performs work which requires specialized training and ability.

Business Office Clerk
Directory Distribution Clerk
Records Clerk-B
Stenographer-B

SS-1 CLERICAL BAND: Employee who performs clerical work which requires a still higher degree of specialized training and ability.

Data Control Clerk
Data Entry Operator
Data Processing Clerk-B
General Clerk-B

Project Clerk-B
Senior Records Clerk-B
Senior Stenographer-B

SS-2 CLERICAL BAND: Employee who performs complex clerical work which requires specialized training and ability.

Directory Composer
Head Clerk-B
Senior General Clerk-B
Service Order Writer-B

b. CONTACT CLASSIFICATIONS

BUSINESS REPRESENTATIVE GROUP

Business Representative
Field Assistant

COIN COUNTER

Coin Counter

COMMUNICATIONS CONSULTANT

Communications Consultant

CUSTOMER CLERK

Customer Clerk

CUSTOMER REPRESENTATIVE GROUP

Customer Representative
Pay Telephone Consultant

CUSTOMER SERVICE REPRESENTATIVE II

Customer Service Representative II

CUSTOMER SERVICES SPECIALIST

Customer Services Specialist

HEAD SERVICE REPRESENTATIVE

Head Service Representative

MARKETING OPERATIONS GROUP

Business Systems Representative
Customer Service Representative I
Installation Coordinator
Marketing Assistant

**REVENUE MANAGEMENT
REPRESENTATIVE**

Revenue Management Representative

SALES CLERK

Sales Clerk

SERVICE REPRESENTATIVE GROUP

Service Representative

TELLER

Teller

c. GRAPHICS AND DRAFTING CLASSIFICATION

Graphics Specialist-B

1.02 Wage Schedules for job titles shown in paragraph 1.01 preceding, shall be applied in accordance with Sections 1. and 2. in Article IV, Basis of Compensation, of the 2004 Departmental Agreement. Applicable Wage Schedules are included as Appendix E for job titles in 1.01 a. preceding, and in this Appendix for job titles in 1.01 b. and c. preceding.

APPENDIX B

WAGE PROGRESSION SCHEDULES CONTACT CLASSIFICATIONS

Basic Wage Rates For Normal Work Week

BUSINESS REPRESENTATIVE GROUP

Wage Length of Service	Effective Dates				
	4/04/04	4/03/05	4/02/06	4/01/07	4/06/08
Minimum	\$260.00	\$266.50	\$273.00	\$279.00	\$285.50
After 6 Months	\$299.00	\$306.50	\$314.00	\$321.00	\$328.00
" 12 "	\$342.50	\$351.00	\$360.00	\$368.00	\$376.50
" 18 "	\$393.50	\$403.50	\$413.50	\$423.00	\$432.50
" 24 "	\$452.00	\$463.50	\$475.00	\$485.50	\$496.50
" 30 "	\$519.00	\$532.00	\$545.50	\$558.00	\$570.50
" 36 "	\$596.00	\$611.00	\$626.50	\$640.50	\$655.00
" 42 "	\$684.50	\$701.50	\$719.00	\$735.00	\$751.50
" 48 "	\$786.00	\$805.50	\$825.50	\$844.00	\$863.00
" 54 "	\$902.00	\$924.50	\$947.50	\$969.00	\$991.00
" 60 "	\$1,036.00	\$1,062.00	\$1,088.50	\$1,113.00	\$1,138.00
Pension Band	119	119	119	119	119

COIN COUNTER

Wage Length of Service	Effective Dates				
	4/04/04	4/03/05	4/02/06	4/01/07	4/06/08
Minimum	\$245.00	\$251.00	\$257.50	\$263.50	\$269.50
After 6 Months	\$281.00	\$288.00	\$295.00	\$301.50	\$308.50
" 12 "	\$322.50	\$330.50	\$339.00	\$346.50	\$354.50
" 18 "	\$370.00	\$379.50	\$389.00	\$398.00	\$407.00
" 24 "	\$424.50	\$435.00	\$446.00	\$456.00	\$466.50
" 30 "	\$486.50	\$498.50	\$511.00	\$522.50	\$534.50
" 36 "	\$558.50	\$572.50	\$587.00	\$600.00	\$613.50
" 42 "	\$640.50	\$656.50	\$673.00	\$688.00	\$703.50
" 48 "	\$735.00	\$753.50	\$772.50	\$790.00	\$808.00
" 54 "	\$843.00	\$864.00	\$885.50	\$905.50	\$926.00
" 60 "	\$967.50	\$991.50	\$1,016.50	\$1,039.50	\$1,063.00
Pension Band	116	116	116	116	116

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APPENDIX B

COMMUNICATIONS CONSULTANT

Wage Length of Service	Effective Dates				
	4/04/04	4/03/05	4/02/06	4/01/07	4/06/08
Minimum	\$271.00	\$278.00	\$285.00	\$291.50	\$298.00
After 6 Months	\$312.50	\$320.50	\$328.50	\$336.00	\$343.50
" 12 "	\$361.00	\$370.00	\$379.50	\$388.00	\$396.50
" 18 "	\$417.00	\$427.50	\$438.00	\$448.00	\$458.00
" 24 "	\$482.00	\$494.00	\$506.50	\$518.00	\$529.50
" 30 "	\$556.50	\$570.50	\$585.00	\$598.00	\$611.50
" 36 "	\$642.50	\$658.50	\$675.00	\$690.00	\$705.50
" 42 "	\$742.50	\$761.00	\$780.00	\$797.50	\$815.50
" 48 "	\$857.50	\$879.00	\$901.00	\$921.50	\$942.00
" 54 "	\$990.50	\$1,015.50	\$1,041.00	\$1,064.50	\$1,088.50
" 60 "	\$1,144.00	\$1,172.50	\$1,202.00	\$1,229.00	\$1,256.50
Pension Band	123	123	123	123	123

CUSTOMER CLERK

Wage Length of Service	Effective Dates				
	4/04/04	4/03/05	4/02/06	4/01/07	4/06/08
Minimum	\$214.00	\$219.50	\$225.00	\$230.00	\$235.00
After 6 Months	\$250.00	\$256.50	\$263.00	\$269.00	\$275.00
" 12 "	\$292.00	\$299.50	\$307.00	\$314.00	\$321.00
" 18 "	\$341.00	\$349.50	\$358.00	\$366.00	\$374.00
" 24 "	\$398.50	\$408.50	\$418.50	\$428.00	\$437.50
" 30 "	\$465.00	\$476.50	\$488.50	\$499.50	\$510.50
" 36 "	\$543.00	\$556.50	\$570.50	\$583.50	\$596.50
" 42 "	\$634.50	\$650.50	\$667.00	\$682.00	\$697.50
" 48 "	\$741.00	\$759.50	\$778.50	\$796.00	\$814.00
Pension Band	107	107	107	107	107

(Continued on next page)

APPENDIX B

CUSTOMER REPRESENTATIVE GROUP

Wage Length of Service	Effective Dates				
	4/04/04	4/03/05	4/02/06	4/01/07	4/06/08
Minimum	\$265.00	\$271.50	\$278.50	\$285.00	\$291.50
After 6 Months	\$305.00	\$312.50	\$320.50	\$327.50	\$335.00
" 12 "	\$351.50	\$360.50	\$369.50	\$378.00	\$386.50
" 18 "	\$404.00	\$414.00	\$424.50	\$434.00	\$444.00
" 24 "	\$465.00	\$476.50	\$488.50	\$499.50	\$510.50
" 30 "	\$535.00	\$548.50	\$562.00	\$574.50	\$587.50
" 36 "	\$616.00	\$631.50	\$647.50	\$662.00	\$677.00
" 42 "	\$709.00	\$726.50	\$744.50	\$761.50	\$778.50
" 48 "	\$815.50	\$836.00	\$857.00	\$876.50	\$896.00
" 54 "	\$938.50	\$962.00	\$986.00	\$1,008.00	\$1,030.50
" 60 "	\$1,080.00	\$1,107.00	\$1,134.50	\$1,160.00	\$1,186.00
Pension Band	120	120	120	120	120

CUSTOMER SERVICE REPRESENTATIVE II

Wage Length of Service	Effective Dates				
	4/04/04	4/03/05	4/02/06	4/01/07	4/06/08
Minimum	\$248.00	\$254.00	\$260.50	\$266.50	\$272.50
After 6 Months	\$287.00	\$294.00	\$301.50	\$308.50	\$315.50
" 12 "	\$332.50	\$341.00	\$349.50	\$357.50	\$365.50
" 18 "	\$385.00	\$394.50	\$404.50	\$413.50	\$423.00
" 24 "	\$446.50	\$457.50	\$469.00	\$479.50	\$490.50
" 30 "	\$516.50	\$529.50	\$542.50	\$554.50	\$567.00
" 36 "	\$598.00	\$613.00	\$628.50	\$642.50	\$657.00
" 42 "	\$693.00	\$710.50	\$728.50	\$745.00	\$762.00
" 48 "	\$802.50	\$822.50	\$843.00	\$862.00	\$881.50
" 54 "	\$929.50	\$952.50	\$976.50	\$998.50	\$1,021.00
" 60 "	\$1,076.50	\$1,103.50	\$1,131.00	\$1,156.50	\$1,182.50
Pension Band	120	120	120	120	120

(Continued on next page)

APPENDIX B

CUSTOMER SERVICES SPECIALIST

Wage Length of Service	Effective Dates				
	4/04/04	4/03/05	4/02/06	4/01/07	4/06/08
Minimum	\$219.50	\$225.00	\$230.50	\$235.50	\$241.00
After 6 Months	\$258.00	\$264.50	\$271.00	\$277.00	\$283.00
" 12 "	\$303.50	\$311.00	\$319.00	\$326.00	\$333.50
" 18 "	\$357.50	\$366.50	\$375.50	\$384.00	\$392.50
" 24 "	\$421.00	\$431.50	\$442.50	\$452.50	\$462.50
" 30 "	\$494.50	\$507.00	\$519.50	\$531.00	\$543.00
" 36 "	\$582.50	\$597.00	\$612.00	\$626.00	\$640.00
" 42 "	\$685.50	\$702.50	\$720.00	\$736.00	\$752.50
" 48 "	\$806.50	\$826.50	\$847.00	\$866.00	\$885.50
Pension Band	110	110	110	110	110

HEAD SERVICE REPRESENTATIVE

Wage Length of Service	Effective Dates				
	4/04/04	4/03/05	4/02/06	4/01/07	4/06/08
Minimum	\$245.50	\$251.50	\$258.00	\$264.00	\$270.00
After 6 Months	\$290.00	\$297.50	\$305.00	\$312.00	\$319.00
" 12 "	\$343.50	\$352.00	\$361.00	\$369.00	\$377.50
" 18 "	\$406.50	\$416.50	\$427.00	\$436.50	\$446.50
" 24 "	\$481.00	\$493.00	\$505.50	\$517.00	\$528.50
" 30 "	\$569.00	\$583.00	\$597.50	\$611.00	\$624.50
" 36 "	\$673.50	\$690.50	\$708.00	\$724.00	\$740.50
" 42 "	\$797.00	\$817.00	\$837.50	\$856.50	\$876.00
" 48 "	\$943.50	\$967.00	\$991.00	\$1,013.50	\$1,036.50
Pension Band	115	115	115	115	115

(Continued on next page)

APPENDIX B

MARKETING OPERATIONS GROUP

Wage Length of Service	Effective Dates				
	4/04/04	4/03/05	4/02/06	4/01/07	4/06/08
Minimum	\$278.00	\$285.00	\$292.00	\$298.50	\$305.00
After 6 Months	\$316.00	\$324.00	\$332.00	\$339.50	\$347.00
" 12 "	\$359.50	\$368.50	\$377.50	\$386.00	\$394.50
" 18 "	\$408.50	\$418.50	\$429.00	\$438.50	\$448.50
" 24 "	\$464.50	\$476.00	\$488.00	\$499.00	\$510.00
" 30 "	\$528.50	\$541.50	\$555.00	\$567.50	\$580.50
" 36 "	\$601.50	\$616.50	\$632.00	\$646.00	\$660.50
" 42 "	\$683.50	\$700.50	\$718.00	\$734.00	\$750.50
" 48 "	\$777.00	\$796.50	\$816.50	\$835.00	\$854.00
Pension Band	109	109	109	109	109

REVENUE MANAGEMENT REPRESENTATIVE

Wage Length of Service	Effective Dates				
	4/04/04	4/03/05	4/02/06	4/01/07	4/06/08
Minimum	\$214.00	\$219.50	\$225.00	\$230.00	\$235.00
After 6 Months	\$253.00	\$259.50	\$266.00	\$272.00	\$278.00
" 12 "	\$299.00	\$306.50	\$314.00	\$321.00	\$328.00
" 18 "	\$352.50	\$361.50	\$370.50	\$379.00	\$387.50
" 24 "	\$416.00	\$426.50	\$437.00	\$447.00	\$457.00
" 30 "	\$491.50	\$504.00	\$516.50	\$528.00	\$540.00
" 36 "	\$580.50	\$595.00	\$610.00	\$623.50	\$637.50
" 42 "	\$685.50	\$702.50	\$720.00	\$736.00	\$752.50
" 48 "	\$809.50	\$829.50	\$850.00	\$869.00	\$888.50
Pension Band	110	110	110	110	110

(Continued on next page)

APPENDIX B

SALES CLERK

Wage Length of Service	Effective Dates				
	4/04/04	4/03/05	4/02/06	4/01/07	4/06/08
Minimum	\$214.00	\$219.50	\$225.00	\$230.00	\$235.00
After 6 Months	\$235.50	\$241.50	\$247.50	\$253.00	\$258.50
" 12 "	\$258.50	\$265.00	\$271.50	\$277.50	\$283.50
" 18 "	\$284.50	\$291.50	\$299.00	\$305.50	\$312.50
" 24 "	\$312.50	\$320.50	\$328.50	\$336.00	\$343.50
" 30 "	\$343.50	\$352.00	\$361.00	\$369.00	\$377.50
" 36 "	\$378.00	\$387.50	\$397.00	\$406.00	\$415.00
" 42 "	\$415.00	\$425.50	\$436.00	\$446.00	\$456.00
" 48 "	\$456.50	\$468.00	\$479.50	\$490.50	\$501.50
Pension Band	96	96	96	96	96

SERVICE REPRESENTATIVE GROUP

Wage Length of Service	Effective Dates				
	4/04/04	4/03/05	4/02/06	4/01/07	4/06/08
Minimum	\$224.50	\$230.00	\$236.00	\$241.50	\$247.00
After 6 Months	\$266.50	\$273.00	\$280.00	\$286.50	\$293.00
" 12 "	\$317.00	\$325.00	\$333.00	\$340.50	\$348.00
" 18 "	\$377.50	\$387.00	\$396.50	\$405.50	\$414.50
" 24 "	\$449.00	\$460.00	\$471.50	\$482.00	\$493.00
" 30 "	\$534.00	\$547.50	\$561.00	\$573.50	\$586.50
" 36 "	\$635.00	\$651.00	\$667.50	\$682.50	\$698.00
" 42 "	\$755.50	\$774.50	\$794.00	\$812.00	\$830.50
" 48 "	\$898.00	\$920.50	\$943.50	\$964.50	\$986.00
Pension Band	113	113	113	113	113

(Continued on next page)

APPENDIX B

TELLER

Wage Length of Service	Effective Dates				
	4/04/04	4/03/05	4/02/06	4/01/07	4/06/08
Minimum	\$214.00	\$219.50	\$225.00	\$230.00	\$235.00
After 6 Months	\$250.00	\$256.50	\$263.00	\$269.00	\$275.00
" 12 "	\$292.00	\$299.50	\$307.00	\$314.00	\$321.00
" 18 "	\$341.00	\$349.50	\$358.00	\$366.00	\$374.00
" 24 "	\$398.50	\$408.50	\$418.50	\$428.00	\$437.50
" 30 "	\$465.00	\$476.50	\$488.50	\$499.50	\$510.50
" 36 "	\$543.00	\$556.50	\$570.50	\$583.50	\$596.50
" 42 "	\$634.50	\$650.50	\$667.00	\$682.00	\$697.50
" 48 "	\$741.00	\$759.50	\$778.50	\$796.00	\$814.00
Pension Band	107	107	107	107	107

APPENDIX B

WAGE PROGRESSION SCHEDULE GRAPHICS AND DRAFTING CLASSIFICATION

Basic Wage Rates For Normal Work Week

GRAPHICS SPECIALIST – B

Wage Length of Service	Effective Dates				
	4/04/04	4/03/05	4/02/06	4/01/07	4/06/08
Minimum	\$214.00	\$219.50	\$225.00	\$230.00	\$235.00
After 6 Months	\$251.50	\$258.00	\$264.50	\$270.50	\$276.50
" 12 "	\$295.50	\$303.00	\$310.50	\$317.50	\$324.50
" 18 "	\$346.50	\$355.00	\$364.00	\$372.00	\$380.50
" 24 "	\$406.50	\$416.50	\$427.00	\$436.50	\$446.50
" 30 "	\$477.50	\$489.50	\$501.50	\$513.00	\$524.50
" 36 "	\$560.50	\$574.50	\$589.00	\$602.50	\$616.00
" 42 "	\$658.00	\$674.50	\$691.50	\$707.00	\$723.00
" 48 "	\$772.00	\$791.50	\$811.50	\$830.00	\$848.50
Pension Band	108	108	108	108	108

APPENDIX C

1.01 a. CLERICAL CLASSIFICATIONS AND JOB TITLES

E-1 CLERICAL BAND: Employee who performs simple clerical work which includes answering telephones, serving as a messenger, handling mail, filing, routine typing, etc.

Office Clerical Assistant-C

E-2 CLERICAL BAND: Employee who may perform various clerical work of less advanced nature than that involved in E-3 Clerical.

Combination Clerk
Typist-C

E-3 CLERICAL BAND: Employee who performs work which requires specialized training and ability.

Records Clerk-C
Reports Clerk
Right of Way Clerk
Stenographer-C
Supplies Clerk

SS-1 CLERICAL BAND: Employee who performs clerical work which requires a still higher degree of specialized training and ability.

Administrative Clerk
Administrative Reports Clerk
Data Processing Clerk-C
Operations Clerk
Personnel Records Clerk
Senior Reports Clerk
Senior Stenographer-C

SS-2 CLERICAL BAND: Employee who performs complex clerical work which requires specialized training and ability.

Advanced Data Processing Clerk
Head Clerk-C
Head Stenographer-C

b. GROUP 1 CRAFT CLASSIFICATION

Cable Splicing Technician
Combination Technician
Communications Technician
Customer Services Technician
Data Services Technician
Network Center Technician
RMATS Technician
Systems Technician

c. GROUP 2 CRAFT CLASSIFICATION

Frame Attendant (Group 2-A)
Outside Plant Technician
Systems Analyst

d. NONCRAFT CLASSIFICATION

Air Conditioning Specialist
Assistant Customer Service Technician
Building Maintainer
(See Note 1 below)
Building Mechanic
CAD Technical Specialist
Central Office Translations Specialist
Circuit Design Specialist
Customer Services Representative
Driver-Tractor Trailer
(See Note 2 below)
Facilities Specialist

Garage Attendant
House Service Attendant
House Service Maintainer
Installation Coordinator
Line Translations Specialist
Motor Equipment Inspector/Maintainer
Pay Telephone Technician
Supplies Attendant
Technical Associate

Note 1: See Section 3.(a) in Article IV, Basis of Compensation, of the 2004 Departmental Agreement.

Note 2: See Section 3.(b) in Article IV, Basis of Compensation, of the 2004 Departmental Agreement.

1.02 Wage Schedules for job titles shown in paragraph 1.01 preceding, shall be applied in accordance with Sections 1. and 2. in Article IV, Basis of Compensation, of the 2004 Departmental Agreement. Applicable Wage Schedules are included as Appendix E for job titles in 1.01 a. preceding, and in this Appendix for job titles in 1.01 b., c., d., and e. preceding.

APPENDIX C

WAGE PROGRESSION SCHEDULES CRAFT CLASSIFICATIONS

Basic Wage Rates For Normal Work Week

GROUP 1

Wage Length of Service	Effective Dates				
	4/04/04	4/03/05	4/02/06	4/01/07	4/06/08
Minimum	\$248.00	\$254.00	\$260.50	\$266.50	\$272.50
After 6 Months	\$287.00	\$294.00	\$301.50	\$308.50	\$315.50
" 12 "	\$332.50	\$341.00	\$349.50	\$357.50	\$365.50
" 18 "	\$385.00	\$394.50	\$404.50	\$413.50	\$423.00
" 24 "	\$446.50	\$457.50	\$469.00	\$479.50	\$490.50
" 30 "	\$516.50	\$529.50	\$542.50	\$554.50	\$567.00
" 36 "	\$598.00	\$613.00	\$628.50	\$642.50	\$657.00
" 42 "	\$693.00	\$710.50	\$728.50	\$745.00	\$762.00
" 48 "	\$802.50	\$822.50	\$843.00	\$862.00	\$881.50
" 54 "	\$929.50	\$952.50	\$976.50	\$998.50	\$1,021.00
" 60 "	\$1,076.50	\$1,103.50	\$1,131.00	\$1,156.50	\$1,182.50
Pension Band	120	120	120	120	120

GROUP 2

Wage Length of Service	Effective Dates				
	4/04/04	4/03/05	4/02/06	4/01/07	4/06/08
Minimum	\$248.00	\$254.00	\$260.50	\$266.50	\$272.50
After 6 Months	\$286.00	\$293.00	\$300.50	\$307.50	\$314.50
" 12 "	\$330.00	\$338.50	\$347.00	\$355.00	\$363.00
" 18 "	\$381.00	\$390.50	\$400.50	\$409.50	\$418.50
" 24 "	\$439.50	\$450.50	\$462.00	\$472.50	\$483.00
" 30 "	\$507.50	\$520.00	\$533.00	\$545.00	\$557.50
" 36 "	\$586.00	\$600.50	\$615.50	\$629.50	\$643.50
" 42 "	\$676.50	\$693.50	\$711.00	\$727.00	\$743.50
" 48 "	\$780.50	\$800.00	\$820.00	\$838.50	\$857.50
" 54 "	\$900.50	\$923.00	\$946.00	\$967.50	\$989.50
" 60 "	\$1,039.50	\$1,065.50	\$1,092.00	\$1,116.50	\$1,141.50
Pension Band	119	119	119	119	119

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APPENDIX C

GROUP 2-A

Wage Length of Service	Effective Dates				
	4/04/04	4/03/05	4/02/06	4/01/07	4/06/08
Minimum	\$248.00	\$254.00	\$260.50	\$266.50	\$272.50
After 6 Months	\$286.00	\$293.00	\$300.50	\$307.50	\$314.50
" 12 "	\$330.00	\$338.50	\$347.00	\$355.00	\$363.00
" 18 "	\$381.00	\$390.50	\$400.50	\$409.50	\$418.50
" 24 "	\$439.50	\$450.50	\$462.00	\$472.50	\$483.00
" 30 "	\$507.50	\$520.00	\$533.00	\$545.00	\$557.50
" 36 "	\$586.00	\$600.50	\$615.50	\$629.50	\$643.50
" 42 "	\$676.50	\$693.50	\$711.00	\$727.00	\$743.50
" 48 "	\$780.50	\$800.00	\$820.00	\$838.50	\$857.50
" 54 "	\$921.00	\$944.00	\$967.50	\$989.50	\$1,012.00
Pension Band	114	114	114	114	114

APPENDIX C

WAGE PROGRESSION SCHEDULES NONCRAFT CLASSIFICATIONS

Basic Wage Rates For Normal Work Week

AIR CONDITIONING SPECIALIST MOTOR EQUIPMENT INSPECTOR/MAINTAINER

Wage Length of Service	Effective Dates				
	4/04/04	4/03/05	4/02/06	4/01/07	4/06/08
Minimum	\$248.00	\$254.00	\$260.50	\$266.50	\$272.50
After 6 Months	\$286.50	\$293.50	\$301.00	\$308.00	\$315.00
" 12 "	\$332.00	\$340.50	\$349.00	\$357.00	\$365.00
" 18 "	\$384.00	\$393.50	\$403.50	\$412.50	\$422.00
" 24 "	\$444.50	\$455.50	\$467.00	\$477.50	\$488.00
" 30 "	\$514.50	\$527.50	\$540.50	\$552.50	\$565.00
" 36 "	\$595.50	\$610.50	\$626.00	\$640.00	\$654.50
" 42 "	\$689.50	\$706.50	\$724.00	\$740.50	\$757.00
" 48 "	\$797.50	\$817.50	\$838.00	\$857.00	\$876.50
" 54 "	\$923.00	\$946.00	\$969.50	\$991.50	\$1,014.00
" 60 "	\$1,068.50	\$1,095.00	\$1,122.50	\$1,148.00	\$1,174.00
Pension Band	120	120	120	120	120

ASSISTANT CUSTOMER SERVICE TECHNICIAN

Wage Length of Service	Effective Dates				
	4/04/04	4/03/05	4/02/06	4/01/07	4/06/08
Minimum	\$234.00	\$240.00	\$246.00	\$251.50	\$257.00
After 6 Months	\$265.00	\$271.50	\$278.50	\$285.00	\$291.50
" 12 "	\$301.00	\$308.50	\$316.00	\$323.00	\$330.50
" 18 "	\$341.00	\$349.50	\$358.00	\$366.00	\$374.00
" 24 "	\$386.50	\$396.00	\$406.00	\$415.00	\$424.50
" 30 "	\$438.00	\$449.00	\$460.00	\$470.50	\$481.00
" 36 "	\$496.50	\$509.00	\$521.50	\$533.00	\$545.00
" 42 "	\$563.00	\$577.00	\$591.50	\$605.00	\$618.50
" 48 "	\$638.00	\$654.00	\$670.50	\$685.50	\$701.00
Pension Band	103	103	103	103	103

(Continued on next page)

APPENDIX C

BUILDING MAINTAINER AND GARAGE ATTENDANT

Wage Length of Service	Effective Dates				
	4/04/04	4/03/05	4/02/06	4/01/07	4/06/08
Minimum	\$214.00	\$219.50	\$225.00	\$230.00	\$235.00
After 6 Months	\$247.00	\$253.00	\$259.50	\$265.50	\$271.50
" 12 "	\$284.00	\$291.00	\$298.50	\$305.00	\$312.00
" 18 "	\$327.00	\$335.00	\$343.50	\$351.00	\$359.00
" 24 "	\$376.50	\$386.00	\$395.50	\$404.50	\$413.50
" 30 "	\$433.50	\$444.50	\$455.50	\$465.50	\$476.00
" 36 "	\$499.50	\$512.00	\$525.00	\$537.00	\$549.00
" 42 "	\$575.00	\$589.50	\$604.00	\$617.50	\$631.50
" 48 "	\$662.00	\$678.50	\$695.50	\$711.00	\$727.00
Pension Band	104	104	104	104	104

BUILDING MECHANIC

Wage Length of Service	Effective Dates				
	4/04/04	4/03/05	4/02/06	4/01/07	4/06/08
Minimum	\$244.50	\$250.50	\$257.00	\$263.00	\$269.00
After 6 Months	\$281.00	\$288.00	\$295.00	\$301.50	\$308.50
" 12 "	\$324.00	\$332.00	\$340.50	\$348.00	\$356.00
" 18 "	\$372.50	\$382.00	\$391.50	\$400.50	\$409.50
" 24 "	\$429.00	\$439.50	\$450.50	\$460.50	\$471.00
" 30 "	\$493.50	\$506.00	\$518.50	\$530.00	\$542.00
" 36 "	\$568.00	\$582.00	\$596.50	\$610.00	\$623.50
" 42 "	\$654.00	\$670.50	\$687.50	\$703.00	\$719.00
" 48 "	\$753.00	\$772.00	\$791.50	\$809.50	\$827.50
" 54 "	\$866.50	\$888.00	\$910.00	\$930.50	\$951.50
" 60 "	\$997.00	\$1,022.00	\$1,047.50	\$1,071.00	\$1,095.00
Pension Band	117	117	117	117	117

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APPENDIX C

CAD TECHNICAL SPECIALIST

Wage Length of Service	Effective Dates				
	4/04/04	4/03/05	4/02/06	4/01/07	4/06/08
Minimum	\$214.00	\$219.50	\$225.00	\$230.00	\$235.00
After 6 Months	\$252.50	\$259.00	\$265.50	\$271.50	\$277.50
" 12 "	\$297.00	\$304.50	\$312.00	\$319.00	\$326.00
" 18 "	\$350.00	\$359.00	\$368.00	\$376.50	\$385.00
" 24 "	\$412.00	\$422.50	\$433.00	\$442.50	\$452.50
" 30 "	\$485.00	\$497.00	\$509.50	\$521.00	\$532.50
" 36 "	\$571.00	\$585.50	\$600.00	\$613.50	\$627.50
" 42 "	\$672.50	\$689.50	\$706.50	\$722.50	\$739.00
" 48 "	\$792.00	\$812.00	\$832.50	\$851.00	\$870.00
Pension Band	109	109	109	109	109

CENTRAL OFFICE TRANSLATIONS SPECIALIST* CUSTOMER SERVICES REPRESENTATIVE CIRCUIT DESIGN SPECIALIST FACILITIES SPECIALIST

Wage Length of Service	Effective Dates				
	4/04/04	4/03/05	4/02/06	4/01/07	4/06/08
Minimum	\$223.50	\$229.00	\$234.50	\$240.00	\$245.50
After 6 Months	\$263.50	\$270.00	\$277.00	\$283.00	\$289.50
" 12 "	\$311.00	\$319.00	\$327.00	\$334.50	\$342.00
" 18 "	\$366.50	\$375.50	\$385.00	\$393.50	\$402.50
" 24 "	\$432.50	\$443.50	\$454.50	\$464.50	\$475.00
" 30 "	\$510.50	\$523.50	\$536.50	\$548.50	\$561.00
" 36 "	\$602.50	\$617.50	\$633.00	\$647.00	\$661.50
" 42 "	\$710.50	\$728.50	\$746.50	\$763.50	\$780.50
" 48 "	\$838.00	\$859.00	\$880.50	\$900.50	\$921.00
Pension Band	111	111	111	111	111

(Continued on next page)

*Effective first pay period commencing 90 days after ratification, see Line Translations Specialist Wage Schedule

APPENDIX C

DRIVER-TRACTOR TRAILER

Wage Length of Service	Effective Dates				
	4/04/04	4/03/05	4/02/06	4/01/07	4/06/08
Pension Band	111	111	111	111	111

HOUSE SERVICE ATTENDANT

Wage Length of Service	Effective Dates				
	4/04/04	4/03/05	4/02/06	4/01/07	4/06/08
Minimum	\$214.00	\$219.50	\$225.00	\$230.00	\$235.00
After 6 Months	\$244.50	\$250.50	\$257.00	\$263.00	\$269.00
" 12 "	\$278.50	\$285.50	\$292.50	\$299.00	\$305.50
" 18 "	\$317.50	\$325.50	\$333.50	\$341.00	\$348.50
" 24 "	\$362.50	\$371.50	\$381.00	\$389.50	\$398.50
" 30 "	\$413.00	\$423.50	\$434.00	\$444.00	\$454.00
" 36 "	\$471.00	\$483.00	\$495.00	\$506.00	\$517.50
" 42 "	\$537.50	\$551.00	\$565.00	\$577.50	\$590.50
" 48 "	\$613.00	\$628.50	\$644.00	\$658.50	\$673.50
Pension Band	102	102	102	102	102

HOUSE SERVICE MAINTAINER

Wage Length of Service	Effective Dates				
	4/04/04	4/03/05	4/02/06	4/01/07	4/06/08
Minimum	\$214.00	\$219.50	\$225.00	\$230.00	\$235.00
After 6 Months	\$246.00	\$252.00	\$258.50	\$264.50	\$270.50
" 12 "	\$282.50	\$289.50	\$296.50	\$303.00	\$310.00
" 18 "	\$325.00	\$333.00	\$341.50	\$349.00	\$357.00
" 24 "	\$373.00	\$382.50	\$392.00	\$401.00	\$410.00
" 30 "	\$428.50	\$439.00	\$450.00	\$460.00	\$470.50
" 36 "	\$492.00	\$504.50	\$517.00	\$528.50	\$540.50
" 42 "	\$565.00	\$579.00	\$593.50	\$607.00	\$620.50
" 48 "	\$649.00	\$665.00	\$681.50	\$697.00	\$712.50
Pension Band	104	104	104	104	104

(Continued on next page)

APPENDIX C

INSTALLATION COORDINATOR

Wage Length of Service	Effective Dates				
	4/04/04	4/03/05	4/02/06	4/01/07	4/06/08
Minimum	\$278.00	\$285.00	\$292.00	\$298.50	\$305.00
After 6 Months	\$316.00	\$324.00	\$332.00	\$339.50	\$347.00
" 12 "	\$359.50	\$368.50	\$377.50	\$386.00	\$394.50
" 18 "	\$408.50	\$418.50	\$429.00	\$438.50	\$448.50
" 24 "	\$464.50	\$476.00	\$488.00	\$499.00	\$510.00
" 30 "	\$528.50	\$541.50	\$555.00	\$567.50	\$580.50
" 36 "	\$601.50	\$616.50	\$632.00	\$646.00	\$660.50
" 42 "	\$683.50	\$700.50	\$718.00	\$734.00	\$750.50
" 48 "	\$777.00	\$796.50	\$816.50	\$835.00	\$854.00
Pension Band	109	109	109	109	109

CENTRAL OFFICE TRANSLATIONS SPECIALIST* LINE TRANSLATIONS SPECIALIST

Wage Length of Service	Effective Dates				
	4/04/04	4/03/05	4/02/06	4/01/07	4/06/08
Minimum	\$224.50	\$230.00	\$236.00	\$241.50	\$247.00
After 6 Months	\$265.50	\$272.00	\$279.00	\$285.50	\$292.00
" 12 "	\$314.00	\$322.00	\$330.00	\$337.50	\$345.00
" 18 "	\$372.00	\$381.50	\$391.00	\$400.00	\$409.00
" 24 "	\$440.00	\$451.00	\$462.50	\$473.00	\$483.50
" 30 "	\$520.50	\$533.50	\$547.00	\$559.50	\$572.00
" 36 "	\$616.50	\$632.00	\$648.00	\$662.50	\$677.50
" 42 "	\$730.00	\$748.50	\$767.00	\$784.50	\$802.00
" 48 "	\$863.50	\$885.00	\$907.00	\$927.50	\$948.50
Pension Band	112	112	112	112	112

(Continued on next page)

*Effective the first pay period commencing 90 days after ratification

APPENDIX C

PAY TELEPHONE TECHNICIAN

Wage Length of Service	Effective Dates				
	4/04/04	4/03/05	4/02/06	4/01/07	4/06/08
Minimum	\$245.00	\$251.00	\$257.50	\$263.50	\$269.50
After 6 Months	\$282.00	\$289.00	\$296.00	\$302.50	\$309.50
" 12 "	\$324.50	\$332.50	\$341.00	\$348.50	\$356.50
" 18 "	\$374.00	\$383.50	\$393.00	\$402.00	\$411.00
" 24 "	\$430.50	\$441.50	\$452.50	\$462.50	\$473.00
" 30 "	\$495.50	\$508.00	\$520.50	\$532.00	\$544.00
" 36 "	\$570.50	\$585.00	\$599.50	\$613.00	\$627.00
" 42 "	\$657.50	\$674.00	\$691.00	\$706.50	\$722.50
" 48 "	\$757.00	\$776.00	\$795.50	\$813.50	\$832.00
" 54 "	\$871.50	\$893.50	\$916.00	\$936.50	\$957.50
" 60 "	\$1,003.50	\$1,028.50	\$1,054.00	\$1,077.50	\$1,101.50
Pension Band	117	117	117	117	117

SUPPLIES ATTENDANT

Wage Length of Service	Effective Dates				
	4/04/04	4/03/05	4/02/06	4/01/07	4/06/08
Minimum	\$214.00	\$219.50	\$225.00	\$230.00	\$235.00
After 6 Months	\$253.00	\$259.50	\$266.00	\$272.00	\$278.00
" 12 "	\$298.50	\$306.00	\$313.50	\$320.50	\$327.50
" 18 "	\$352.00	\$361.00	\$370.00	\$378.50	\$387.00
" 24 "	\$415.00	\$425.50	\$436.00	\$446.00	\$456.00
" 30 "	\$490.00	\$502.50	\$515.00	\$526.50	\$538.50
" 36 "	\$578.50	\$593.00	\$608.00	\$621.50	\$635.50
" 42 "	\$682.50	\$699.50	\$717.00	\$733.00	\$749.50
" 48 "	\$805.50	\$825.50	\$846.00	\$865.00	\$884.50
Pension Band	110	110	110	110	110

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APPENDIX C

TECHNICAL ASSOCIATE

Wage Length of Service	Effective Dates				
	4/04/04	4/03/05	4/02/06	4/01/07	4/06/08
Minimum	\$214.00	\$219.50	\$225.00	\$230.00	\$235.00
After 6 Months	\$252.50	\$259.00	\$265.50	\$271.50	\$277.50
" 12 "	\$297.00	\$304.50	\$312.00	\$319.00	\$326.00
" 18 "	\$350.00	\$359.00	\$368.00	\$376.50	\$385.00
" 24 "	\$412.00	\$422.50	\$433.00	\$442.50	\$452.50
" 30 "	\$485.00	\$497.00	\$509.50	\$521.00	\$532.50
" 36 "	\$571.00	\$585.50	\$600.00	\$613.50	\$627.50
" 42 "	\$672.50	\$689.50	\$706.50	\$722.50	\$739.00
" 48 "	\$792.00	\$812.00	\$832.50	\$851.00	\$870.00
Pension Band	109	109	109	109	109

APPENDIX C
SUPPLEMENTAL STATEMENTS
SUMMARY

Statement

- | No. | Title |
|------------|--|
| 1. | Payment Of Group 1 Rate To Employees On Certain Types Of Preventive Maintenance Work |
| 2. | Classification of Installation Work Between Group 1 and Group 2 |
| 3. | Lunch Periods |
| 4. | Rotation Of Night Work Among Cable Splicing Forces |
| 5. | Use Of Employee-Owned Automobiles |
| 6. | Supervisor's Manual |

APPENDIX C SUPPLEMENTAL STATEMENTS

1. PAYMENT OF GROUP 1 RATE TO EMPLOYEES ON CERTAIN TYPES OF PREVENTIVE MAINTENANCE WORK

The purpose of the following is to better define the classification of preventive maintenance work between Group 1 and Group 2 workers:

A. Drop Wire, Inside Wire, and Station Cords

The locating and clearing of trouble indicated by wet weather tests or resulting from subscriber reports and/or tests shall be classified as Group 1 work; however, where such trouble is located and is then cleared on a temporary basis, the later routine replacement of the plant involved shall be classified as Group 2 work. The identification of defective drop wires for the purpose of subsequent clearing of the trouble shall not be considered as "cleared on a temporary basis."

Straight drop wire patrol work involving partial or complete drop wire replacement, rerouting (including the necessary inside wire work on the subscriber's premises), tree trimming, and other drop or inside wire repair work not involving the locating of trouble found through tests, shall be classified as Group 2 work and may be carried out by installers and outside plant technicians.

Repair or replacement of subscriber's station cords resulting from tests from the Central Office desk or in connection with the use of portable electronic test sets or other similar devices shall be classified as Group 1 work. Routine replacement of subscriber station cords on other than a trouble testing basis as above described shall be classified as Group 2 work.

B. Cable Work

The following shall be Group 1 work:

- (a) Cable splicing work.
- (b) Locating and clearing cable trouble by opening the sheath and repairing cable conductors.
- (c) Cutting in cable terminals, regardless of size or method.
- (d) Sheath welding.

All other preventive maintenance work not requiring a Cable Splicing Technician shall be considered as Group 2 work.

C. The general types of work operations listed above and other work associated with preventive maintenance may be carried out by Group 1 employees or by Group 2 employees for training purposes or to such extent as their qualifications permit. Subject to any applicable provisions of Article XIII, which covers Job Vacancy, each employee shall be assigned the appropriate title under Group 1 or Group 2, dependent upon that employee's preponderant duties.

2. CLASSIFICATION OF INSTALLATION WORK BETWEEN GROUP 1 AND GROUP 2 (Work Primarily On The Subscriber's Premises)

In order to better define the classification of installation work between Group 1 and Group 2, lists of typical job assignments are shown below.

GROUP 1 WORK

- A. Install, reinstall, reconnect, rearrange, move, change, disconnect, or remove:
1. Auxiliary signals, push buttons, and buzzers, directly associated with equipment listed hereunder.
 2. Cord type PBX.
 3. Cordless type PBX.
 4. Cord circuit at PBX.
 5. PBX trunk jacks, station jacks, and associated switchboard equipment.
 6. PBX tie line with associated switchboard or tie line equipment (equipment not in place).
 7. Storage battery.
 8. Rectifier.
 9. Code calling equipment.
 10. Conference service equipment.
 11. PAX equipment units — all types.
 12. 750 or 755 PAX.
 13. 750 or 755 PAX key station.
 14. Order turrets and call distributors.
 15. 1A Interphone System and 2A and 3A Communication Systems.

16. 1A Key telephone system with visual signalling, or to intercommunicate, or to automatically cut off or exclude.
 17. Visual signalling equipment.
 18. 102 Key equipment, or key box or line.
 19. Secretarial service equipment.
 20. No. 4 type Key equipment.
 21. 6A Key equipment (dial intercom).
 22. Teletype equipment.
 23. Telephoto equipment.
 24. Paging systems.
 25. Volume limiter equipment.
 26. Automatic telephone answering equipment.
 27. Distant talking microphone set.
 28. Interconnect devices directly associated with equipment listed above.
- B. Regrade or regroup PAX or multiple PBX trunk circuits.
- C. Test and adjust mobile radio station or television equipment.
- D. Equalize loops (all types).
- E. Maintain, install, and repair equipment arranged for carrier operation.

GROUP 2 WORK

- A. Install, reinstall, reconnect, rearrange, move, change, disconnect, or remove:
1. Auxiliary signals (other than visual signals), push buttons, and buzzers, directly associated with equipment listed hereunder.
 2. Main station.
 3. PBX station.
 4. Extension station.
 5. Jacks for portable station.
 6. Private line equipment.
 7. Special service circuits.
 8. Pay telephone and associated equipment.
 9. Telephone booths, shelves, pedestals, and associated equipment.
 10. Outside or explosive atmosphere telephone set.
 11. Broadcasting and supervisory loops.
 12. PBX trunk or tie line (equipment in place).
 13. 1A Key telephone system to pick up, hold, or manually cut off or exclude, where visual signalling is not involved.
 14. Handsets, including amplifier, push-to-talk, weak speech, shoulder rest, etc.

15. Long cords or special cords.
16. Operator's handset or headset.
17. Line on secretarial service equipment (equipment in place).
18. Illuminated dial telephone set.
19. Recorder coupler.
20. Recorder connector.
21. 106- and 107-type loudspeakers.
22. Interconnect devices directly associated with equipment listed above.

B. Change:

1. Pairing.
2. Class of service.
3. Coin number plate.
4. Grouping for party line fill.

C. Place, connect, move, or remove mobile radio station or television equipment.

D. Restrict, intercept, or remove from intercepting PAX station lines.

E. Place, connect, move or remove equipment arranged for carrier operation, and make necessary tests and adjustments encountered on installation of such equipment.

Note: Drop wire work, inside wire work, and other work of this general type associated with installation work, shall be classified as Group 2 work.

3. LUNCH PERIODS

The length of the lunch period for Craft construction forces shall be thirty (30) minutes, unless constant attendance at the post of duty is required. The length of the lunch period for other Craft employees having outside plant maintenance titles may be either forty-five (45) minutes or one (1) hour as desired by the majority of such employees in a particular exchange.

In certain other forces, a thirty (30)-minute lunch period may be permitted if specifically approved by General Management. [This applies particularly to testroom employees who were formerly on a thirty (30)-minute lunch period schedule.]

No change in lunch hour practice is contemplated for other forces.

When an employee is temporarily assigned to a group observing a different lunch period, the employee will be required to follow the lunch hour practice observed by the group to which he or she is temporarily assigned. In such cases where an employee normally works from 8 a.m. to 4:45 p.m. and is temporarily assigned to a group having a one (1)-hour lunch period and working from 8 a.m. to 5 p.m., no overtime payment will be involved.

4. ROTATION OF NIGHT WORK AMONG CABLE SPLICING FORCES

It is agreed that night cable splicing work over an extended period will be rotated among the available cable splicing forces so that a given employee will not be regu-

larly scheduled for consecutive night tours for more than a thirty (30) day period. After such a period of consecutive night tours, the employee will be assigned to day tours for a period of not less than thirty (30) days before reassignment to night tours on a regular basis.

5. USE OF EMPLOYEE-OWNED AUTOMOBILES

Employee-owned and driven automobiles may be used incident to the Company's business for the convenience of the employee provided that the employee carries adequate insurance coverage with an approved insurance company, and the necessary authorization is obtained through lines of organization in accordance with the existing instructions.

Information concerning the procedure in obtaining authorization to drive employee-owned automobiles on Company time may be secured through the immediate supervisor.

The extent to which personal cars may be used on Company business must of necessity be determined in the areas, and this statement is not intended as indicating any viewpoint as to whether such usage in any locality should or should not be increased.

The safe operation of non-Company automobiles on Company time by employees is a responsibility of the Company even though the automobiles may be used primarily for the convenience of the employee.

6. SUPERVISOR'S MANUAL

The Company will furnish the Union, for informational purposes, copies of the Supervisor's Manual when revised.

APPENDIX D

1.01 a. CLERICAL CLASSIFICATIONS AND JOB TITLES

E-1 CLERICAL BAND: Employee who performs simple clerical work which includes answering telephones, serving as a messenger, handling mail, filing, routine typing, etc.

Office Clerical Assistant-D

E-2 CLERICAL BAND: Employee who may perform various clerical work of less advanced nature than that involved in E-3 Clerical.

Miscellaneous Summaries Clerk
Typist-D

E-3 CLERICAL BAND: Employee who performs work which requires specialized training and ability.

Force Reports Clerk
Records Clerk-D
Service Results Clerk
Stenographer-D

SS-1 CLERICAL BAND: Employee who performs clerical work which requires a still higher degree of specialized training and ability.

Computer Attendant-D
DAS/C Data Base Clerk
Force Adjustment Clerk
General Clerk-D
Payroll Change Clerk
Senior Records Clerk-D
Senior Stenographer-D

SS-2 CLERICAL BAND: Employee who performs complex clerical work which requires specialized training and ability.

Head Clerk-D
Head Stenographer-D
Senior General Clerk-D
Service Evaluator

b. CENTRAL OFFICE ASSISTANT CLASSIFICATION

Central Office Assistant

c. CONSOLE OPERATOR CLASSIFICATION

Console Operator

d. CONTACT CLASSIFICATION

Business Services Instructor

e. OPERATING CLASSIFICATION

Central Office Clerk
Operator
Service Assistant

1.02 Wage Schedules for job titles shown in paragraph 1.01 preceding, shall be applied in accordance with Sections 1. and 2. in Article IV, Basis of Compensation, of the 2004 Departmental Agreement. Applicable Wage Schedules are included as Appendix E for job titles in 1.01 a. preceding, and in this Appendix for job titles in 1.01 b., c., d., and e. preceding.

APPENDIX D

WAGE PROGRESSION SCHEDULE CENTRAL OFFICE ASSISTANT CLASSIFICATION

Basic Wage Rates For Normal Work Week

CENTRAL OFFICE ASSISTANT

Wage Length of Service	Effective Dates				
	4/04/04	4/03/05	4/02/06	4/01/07	4/06/08
Minimum	\$219.50	\$225.00	\$230.50	\$235.50	\$241.00
After 6 Months	\$257.50	\$264.00	\$270.50	\$276.50	\$282.50
" 12 "	\$302.50	\$310.00	\$318.00	\$325.00	\$332.50
" 18 "	\$355.50	\$364.50	\$373.50	\$382.00	\$390.50
" 24 "	\$417.00	\$427.50	\$438.00	\$448.00	\$458.00
" 30 "	\$490.00	\$502.50	\$515.00	\$526.50	\$538.50
" 36 "	\$575.50	\$590.00	\$605.00	\$618.50	\$632.50
" 42 "	\$676.00	\$693.00	\$710.50	\$726.50	\$743.00
Pension Band	105	105	105	105	105

APPENDIX D

WAGE PROGRESSION SCHEDULE CONSOLE OPERATOR CLASSIFICATION

Basic Wage Rates For Normal Work Week

Wage Length of Service	Effective Dates				
	4/04/04	4/03/05	4/02/06	4/01/07	4/06/08
Minimum	\$214.00	\$219.50	\$225.00	\$230.00	\$235.00
After 6 Months	\$250.00	\$256.50	\$263.00	\$269.00	\$275.00
" 12 "	\$291.50	\$299.00	\$306.50	\$313.50	\$320.50
" 18 "	\$340.00	\$348.50	\$357.00	\$365.00	\$373.00
" 24 "	\$397.00	\$407.00	\$417.00	\$426.50	\$436.00
" 30 "	\$463.00	\$474.50	\$486.50	\$497.50	\$508.50
" 36 "	\$540.00	\$553.50	\$567.50	\$580.50	\$593.50
" 42 "	\$630.50	\$646.50	\$662.50	\$677.50	\$692.50
Pension Band	103	103	103	103	103

APPENDIX D

WAGE PROGRESSION SCHEDULE CONTACT CLASSIFICATION

Basic Wage Rates For Normal Work Week

BUSINESS SERVICES INSTRUCTOR

Wage Length of Service	Effective Dates				
	4/04/04	4/03/05	4/02/06	4/01/07	4/06/08
Minimum	\$234.00	\$240.00	\$246.00	\$251.50	\$257.00
After 6 Months	\$274.00	\$281.00	\$288.00	\$294.50	\$301.00
" 12 "	\$321.00	\$329.00	\$337.00	\$344.50	\$352.50
" 18 "	\$375.50	\$385.00	\$394.50	\$403.50	\$412.50
" 24 "	\$439.00	\$450.00	\$461.50	\$472.00	\$482.50
" 30 "	\$514.00	\$527.00	\$540.00	\$552.00	\$564.50
" 36 "	\$601.50	\$616.50	\$632.00	\$646.00	\$660.50
" 42 "	\$704.00	\$721.50	\$739.50	\$756.00	\$773.00
" 48 "	\$823.50	\$844.00	\$865.00	\$884.50	\$904.50
Pension Band	110	110	110	110	110

APPENDIX D

WAGE PROGRESSION SCHEDULES OPERATING CLASSIFICATIONS

Basic Wage Rates For Normal Work Week

CENTRAL OFFICE CLERK SERVICE ASSISTANT

Wage Length of Service	Effective Dates				
	4/04/04	4/03/05	4/02/06	4/01/07	4/06/08
Minimum	\$223.50	\$229.00	\$234.50	\$240.00	\$245.50
After 6 Months	\$261.00	\$267.50	\$274.00	\$280.00	\$286.50
" 12 "	\$305.50	\$313.00	\$321.00	\$328.00	\$335.50
" 18 "	\$357.50	\$366.50	\$375.50	\$384.00	\$392.50
" 24 "	\$417.50	\$428.00	\$438.50	\$448.50	\$458.50
" 30 "	\$488.50	\$500.50	\$513.00	\$524.50	\$536.50
" 36 "	\$571.50	\$586.00	\$600.50	\$614.00	\$628.00
" 42 "	\$668.50	\$685.00	\$702.00	\$718.00	\$734.00
" 48 "	\$782.00	\$801.50	\$821.50	\$840.00	\$859.00
Pension Band	109	109	109	109	109

OPERATOR

Wage Length of Service	Effective Dates				
	4/04/04	4/03/05	4/02/06	4/01/07	4/06/08
Minimum	\$214.00	\$219.50	\$225.00	\$230.00	\$235.00
After 6 Months	\$251.00	\$257.50	\$264.00	\$270.00	\$276.00
" 12 "	\$294.00	\$301.50	\$309.00	\$316.00	\$323.00
" 18 "	\$343.50	\$352.00	\$361.00	\$369.00	\$377.50
" 24 "	\$402.50	\$412.50	\$423.00	\$432.50	\$442.00
" 30 "	\$471.00	\$483.00	\$495.00	\$506.00	\$517.50
" 36 "	\$551.50	\$565.50	\$579.50	\$592.50	\$606.00
" 42 "	\$645.50	\$661.50	\$678.00	\$693.50	\$709.00
" 48 "	\$756.00	\$775.00	\$794.50	\$812.50	\$831.00
Pension Band	108	108	108	108	108

APPENDIX E

WAGE PROGRESSION SCHEDULES CLERICAL CLASSIFICATIONS

APPENDICES A, B, C, D and H

Basic Wage Rates For Normal Work Week

E-1 CLERICAL

Wage Length of Service	Effective Dates				
	4/04/04	4/03/05	4/02/06	4/01/07	4/06/08
Minimum	\$214.00	\$219.50	\$225.00	\$230.00	\$235.00
After 6 Months	\$245.00	\$251.00	\$257.50	\$263.50	\$269.50
" 12 "	\$280.00	\$287.00	\$294.00	\$300.50	\$307.50
" 18 "	\$320.00	\$328.00	\$336.00	\$343.50	\$351.00
" 24 "	\$365.50	\$374.50	\$384.00	\$392.50	\$401.50
" 30 "	\$418.00	\$428.50	\$439.00	\$449.00	\$459.00
" 36 "	\$478.00	\$490.00	\$502.50	\$514.00	\$525.50
" 42 "	\$546.00	\$559.50	\$573.50	\$586.50	\$599.50
" 48 "	\$624.00	\$639.50	\$655.50	\$670.00	\$685.00
Pension Band	103	103	103	103	103

E-2 CLERICAL

Wage Length of Service	Effective Dates				
	4/04/04	4/03/05	4/02/06	4/01/07	4/06/08
Minimum	\$214.00	\$219.50	\$225.00	\$230.00	\$235.00
After 6 Months	\$249.00	\$255.00	\$261.50	\$267.50	\$273.50
" 12 "	\$289.50	\$296.50	\$304.00	\$311.00	\$318.00
" 18 "	\$337.00	\$345.50	\$354.00	\$362.00	\$370.00
" 24 "	\$391.50	\$401.50	\$411.50	\$421.00	\$430.50
" 30 "	\$456.00	\$467.50	\$479.00	\$490.00	\$501.00
" 36 "	\$530.00	\$543.50	\$557.00	\$569.50	\$582.50
" 42 "	\$616.50	\$632.00	\$648.00	\$662.50	\$677.50
" 48 "	\$717.00	\$735.00	\$753.50	\$770.50	\$788.00
Pension Band	106	106	106	106	106

(Continued on next page)

APPENDIX E

E-3 CLERICAL

Wage Length of Service	Effective Dates				
	4/04/04	4/03/05	4/02/06	4/01/07	4/06/08
Minimum	\$214.00	\$219.50	\$225.00	\$230.00	\$235.00
After 6 Months	\$250.00	\$256.50	\$263.00	\$269.00	\$275.00
" 12 "	\$292.00	\$299.50	\$307.00	\$314.00	\$321.00
" 18 "	\$341.00	\$349.50	\$358.00	\$366.00	\$374.00
" 24 "	\$398.50	\$408.50	\$418.50	\$428.00	\$437.50
" 30 "	\$465.00	\$476.50	\$488.50	\$499.50	\$510.50
" 36 "	\$543.00	\$556.50	\$570.50	\$583.50	\$596.50
" 42 "	\$634.50	\$650.50	\$667.00	\$682.00	\$697.50
" 48 "	\$741.00	\$759.50	\$778.50	\$796.00	\$814.00
Pension Band	107	107	107	107	107

SS-1 CLERICAL

Wage Length of Service	Effective Dates				
	4/04/04	4/03/05	4/02/06	4/01/07	4/06/08
Minimum	\$214.00	\$219.50	\$225.00	\$230.00	\$235.00
After 6 Months	\$251.00	\$257.50	\$264.00	\$270.00	\$276.00
" 12 "	\$294.00	\$301.50	\$309.00	\$316.00	\$323.00
" 18 "	\$344.50	\$353.00	\$362.00	\$370.00	\$378.50
" 24 "	\$403.50	\$413.50	\$424.00	\$433.50	\$443.50
" 30 "	\$472.50	\$484.50	\$496.50	\$507.50	\$519.00
" 36 "	\$553.50	\$567.50	\$581.50	\$594.50	\$608.00
" 42 "	\$647.50	\$663.50	\$680.00	\$695.50	\$711.00
" 48 "	\$759.00	\$778.00	\$797.50	\$815.50	\$834.00
Pension Band	108	108	108	108	108

(Continued on next page)

APPENDIX E

SS-2 CLERICAL

Wage Length of Service	Effective Dates				
	4/04/04	4/03/05	4/02/06	4/01/07	4/06/08
Minimum	\$214.00	\$219.50	\$225.00	\$230.00	\$235.00
After 6 Months	\$252.00	\$258.50	\$265.00	\$271.00	\$277.00
" 12 "	\$296.50	\$304.00	\$311.50	\$318.50	\$325.50
" 18 "	\$349.00	\$357.50	\$366.50	\$374.50	\$383.00
" 24 "	\$410.00	\$420.50	\$431.00	\$440.50	\$450.50
" 30 "	\$482.50	\$494.50	\$507.00	\$518.50	\$530.00
" 36 "	\$567.00	\$581.00	\$595.50	\$609.00	\$622.50
" 42 "	\$667.00	\$683.50	\$700.50	\$716.50	\$732.50
" 48 "	\$785.00	\$804.50	\$824.50	\$843.00	\$862.00
Pension Band	109	109	109	109	109

S-1 CLERICAL

Wage Length of Service	Effective Dates				
	4/04/04	4/03/05	4/02/06	4/01/07	4/06/08
Minimum	\$219.50	\$225.00	\$230.50	\$235.50	\$241.00
After 6 Months	\$258.00	\$264.50	\$271.00	\$277.00	\$283.00
" 12 "	\$303.50	\$311.00	\$319.00	\$326.00	\$333.50
" 18 "	\$357.50	\$366.50	\$375.50	\$384.00	\$392.50
" 24 "	\$421.00	\$431.50	\$442.50	\$452.50	\$462.50
" 30 "	\$494.50	\$507.00	\$519.50	\$531.00	\$543.00
" 36 "	\$582.50	\$597.00	\$612.00	\$626.00	\$640.00
" 42 "	\$685.50	\$702.50	\$720.00	\$736.00	\$752.50
" 48 "	\$806.50	\$826.50	\$847.00	\$866.00	\$885.50
Pension Band	110	110	110	110	110

(Continued on next page)

APPENDIX E

S-2 CLERICAL

Wage Length of Service	Effective Dates				
	4/04/04	4/03/05	4/02/06	4/01/07	4/06/08
Minimum	\$228.50	\$234.00	\$240.00	\$245.50	\$251.00
After 6 Months	\$269.00	\$275.50	\$282.50	\$289.00	\$295.50
" 12 "	\$315.50	\$323.50	\$331.50	\$339.00	\$346.50
" 18 "	\$371.00	\$380.50	\$390.00	\$399.00	\$408.00
" 24 "	\$436.00	\$447.00	\$458.00	\$468.50	\$479.00
" 30 "	\$512.50	\$525.50	\$538.50	\$550.50	\$563.00
" 36 "	\$602.50	\$617.50	\$633.00	\$647.00	\$661.50
" 42 "	\$708.00	\$725.50	\$743.50	\$760.00	\$777.00
" 48 "	\$832.50	\$853.50	\$875.00	\$894.50	\$914.50
Pension Band	111	111	111	111	111

APPENDIX F
EXCHANGES AND JOB VACANCY SCOPES

Scope	Exchanges Within Scope	
Arkansas	Alzheimer	Jacksonville*
	Arkadelphia	Jessieville
	Ashdown	Jonesboro
	Batesville	Lake Village
	Beebe	Little Rock
	Benton	Lonoke
	Bentonville	Magnolia
	Blytheville	Malvern
	Brinkley	Marianna
	Camdem	McGehee
	Cash	Mena
	Cave City	Monticello
	Center Ridge	Morrilton
	Chidester	Nashville
	Concord	Newark
	Conway	Newport
	Dermott	Osceola
	Earle	Paragould
	El Dorado	Parkin
	Eudora	Pine Bluff
	Eureka Springs	Portland
	Fayetteville	Rogers
	Forrest City	Russellville*
	Fort Smith	Searcy
	Grady	Smackover
	Gravette	Springdale
	Gurdon	Stamps
	Hamburg	Stephens
	Harrisburg	Strong
	Heber Springs	Van Buren
	Helena	Walnut Ridge
	Hickory Ridge	Warren
	Hindsville	West Memphis
	Hope	Wilson
Hot Springs	Wynne	
Hughes		

*Non-Company-Owned Exchange.

**EXCHANGES AND JOB VACANCY SCOPES
(Continued)**

Scope	Exchanges Within Scope	
Kansas	Abilene	Larned
	Anthony	Lawrence
	Arkansas City	Leavenworth/Lansing
	Atchison	Liberal
	Atwood	Lincoln
	Belleville	Lindsborg
	Beloit	Lyons
	Blue Rapids	Manhattan
	Bucklin	Mankato
	Caney	Marion
	Chanute	Marysville
	Chase	McPherson
	Cheney	Meade
	Cherryvale	Medicine Lodge
	Clay Center	Minneapolis
	Coffeyville	Neodesha
	Colby	Newton
	Coldwater	Norton
	Concordia	Oakley
	Cottonwood Falls	Oberlin
	DeSoto	Ottawa
	Dodge City	Paola
	El Dorado	Parsons
	Ellsworth	Peabody
	Emporia	Phillipsburg
	Erie	Pittsburg
	Eureka	Plainville
	Fort Scott	Pratt
	Garden City	Sabetha
	Goodland	Salina
	Great Bend	Scott City
	Greensburg	Sedan
	Halstead	Seneca
	Harper	Smith Center
	Hays	St. Francis
	Herington	Stafford
	Howard	Stockton
	Hoxie	Sublette
	Hutchinson	Tonganoxie
	Independence	Topeka
Iola	Washington	
Kansas City, KS	Wellington	
Kansas City, MO	Wichita	
Kingman	Winfield	
Kinsley	Yates Center	
LaCrosse		

EXCHANGES AND JOB VACANCY SCOPES (Continued)

Scope	Exchanges Within Scope	
Missouri	Adrian	Herculaneum/Pevely
	Advance	High Ridge
	Antonia	Hillsboro
	Arbela**	Imperial
	Ash Grove	Ironton
	Billings	Jackson
	Bismarck	Jefferson City*
	Bonne Terre	Joplin
	Boonville	Kansas City, KS
	Bowling Green	Kansas City, MO
	Brookfield	Kennett
	Cabool*	Kirksville
	Camdenton	Knob Noster
	Cape Girardeau	Lake Ozark/Osage
	Carrollton	Beach
	Carthage	Lamar
	Caruthersville	Lancaster
	Cedar Hill	Linn
	Chaffee	Lockwood
	Charleston	Louisiana
	Chillicothe	Malden
	Columbia*	Mansfield*
	DeSoto	Marble Hill
	Dexter	Marceline
	East Prairie	Marionville
	Edina	Marshall
	Eldon	Maryville*
	Elsberry	Mexico
	Excelsior Springs	Moberly
	Fair Grove	Monett
	Farmington	Montgomery City
	Fayette	Neosho
	Festus/Crystal City	Nevada
	Flat River	New Madrid
	Fredericktown	Nixa
	Fulton	Oran
Glasgow	Pacific	
Gravois Mills	Perryville	
Gray Summit	Poplar Bluff	
Hannibal	Portage Des Sioux	
Harrisonville*	Portageville	
Hayti	Puxico	

*Non-Company-Owned Exchange.

**Repeater Station.

**EXCHANGES AND JOB VACANCY SCOPES
(Continued)**

Scope	Exchanges Within Scope	
Missouri (continued)	Qulin	Stanberry
	Republic	Ste. Genevieve
	Richmond	Strafford
	Rogersville	Sullivan*
	Rolla*	Trenton
	Scott City	Union
	Sedalia	Van Buren*
	Senath	Versailles
	Sikeston	Vienna
	Slater	Washington
	Smithville	Webb City
	Springfield	Wellsville
	St. Clair	Wentzville*
	St. Joseph	Willard
St. Louis***		
Oklahoma	Ada	Davis
	Afton	Drumright
	Altus	Duncan
	Alva	Durant
	Anadarko	El Reno
	Antlers	Eldorado
	Ardmore	Elk City
	Atoka	Enid
	Bartlesville	Eufaula
	Billings	Fairview
	Binger	Fort Cobb
	Blackwell	Fort Gibson
	Bristow	Grove
	Cache	Guthrie
	Chandler	Harrah
	Chelsea	Hartshorne
	Cherokee	Healdton
	Chickasha	Henryetta
	Claremore	Hobart
	Cleveland	Holdenville
	Clinton	Hooker*
	Coalgate	Hugo
	Collinsville	Idabel
	Cordell	Ketchum
	Cushing	Kingston

*Non-Company-Owned Exchange.

***Includes St. Louis County Exchanges, Maxville, St. Charles and Harvester.

EXCHANGES AND JOB VACANCY SCOPES (Continued)

Scope	Exchanges Within Scope	
Oklahoma (continued)	Konawa	Seminole
	Lawton	Shawnee
	Madill	Skiatook
	Mangum	Spiro
	Marietta	Stigler
	Marlow	Stillwater
	McAlester	Stratford
	Medford	Stroud*
	Miami	Tahlequah
	Minco	Talihina
	Muldrow	Tishomingo
	Muskogee	Tonkawa
	Newkirk	Tulsa
	Noble	Vinita
	Nowata	Walters
	Okemah	Waurika
	Oklahoma City	Weatherford
	Okmulgee	Weleetka
	Pauls Valley	Westville
	Pawhuska	Wetumka
Pawnee	Wewoka	
Perry	Wilburton	
Ponca City	Wilson	
Pryor	Woodward	
Rush Springs	Wynnewood	
Sallisaw	Yale	
Sayre		
Central & West Texas and South Texas	Abilene	Brownsville
	Alamo/Pharr/San Juan	Cameron
	Albany	Canadian
	Alice	Canyon
	Alpine	Carrizo Springs
	Amarillo	Castroville
	Anson	Colorado City
	Austin	Corpus Christi
	Bandera	Cotulla
	Bartlett	Crane
	Bastrop	Crystal City
	Beeville	Cuero
	Belton	Del Rio*
	Big Spring	Devine
	Borger	Donna
Bracketville	Eagle Pass	

*Non-Company-Owned Exchange.

**EXCHANGES AND JOB VACANCY SCOPES
(Continued)**

Scope	Exchanges Within Scope	
Central & West Texas and South Texas (continued)	Edcouch	Monahans
	Edinburg	New Braunfels
	Edna	Odessa
	El Paso	Pampa
	Elgin	Pearsall
	Flatonia	Pipe Creek
	Floydada	Plainview
	Fort Stockton	Pleasanton
	Freer	Port Isabel
	Goldsmith	Poteet
	Goliad	Refugio
	Gruver	Rio Hondo
	Hale Center	Rockdale
	Hallettsville	Rockport
	Hamlin	Rotan
	Harlingen	San Angelo*
	Hebbronville	San Antonio
	Hereford	San Benito
	Hillsboro	San Diego
	Hondo	Sanderson
	Karnes City	Seguin
	Kenedy	Seminole
	Kermit	Shamrock
	Kerrville*	Shiner
	Kingsville	Sinton
	Lampasas	Slaton
	Laredo	Smithville
	Lockhart	Snyder
	Lockney	Stamford
	Los Fresnos	Stanton
	Lubbock	Sweetwater
	Luling	Taylor
	Marfa	Teague
Marlin	Temple	
Mathis	Terminal	
McAllen	Uvalde	
McCamey	Victoria	
McLean	Waco	
Mercedes	Woodsboro	
Meridian	Yoakum*	
Mexia	Yorktown	
Midland	Zapata	
Mission		

*Non-Company-Owned Exchange.

**EXCHANGES AND JOB VACANCY SCOPES
(Continued)**

Scope	Exchanges Within Scope	
Dallas/Fort Worth	Allen	Jefferson
	Alvarado	Jewett
	Atlanta	Lindale
	Aubrey	Longview
	Bowie	Marshall
	Breckenridge	McKinney
	Burkburnett	Midlothian
	Carthage	Mineola
	Celina	Mineral Wells
	Childress	Mt. Pleasant
	Cisco	Paris
	Cleburne	Pittsburg
	Corsicana	Pottsboro
	Dallas	Princeton
	Denison	Quanah
	Denton	Ranger
	Eastland	Red Oak
	Ennis	Rockwall
	Farmersville	Royse City
	Fort Worth	Sherman*
	Frisco	Strawn
	Gainesville	Terrell
	Graham	Texarkana*
	Granbury	Tyler
	Greenville	Vernon
	Henrietta	Waxahachie
	Honey Grove	Weatherford
	Italy	Wichita Falls
	Jacksboro	Wills Point
	Jacksonville*	Wolfe City
Houston & Southeast Texas	Alvin	Clute/Lake Jackson
	Angleton	Columbus
	Bay City	Corrigan
	Beaumont	Dayton
	Bellville	Deweyville
	Brenham	Dickinson*
	Bridge City	Eagle Lake
	Bryan*	El Campo
	Buna	Fannett
	Center	Freeport
	Cleveland	Galveston

*Non-Company-Owned Exchange.

**EXCHANGES AND JOB VACANCY SCOPES
(Continued)**

Scope	Exchanges Within Scope	
Houston & Southeast Texas	Hearne	Richmond/Rosenberg
	Hempstead	San Augustine
	Houston	Sealy
	Huntsville	Silsbee
	Jasper	Sour Lake
	Kirbyville	Splendora
	Kountze	Spring
	Liberty	Spurger
	Lufkin*	Texas City/Lamarque
	Lumberton	Timpson
	Madisonville	Tomball
	Mauriceville	Vidor
	Nacogdoches	Waller
	Nederland/Pt. Neches	Warren
	Orange	Westbury
	Port Arthur/Groves	Wharton
Port Bolivar	Woodville	
Prairie View		

*Non-Company-Owned Exchange.

APPENDIX G

JOB GROUPS LIST

	Job Titles	Tier 1	Tier 2	Tier 3	Tier 4
GROUP A	Communications Technician Network Center Technician RMATS Technician Systems Analyst Systems Technician	Same Title	Same Job Group	Remaining Job Groups In Descending Order	NA
GROUP B	Business Representative Communications Consultant Customer Representative Customer Service Representative II Field Assistant Pay Telephone Consultant	Same Title	Same Job Group	Remaining Job Groups In Descending Order	NA
GROUP C	Cable Splicing Technician Combination Technician Customer Services Technician Data Services Technician Outside Plant Technician	Same Title	Same Job Group	Remaining Job Groups In Descending Order	NA
GROUP D	Air Conditioning Specialist Building Mechanic Motor Equipment Inspector/Maintainer	Same Title	Same Job Group	Remaining Job Groups In Descending Order	Group C

JOB GROUPS LIST

Job Titles	Tier 1	Tier 2	Tier 3	Tier 4
GRUPE Coin Counter Driver-Tractor Trailer Pay Telephone Technician Supplies Attendant	Same Title	Same Job Group	Remaining Job Groups In Descending Order	NA
GROUP F Central Office Translations Specialist Circuit Design Specialist Customer Services Representative Facilities Specialist Frame Attendant Line Translations Specialist	Same Title	Same Job Group	Remaining Job Groups In Descending Order	NA
GROUP G Business Services Instructor Business Systems Representative Customer Service Representative I Head Service Representative Installation Coordinator Marketing Assistant Senior Consultant Service Representative	Same Title	Same Job Group	Remaining Job Groups In Descending Order	NA

JOB GROUPS LIST

Job Titles	Tier 1	Tier 2	Tier 3	Tier 4
GROUP H	Same Title	Same Job Group	Remaining Job Groups In Descending Order	NA
CAD Technical Specialist				
Central Office Clerk				
Customer Services Specialist				
Graphics Specialist				
Revenue Management Representative				
Sales and Service Consultant				
Service Assistant				
SS-1 Titles				
SS-2 Titles				
S-1 Titles				
S-2 Titles				
Technical Associate				
GROUP I	Same Title	Same Job Group	Remaining Job Groups In Descending Order	Group I
Customer Clerk				
E-3 Titles				
Operator				
Teller				
GROUP J	Same Title	Same Job Group	Group K	Group I
Assistant Customer Service Technician				
Building Maintainer				
Garage Attendant				
House Service Attendant				
House Service Maintainer				

JOB GROUPS LIST

Job Titles	Tier 1	Tier 2	Tier 3	Tier 4
GROUP K				
Central Office Assistant	Same Title	Same Job Group	Group J	Group I
Console Operator				
E-1 Titles				
E-2 Titles				
Sales Agent				
Sales Clerk				

APPENDIX H

1.01 a. **CLERICAL CLASSIFICATIONS AND JOB TITLES**

E-3 CLERICAL BAND: Employee who performs work which requires specialized training and ability.

Reports Clerk
Stenographer

SS-1 CLERICAL BAND: Employee who performs clerical work which requires a still higher degree of specialized training and ability.

Operations Clerk
Senior Reports Clerk
Data Control Clerk
Data Entry Operator
Data Processing Clerk-B
General Clerk-B
Project Clerk-B
Senior Records Clerk-B

SS-2 CLERICAL BAND: Employee who performs complex clerical work which requires specialized training and ability.

Advanced Data Processing Clerk
Senior General Clerk-B

b. **GROUP 1 CRAFT CLASSIFICATION**

Communications Technician
Network Center Technician
RMATS Technician

c. GROUP 2 CRAFT CLASSIFICATION

Systems Analyst

d. NONCRAFT CLASSIFICATION

Central Office Translations Specialist
Customer Services Representative
Facilities Specialist
Line Translations Specialist

e. CONTACT CLASSIFICATION

Service Representative

1.02 Wage Schedules for job titles shown in paragraph 1.01 preceding, shall be applied in accordance with Sections 1. and 2. in Article IV, Basis of Compensation, of the 2004 Departmental Agreement. Applicable Wage Schedules are included as Appendix E for job titles in 1.01 a. preceding, and in Appendix C for job titles in 1.01 b., c., and d., and in Appendix B for the job title in 1.01 e.

1.03 The job titles included in Appendix H above are currently located at only the following work locations:

One Bell Plaza
208 S. Akard
Dallas, TX 75202

Three Bell Plaza
308 S. Akard
Dallas, TX 75202

1460 Round Table
Dallas, TX 75247

Two Bell Plaza
211 S. Akard
Dallas, TX 75202

Four Bell Plaza
311 S. Akard
Dallas, TX 75202

1600 E. Pioneer Pkwy.
Arlington, TX 76010

5252 Hollister
Houston, TX 77040

APPENDIX I

1.01 a. CLERICAL CLASSIFICATIONS AND JOB TITLES

E-1 CLERICAL BAND: Employee who performs simple clerical work which includes answering telephones, serving as a messenger, handling mail, filing, routine typing, etc.

Office Clerical Assistant-I

E-2 CLERICAL BAND: Employee who may perform various clerical work of less advanced nature than that involved in E-3 Clerical.

Clerk-I

E-3 CLERICAL BAND: Employee who performs work which requires specialized training and ability.

Records Clerk-I

SS-1 CLERICAL BAND: Employee who performs clerical work which requires a still higher degree of specialized training and ability.

Project Clerk-I
Senior Records Clerk-I
Senior Reports Clerk-I
Senior Stenographer-I

SS-2 CLERICAL BAND: Employee who performs complex clerical work which requires specialized training and ability.

Head Clerk-I
Senior General Clerk-I
Service Order Writer-I

b. CONTACT CLASSIFICATIONS

SALES AGENT

Sales Agent

SALES AND SERVICE CONSULTANT

Sales and Service Consultant

SENIOR CONSULTANT

Senior Consultant

1.02 Wage Schedules for job titles shown in paragraph 1.01 preceding, shall be applied in accordance with Sections 1. and 2. of the Basis of Compensation Supplemental Statement set forth in this Appendix.

APPENDIX I

WAGE PROGRESSION SCHEDULES CLERICAL CLASSIFICATIONS

Basic Wage Rates for Normal Work Week

E-1 CLERICAL

Wage Length of Service	Effective Dates				
	4/04/04	4/03/05	4/02/06	4/01/07	4/06/08
Minimum	\$214.00	\$219.50	\$225.00	\$230.00	\$235.00
After 6 Months	\$245.00	\$251.00	\$257.50	\$263.50	\$269.50
" 12 "	\$279.50	\$286.50	\$293.50	\$300.00	\$307.00
" 18 "	\$319.50	\$327.50	\$335.50	\$343.00	\$350.50
" 24 "	\$364.50	\$373.50	\$383.00	\$391.50	\$400.50
" 30 "	\$416.00	\$426.50	\$437.00	\$447.00	\$457.00
" 36 "	\$475.50	\$487.50	\$499.50	\$510.50	\$522.00
" 42 "	\$543.00	\$556.50	\$570.50	\$583.50	\$596.50
" 48 "	\$620.00	\$635.50	\$651.50	\$666.00	\$681.00
Pension Band	703	703	703	703	703

E-2 CLERICAL

Wage Length of Service	Effective Dates				
	4/04/04	4/03/05	4/02/06	4/01/07	4/06/08
Minimum	\$214.00	\$219.50	\$225.00	\$230.00	\$235.00
After 6 Months	\$249.00	\$255.00	\$261.50	\$267.50	\$273.50
" 12 "	\$289.00	\$296.00	\$303.50	\$310.50	\$317.50
" 18 "	\$336.00	\$344.50	\$353.00	\$361.00	\$369.00
" 24 "	\$390.00	\$400.00	\$410.00	\$419.00	\$428.50
" 30 "	\$453.50	\$465.00	\$476.50	\$487.00	\$498.00
" 36 "	\$527.00	\$540.00	\$553.50	\$566.00	\$578.50
" 42 "	\$612.50	\$628.00	\$643.50	\$658.00	\$673.00
" 48 "	\$711.50	\$729.50	\$747.50	\$764.50	\$781.50
Pension Band	706	706	706	706	706

(Continued on next page)

APPENDIX I

E-3 CLERICAL

Wage Length of Service	Effective Dates				
	4/04/04	4/03/05	4/02/06	4/01/07	4/06/08
Minimum	\$214.00	\$219.50	\$225.00	\$230.00	\$235.00
After 6 Months	\$250.00	\$256.50	\$263.00	\$269.00	\$275.00
" 12 "	\$291.50	\$299.00	\$306.50	\$313.50	\$320.50
" 18 "	\$340.00	\$348.50	\$357.00	\$365.00	\$373.00
" 24 "	\$397.50	\$407.50	\$417.50	\$427.00	\$436.50
" 30 "	\$463.50	\$475.00	\$487.00	\$498.00	\$509.00
" 36 "	\$540.50	\$554.00	\$568.00	\$581.00	\$594.00
" 42 "	\$631.00	\$647.00	\$663.00	\$678.00	\$693.50
" 48 "	\$736.50	\$755.00	\$774.00	\$791.50	\$809.50
Pension Band	707	707	707	707	707

SS-1 CLERICAL

Wage Length of Service	Effective Dates				
	4/04/04	4/03/05	4/02/06	4/01/07	4/06/08
Minimum	\$214.00	\$219.50	\$225.00	\$230.00	\$235.00
After 6 Months	\$251.00	\$257.50	\$264.00	\$270.00	\$276.00
" 12 "	\$293.50	\$301.00	\$308.50	\$315.50	\$322.50
" 18 "	\$343.00	\$351.50	\$360.50	\$368.50	\$377.00
" 24 "	\$402.00	\$412.00	\$422.50	\$432.00	\$441.50
" 30 "	\$470.00	\$482.00	\$494.00	\$505.00	\$516.50
" 36 "	\$551.00	\$565.00	\$579.00	\$592.00	\$605.50
" 42 "	\$644.50	\$660.50	\$677.00	\$692.00	\$707.50
" 48 "	\$754.50	\$773.50	\$793.00	\$811.00	\$829.00
Pension Band	708	708	708	708	708

(Continued on next page)

APPENDIX I

SS-2 CLERICAL

Wage Length of Service	Effective Dates				
	4/04/04	4/03/05	4/02/06	4/01/07	4/06/08
Minimum	\$214.00	\$219.50	\$225.00	\$230.00	\$235.00
After 6 Months	\$252.00	\$258.50	\$265.00	\$271.00	\$277.00
" 12 "	\$296.00	\$303.50	\$311.00	\$318.00	\$325.00
" 18 "	\$348.00	\$356.50	\$365.50	\$373.50	\$382.00
" 24 "	\$408.50	\$418.50	\$429.00	\$438.50	\$448.50
" 30 "	\$480.00	\$492.00	\$504.50	\$516.00	\$527.50
" 36 "	\$564.00	\$578.00	\$592.50	\$606.00	\$619.50
" 42 "	\$663.00	\$679.50	\$696.50	\$712.00	\$728.00
" 48 "	\$779.50	\$799.00	\$819.00	\$837.50	\$856.50
Pension Band	709	709	709	709	709

APPENDIX I

WAGE PROGRESSION SCHEDULES CONTACT CLASSIFICATIONS

Basic Wage Rates for Normal Work Week

SALES AGENT

Wage Length of Service	Effective Dates				
	4/04/04	4/03/05	4/02/06	4/01/07	4/06/08
Minimum	\$250.00	\$256.50	\$263.00	\$269.00	\$275.00
After 6 Months	\$273.00	\$280.00	\$287.00	\$293.50	\$300.00
" 12 "	\$298.50	\$306.00	\$313.50	\$320.50	\$327.50
" 18 "	\$326.00	\$334.00	\$342.50	\$350.00	\$358.00
" 24 "	\$356.00	\$365.00	\$374.00	\$382.50	\$391.00
" 30 "	\$388.50	\$398.00	\$408.00	\$417.00	\$426.50
" 36 "	\$425.00	\$435.50	\$446.50	\$456.50	\$467.00
" 42 "	\$464.00	\$475.50	\$487.50	\$498.50	\$509.50
" 48 "	\$507.00	\$519.50	\$532.50	\$544.50	\$557.00
Pension Band	7A8	7A8	7A8	7A8	7A8

SALES AND SERVICE CONSULTANT

Wage Length of Service	Effective Dates				
	4/04/04	4/03/05	4/02/06	4/01/07	4/06/08
Minimum	\$270.50	\$277.50	\$284.50	\$291.00	\$297.50
After 6 Months	\$296.00	\$303.50	\$311.00	\$318.00	\$325.00
" 12 "	\$324.00	\$332.00	\$340.50	\$348.00	\$356.00
" 18 "	\$354.00	\$363.00	\$372.00	\$380.50	\$389.00
" 24 "	\$387.50	\$397.00	\$407.00	\$416.00	\$425.50
" 30 "	\$424.00	\$434.50	\$445.50	\$455.50	\$465.50
" 36 "	\$464.00	\$475.50	\$487.50	\$498.50	\$509.50
" 42 "	\$507.50	\$520.00	\$533.00	\$545.00	\$557.50
" 48 "	\$555.50	\$569.50	\$583.50	\$596.50	\$610.00
Pension Band	700	700	700	700	700

(Continued on next page)

APPENDIX I

SENIOR CONSULTANT

Wage Length of Service	Effective Dates				
	4/04/04	4/03/05	4/02/06	4/01/07	4/06/08
Minimum	\$224.50	\$230.00	\$236.00	\$241.50	\$247.00
After 6 Months	\$265.00	\$271.50	\$278.50	\$285.00	\$291.50
" 12 "	\$313.50	\$321.50	\$329.50	\$337.00	\$344.50
" 18 "	\$371.50	\$381.00	\$390.50	\$399.50	\$408.50
" 24 "	\$439.00	\$450.00	\$461.50	\$472.00	\$482.50
" 30 "	\$519.00	\$532.00	\$545.50	\$558.00	\$570.50
" 36 "	\$613.50	\$629.00	\$644.50	\$659.00	\$674.00
" 42 "	\$725.50	\$743.50	\$762.00	\$779.00	\$796.50
" 48 "	\$858.50	\$880.00	\$902.00	\$922.50	\$943.50
Pension Band	712	712	712	712	712

APPENDIX I

SUPPLEMENTAL STATEMENTS SUMMARY

STATEMENT NO.	TITLE
1.	Basis of Compensation
2.	Hours of Work
3.	Holidays
4.	Vacations
5.	Job Vacancy
6.	Promotional Pay Treatment
7.	Temporary Work in Higher Positions
8.	Force Adjustment
9.	Job Groups List (Appendix G)

APPENDIX I

SUPPLEMENTAL STATEMENTS

1. BASIS OF COMPENSATION

In lieu of Article IV, Basis of Compensation, of the 2004 Departmental Agreement, the following terms and conditions apply to Appendix I:

Section 1. **Rates of Pay.**

- a. The Wage Schedules for all job titles shall be as set forth in Appendix I.
- b. **Minimum Rates.** Each employee who enters the service of the Company shall begin employment at the minimum wage rate for the appropriate job title and schedule, except that appropriate allowance over such minimum rate may be made by the Company for an employee who has had previous experience or training considered to be of value.
- c. **Maximum Rates.** The applicable maximum rates are set forth in the Wage Schedules included as Appendix I.

Section 2. **Progression Plan.** Progression increases shall be in accordance with the following:

- a. Increase to the next higher rate as provided for in the applicable Wage Schedules included as Appendix I shall be after a progression interval equal to the difference in months between 1) the wage length of service shown by the applicable Wage Schedule for such next higher rate, and 2) that shown for the employee's current wage rate.

- b. Increase dates will be at six (6) month intervals, or at such other intervals as may be specified in the applicable Wage Schedules.
- c. No wage increase shall become effective during a period of total disability which is continuous for eight (8) days or more.
- d. **Progression Following Upgrading.** The length of consideration intervals for progression increases following upgrading shall be as provided in the Wage Schedules for the classification or job to which upgraded. The consideration interval for the first progression increase following upgrading shall begin with the date previously established for progression on the schedule of the job or classification from which upgraded except that if the wage rate step is established as the result of a step down from maximum as provided in Article XIV, Promotional Pay Treatment, of the 2004 Departmental Agreement, a new progression date shall be established in accordance with paragraph b. preceding.

Section 3. Overtime at One and One-Half Times the Basic Hourly Rate.

- a. Compensation at the rate of one and one-half (1½) times the basic hourly rate shall be paid to employees for time worked outside of scheduled tours if in excess of eight (8) hours in a day or forty (40) hours worked on scheduled tours (except on an Authorized Holiday for a full-time employee) in any calendar week (except as may be otherwise required by law).

Note: Time worked less than ten (10) minutes in excess of scheduled tours shall be treated as normal trade time; and the time shall not be accounted for on work reports. This is in recognition of the fact that because of practical considerations or uncontrollable circum-

stances, employees occasionally will quit work a few minutes before or after the end of their scheduled tour. Such differences in work time shall be “traded out” on days following, in the same week. Trade time must be made up within the calendar week or else paid for as work time.

Trade time applies also to that travel time defined as work time. If employees are returned to a designated place of reporting less than ten (10) minutes after the close of a scheduled tour, such time, defined as work time, may be traded out during that current week. Trade time not traded out during the current week shall be paid for as work time.

It is the general policy of the Company to avoid the necessity of using trade time as far as practicable.

b. **Authorized Holidays.** For all employees, either all scheduled time worked, or time not worked but excused, without loss of pay, up to the length of a normal tour, whichever is greater, on an Authorized Holiday observed Monday through Saturday, shall be considered as work time for the purpose of determining hours in excess of the number of hours that constitute a normal work week at the basic rate in the calendar week; provided, however, that such treatment shall not apply where the employee is an “absentee” as defined in Article VIII, Section 4., Holidays, of the 2004 Departmental Agreement, or is treated as absent on the Holiday under Article XI, Absences From Duty, of the 2004 Departmental Agreement.

c. **Overtime at Two Times the Basic Hourly Rate.** Where an employee, at the Company’s request, works overtime for which the rate of one and one-half (1½) times the basic hourly rate is otherwise applicable under Section 3., paragraph a., preceding, and such over-

time worked exceeds nine (9) hours in a calendar week, compensation for such overtime in excess of nine (9) hours in that week shall be paid, instead, at the rate of two (2) times the basic hourly rate.

Section 4. **Night Differentials.**

- a. A night differential shall be paid to employees for each scheduled hour, or fraction thereof, worked after 10 p.m. in the amount of ten (10) percent of the employee's basic hourly rate.
- b. **Night Differentials—Company Schools.** Night differentials to the extent normally applicable shall be paid to an employee regularly scheduled for night tours, for scheduled tours paid within the first week when assigned by the Company on scheduled day tours in a Company school.

2. HOURS OF WORK

In lieu of Article VI, Hours of Work, of the 2004 Departmental Agreement, the following terms and conditions apply to Appendix I:

Section 1. **Normal Work Week.** Forty (40) hours consisting of five (5) scheduled tours of eight (8) hours each shall constitute the normal work week; however, if service requirements demand, the forty (40) scheduled hours may be spread over any six (6) days in the calendar week. Tours may fall on any days of the week necessary to meet service requirements.

Section 2. **Normal Tour.**

- a. A tour for full-time employees shall be considered as consisting of two (2) sessions, each of which shall not be less than three (3) hours, nor more than five (5) hours in length, exclusive of overtime periods. When the na-

ture of the employee's assignment requires constant attention at the post of duty, the tour is assumed to be divided into two (2) sessions.

- b. A work day shall be the day on which a tour or session shall start. All time scheduled, assigned, or worked during or contiguous to a tour shall be considered as falling on the day the tour started.

Section 3.

- a. **Full-time Tours.** Full-time tours of work shall be divided into two (2) sessions.
- b. **Part-time Tours.** Part-time tours may be assigned. Such tours shall not be less than three (3) hours in length. Subject to employee consent, these tours may be more than eight (8) hours.
- c. **Day Tours.** A day tour shall be one which falls wholly within the period from 6 a.m. to 10 p.m.
- d. **Night Tours.** A night tour shall be one which falls wholly or partially between the hours of 10 p.m. and 6 a.m.

Section 4. **Assignment of Nonworking Days.**

Assignment of nonworking days shall take into account both the service requirements and the preferences of the employees.

Section 5. **Callout Time.**

- a. Employees who report for special duty at the Company's request on a scheduled day off or fifteen (15) minutes or more after release at the completion of their regular scheduled tour, shall be paid at the rate ap-

plicable to such work time for a minimum of two (2) hours except that this minimum shall not apply if the special time worked on such duty immediately precedes regular scheduled tours.

- b. If an employee is required to report for special duty at a designated hour and adequate notice is given, the time between notification and the time required to reach the place of reporting for the job shall not be counted as work time unless such notification is given between 12 midnight and 5 a.m. If called between midnight and 5 a.m., work time shall be counted from the time called. A telephone call to anyone at the employee's place of residence shall constitute sufficient notice.
- c. When an employee is called outside of scheduled hours for immediate special duty involving service emergencies, work time shall begin at the time of notification and shall include the necessary travel time going to the job and returning home after release on the job; provided, however, that if the special duty extends into the employee's next scheduled tour, the time required to return home shall not be so included.
- d. Without changing the provisions of paragraphs a., b., or c. preceding, covering "callouts" for special duty, an employee who is directed by the Company to report for work on a day not scheduled as a work day shall be entitled to perform any work which he or she may be directed to do by the supervisor throughout the hours specified in such direction in each case where such employee reports for duty at the appointed time, weather conditions permit the performance of the work, the physical condition and conduct of the employee permit such employee to satisfactorily perform the work, and a sufficient period of time for adequate rest has elapsed since the employee last worked.

- e. **Adequate Rest.** Paragraph d. preceding, and Article VII, Work Schedules, both provide that the employee shall be entitled to work provided that the physical condition and conduct of the employee permit such employee to satisfactorily perform the work, and a sufficient period of time for adequate rest has elapsed since the employee last worked.

It is not possible to specifically evaluate “a sufficient period of time for adequate rest,” as this is dependent upon the nature of the work being performed, the conditions under which the work is performed, and the employee’s physical condition. In general, under ordinary circumstances, sixteen (16) hours of work may be performed without an intervening period of rest. Normally eight (8) hours should be allowed for adequate rest between such a work period and the next work period.

The following examples illustrate how this clause might reasonably be applied for a normal person under ordinary circumstances:

Example 1

An employee works his or her regular tour from 8 a.m. to 5 p.m. He or she is needed to carry out emergency work and continues to work, with only meal time intervening, until 12 midnight, at which time the employee is released. A sufficient time for adequate rest would be from 12 midnight until 8 a.m. the next morning. In the same instance, if the employee had continued to work beyond midnight until 3 a.m., then that employee would not be expected to work his or her normal tour from 8 a.m. to 5 p.m., but would be permitted to come on duty at 11 a.m. and work the remainder of the tour (with adequate time out for meal) until 5 p.m.

Example 2

If an employee who normally works from 8 a.m. to 5 p.m. is called out at 4 a.m. and works until 8 a.m., the employee will, of course, be expected to work his or her normal tour in addition to the period from 4 a.m. to 8 a.m.

- f. **Standby Duty.** An employee required by the Company to remain on standby duty on Company premises during an emergency, as determined by the Company, shall be paid until released, at the rate applicable to such work time.

Section 6. **Assigned Overtime.** Excluding work on an Authorized Holiday, an employee will not be assigned to work overtime, either on a scheduled day or a nonscheduled day, in excess of ten (10) hours in a calendar week during seven (7) months in a calendar year or in excess of fifteen (15) hours in a calendar week during five (5) months in a calendar year unless the employee consents to such overtime assignment, with the following exceptions:

- a. in case of emergency — such as an event of national, state, or local importance, fire, explosion, or other catastrophe, severe weather conditions, major cable or equipment failure, or an act of God, etc.;
- b. long-term service difficulties;
- c. the employee involved is the “employee on job;” or
- d. the employee is directed or assigned to work on a day not scheduled as a work day, in which case the employee will remain on duty as required during the hours so directed.

The Company shall specify the months, which need not be contiguous, by Department and location, in which the overtime limitations referred to above shall apply.

Section 7. **Relief Periods.**

- a. Employees shall be assigned or allowed one (1) fifteen (15)-minute relief period to start not less than one (1) hour from the beginning or end of each session when working in Company buildings unless unusual conditions develop.
- b. Employees shall be assigned or allowed one (1) fifteen (15)-minute relief period during each session of overtime worked which is more than two (2) consecutive hours in excess of an employee's regularly scheduled tour when working in Company buildings unless unusual conditions develop. Such relief period shall be scheduled by management.

Section 8. **Extra Payments on Divided Tours.** When an employee works both sessions of a divided tour in which the sessions are separated by three (3) hours or more, the Company will reimburse the employee in the amount of two (2) dollars per tour for transportation expense.

3. HOLIDAYS

In lieu of Section 1, Note, of Article VIII, Holidays, of the 2004 Departmental Agreement, the following Note is modified for Appendix I to provide:

Note: Each employee who could complete six (6) months of service within the calendar year shall be eligible for one (1) Designated Holiday and two (2) Floating Holidays. An eligible employee will designate three (3) days in the same calendar year, or prior to April 1 of the following year, other than another Authorized Holiday, for the days to be observed as the employee's Designated Holiday and Floating Holidays. Unlike other Authorized Holidays, Management cannot require an employee to work on his/her Designated Holiday or Floating Holidays. The Designated

Holiday and Floating Holidays may be scheduled in two (2) hour increments.

4. VACATIONS

Section 8.c.(1) of Article IX, Vacations, of the 2004 Departmental Agreement is modified for Appendix I to allow employees to schedule day-at-a-time vacations in two (2) hour increments.

5. JOB VACANCY

Section 2.(5) of Article XIII, Job Vacancy, of the 2004 Departmental Agreement is modified for Appendix I to treat a Senior Consultant in the same manner as a Service Representative for time-in-title and location purposes under this Article.

6. PROMOTIONAL PAY TREATMENT

Section 4. of Article XIV, Promotional Pay Treatment, of the 2004 Departmental Agreement is modified for Appendix I as follows:

Senior Consultant shall be included in Job Category V. Sales and Service Consultant shall be included in Job Category VI. Sales Agent shall be included in Job Category VII.

7. TEMPORARY WORK IN HIGHER POSITIONS

Section 5. of Article XV, Temporary Work in Higher Positions, of the 2004 Departmental Agreement is modified for Appendix I Contact employees to provide a Relief Differential.

Section 7.a. of Article XV, Temporary Work in Higher Positions, of the 2004 Departmental Agreement is modified for Appendix I to provide:

- a. A qualified employee not otherwise covered by the provisions of Sections 1. through 5. above, who is temporarily scheduled or assigned and does work in a position with a higher established maximum rate of pay for less than 30 days, shall receive for each hour worked in such position a Classification Differential equal to one-fortieth ($1/40^{\text{th}}$) of the amount of the weekly wage progression increase to which the employee would at the time be entitled if the employee were actually changed to the higher applicable classification at the employee's regular location.
- b. When the Company determines that it is necessary to temporarily upgrade a Contact employee and such upgrade is for more than 30 consecutive calendar days, the following wage treatment shall apply:

For the period of the temporary assignment the selected employee shall be upgraded to the higher job classification with change of title and promotional pay treatment as provided for in Article XIV, Promotional Pay Treatment.

Employees who are temporarily upgraded under this Section shall be returned to their regular classification and rate of pay when Management determines the temporary assignment is no longer required.

8. FORCE ADJUSTMENT

Note 2 in Section 4.a.(2) of Article XVII, Force Adjustment, of the 2004 Departmental Agreement is modified for Appendix I as follows:

(Nothing in this Section 4.a.(2) shall apply to surplus employees who accept an assignment to the Sales Agent title.)

9. JOB GROUPS LIST (APPENDIX G)

Appendix G, Job Groups List, of the 2004 Departmental Agreement is modified for Appendix I as follows:

Group G shall include Senior Consultant. Group H shall include Sales and Service Consultant. Group K shall include Sales Agent.

2004 AGREEMENT OF GENERAL APPLICATION

THIS AGREEMENT is made as of April 4, 2004, and effective as of April 4, 2004, by and between COMMUNICATIONS WORKERS OF AMERICA (hereinafter called the "Union"), and SOUTHWESTERN BELL TELEPHONE, L.P., a Texas limited partnership, SBC ADVANCED SOLUTIONS, INC., a Delaware corporation, SBC DATACOMM, INC., a Delaware corporation, SBC OPERATIONS, INC., a Delaware corporation, SBC SERVICES, INC., a Delaware corporation, and SBC TELECOM, INC., a Delaware corporation (hereinafter collectively called the "Company" or "Management"), which Union is recognized by the Company as sole collective bargaining agent for the Company employees in the Bargaining Unit as set forth in the 2004 Departmental Agreement. The Union and the Company agree, subject to any applicable provisions of the 2004 Settlement Agreement, as follows:

ARTICLE I COLLECTIVE BARGAINING PROCEDURE

Section 1. All negotiation of proposals for changing, adding, removing, renewing, or superseding any provision or provisions in the 2004 Departmental Agreement between the Company and the Union effective as of April 4, 2004, shall be between representatives designated and so authorized respectively by the parties thereto.

Section 2. All negotiation of proposals for changing, adding, removing, renewing, or superseding any provision or provisions in this Agreement shall be between representatives designated and so authorized by the Vice President of the Union, and representatives designated and so authorized by the Vice President-Labor Relations of the Company.

Section 3. Neither the Union nor the Company shall be required to meet or discuss any proposal covered by Sec-

tion 1. or Section 2. of this Article if such proposal is to be made effective prior to April 4, 2009.

Section 4. Meetings under this Article shall be held in Austin, Texas, unless the parties agree otherwise.

Section 5. The Company shall compensate up to six (6) employee Union representatives for attending collective bargaining meetings under this Article. Such compensation shall be at the employee's basic wage rate for a normal scheduled work day. The total days for payment by the Company for each employee for negotiation of proposals, as covered in Sections 1. and 2. above, shall not exceed thirty (30) days. No time spent in attending collective bargaining meetings under this Article shall be work time. The expenses of all Union representatives shall be borne by the Union and the compensation and expenses of all Company representatives shall be borne by the Company.

ARTICLE II

SERVICE INTERRUPTION

The Company and the Union recognize their responsibility in the interests of the public and the employees to avoid interruptions in telephone service. Accordingly, they will process promptly employee complaints and grievances which are subject to handling under the grievance procedures for the purpose of avoiding interruption of telephone service to the public and economic loss to employees from work stoppages.

Any employee complaint or grievance which is subject to handling under the grievance procedures shall be presented and heard promptly in accordance with the provisions of those procedures and the arbitration procedures, where applicable.

As to those employee grievances which are subject to arbitration, the Union, its officers, or representatives will not order or sanction a work stoppage or slowdown at any time.

As to those employee complaints and grievances which are not subject to arbitration, the Union, its officers, or representatives will not order or sanction a work stoppage or slow-down while the matter is being processed through the Grievance procedures.

ARTICLE III

UNUSUAL GRIEVANCES

Whenever the Vice President of the Union (or in his or her absence, the Assistant to Vice President) informs the Vice President-Labor Relations of the Company, or a representative designated by the Vice President-Labor Relations, that a complaint or grievance exists which in the opinion of the Vice President of the Union involves a condition which constitutes a serious and immediate threat to the health or safety of an employee or group of employees and which in his or her opinion requires prompt handling, and it is mutually agreed that such a question of health or safety is in fact involved, then such complaint or grievance may be presented and heard at such level of the Grievance Procedure as the Vice President of the Union may select. The first meeting with respect to such complaint or grievance shall be held at a time and place to be agreed upon and as promptly as conditions permit; the two (2)-week time limitation set forth in the Grievance Procedure shall be applicable. There shall be no obligation on the part of the Union to appeal such complaint or grievance to any higher level, and the grievance if arbitrable shall then be subject to the provisions of the arbitration procedures of this Agreement.

ARTICLE IV

ARBITRATION

Section 1. If, during the term of this Agreement, with respect to the 2004 Departmental Agreement effective April 4, 2004, between the Union and the Company, and subsequent agreements which by specific reference therein are made subject to this Article, a difference shall occur, between the

Union and the Company, and continue after all steps in the “Formal Grievance” procedure established in the 2004 Departmental Agreement shall have been undertaken and completed, regarding:

- a. the true intent and meaning of any specific provision or provisions thereof (except as such provision or provisions relate, either specifically or by effect, to prospective modifications or amendments of such agreement), or
- b. the application of any provision or provisions thereof to any employee or group of employees, and grievances arising from such application, or
- c. the dismissal for just cause of any employee with more than one (1) completed year’s Net Credited Service, or
- d. the disciplinary suspension for just cause of any employee, or
- e. the demotion of any employee with more than one (1) completed year’s Net Credited Service,

then in any such event, either the Union or Management may submit the issue of any such matter to arbitration for final decision in accordance with the procedure hereinafter set forth or, where applicable, in accordance with Article V of this Agreement.

Section 2. In the event that either party hereto, within sixty (60) days after completion of the Formal Grievance procedure aforesaid, elects to submit a matter described in the preceding section to arbitration, the parties agree that the matter shall be so submitted and agree that such submission shall be to one (1) arbitrator. The parties shall endeavor in each instance within a three (3)-week period to agree upon the arbitrator, but if unable to so agree, the arbitrator shall be des-

igned by the American Arbitration Association upon the written request of either party. In either such event, the arbitration shall be conducted under the then obtaining rules of the Voluntary Labor Arbitration Tribunal of the American Arbitration Association. Each party shall pay for the time consumed by and the expenses of its representatives, and shall be equally responsible for the fees of the American Arbitration Association, the compensation, if any, of the arbitrator, and any such other general administrative expense that may occur.

After an election to arbitrate, if within one hundred and fifty (150) days following completion of the "Formal Grievance" procedure no arbitrator has been agreed upon and no written request has been made upon the American Arbitration Association to designate an arbitrator, then no such matter shall continue to be arbitrable.

Section 3. The arbitrator shall be confined to the subjects submitted for decision, and may in no event, as a part of any such decision, impose upon either party any obligation to arbitrate on any subjects which have not herein been agreed upon as subjects for arbitration; nor may the arbitrator, as a part of any such decision, effect reformation of the contract, or of any of the provisions thereof.

Section 4. The decision of any arbitrator, selected in accordance with Section 2. hereof, shall be final, and the parties agree to be bound and to abide by such decision.

Section 5. If and when notice of termination of this Agreement is given as provided in the Duration Article hereof, any existing dispute described in Section 1. hereof, as an appropriate subject for arbitration which is in the process of Formal Grievance negotiation of record prior to the service of such notice of termination, or, if such an existing dispute appropriate under Section 1. hereof, shall become a matter of record in the process of Formal Grievance negotia-

tion in the manner and within the time limit prescribed for filing Formal Grievances, then in either such event any such matter may be carried to a conclusion under this Article without regard to the termination of this Agreement.

ARTICLE V

EXPEDITED ARBITRATION

Section 1. In lieu of the procedures specified in Article IV of this Agreement, any grievance involving the suspension of an individual employee including a Decision Making Leave (DML), or the demotion of any employee with more than one (1) completed year's Net Credited Service, 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, shall be submitted to arbitration under the expedited arbitration procedure hereinafter provided within fifteen (15) calendar days after the filing of a request for arbitration. In all other disciplinary or contract application grievances which are specifically subject to arbitration under Article IV of this Agreement, both parties may, within fifteen (15) calendar days after the filing of the request for arbitration, elect to use the expedited arbitration procedure. The election shall be in writing and, when signed by authorized representatives of the parties, shall be irrevocable unless a subsequent related administrative charge or court action is filed by or on behalf of the grievant(s). In such event, the election may be revoked by either party, in writing, within fifteen (15) calendar days after that party's receipt of actual notice of the charge or court action. If no election to proceed with expedited arbitration is timely made, or if the election is revoked as provided above, the arbitration procedure in Article IV shall be followed.

Section 2. As soon as possible after this Agreement becomes final and binding, a panel of twelve (12) expedited arbitrators shall be selected by the parties. Each arbitrator 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 arbitrator shall be notified of his or her termination by a joint letter from the parties. The arbitrator shall conclude his or her services by settling any grievance previously heard. A successor arbitrator shall be selected by the parties. Arbitrators shall be assigned cases in rotating order designated by the parties. If an arbitrator is not available for a hearing within thirty (30) calendar days after receiving an assignment, the case will be passed to the next arbitrator. If no one can hear the case within thirty (30) calendar days, the case will be assigned to the arbitrator who can hear the case on the earliest date.

Section 3. The procedure for expedited arbitration shall be as follows:

- a. As soon as possible, but no later than thirty (30) calendar days after the filing of the demand for arbitration (in suspension, DML, or demotion cases), or after the agreement to utilize the provisions of this Article (in all other cases), the parties shall notify the arbitrator by telephone of, and confirm in writing, his or her selection to settle the grievance by expedited arbitration. The parties and the arbitrator shall confer and agree upon the date, time and place of the hearing, which the arbitrator shall confirm to the parties in writing.
- b. The parties may submit to the arbitrator prior to the hearing 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 arbitrator shall satisfy himself or herself 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 necessary to a fair settlement and reasonably obtainable are brought before the arbitrator.

- d. Within fourteen (14) calendar days after the hearing, each party may submit to the arbitrator a brief written summary of the issues raised at the hearing and arguments supporting its position. A copy of any such brief submitted to the arbitrator also shall be provided at the same time to the opposing party. Unless specifically waived at the hearing, each party shall have the option to submit a reply brief within seven (7) calendar days after receipt of the opposing party's initial brief. Any reply brief shall be confined to responses to the issues, facts and arguments discussed in the opposing party's initial brief.
- e. The arbitrator shall give his or her award, in the form of a brief written statement including the reasons supporting the award, within fourteen (14) calendar days after his or her receipt of the parties' initial (or, if applicable, reply) briefs.
- f. The arbitrator's award shall apply only to the instant grievance. The award 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 award or a modification thereof is adopted by the written concurrence of the representatives of each party at the final step of the grievance procedure.
- g. The time limits set forth in this Article may be extended by agreement of the parties and/or at the arbitrator's request, but in either case only in emergency situations beyond the control of the parties or the arbitrator. Such extensions shall not circumvent the purpose of this procedure.
- h. In any grievance arbitrated under the provisions of this Article, the Company shall under no circumstances be liable for back pay 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 action complained of in the grievance. [In cases of alleged “continuing violations”, the six (6)-month limit will run beginning forty-five (45) days prior to the filing of the grievance at the first step of the Formal Grievance procedure.] Delays requested by the Union in which the Company concurs shall not be included in such additional time.

- i. The arbitrator shall be confined to the issue(s) submitted for decision, and shall have no authority to add to, subtract from or modify any provisions of this Agreement.
- j. The decision of the arbitrator will settle the grievance, and the Company and the Union agree to abide by such decision. The compensation and expenses of the arbitrator and the general expenses of the arbitration shall be borne by the Company and the Union in equal parts. Each party shall bear the expense of its representatives and witnesses.
- k. The time limit for requesting arbitration under this Article shall be the same as set forth in Article IV, Arbitration, of this Agreement.

ARTICLE VI
LEAVES OF ABSENCE FOR
UNION REPRESENTATIVES ON
UNION BUSINESS

Section 1. Employees of the Company in the Bargaining Unit who are either elected officers of the Union, or are designated in accordance with Section 3. of this Article as its representatives, will be excused from regular work with the Company or be granted formal leaves of absence to attend to business matters pertaining to the Union (AFL-CIO in addi-

tion to Communications Workers of America), subject to the following provisions:

Section 2. The Union recognizes that service requirements as determined by the Company must be taken into account in determining the number of employees to be excused or granted leaves of absence during any one time from the Bargaining Unit. Except where it is impossible because of time or other circumstances, such Union officer, steward, or designated representative shall give his or her supervisor one (1) week's prior notice of his or her intention to be absent from duty for Union business.

Section 3.

- a. Subject to the limitations in Sections 1. and 2. above, any such Union officer included on a list or lists furnished to the Company by the Union, or where specifically designated by a CWA Representative to the Senior Manager of the Department involved, or by the Vice President of the Union to the Company Vice President-Labor Relations, any elected or designated Union steward or representative may, upon request to his or her supervisor, be excused without pay from assignment to Company duty for intervals aggregating not in excess of sixty (60) normally scheduled work days during any calendar year, and during the same period not more than a total of one hundred (100) Union officers and representatives from the Bargaining Unit, specifically designated by the Vice President of the Union to the Company Vice President-Labor Relations, may upon request be excused without pay from assignment to Company duty for intervals aggregating not in excess of one hundred and twenty (120) normally scheduled work days during such year.
- b. (1) Where, under the provisions of this Agreement, an employee representative of the Union is engaged in

meetings with the Company with respect to Collective Bargaining (as defined in Article I hereof); or

- (2) Where, under the provisions of the 2004 Departmental Agreement between the Union and the Company, an employee is protected against loss of pay for time consumed in meetings with the Company with respect to complaints or grievances, then neither the time spent in any such meeting nor the time necessarily consumed in traveling to or from such meeting shall be taken into account in computing absence covered by this Section 3.

Note: None of the provisions of this Section 3. shall apply to any full-time CWA staff member.

Section 4. Subject to the limitations in Sections 1. and 2. of this Article and in this Section 4., when an officer or designated representative of the Union requires time off from assigned Company duties to attend solely to Union matters, either before or after exhausting the time allowed without pay provided in Section 3. above, he or she will be granted a leave of absence without pay either upon the initiative of the Company or upon the request of the Vice President of the Union to the Vice President-Labor Relations of the Company, provided that:

- a. no such leave of absence shall be for an initial period of less than thirty (30) calendar days or more than one (1) year, nor shall the total cumulative period of all such leaves of absence for any one (1) employee exceed twenty-one (21) years; and
- b. no more than a total of thirty-five (35) Union officers and designated representatives may be granted such leaves of absence at any one time at the request of the Union.

Section 5. All leaves of absence granted under this Article will be granted with the following conditions:

- a. During the absence the employee shall retain eligibility, if any, according to term of service, for the Medical Plan, the CarePlus Plan, the Dental Plan, the Group Life and Accidental Death or Dismemberment Insurance, and the Vision Plan, provided that:
 - (1) The employee shall pay his or her share of the premiums for the Medical Plan, the CarePlus Plan, the Dental Plan and the Vision Plan; and
 - (2) The Company shall pay the premium for the Group Life and Accidental Death or Dismemberment Insurance.
- b. During the absence the employee shall retain eligibility, if any, according to term of service, to:
 - (1) payments subject to the 2004 Departmental Agreement for absence due to illness during first seven (7) days after expiration of the leave,
 - (2) disability benefits beginning on the eighth (8th) day after expiration of the leave,
 - (3) death benefits and pension.
- c. The period of absence will not be deducted in computing term of employment, and the period of absence will not be credited for wage progression purposes.
- d. The pension base shall not in any manner be affected by a leave of absence granted pursuant to this Article. Should an employee on such leave elect to retire at the termination thereof, the employee's pension base, if any, shall be computed as if the employee were continually employed during the period of leave.

Section 6. A leave of absence granted under the terms of this Article will be terminated 1) whenever the Union shall cease to be the bargaining representative for the employee or the Bargaining Unit, or 2) upon expiration of the period for which the leave is granted, or 3) prior to such expiration, upon the date an employee shall return to work following assignment by the employee's supervisor.

Section 7. Any employee excused from duty or granted a leave of absence under this Article will be restored to the status of an active employee at the termination of his or her absence, provided that, had the employee remained in active service during the period of the absence, such employee would be qualified and eligible to retain his or her former position or an equivalent position.

No physical or occupational examination shall be required as a requisite of reemployment except where an obvious physical or mental condition exists which requires medical advice regarding job placements or fitness for work.

The rate of pay upon return shall be that rate at the same point on the Wage Schedule the employee occupied when he or she left; that is, any modification in Wage Schedules effected while the employee is on leave which changes the occupational rate in effect at the time of the leave, will be applicable to the employee upon his or her return.

Section 8. All rights of an employee under a leave of absence granted under this Article shall terminate if the employee resigns his or her employment with the Company or accepts employment with a new or different employer other than the Union, prior to the expiration of the leave.

Section 9. An employee returning to work during the vacation year at the expiration of a leave of absence under this Article which began on or prior to the first day of the vacation year, will be eligible for such vacation to which his or

her term of service entitles the employee for the year during which he or she returns to work, provided that such return to work be before November 1 and provided further that an employee on a leave of absence which began on or prior to the first day of the vacation year taken under the provisions of Section 3. or Section 4. of this Article, or combination thereof, shall not interrupt that absence for the purpose of taking his or her vacation at Company expense.

Section 10. Nothing herein shall be deemed to affect any leave of absence hereinbefore granted in accordance with the Agreement Covering Leaves of Absence for Union Representatives dated September 1, 1944, as amended, or in accordance with the provisions of Article IV of the 1949, 1950, 1951, or 1952 Agreement of General Application or Article VI of the 1953, 1954, 1955, 1956, 1957, 1959, 1960, 1963, 1967, 1968, 1977, 1980, 1983, 1986, 1989, 1992, 1995, 1998, or 2001 Agreement of General Application, or Article VII of the 1971 Agreement of General Application, or Article V of the 1974 Agreement of General Application, and for all purposes each such leave regardless of the date of its issuance or expiration, shall be deemed to have been issued under the provisions of this Article.

ARTICLE VII

PENSIONS, DISABILITY BENEFITS, AND DEATH BENEFITS

During the term of this Agreement, no change may be made without the consent of the Union in the existing SBC Pension Benefit Plan, Sickness and Accident Disability Benefit Plan, or the SBC Disability Income Plan which would reduce or diminish the benefits or privileges provided thereunder. Any claim that such benefits or privileges have been so diminished or reduced may be presented as a grievance and if not resolved by the parties under their grievance machinery may be submitted to arbitration pursuant to the provisions of Article IV hereof but in any such case any deci-

sion 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 procedure or arbitration.

ARTICLE VIII **RESPONSIBLE UNION-COMPANY** **RELATIONSHIP**

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 continue to be characterized by mutual responsibility and respect. To ensure that this relationship continues and improves, the Company and the Union and their respective representatives at all levels will apply the terms of this 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 Bargaining Unit. Each party shall bring to the attention of all employees in the Bargaining Unit, including new hires, their purpose to conduct themselves in a spirit of responsibility and respect and the measures they have agreed upon to ensure adherence to this purpose. Further, during the orientation of new hires, each party will bring to the attention of new employees the relationship between the parties and the Union's role as the bargaining representative of employees.

ARTICLE IX **NONDISCRIMINATION**

In the desire to restate their respective policies, neither the Company nor the Union shall unlawfully discriminate against any employee because of such employee's race, color, religion, sex, age, or national origin or because he or she is a qualified individual with a disability, a disabled veteran, or a veteran of the Vietnam era.

The Company and the Union further reaffirm their commitment that none of the terms of the collective bargaining

agreements shall expressly or in effect unlawfully discriminate against qualified individuals with disabilities as defined by the Americans With Disabilities Act (ADA). For this reason, nothing in the 2004 Departmental Agreement or the 2004 Agreement of General Application shall be applied or interpreted to restrict either party from taking whatever action it deems reasonably necessary to fully comply with the ADA.

ARTICLE X

TECHNOLOGY CHANGE

The Company and the Union recognize that technological changes in equipment, organization, or methods of operation may affect job security, the nature of the work to be performed and the skills necessary to work in the new environment. The parties, therefore, will attempt to diminish or eliminate the detrimental effects of any such technological changes by expanding the role of the Technology Change Committee in an effort to identify Human Resources issues as early in the planning process as possible and recommend solutions to these problems as set forth below.

The purpose of the committee, which will consist of three (3) representatives of both the Union and the Company, is to provide a “core” group of Human Resources leaders where meaningful discussion of major technological changes (including changes in equipment, organization, or methods of operation) which may affect employees represented by the Union, can take place. To accomplish the goal of developing a skilled work force necessary for the Company to effectively compete in the Twenty-first Century, this “core” group of the Technology Change Committee will meet semiannually and discuss items such as training, testing procedures, deployment of technology and Human Resources trends. This group will also review recommendations from teams with bargaining unit members that may be used to provide input on new technology applications. The second of the semiannual meetings will emphasize reviewing work brought about by new technology that is being performed outside the Bargaining Unit and to

consider whether methods and procedures can be developed that would allow some or all of that work to be performed by Bargaining Unit members. In addition, annually the Company will provide a forum for up to an additional four (4) representatives of the Union to participate in a Technology Change Human Resources Planning Conference in which technological and operational changes that will materially affect the Company's Human Resources needs can be discussed. Unless the Company and the Union mutually agree to a change in date, the semiannual meetings will be held on the second Tuesday of January and the third Tuesday in September and the Human Resources Planning Conference will be held on the second Tuesday in May.

The annual conference will focus on issues such as new organizational structures, new methods of operation, the introduction of new technology and new applications of existing technology that will require a more well-educated, more skilled work force in the future.

The Company further commits to continue the practice of notifying the Union in ad hoc Technology Change implementation meetings of planned major technological changes when firm details are available.

The impact and effect of such changes on the employees shall be appropriate matters for discussion in the meetings. The Company will discuss with the Union:

- a. What steps might be taken to provide continued employment to affected employees:
 - (1) in the same locality or other localities in jobs which may be available in occupations covered by the collective bargaining agreements between the parties;
 - (2) in other associated companies; and

- (3) in other occupations in the Company, not covered by the contract.
- b. The applicability of various Company programs and contract provisions relating to force adjustment plans and procedures, including Voluntary Separation procedures, Reassignment Pay Protection Plan, Severance Payments, retirement, transfer procedures and the like.
- c. The feasibility of the Company providing training for other assignment for the employees affected. (Example: Sponsorship of keyboard skill training on Company time.)

Attendees at the annual Technology Change Human Resources Planning Conference, the “core” group of Technology Change Committee members, or attendees at the Technology Change implementation meetings shall not formulate policy or arrive at binding decisions or agreements, but rather shall be charged with the responsibility to develop facts and recommendations on how future Human Resources needs can be met so that the parties can make well-informed decisions regarding the matters covered by this provision. In connection with any Technology Change meetings under this Article, the employee representative(s) designated by the Union shall suffer no loss in pay for time consumed in, and necessarily consumed in traveling to and from these meetings. In addition, the Company will reimburse employee representatives for the cost of round trip coach airfare, for attending Technology Change meetings. The number of employee representatives reimbursed on this committee shall not exceed the number of employee representatives as of April 5, 1998.

ARTICLE XI

COMMON INTEREST FORUMS

Recognizing that rapid changes are occurring and will continue to occur in the information and telecommunications industries, the parties express their intent that forums of com-

mon interest be held at appropriate operational levels in order to promote the principles of a cooperative Union-Management business alliance. Specifically, Common Interest Forums will serve the following purposes:

1. Establish a business alliance by providing a framework for early communication and discussion between the parties on business developments of mutual interest and concern to the parties and their constituencies, including regulatory and legislative issues.
2. Discuss and review innovative approaches to equip the Company to maintain historic levels of excellence and success in the face of rapidly increasing competition in both traditional and newly emerging telecommunications markets thereby improving employees' competitive responsiveness, while protecting and enhancing opportunities for employment security.
3. Promote Participative Management Employee Involvement (PMEI) at every level of the organization in ways that increase shareowner value and maximize employees' satisfaction with their jobs' content and operating environment by:
 - a. delegating authority, responsibility, and accountability to meet customers' needs at the point of contact;
 - b. adopting innovative methods of operation which modify traditional workplace relationships; and
 - c. increasing Union and employee participation in local workplace decisions.
4. Improve understanding of and relationships between the parties and thereby avoid unnecessary disputes by cooperatively addressing significant changes and developments in both the Union and Company environments.

5. Provide an opportunity for the Union to discuss various work operations being contracted out and to offer suggestions as to how employees in a particular location might perform this same work in a practical and effective manner which meets the cost and completion time objectives of the business. The Company must consider such suggestions and, as appropriate, the parties may mutually agree that such discussions be continued between designated local Management and Union representatives.

Equal numbers of key Union and Management persons shall constitute the Forum. It is anticipated that Management members of the Forum will include at least one (1) Senior Manager with operations responsibilities and one (1) upper-level Manager with legislative and/or regulatory responsibilities. Union members of the Forum will include Local Presidents and/or CWA Staff Representatives whose positions within the CWA influence a broad range of responsibilities. Meetings will be convened by the parties at mutually agreeable places and times but no less often than quarterly, unless mutually agreed. Otherwise, the members of the Forum shall determine its composition, structure, agenda, and operation.

It is intended that each Forum support the collective bargaining process, the established contractual dispute resolution procedures, and existing joint Union-Management committees.

ARTICLE XII

TRAINING/RETRAINING

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 or in the event their existing jobs are displaced. Accordingly, the Company will continue to offer at Company expense, training and retraining programs to its employees for personal or career devel-

opment, and to employees being displaced to qualify for job vacancies as anticipated by the Company. Any employee laid off while participating in one (1) or more courses pursuant to a Program shall be permitted to complete the course at Company expense on the same terms and conditions as had the layoff not occurred.

The personal or career development training and the job displacement retraining programs contemplated by this Article will be generic in nature and separate and distinguished from the current job specific training instruction.

A Training Advisory Board comprised as set forth below will continue to assist and advise in the training efforts encompassed by these programs.

Personal or Career Development Training

Personal or career development training programs will be designed 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.

Training under such program will be generic in nature as opposed to job specific and will cover technical, sales, clerical, and other fundamental skills.

Any regular employee with at least one (1) year of Net Credited Service will be eligible to participate in such training program under the terms of such program.

Participation by employees in the personal or career development training program will be voluntary, and time spent by employees in such training will be outside scheduled working hours and not paid or considered as time worked for any purpose.

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.

Job Displacement Training

Job displacement training programs will be designed 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.

Employees will be informed of potential displacements as soon as possible and, depending on the number of any anticipated job openings, will be offered training, if necessary, which is intended to enable them to qualify for such job openings in the Company.

All regular employees who are notified of potential displacement of their current jobs or restructuring to a lower rate will be eligible to participate in such training program regardless of length of service.

Participation by employees in the job displacement training program will be voluntary, and time spent by employees in such training will 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.

Training Advisory Board

The Training Advisory Board will consist of three (3) Union representatives and three (3) Management representatives (one of whom will be the person in the Company responsible for training) who will meet periodically and have responsibility for:

- a. furnishing advice to the Company on personal or career development and job displacement training courses and curricula;
- b. reviewing and making recommendations regarding training delivery systems (e.g., technical schools, community colleges, home study programs, etc.) available to be used by the Company;
- c. evaluating the effectiveness of such training programs and courses and the delivery systems utilized; and
- d. encouraging employees to participate in and successfully complete the available training courses.

The Union and the Company will each be responsible for the respective costs and expenses of their representatives' participation on the Training Advisory Board and will share equally in the joint costs and expenses incurred by the Board; however, the Company will reimburse employee members for the cost of round trip coach airfare, for attending Training Advisory Board meetings. The number of employee members reimbursed on this Board shall not exceed the number of employee members as of April 5, 1998. However, the employee representative(s) involved in Training Advisory Board meetings shall suffer no loss in pay for time consumed in, and necessarily consumed in traveling to and from these meetings.

Nothing in this program will supersede any applicable promotion or transfer provisions of this contract.

ARTICLE XIII PRIOR AGREEMENT

This Agreement supersedes and cancels the 2001 Agreement of General Application.

ARTICLE XIV
DURATION

This Agreement shall become effective as of April 4, 2004, and shall continue until 11:59 p.m., on April 4, 2009, at which time it will terminate, unless extended by mutual agreement in writing prior to said termination date.

IN WITNESS WHEREOF, Communications Workers of America and Southwestern Bell Telephone, L.P., SBC Advanced Solutions, Inc., SBC DataComm, Inc., SBC Operations, Inc., SBC Services, Inc., and SBC Telecom, Inc. have caused this Agreement to be executed by their respective officers and representatives thereunto duly authorized as of the day and year first above written.

COMMUNICATIONS WORKERS OF AMERICA

BY Andy Milburn
Vice President
District 6

APPROVED

BY Morton Bahr
President, Communications Workers of America

SOUTHWESTERN BELL TELEPHONE, L.P.

SBC ADVANCED SOLUTIONS, INC.

SBC DATACOMM, INC.

SBC OPERATIONS, INC.

SBC SERVICES, INC.

SBC TELECOM, INC.

BY Mike Smith
Vice President-Labor Relations

**MEMORANDUM OF UNDERSTANDING
REGARDING PART-TIME
EMPLOYEES**

**PART-TIME EMPLOYEES
EFFECTIVE JANUARY 1, 1981**

A part-time employee is one who is employed and normally scheduled to work less hours per average month than a comparable full-time employee in the same job title, classification, and work group working the same normal daily tour.

**CLASSIFICATION AND TREATMENT OF
PART-TIME EMPLOYEES**

1. Except for payment for overtime hours worked, all hours worked by a part-time employee in PhoneCenter Stores, Customer Service Centers, Phone Booths (Kiosks), DM/DR (Direct Marketing/Direct Response) Centers and any equivalent retail sales or service center operation, and any employee who is transferred to or employed by any new unregulated subsidiary or affiliated entity in the Bell System shall be paid at the equivalent basic hourly rate for a comparable full-time employee working a normal daily tour in the same job title, classification, and work group. Payment to a part-time employee for hours worked in excess of an equivalent normal daily tour or work week for a comparable full-time employee shall be at the applicable overtime rate for a comparable full-time employee based on such part-time employee's basic hourly rate. Any regular employee who is 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 be paid on the same basis as was applicable to such a part-time employee on December 31, 1980.

2. The classification of a part-time employee is based on the employee's "part-time equivalent work week" which shall be

initially determined by dividing the employee's anticipated 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.)

3. The "part-time equivalent work week" classification of each part-time employee shall be recalculated by the Company no less often than every six (6) months on April 1 and October 1 of each year, based on the actual average number of hours worked per month during the preceding six (6)-month period. The recalculated "part-time equivalent work week" classification, shall be placed in effect if it differs by more than plus or minus three (+/-3) hours from the employee's current "part-time equivalent work week" classification, or if it would change the employee's current premium payment percentage for the Medical, Dental and Vision Plans, as described in paragraph 5., a., b., and c. below. Any hours worked which are paid at the overtime rate shall not be counted in computing the average number of hours worked.

4. For employees, who are hired on or after January 1, 1981, and who work as regular part-time employees, payments to a regular part-time employee for sickness disability, accident disability, or death benefits under the "Pension Benefit Plan or the Disability Income Plan," vacations, holidays, anticipated disability leave, sickness absence (not under the "Disability Income Plan"), or termination allowance (or its equivalent) shall be prorated based on the relationship of the individual part-time employee's "part-time equivalent work week" to the normal work week of a comparable full-time employee in the same job title, classification, and work group. A part-time employee shall not be paid for time not worked on a holiday or for absence due to sickness (not under the "Disability Income Plan") unless such holiday or absence due to sickness occurs on a day of the week on which the employee is normally scheduled to work. Regular employees

who are on the active payroll of the Company as of December 31, 1980, and who work 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.

5. Employees who are hired on or after January 1, 1981, and who work as part-time employees shall, if otherwise eligible to participate under the terms of such plans, be eligible for coverage under the Medical Plan, Dental Plan, and Vision Plan, as follows:

- a. Employees whose part-time equivalent work week classification is sixteen (16) or less shall be eligible by enrollment and payment of one hundred (100) percent of the premiums for such coverage.
- b. Employees whose part-time equivalent work week classification is seventeen (17) through twenty-four (24) shall be eligible by enrollment and payment of fifty (50) percent of the premiums for such coverage.
- c. Employees whose part-time equivalent work week classification is twenty-five (25) or more shall be eligible for such coverage on the same basis as a regular full-time employee.
- d. Regular employees who are 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.

6. Effective January 1, 1981, part-time employees regardless of classification, shall be eligible for Excused Work Days on a pro rata basis based upon the ratio of any such part-time employee's equivalent work week to the normal work week of a comparable full-time employee.

7. This Memorandum is the result of national bargaining and expresses the general principles governing the treatment of part-time employees. These principles are incorporated, as appropriate, in the various Agreements between Southwestern Bell Telephone, L.P., SBC Advanced Solutions, Inc., SBC DataComm, Inc., SBC Operations, Inc., SBC Services, Inc., and SBC Telecom, Inc. and the CWA and will expire or be changed through future amendments to those particular Agreements.

For the Union:

Andy Milburn
Vice President
District 6

For the Company:

Mike Smith
Vice President-
Labor Relations

MOTOR VEHICLE USAGE PROGRAM

1. There will be established a Motor Vehicle Usage Program to provide, in those administrative work units where implemented, that employees who participate will be assigned a motor vehicle for use in their work and for traveling between their work locations and places of residence or other designated places for the vehicle storage.

2. The Motor Vehicle Usage Program will be implemented only within administrative work units where some or all of the employees normally use a Company-provided motor vehicle in order to perform their work. The decision to implement and to continue the program within any such administrative work unit will be within Management's discretion.

3. When the Motor Vehicle Usage Program is introduced within an administrative work unit, all employees within that unit who normally use a Company-provided motor vehicle in the performance of their work assignment will be eligible to participate. Participation by any such employees will be on a voluntary basis. If an employee elects not to participate, Management will determine where the motor vehicle assigned to that employee is to be stored and that location will become the employee's work reporting location.

4. Employees who participate in the program will be expected to provide normally secure and legal storage for the vehicle at their places of residence. If the vehicle cannot be properly stored at an employee's place of residence, the Company may arrange for appropriate storage at its expense.

5. Operating and maintenance costs will be at the Company's expense. The Company will make arrangements for maintenance of the vehicle; however, it will be the responsibility of the employee to whom the vehicle is assigned to assure that the vehicle is properly maintained.

6. For employees who participate in the Motor Vehicle Usage Program, a work reporting area will be established on a local basis before implementation. Such work reporting area will be designed so as to serve the interests of the customer, reasonably accommodate the employee, and be satisfactory to Management and the Union. The work reporting area normally will be a circular geographic area. In large congested metropolitan locations or where natural barriers render a circular work reporting area impractical, other suitable parameters will be established.

7. Each participating employee will be expected to begin and end the work tour at any assigned location within the established work reporting area. Prior to implementation of the Program, the Company and Union will determine a method of compensation for employees who begin or end a work tour outside an established work reporting area.

MEMORANDUM OF AGREEMENT

This Memorandum shall apply, effective April 4, 2004, to the extent set forth below, to employees of SOUTHWESTERN BELL TELEPHONE, L.P., SBC ADVANCED SOLUTIONS, INC., SBC DATACOMM, INC., SBC OPERATIONS, INC., SBC SERVICES, INC., and SBC TELECOM, INC. (hereinafter called the "Company") included in any recognized or certified Bargaining Unit, who enter active duty in the armed forces of the United States as defined in the Uniformed Services Employment and Reemployment Rights Act of 1994, effective October 13, 1994, and supersedes all practices heretofore applicable to such employees entering active duty in the armed forces of the United States.

SECTION I. LEAVE OF ABSENCE

A leave of absence will be granted to any employee, excluding occasional employees, leaving a position (other than a temporary position as specified under the Uniformed Services Employment and Reemployment Rights Act of 1994) to enter active duty in the armed forces who:

- (a) is inducted under the Uniformed Services Employment and Reemployment Rights Act of 1994,
- (b) is subject to induction under said Act and enlists for the minimum enlistment period of the branch of the armed forces involved,
- (c) is a member of the reserve component of the armed forces (as defined in the Uniformed Services Employment and Reemployment Rights Act of 1994) and is ordered or called into active military service, or
- (d) is not subject to induction under said Act and enlists for the minimum enlistment period of the branch of the armed forces involved.

This leave shall be subject to the conditions hereinafter stated and shall cover such employee's necessary absence on active duty in the armed forces of the United States.

SECTION II. BENEFIT STATUS

1. An employee on such leave who has reemployment rights under the Uniformed Services Employment and Reemployment Rights Act of 1994 and who makes application for reinstatement within the period provided in the Act, will receive upon reinstatement, full service credit for the period of absence on active duty in the armed forces.

2. Such leave will be with eligibility to death benefits and with eligibility to disability benefits at the termination of the leave if the employee is then incapacitated, all in accordance with the terms of the Disability Income Plan and the Pension Benefit Plan.

3. In death cases occurring during such leave, sickness death benefits, where payable, shall be based upon the Net Credited Service at the time the leave was granted plus the elapsed time on such leave to the date of death, and shall be computed at the rate of Company pay in effect at the time the leave began.

4. Disability benefits, where payable, shall be based upon the Net Credited Service at the time such leave was granted plus the elapsed time on such leave to the termination of the leave of absence, and shall be computed on the basis of the rate of Company pay in effect at the time of the employee's reinstatement.

SECTION III. MILITARY PAY ALLOWANCE

1. Employees granted leaves of absence under the provisions of Section I (a), (b), or (c) above, except for leaves for Public Health Services and any other category designated by

the President of the United States in time of war or emergency, will (where their Company Pay is greater) receive the difference between their Government Pay and their Company Pay for the first six (6) months of military service or for any shorter period of such service.

2. Employees granted leaves of absence under the provisions of Section I (d) above, except for leaves for Public Health Services and any other category designated by the President of the United States in time of war or emergency, will (where their Company Pay is greater) receive the difference between their Government Pay and their Company Pay for the first two (2) weeks of military service or for any shorter period of such service.

SECTION IV. DETERMINATION OF GOVERNMENT PAY AND COMPANY PAY

1. Government Pay shall, for the purpose of this Agreement, include basic pay, and, for those with dependents, the excess of quarters allowances established for members of the armed forces with dependents over those established for members of the armed forces of equal rank without dependents, and shall be computed as of the time the employee so enters military service. Where difference in pay for two (2) weeks is involved, Government Pay shall be fourteen thirtieths ($\frac{14}{30}$) of the monthly rate as determined above.

2. Company Pay for the purpose of computing military pay allowances shall be based upon the employee's rate (including any night, or unlocated differentials, to the extent normally applicable) in effect at the time of such employee's entry into military service.

SECTION V. REEMPLOYMENT

All employees who are granted leaves of absence to enter active duty in the armed forces and have reemployment rights under the law, and all others who have such reemployment rights will be reinstated in accordance with the provisions of the law.

SECTION VI. VACATION TREATMENT

A lump-sum payment in lieu of any unused vacation to which the employee may be entitled at the date on which his/her leave of absence begins shall be made at that time.

SECTION VII. DURATION

The procedures established by this Memorandum shall continue in force and effect until April 4, 2009, and thereafter until terminated by thirty (30) days' notice in writing from either party to the other; provided however, that no such termination shall affect any rights under any leave of absence granted hereunder which is in effect on the day prior to the effective date of such termination. Notice of termination may be given at any time on or after March 5, 2009, and shall be sufficient with respect to the Union if addressed to the Vice President, District 6, Communications Workers of America, and with respect to the Company if addressed to the Vice President-Labor Relations.

IN WITNESS WHEREOF, Communications Workers of America and Southwestern Bell Telephone, L.P., SBC Advanced Solutions, Inc., SBC DataComm, Inc., SBC Operations, Inc., SBC Services, Inc., and SBC Telecom, Inc. have caused this Agreement to be executed by their respective officers and representatives thereunto duly authorized, as of the day and year first above written.

COMMUNICATIONS WORKERS OF AMERICA

BY Andy Milburn
Vice President
District 6

SOUTHWESTERN BELL TELEPHONE, L.P.

SBC ADVANCED SOLUTIONS, INC.

SBC DATACOMM, INC.

SBC OPERATIONS, INC.

SBC SERVICES, INC.

SBC TELECOM, INC.

BY Mike Smith
Vice President-
Labor Relations

MONTHLY BENEFIT TABLES

Pension benefit amounts will be determined using the appropriate Monthly Benefit Tables as shown on the subsequent pages according to the following:

For Pension Effective Dates:	Use Table:
• On or after October 1, 2003 AND before January 1, 2005	A
• On or after January 1, 2005 AND before January 1, 2006	B
• On or after January 1, 2006 AND before January 1, 2007	C
• On or after January 1, 2007 AND before January 1, 2008	D
• On or after January 1, 2008 AND before January 1, 2009	E
• On or after January 1, 2009	F

Note: Use tables below for SBC Operations, Inc.

For Pension Effective Dates:	Use Table:
• On or after October 1, 2003 AND before January 1, 2005	G
• On or after January 1, 2005 AND before January 1, 2006	H
• On or after January 1, 2006 AND before January 1, 2007	I
• On or after January 1, 2007 AND before January 1, 2008	J
• On or after January 1, 2008 AND before January 1, 2009	K
• On or after January 1, 2009	L

**MONTHLY BENEFIT
TABLE A
FOR PENSION EFFECTIVE DATES
ON OR AFTER OCTOBER 1, 2003
AND BEFORE JANUARY 1, 2005**

<u>PENSION BAND NUMBERS</u>	<u>ANY AGE</u>
94	\$20.85
95	\$22.11
96	\$23.35
97	\$24.58
98	\$25.83
99	\$27.06
100	\$28.31
101	\$29.55
102	\$30.81
103	\$32.07
104	\$33.32
105	\$34.55
106	\$35.79
107	\$37.07
108	\$38.32
109	\$39.56
110	\$40.79
111	\$42.06
112	\$43.28
113	\$44.56
114	\$45.79
115	\$47.01
116	\$48.29
117	\$49.50
118	\$50.78
119	\$52.01
120	\$53.27
121	\$54.51
122	\$55.78
123	\$57.00
124	\$58.26
125	\$59.51
126	\$60.75
127	\$62.00
128	\$63.24
129	\$64.51
130	\$65.73
131	\$67.01
132	\$68.22
133	\$69.47
134	\$70.73
135	\$71.96

**MONTHLY BENEFIT
TABLE B
FOR PENSION EFFECTIVE
DATES ON OR AFTER
JANUARY 1, 2005 AND
BEFORE JANUARY 1, 2006**

Increase = 3%

<u>PENSION BAND NUMBERS</u>	<u>ANY AGE</u>
94	\$21.48
95	\$22.77
96	\$24.05
97	\$25.32
98	\$26.60
99	\$27.87
100	\$29.16
101	\$30.44
102	\$31.73
103	\$33.03
104	\$34.32
105	\$35.59
106	\$36.86
107	\$38.18
108	\$39.47
109	\$40.75
110	\$42.01
111	\$43.32
112	\$44.58
113	\$45.90
114	\$47.16
115	\$48.42
116	\$49.74
117	\$50.99
118	\$52.30
119	\$53.57
120	\$54.87
121	\$56.15
122	\$57.45
123	\$58.71
124	\$60.01
125	\$61.30
126	\$62.57
127	\$63.86
128	\$65.14
129	\$66.45
130	\$67.70
131	\$69.02
132	\$70.27
133	\$71.55
134	\$72.85
135	\$74.12

**MONTHLY BENEFIT
TABLE C
FOR PENSION EFFECTIVE
DATES ON OR AFTER
JANUARY 1, 2006 AND
BEFORE JANUARY 1, 2007**

Increase = 2.50%

<u>PENSION BAND NUMBERS</u>	<u>ANY AGE</u>
94	\$22.02
95	\$23.34
96	\$24.65
97	\$25.95
98	\$27.27
99	\$28.57
100	\$29.89
101	\$31.20
102	\$32.52
103	\$33.86
104	\$35.18
105	\$36.48
106	\$37.78
107	\$39.13
108	\$40.46
109	\$41.77
110	\$43.06
111	\$44.40
112	\$45.69
113	\$47.05
114	\$48.34
115	\$49.63
116	\$50.98
117	\$52.26
118	\$53.61
119	\$54.91
120	\$56.24
121	\$57.55
122	\$58.89
123	\$60.18
124	\$61.51
125	\$62.83
126	\$64.13
127	\$65.46
128	\$66.77
129	\$68.11
130	\$69.39
131	\$70.75
132	\$72.03
133	\$73.34
134	\$74.67
135	\$75.97

**MONTHLY BENEFIT
TABLE D
FOR PENSION EFFECTIVE
DATES ON OR AFTER
JANUARY 1, 2007 AND
BEFORE JANUARY 1, 2008**

Increase = 2.50%

PENSION BAND NUMBERS	ANY AGE
94	\$22.57
95	\$23.92
96	\$25.27
97	\$26.60
98	\$27.95
99	\$29.28
100	\$30.64
101	\$31.98
102	\$33.33
103	\$34.71
104	\$36.06
105	\$37.39
106	\$38.72
107	\$40.11
108	\$41.47
109	\$42.81
110	\$44.14
111	\$45.51
112	\$46.83
113	\$48.23
114	\$49.55
115	\$50.87
116	\$52.25
117	\$53.57
118	\$54.95
119	\$56.28
120	\$57.65
121	\$58.99
122	\$60.36
123	\$61.68
124	\$63.05
125	\$64.40
126	\$65.73
127	\$67.10
128	\$68.44
129	\$69.81
130	\$71.12
131	\$72.52
132	\$73.83
133	\$75.17
134	\$76.54
135	\$77.87

**MONTHLY BENEFIT
TABLE E
FOR PENSION EFFECTIVE
DATES ON OR AFTER
JANUARY 1, 2008 AND
BEFORE JANUARY 1, 2009***

Increase = 2.25%

PENSION BAND NUMBERS	ANY AGE
94	\$23.08
95	\$24.46
96	\$25.84
97	\$27.20
98	\$28.58
99	\$29.94
100	\$31.33
101	\$32.70
102	\$34.08
103	\$35.49
104	\$36.87
105	\$38.23
106	\$39.59
107	\$41.01
108	\$42.40
109	\$43.77
110	\$45.13
111	\$46.53
112	\$47.88
113	\$49.32
114	\$50.66
115	\$52.01
116	\$53.43
117	\$54.78
118	\$56.19
119	\$57.55
120	\$58.95
121	\$60.32
122	\$61.72
123	\$63.07
124	\$64.47
125	\$65.85
126	\$67.21
127	\$68.61
128	\$69.98
129	\$71.38
130	\$72.72
131	\$74.15
132	\$75.49
133	\$76.86
134	\$78.26
135	\$79.62

*subject to adjustment based on the COLA adjustment, if any, applied to wages (April 1, 2007)

**MONTHLY BENEFIT
TABLE F
FOR PENSION EFFECTIVE DATES
ON OR AFTER JANUARY 1, 2009****

Increase = 2.25%

<u>PENSION BAND NUMBERS</u>	<u>ANY AGE</u>
94	\$23.60
95	\$25.01
96	\$26.42
97	\$27.81
98	\$29.22
99	\$30.61
100	\$32.03
101	\$33.44
102	\$34.85
103	\$36.29
104	\$37.70
105	\$39.09
106	\$40.48
107	\$41.93
108	\$43.35
109	\$44.75
110	\$46.15
111	\$47.58
112	\$48.96
113	\$50.43
114	\$51.80
115	\$53.18
116	\$54.63
117	\$56.01
118	\$57.45
119	\$58.84
120	\$60.28
121	\$61.68
122	\$63.11
123	\$64.49
124	\$65.92
125	\$67.33
126	\$68.72
127	\$70.15
128	\$71.55
129	\$72.99
130	\$74.36
131	\$75.82
132	\$77.19
133	\$78.59
134	\$80.02
135	\$81.41

**subject to adjustment based on the COLA adjustment, if any, applied to wages (April 6, 2008)

**MONTHLY BENEFIT
TABLE G
FOR PENSION EFFECTIVE DATES
ON OR AFTER OCTOBER 1, 2003
AND BEFORE JANUARY 1, 2005**

<u>PENSION BAND NUMBERS</u>	<u>ANY AGE</u>
7A8	\$25.83
7A9	\$27.06
700	\$28.31
701	\$29.55
702	\$30.81
703	\$32.07
704	\$33.32
705	\$34.55
706	\$35.79
707	\$37.07
708	\$38.32
709	\$39.56
710	\$40.79
711	\$42.06
712	\$43.28

**MONTHLY BENEFIT
TABLE H
FOR PENSION EFFECTIVE
DATES ON OR AFTER
JANUARY 1, 2005 AND
BEFORE JANUARY 1, 2006**

Increase = 3%

<u>PENSION BAND NUMBERS</u>	<u>ANY AGE</u>
7A8	\$26.60
7A9	\$27.87
700	\$29.16
701	\$30.44
702	\$31.73
703	\$33.03
704	\$34.32
705	\$35.59
706	\$36.86
707	\$38.18
708	\$39.47
709	\$40.75
710	\$42.01
711	\$43.32
712	\$44.58

**MONTHLY BENEFIT
TABLE I
FOR PENSION EFFECTIVE
DATES ON OR AFTER
JANUARY 1, 2006 AND
BEFORE JANUARY 1, 2007**

Increase = 2.50%

<u>PENSION BAND NUMBERS</u>	<u>ANY AGE</u>
7A8	\$27.27
7A9	\$28.57
700	\$29.89
701	\$31.20
702	\$32.52
703	\$33.86
704	\$35.18
705	\$36.48
706	\$37.78
707	\$39.13
708	\$40.46
709	\$41.77
710	\$43.06
711	\$44.40
712	\$45.69

**MONTHLY BENEFIT
TABLE J
FOR PENSION EFFECTIVE
DATES ON OR AFTER
JANUARY 1, 2007 AND
BEFORE JANUARY 1, 2008**

Increase = 2.50%

<u>PENSION BAND NUMBERS</u>	<u>ANY AGE</u>
7A8	\$27.95
7A9	\$29.28
700	\$30.64
701	\$31.98
702	\$33.33
703	\$34.71
704	\$36.06
705	\$37.39
706	\$38.72
707	\$40.11
708	\$41.47
709	\$42.81
710	\$44.14
711	\$45.51
712	\$46.83

**MONTHLY BENEFIT
TABLE K
FOR PENSION EFFECTIVE
DATES ON OR AFTER
JANUARY 1, 2008
AND BEFORE
JANUARY 1, 2009*****

Increase = 2.25%

<u>PENSION BAND NUMBERS</u>	<u>ANY AGE</u>
7A8	\$28.58
7A9	\$29.94
700	\$31.33
701	\$32.70
702	\$34.08
703	\$35.49
704	\$36.87
705	\$38.23
706	\$39.59
707	\$41.01
708	\$42.40
709	\$43.77
710	\$45.13
711	\$46.53
712	\$47.88

***subject to adjustment based on the COLA adjustment, if any, applied to wages (April 1, 2007)

**MONTHLY BENEFIT
TABLE L
FOR PENSION EFFECTIVE DATES
ON OR AFTER JANUARY 1, 2009******

Increase = 2.25%

<u>PENSION BAND NUMBERS</u>	<u>ANY AGE</u>
7A8	\$29.22
7A9	\$30.61
700	\$32.03
701	\$33.44
702	\$34.85
703	\$36.29
704	\$37.70
705	\$39.09
706	\$40.48
707	\$41.93
708	\$43.35
709	\$44.75
710	\$46.15
711	\$47.58
712	\$48.96

****subject to adjustment based on the COLA adjustment, if any, applied to wages (April 6, 2008)



Southwest

STRATEGIC Alliance

Statement of Renewed Commitment to the Principles of Cooperative Union-Management Relations

The Company and the Union recognize that significant benefits have been derived and will continue to derive from cooperative Union-Management relations. Through such cooperation, the parties have been able to explore innovative methods of operation which seek to modify traditional workplace relationships in ways designed to enhance the Company's effectiveness and competitiveness, increase Union and employee participation in local workplace decisions, and maximize employees' satisfaction with their work.

The parties also recognize that the 1996 Telecommunications Act and associated legislation changed the market place from heavily regulated to highly competitive. Therefore, achieving mutual goals of competitive excellence and employment security in this new environment will present ever-increasing challenges.

In light of these challenges, the parties realize that the need for effective and mutually respectful cooperation between the Union and Management at all levels of the business is more important now than ever before. Therefore, the Company and the Union hereby renew and strengthen their commitment to the following Principles of Cooperative Union-Management Relations:

1. Participative Management Employee Involvement (PMEI) is based on the tenet that employees are responsible, trustworthy and capable of making contributions when equipped with the necessary business information and train-

ing. In this regard, the Company and the Union will promote strategies designed to:

- educate employees and all levels of Union and Management leadership to promote PMEI efforts and increase understanding of the link between PMEI and improvement in both bottom-line results and job satisfaction; and
- provide access to relevant business information to improve employees' level of competitive responsiveness and their ability to make well-informed, customer-focused decisions.

2. The principles of PMEI require engaging employees and Company and Union leadership at all levels in meaningful opportunities for participation in and contribution to business decisions that affect their work. The parties will promote the goals of increasing shareowner value and enriching jobs by actively soliciting employees' input and by recognizing their contributions to these objectives.

3. The Company and the Union agree to uphold and promote PMEI principles and to encourage and support implementation of PMEI processes in a consistent and effective manner at every level of their respective organizations. The parties recognize that effectiveness and productivity can and will be enhanced by delegating authority, responsibility, and accountability to employees closer to the actual work process, resulting in greater pride and satisfaction with the work, as well as increased personal growth.

4. The PMEI Companywide Steering Committee will continue to guide, support, and promote PMEI efforts to increase shareowner value and enrich jobs. The Steering Committee will also serve as a forum to explore and exchange innovative ideas and successful applications of PMEI concepts using both internal and external sources. The Companywide Steering Committee, with input from operations Steering

Committees, will continue to plan, evaluate, and introduce training and developmental programs to facilitate and enhance PMEI efforts.

5. PMEI efforts will continue to be viewed as a supplement to the collective bargaining process. The integrity of the collective bargaining process, the contractual rights of the parties, and the workings of the grievance procedure must be upheld and maintained.

6. Process improvement is based on the belief that improved quality leads to improved productivity, decreased costs, and increased market share, all of which allow the Company to provide more jobs and increase shareowner value. The Company and the Union recognize that a continuous quality improvement process is in their mutual best interest, and that a PMEI approach should be used to gain commitment to and support of such improvements. For example, the principles of PMEI can be applied from the beginning of, and throughout, implementation of the process improvement methodology, thus becoming the key link in obtaining input from bargaining unit employees for use in improving the business operations in which they are involved. The Company will encourage all levels of Management to utilize a participative approach in forming process improvement committees when involvement of bargaining unit employees is desired.

7. Employment security will continue to be a major concern of the Company and the Union. Innovations which result from the PMEI processes will not result directly in the layoff of any regular employee or negatively affect the pay or seniority status of any Union-eligible employee, whether or not he or she is a participant in the process. In addition, process improvement committees on which bargaining unit employees serve will not undertake activities or make recommendations that could be expected to result directly in the layoff of any regular employee or negatively affect the pay

or seniority status of any Union-eligible employee, whether or not he or she is a participant in the process.

8. The parties recognize that genuine involvement by Management, the Union and all employees is essential for the success of these mutual efforts. The parties agree, therefore, to encourage all levels of their respective organizations to cooperate in the design, development, and implementation of PMEI efforts that foster a business alliance in the spirit of mutuality and responsible leadership. PMEI remains a process; there is no universal or one best approach.

COMMUNICATIONS WORKERS OF AMERICA

/s/ Andy Milburn

Andy Milburn
Vice President, District 6

/s/ Bill Davis

Bill Davis
Assistant to Vice President

SOUTHWESTERN BELL TELEPHONE, L.P.
SBC ADVANCED SOLUTIONS, INC.
SBC DATACOMM, INC.
SBC OPERATIONS, INC.
SBC SERVICES, INC.
SBC TELECOM, INC.

/s/ Mike Smith

Mike Smith
Vice President-Labor Relations

2004

JANUARY							FEBRUARY							MARCH							APRIL												
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S						
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MAY							JUNE							JULY							AUGUST												
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SEPTEMBER							OCTOBER							NOVEMBER							DECEMBER												
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2005

JANUARY							FEBRUARY							MARCH							APRIL											
S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	T	W	T	F	S					
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MAY							JUNE							JULY							AUGUST											
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2008

JANUARY							FEBRUARY							MARCH							APRIL																		
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MAY							JUNE							JULY							AUGUST																		
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2009

JANUARY							FEBRUARY							MARCH							APRIL																
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SEPTEMBER							OCTOBER							NOVEMBER							DECEMBER																
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27	28	29	30				25	26	27	28	29	30	31	29	30						27	28	29	30	31												

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