

CUSTOMER MARKETS ADDENDUM

Customer Markets Incentive Plans

Account Management Center Compensation Plan

Consumer Services Centers

Performance Discharge for Sales Associates

Large Business

Optional Holidays

Flexible Excused Time

Time-Off Not Scheduled Under 5.07F

CPE Only

Cities in Wage Area I

Work Report Area

Compensatory Time

Contracting of Work in the CPE Marketplace

Drug Testing

Employee Development

Equalization of Premium Pay Work Opportunity

Grievance Procedure

Hiring Bonus

Optional Holidays

Stand-By Technician

Temporary Transfers

Time-Off Not Scheduled Under 5.07F

Travel Expense

Wages – Starting Rates

**CUSTOMER MARKETS
INCENTIVE PLANS**

The Company may implement incentive plans linked to sales, service, productivity and/or other business related standards set by lines of business or business units. The payments may be paid monthly, quarterly, semi-annually or annually. The incentive compensation is subject to state and local taxes, federal income and social security taxes in effect at the time of payment. Personal allotments will not be made. Deductions for Union dues will be made from incentive payments as authorized by the employee and the Union.

During the development of an incentive plan, the Company will meet with the Union at the Executive Level and provide the Union with an opportunity to have input concerning the terms of the plan. The Company reserves the right to amend, modify or discontinue any incentive plan with 30 days advance notification to the Union at the Executive Level.

The Union may only grieve, or otherwise challenge, general disputes that arise over the Company's enforcement of the terms of an incentive plan. A general dispute is one that involves a plan enforcement issue that commonly affects all employees (as opposed to individual employees) who participate in the same incentive plan. General disputes may not be brought over differences that may exist in the treatment of employees who participate in different incentive plans.

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

ACCOUNT MANAGEMENT CENTER COMPENSATION PLAN

The Account Management Center (AMC) Compensation Plan (hereafter referred to as “The Plan”) has been developed as a standard compensation plan for the AMC organization. It is a tool designed to drive correct behaviors by linking corporate objectives to personal performance.

I. Plan Objectives

- A. Build strong relationships with customers to retain and grow revenues through:

- Customer Retention
- Incremental Revenue Growth
- Improved Quality and Productivity

- B. Reward sales employees competitively based on:

- Sales Performance
- Customer Retention
- Efficiency and Productivity
- Quality Improvement

II. Eligibility

The Plan is designed solely for Communications Specialists within the AMC organization.

III. Compensation Structure

This compensation plan is designed to migrate from an 80/20 to a 70/30 weighted plan during the term of this contract through increases in the incentive portion of a seller’s total wage package.

- A. Incentive Payments

Incentives are paid based on actual attainment of each objective at the end of a month or quarter. The objectives will be assigned by management.

Incentives may be paid, but not limited to, one or more of the following components:

1. Sales Performance
2. Customer Retention
3. Productivity
4. Efficiency
5. Quality

B. Frequency of Payments

Incentives will be paid on a monthly or quarterly basis depending upon the components. Incentive payments earned will be paid by the end of the month following the month and/or quarter in which incentive was earned.

C. Bonus Plan

Cash bonus plans may be developed by the Company to address specific business needs. Any such bonus plan will be shared with the Union prior to implementation. The Company has the right to amend, change or discontinue bonus plans with prior notice to CWA at the Executive Level.

D. Payment Process

Communications Specialists will be hired at Wage Scale 19 and paid at that rate until initial training is completed and they are assigned responsibility for a sales module or sales territory. At the time of module/territory assignment, the Specialist will be moved to Wage Scale 3.

A minimum percentage of the leveraged portion of Wage Scale 3 will be paid in a “ramped” or graduated process as follows:

First Month on WS 3	-	100%
Second Month on WS 3	-	75%
Third Month on WS 3	-	25%
Fourth Month on WS 3	-	0%

IV. Program Tracking

Results will be accumulated from the first day worked in the month to the last day worked in the month.

V. Administrative Provisions

The Company reserves the right to establish and revise procedures and policies, to add or delete product and service offerings, and to change product values in accordance with business needs. Before establishing or revising procedures and policies the Company will meet with the Union at the Executive Level to communicate changes prior to implementation. Any Plan change or revision that puts the base amount and/or target amount in jeopardy will first be negotiated with the Union at the Executive Level.

Management will have the responsibility to adjust objectives to ensure equitable treatment of all parties. Management will also notify plan participants prior to implementation of changes or revisions to the Plan.

The Plan will be administered by the Compensation and Tracking Group within the AMC's sales support organization.

A. Review and Adjustments

Achievement reviews will be conducted quarterly by the AMC's AVP-Sales. The AVP-Sales and Vice President/General Manager will review an individual's objective assignment for each Plan participant below 75% year-to-date attainment and above 150% year-to-date attainment. The Compensation and Tracking Group may modify objectives as business needs dictate.

B. Transfers/Promotions/Change in Status

In the event that an employee transfers or is promoted to another position, the participant will be eligible to receive any incentives based on achievement of objectives up to the date of such transfer, promotion or change of status. Such incentives shall be calculated and paid when other participating Plan members are paid.

C. Windfall/Downfall

A windfall/downfall is an unusual situation resulting in an event or opportunity over which a Plan participant has no direct control and which was not -- or could not have been -- anticipated. This situation could result in an objective change. The Company reserves the right to adjust any portion of the Plan to bring compensation in line with reasonable objective attainment.

D. Benefits

Incentive payments are to be included in the calculation of Company benefits.

E. Appeals Process

An appeal is a request for an exception to the current incentive policy. A request for an exception should be submitted to the AVP-Sales for review and the Vice President/General Manager for concurrence prior to forwarding to the Compensation and Tracking administrative staff.

F. Grievance Procedures

The Plan structure and components shall not be subject to the grievance procedure.

G. Overpayment Adjustments

Plan objectives that carry year-to-date (YTD) objectives may sometimes result in overpayments. In such situations, the Company will adjust future incentive payments to offset overpayment. However, the Company will not require the employee to pay back any overpayment from their basic wage while they are covered by an incentive plan. If the employee moves to a position that is not covered by an incentive plan, or is separated from the Company, they will be liable for any repayment.

Customer Markets Addendum
AMC Compensation Plan

If the incentive is based on inaccurate or fraudulent sales results, the employee will be required to repay the entire unearned incentive amount regardless of whether or not the employee is still a participant in the Plan.

CONSUMER SERVICES CENTERS

In Consumer Services sales, service, and collection offices, core hour tours for Monday-Friday will fall between 6:00 a.m. and 7:30 p.m. Offices within the same gate will, over a period of four weeks, have an equivalent percentage of core hour tours according to available headcount. The hours of operation for offices of similar size (10% headcount variance) on the same gate will vary from each other no more than one hour at beginning or end. No office will be scheduled to open later than 8:30 a.m.

When Consumer Services operates in a 24-hour environment, the above procedures will not apply to the offices designated as the 24-hour offices. Should Consumer Services decide to operate a late night center(s), the above restrictions on hours of operation would not apply to those centers. Should Consumer Services change from the current sales/service/collection gates format, the Company and Union will meet at the Executive Level to determine if there is a need to re-bargain these procedures.

MEMORANDUM OF AGREEMENT

PERFORMANCE DISCHARGE FOR SALES ASSOCIATES

This agreement between the Communications Workers of America (CWA) and BellSouth Telecommunications, Inc. (BST) outlines the understanding reached by the parties related to Article 11.01A1 of the BST Working Agreement. The agreement is as follows:

Purpose:

To reduce the turnover rate in the Sales Associate title in the Small Business Services and Consumer Services organizations as a result of employees failing to meet performance objectives.

How:

Modify the provisions of Article 11.01A1 of the BST Working Agreement such that –

If an employee has 9 months or less of seniority and is terminated due to performance, a charge that the discharge was without just cause will be subject to the full grievance procedure set forth in Article 21 but will not be subject to arbitration.

Intent:

To provide the organizations additional time to work with employees who would otherwise be terminated within the first 6 months of employment for failing to meet Company defined performance objectives. It is not the intent of the agreement to affect the language of Article 11.01A1 related to terminations for attendance & punctuality or misconduct.

Affected Organizations:

BST – Small Business Services and Consumer Services

Affected Title:

Sales Associate, Wage Scale 27

Duration:

This Memorandum of Agreement is for the life of the current 2004 BST Working Agreement unless either party decides to terminate early by providing 30 days advance written notification to the other party at the bargaining level of intent to terminate the agreement.

For the Union

***Beverly A. Hicks
Administrative Assistant
CWA/District 3***

For the Company

***Geoffrey S. Cazes
Director
Labor Relations***

OPTIONAL HOLIDAYS 5.01A2

Large Business

Optional Holidays:

Any day other than those specified in "1" above such as, but not limited to, Washington's Birthday, Good Friday, Veteran's Day, Martin Luther King's Birthday, employee's birthday, religious holidays or days of remembrance, etc., may be selected as an optional holiday. Where some other holiday has special local significance (such as Mardi Gras Day at New Orleans, LA), that day may be substituted for one of the four optional holidays if locally desired. In addition, the company may designate one other day in each calendar year for employees in a work group or in any larger group, provided the employees in such groups would not be scheduled to work.

- A. Employees shall designate 4 optional days (if the Company has designated none) as being their additional holidays. An Optional Holiday may be scheduled in a week with a specified holiday. Employees who have not made such designation by December 31st shall observe Washington's Birthday (third Monday in February), Good Friday, Veteran's Day (November 11), and the employee's birthday as appropriate.
- B. Employees hired or recalled from layoffs before April 1 may designate 4 optional holidays; those hired after April 1 but prior to July 1 may designate 3 optional holidays; those hired after July 1 but prior to September 30 may designate 2 optional holidays. Those hired after September 30 but prior to November 15 may designate one optional holiday. Except for an optional holiday(s) that has been designated by the Company, those hired or recalled from layoffs after November 15 are not eligible for optional holidays in the current calendar year.

- C. Employees who are transferred into a work group where an optional holiday(s) has been designated, and who have previously used all of their optional holidays will be excused and paid for the determined day(s).
- D. Employees who are transferred into a work group where an optional holiday(s) has been designated, and who have remaining optional holidays will be required to use one or two of their remaining optional holidays as the determined day(s).
- E. Employees who leave the service of the Company, either pension eligible who retire and/or Section 7.01C, and who have a remaining Company designated optional holiday, shall have the option to take the day off or be granted pay in lieu of such Company designated optional holiday as he was otherwise entitled to receive during the remainder of the current calendar year.

FLEXIBLE EXCUSED TIME

Large Business Only

Flexible Excused Time.

- A. The Company and the Union recognize that it is in the best interest of the employees to have the ability to take time off for short intervals because of personal reasons.
- B. Eligibility. Each Temporary or Regular employee, who has at least 6 months of seniority on January 1 of any given year, shall be eligible for 4 days (30 hours for 7.5 hour employees/32 hours for 8 hour employees) with pay and 1 day without pay during such year. This time shall be taken in increments of no less than 1 hour at any time during the calendar year provided the supervisor is notified as described in 5.07C.
- C. Part-time employees, regardless of classification, shall be eligible for Flexible Excused Time on a prorata 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.
- D. Flexible Excused Time is not cumulative and may not be carried over by an employee from one calendar year to another except as provided in below.
- E. Flexible Excused Time (FET) will not be included on the vacation schedule. Flexible Excused Time may be used retroactively to erase incidental absences by notifying the supervisor within 7 days from the date of absence to be erased.

Carry Over of FET Days.

7 1/2 or 8 hour blocks of Flexible Excused Time may be carried over and taken any time during the next calendar year. Any Flexible Excused Time less than a 7 1/2 or 8 hour block of time will not be carried over. Days will be selected on the vacation schedule by January 31st.

TIME OFF NOT SCHEDULED UNDER 5.07F

Large Business Only

Subject to the needs of the business, time-off not scheduled under 5.07B may be selected by an employee on the basis of seniority.

Customer Markets Addendum
Cities in Wage Area I - CPE

CITIES IN WAGE AREA I (CPE Only)

ALABAMA

Birmingham
Bessemer
Gardendale
Graysville
Hoover
Pinson

FLORIDA

Ft. Lauderdale
Boca Raton
Boynton Beach
Coral Springs
Deerfield Beach
Delray Beach
Hollywood
Pompano Beach
West Palm Beach
Miami
Big Pine
Homestead
Islamorada
Key Largo
Key West
Marathon
Miami Beach
North Dade
North Key Largo
Perrine
Sugarloaf Key
Sunrise
St. Petersburg
Tampa

GEORGIA

Atlanta

Chamblee
Covington
Duluth
Kennesaw
LaGrange
Lawrenceville
Marietta
Norcross
Smyrna
Tucker

KENTUCKY

Florence
Lexington
Louisville

LOUISIANA

New Orleans
Buras
Jesuit Bend
Kenner
Lafitte
Luling
Metairie
Port Sulphur
River Ridge
St. Bernard

NORTH CAROLINA

Charlotte
Garner
Raleigh

TENNESSEE

Memphis
Nashville

All other cities in which employees are located are in Wage Area II.

**WORK REPORT AREA (WRA)
 CPE Only**

ALABAMA	Opelika	WRA 115
	Auburn	Florence
WRA 101	Tuskegee	Muscle Shoals
Mobile		Sheffield
Mt. Vernon	WRA 108	
	Selma	FLORIDA
WRA 102	Orrville	
Montgomery		WRA 201
Greenville	WRA 109	Arcadia
	Demopolis	
WRA 103	Linden	WRA 202
Birmingham		Madison
Fairfield	WRA 110	
Homewood	Abbeville	WRA 203
Hoover	Dothan	Sarasota
Jasper	Elba	
Vestavia	Enterprise	WRA 204
Warrior	Geneva	Ocala
	Ozark	
WRA 104	Troy	WRA 205
Anniston		Brooksville
Gadsden	WRA 111	
Odenville	Crossville	WRA 206
Pell City		Key West
Fort Payne	WRA 112	
	Coker	WRA 207
WRA 105		Coral Gables
Athens	WRA 113	Hialeah
Decatur	Brewton	Homestead
Huntsville		Miami
	WRA 114	Opa Locka
WRA 106	Brookwood	Pembroke
Jemison	Northport	
	Tuscaloosa	WRA 208
WRA 107		Key Largo
Alexander City		

WORK REPORT AREA (WRA)**CPE Only**

WRA 209	Largo	Live Oak
Boca Raton	St. Petersburg	<i>Alachua</i>
Coral Springs	Tampa	
Ft. Lauderdale	WRA 215	WRA 220
Hollywood	Cocoa	Monticello
Lauderdale Lakes	Melbourne	Newport
Oakland Park	Merritt Island	Tallahassee
Pompano	Rockledge	WRA 221
Pompano Beach		Lynn Haven
<i>Sunrise</i>	WRA 216	Panama City
	Altamonte Springs	Springfield
WRA 210	Casselberry	
Boynton Beach	Leesburg	WRA 222
Delray Beach	Maitland	Cordova Mall
Palm Beach Garden	Orlando	Milton
West Palm Beach	Sanford	Pensacola
	Windermere	
WRA 211	Winter Park	WRA 223
Ft. Peirce		Lakeland
Jensen Beach	WRA 217	Polk City
Stuart	Daytona Beach	Winter Haven
Vero Beach	Deland	
	Ormond Beach	WRA 224
WRA 212		Chipley
Ft. Myers	WRA 218	
Naples	Jacksonville	GEORGIA
	Hastings	
WRA 213	Jacksonville Beach	WRA 301
Crestview	Orange Park	Brunswick
Destin Beach		Waycross
Ft. Walton	WRA 219	
San Destin	Chiefland	WRA 302
	Ellisville	Albany
WRA 214	Gainesville	Americus
Clearwater	Lake City	WRA 303
		Fitzgerald

**WORK REPORT AREA (WRA)
CPE Only**

Irwinsville		
Ocilla	WRA 312	WRA 318
<i>Tifton</i>	Columbus	Conyers
	LaGrange	Covington
WRA 304		Lawrenceville
Lakeland	WRA 313	
	Atlanta	WRA 319
WRA 305	Chamblee	Griffin
Dublin	Decatur	Hampton
Eastman	Duluth	
Nicholsville	Hapeville	WRA 320
	Morrow	Thomasville
WRA 306	Norcross	Valdosta
Dahlonega	Smyrna	
	Tucker	KENTUCKY
WRA 307		
Monticello	WRA 314	WRA 401
	Kennesaw	Paducah
WRA 308	Mableton	
Garden City	Marietta	WRA 402
Savannah	Morgan Falls	Cadiz
	Northridge	Hopkinsville
WRA 309		Madisonville
Augusta, GA	WRA 315	
Clarks Hill, SC	Athens	WRA 403
Martinez, GA	Elberton	Bowling Green
North Augusta, SC	Gainesville	
Thomson, GA		WRA 404
	WRA 316	Brownwood Manor
WRA 310	Hazelhurst	Central City
Carrolton	Vidalia	Henderson
Villa Rica		Owensboro
	WRA 317	
WRA 311	Adairsville	WRA 405
Macon	Calhoun	Hurstbourne
Warner Robbins	Rome	Jerrersontown

**WORK REPORT AREA (WRA)
CPE Only**

Louisville	Harahan	WRA 509
Shelbyville	Kenner	Houma
	Luling	Morgan City
WRA 406	Marrero	
Danville	Metairie	WRA 510
Frankfort	New Orleans	Covington
	Slidell	Hammond
WRA 407		Independence
Ashland	WRA 502	Ponchatoula
	Empire	
WRA 408		WRA 511
Paintsville	WRA 503	DeRidder
Pikeville	Baton Rouge	Lake Charles
	Zachary	
WRA 409		WRA 512
Corbin	WRA 504	Leesville
London	Lafayette	
Middlesboro		WRA 513
	WRA 505	Bogalusa
WRA 410	Alexandria	
Lexington	Bunkie	MISSISSIPPI
Winchester	Hessmer	
		WRA 601
WRA 411	WRA 506	Bilozì
Elizabethtown	Monroe	Gulfport
	Rushton	Picayune
WRA 412	West Monroe	
Monticello		WRA 602
	WRA 507	Hattiesburg
WRA 413	Bossier City	Laurel
Florence	Shreveport	
		WRA 603
LOUISIANA	WRA 508	Natchez
	Natchitoches	
WRA 501		WRA 604
Gretna		Jackson

**WORK REPORT AREA (WRA)
 CPE Only**

Richland	WRA 613	
Vicksburg	Vaughn	WRA 707
		Anderson Mountain
WRA 605	WRA 614	(Denver, NC)
Meridian	Brookhaven	Charlotte
	McComb	Forest City
WRA 606	Summit	Gastonia
Corinth		Pineville
New Albany	WRA 615	Shelby
Tupelo	Forrest	Stanfield
		Lincolnton
WRA 607	NORTH	
Batesville	CAROLINA	WRA 708
Courtland		Ashboro
Oxford	WRA 701	Browns Summit
	Jacksonville	Burlington
WRA 608		Gibsonville
Cleveland	WRA 702	Greensboro
Greenville	Wilmington	McLeansville
Greenwood		Winston-Salem
	WRA 703	
WRA 609	East Fayetteville	WRA 709
Columbus	Fayetteville	Boone
Eupora	Southern Pines	Lenoir
<i>Starkville</i>		Spruce Pine
	WRA 704	
WRA 610	Chapel Hill	WRA 710
Arkabutla	Durham	Salisbury
Senatobia	Raleigh	Statesville
	Wendell	<i>Hickory</i>
WRA 611		
Magee	WRA 705	WRA 711
	Goldsboro	Asheville
WRA 612		Clyde
Grenada	WRA 706	Hendersonville
	Smithfield	

Customer Markets Addendum

WRA - CPE

WORK REPORT AREA (WRA)

CPE Only

WRA 712 Kinston	Florence	Memphis
WRA 713 Laurinburg Lumberton Rockingham	WRA 804 Aiken Orangeburg	WRA 902 Dyersburg Trenton Union City
WRA 714 Pittsboro	WRA 805 Columbia Little Mountain West Columbia <i>Camden</i>	WRA 903 Bolivar Jackson Savannah
WRA 715 New Bern	WRA 806 Gaffney Spartanburg	WRA 904 Antioch Brentwood Clarksville Dickson Franklin Gallatin Lebanon Madison Murfreesboro Nashville
WRA 716 Rocky Mount	WRA 807 Anderson Clinton Greenville Taylors Ware Shoals	
WRA 717 Wadesboro		
WRA 718 Greenville		
SOUTH CAROLINA	WRA 808 Allendale	WRA 905 Chattanooga Cleveland Signal Mountain
WRA 801 Charleston North Charleston	WRA 809 Chester	
WRA 802 Myrtle Beach	WRA 810 Sumter	WRA 906 Morristown
WRA 803 Bennetsville Cheraw	TENNESSEE WRA 901 Covington	WRA 907 Bristol Johnson City Kingsport

**WORK REPORT AREA (WRA)
CPE Only**

WRA 908	WRA 909	WRA 911
Alcoa	Columbia	Farmington
Knoxville	Lawrenceburg	
Lenoir City	WRA 910	WRA 912
Maryville	Shelbyville	Cassville
Oak Ridge	Tullahoma	WRA 913
Sevierville		Athens

COMPENSATORY TIME
CPE Only

Compensatory Time.

1. The employee will have the option of either time off or overtime payment.
2. The option to take compensatory time will be voluntary on the part of the employee and must be agreed to by the employee's supervisor.
3. Compensatory time must be taken within the payroll period in which the overtime accrued.
4. Compensatory time may only be taken for overtime hours worked at the 1 1/2 times rate. Compensatory time will be granted at the rate of 1 1/2 hours for each hour of overtime worked.

Pay for overtime hours worked and taken as compensatory time will be included in the employee's Team Incentive Award compensation.

CONTRACTING OF WORK IN THE CPE MARKETPLACE

Dear Mr. Smith:

There was extensive discussion during bargaining regarding the contracting of work. The CWA expressed strong concern that contracting work would result in the diminution, or at best, no growth of the bargaining unit. Moreover, the Union adhered firmly to their position that corporate communication services for BellSouth Telecommunications be performed by bargaining unit employees.

The Company recognizes these concerns; however, due to various reasons such as the changing CPE market, economic conditions, and business consideration, it is not possible to make specific commitments on contracting out work elements of the business. However, we did agree to continue the language that insures the contracting of any work will not result in the lay-off or part-timing of bargaining unit employees. Furthermore, the Company agreed that during the life of the Agreement it will not contract out corporate communication services in BellSouth Telecommunications facilities.

Finally, it is the Company's objective in making decisions regarding the contracting of work to carefully consider the interests of customers, the concern of employees as to its effect on them, and other considerations essential to the success of BCS.

Geoffrey S. Cazes
Director
Labor Relations

DRUG TESTING

CPE Only

Dear Mr. Smith:

In today's business environment there is an increasing demand from prospective customers that vendor service employees submit to random drug testing.

During 1998 Bargaining, the Union and the Company had lengthy discussions around this issue. The Union expressed considerable concern as to the impact on the employees that the CWA represents.

Subsequently, it was agreed by the Union and the Company that customer requirements for random drug testing would be followed if the requirements were a condition for all vendors. Additionally, the Company agreed to obtain exception to these customer drug testing requirements whenever possible.

Michael L. Matthews
Executive Director
Labor Relations

EMPLOYEE DEVELOPMENT -- CPE Only

Dear Mr. Smith:

There was considerable discussion during bargaining regarding the subject of achieving our growth aspirations through a close partnership with the CWA. One of the more critical areas of that partnership is the training and retention of highly skilled data technicians. In today's data-centric marketplace, demand for advanced skills is intense. As BellSouth and CWA partner in our quest to become the industry's foremost data provider, we must be aggressive in our efforts to realize a return on our training investment.

Therefore, to maximize our investment for our Customers, Employees and Shareholders, we have agreed to the following retention provisions:

- The Company has a modernized data-training curriculum that, upon successful completion, will provide our employees with the certifications and other training required to master the rapidly escalating technology challenges.
- We will continue a 24-month non-promotional transfer restriction for employees who complete the curriculum. This provision will restrict movement to other Departments and entities for lateral or downward movement only.
- We will continue an investment-recovery provision that gives the Company the right to recover the data curriculum training expenses, or appropriate prorated portions of the expenses, in the event an employee voluntarily leaves BellSouth within 24 months following successful completion of the curriculum. Such recovery is the sole responsibility of the Company.

The Company and the Union committed to work together on the implementation of the program. Together we can make this critical initiative a success.

Michael L. Matthews
Executive Director
Labor Relations

EQUALIZATION OF PREMIUM PAY WORK OPPORTUNITY

CPE Only

Equalization of Premium Pay Work Opportunity.

1. Overtime shall be assigned to those who desire to work insofar as practicable. Dedicated employees, assigned technicians and back-up technicians, may be offered connecting or non-connecting overtime on their assigned customer accounts without regard to the amount of overtime worked by other members of their work group. The Company will attempt to contact them prior to contacting a stand-by technician or another member of their work group.
2. The allocation of non-scheduled, non-connecting overtime for: Communications Technician, Repair Service Attendant, Service Representative, Systems Specialist Technician and Systems Technician will be on the following basis:
 - a. The overtime equalization report for work groups/units will be posted at the same location as the employee's vacation schedule. This list will be used for any overtime assignments worked during the two (2) week period starting at midnight on the Saturday following the close of each payroll period. The report will run for twelve (12) week periods and then begin anew.
 - (1) The overtime report will show for each employee, his/her name and the cumulative total of overtime hours worked during the elapsed portion of a twelve (12) week period. The twelve (12) week period shall begin on the first day of a payroll period and conclude at the end of the twelfth week (sixth payroll period). Such twelve (12) week periods shall run consecutively. At the start of each twelve (12) week period the overtime report will begin anew. Employees entering a new work unit (either temporarily or permanently) will be credited with an average of the cumulative hours

Customer Markets Addendum
Equalization of Premium Pay Work Opportunity - CPE

accrued by the members of that work unit as shown on the current overtime report.

- (a) If two (2) or more employees in the work unit worked the same number of overtime hours, such employees will be grouped and listed in inverse order of their seniority.
 - (b) Overtime hours worked during the work day at a temporary location will be recorded on the overtime report for the temporary location as well as the home location.
 - (c) Employees who do not desire overtime must notify their supervisors in writing. This notification shall be indicated by an asterisk on the report and shall remain in effect until canceled in writing. The initial notification and the subsequent cancellation must be received at least one week prior to the posting of the overtime report.
- b. Non-scheduled, non-connecting overtime will be offered to available qualified employees in the work unit, excluding those who do not desire overtime, in the inverse order of overtime hours worked during the previous period. In work units where a stand-by technician has been designated as described in *Customer Markets Addendum, Stand-by Technician - CPE*, overtime will first be offered to the available qualified employee lowest on the current overtime report, next to the second lowest available qualified employee on the current overtime report, and then to the stand-by technician.
- c. When an employee declines, after being offered a non-scheduled, non-connecting overtime assignment, the next qualified employee on the overtime report, omitting those who do not desire overtime, will be contacted. This procedure will be followed until someone accepts or all available qualified employees in the unit have been contacted and offered the

assignment. Should all available qualified employees in the unit decline, the overtime will be assigned to the employee lowest in seniority and qualified, including those who do not desire overtime, unless the employee has a valid personal reason for not accepting the assignment or unless the employee has already worked twelve (12) hours of overtime in the current week.

- d. When all available qualified employees in a given unit are needed to perform non-scheduled, non-connecting overtime work, such employees, including those who do not desire overtime, will be so advised when they are initially contacted. In this event, they will be expected to accept the overtime assignment unless they have a valid personal reason for declining.
- e. When a supervisor fails to offer non-scheduled, non-connecting overtime to available qualified employees in the inverse order listed on the report and offers the assignment to another employee or employees, the by-passed available qualified employees will be paid a penalty of four (4) hours pay at the overtime rate. This penalty pay shall be due only if the employee was available and qualified, but was not offered the call-out. The number of employees who are due penalty pay under this section shall not exceed the number of employees who erroneously worked the overtime assignment. Penalty payments due under this section are to be reported the next work day following the date the employee, or the Union, and the supervisor agree that penalty pay is due the by-passed employee. Such penalty pay hours will not be included in determining the equivalent of five (5) normal tours in computing weekly overtime.
- f. Under this procedure an employee may be offered non-scheduled, non-connecting overtime without regard to his/her position on the overtime report if he/she has been working on

Customer Markets Addendum
Equalization of Premium Pay Work Opportunity - CPE

such assignment to the extent that it could be completed in an economical manner.

- g. Employees who are on vacation for one or more full weeks will be considered as unavailable beginning with Sunday of the first week and ending with Saturday of the last week. Employees who are on vacation for less than a week will be considered as unavailable on the day(s) they are on vacation.

GRIEVANCE PROCEDURES
CPE Only

- A. An employee or group of employees shall have the right to present to and adjust with the management any grievance as provided in Section 9(a) of the National Labor Relations Act, as amended, provided, however, that no adjustments shall be made with the employee or group of employees involved which is inconsistent with the terms of any collective bargaining agreement between the parties then in effect, and provided further that the Union has been given an opportunity to be present at such adjustment.
- B. All grievances, other than discipline related and those involving true intent and meaning of this and other agreements between the parties, shall be handled under the following procedures.
 - 1. Informal Level (Job Steward and immediate Supervisor). This meeting is intended to allow both sides to fully explore the incident, develop the facts, state their contentions, clear up any possible misunderstandings and attempt to resolve the dispute.
 - 2. Operations Level. The grievance is commenced with the filing, in writing, of a request for a grievance meeting with the appropriate Operations level manager or his designee. This request must be filed within 60 days of the occurrence being grieved. The Company will inform the Union within 14 days from the date of the meeting of its proposed position, on a form agreed to by the parties. The Union shall advise the Company within 14 days of receiving the Company's written decision whether it accepts, rejects, or appeals the proposed disposition. If either party fails to respond within the proper time frame, an automatic appeal to the next level is considered to exist.

3. State Level (Initial Executive Level). Within 30 days from the time that the Union has requested a conference on such grievance, the designated Human Resources management representative shall contact the Union's designated representative, either in person or by telephone, to discuss the grievance. If not disposed of, each party will indicate their position in writing to the other party. If the parties agree on an adjustment, it will be stated as the proposed disposition. If the Company does not respond within 14 days, it will be considered as an automatic appeal to the next level. The Union shall inform the Company within 14 days as to whether they accept, reject or appeal the disposition. If not satisfactorily adjusted at the third level, and the Union does not request a conference on an appeal to the next level within 30 days of the date of the appeal, the grievance will be closed.
 4. Executive Level (Company Headquarters Final Review). The appropriate Company representative shall meet and discuss the grievance with the Union within 30 days after the request for the conference. If the Company fails to meet within the 30 days or fails to get an extension, it will be considered to be a default on the Company's part. If a remedy cannot be agreed on, it shall be determined by arbitration.
 5. The Union's rejection of the proposed disposition by the Management representative at the 2nd step shall close the grievance without prejudice to the Union's contentions regarding the merits of the grievance.
- C. In the first two steps of the grievance procedure, certified Union representatives and other employees necessary to a grievance hearing shall suffer no loss of pay for time consumed in meetings with management and necessarily consumed in traveling to and from such meetings. However, in addition to

Customer Markets Addendum
Grievance Procedures - CPE

the grievant, the number of persons who shall suffer no loss of pay will be two at the second step and one at the first step.

- D. Discipline related grievances shall not be appealed beyond the 3rd level of the grievance procedure. If not satisfactorily adjusted at the 3rd level, they may be subject to arbitration procedures.
- E. True intent grievances shall initially be presented at the 2nd, 3rd, or 4th level.
- F. Grievances involving the filling of vacancies. Grievances will be filed at Human Resources operations level. The Union shall advise the Company of the unsuccessful requestors on whose behalf it is grieving, or designate the employees whom it contends were erroneously selected instead of the aggrieved employee(s).
- G. Sickness and Short-Term Disability benefit case may be subject to the grievance procedures but shall not be subject to arbitration. Grievances involving these plans will be presented initially to the Director - Human Resources (or his/her designee).
- H. Grievance adjustments at the 2nd and 3rd level shall be final and binding, and shall not be used as a precedent by either party, except that an adjustment at these levels may be made subject to the 4th level approval if either party at the 2nd or 3rd level informs the other in writing within 14 days from the date of settlement that a "true intent and meaning" question exists. Both parties shall inform the other of the names of its representatives at the 4th level who are authorized to finally approve settlements made at the 2nd or 3rd level of the grievance procedure.
- I. The time period(s) as prescribed by this agreement shall not include a Sunday or a holiday as the last day of the agreed time period(s).

HIRING BONUS
CPE Only

A hiring bonus to attract highly qualified personnel not to exceed \$5,000 may be approved by the Vice President-Operations.

OPTIONAL HOLIDAYS

CPE Only

Optional Holidays:

- a. Any day other than the ones specified above may be selected by the employee. The Company reserves the right to designate one or two of the Optional Holidays.
- b. Employees hired or recalled from layoffs on or before May 1 may designate three (3) Optional Holidays; those hired after May 1 but before September 1 may designate two (2) Optional Holidays; and those hired on or after September 1 but before November 15 may designate one (1) Optional Holiday. Employees hired or recalled from layoffs on or after November 15 are not eligible for Optional Holidays in the current calendar year.
- c. Employees transferring into a work group where an Optional Holiday has been determined to be a day of local significance, and who has previously used all of their Optional Holidays will be excused and paid for the determined day.
- d. Employees who are transferred into a work group where an Optional Holiday has been determined to be a day of local significance, and who have remaining Optional Holidays will be required to use one of their remaining Optional Holidays as the determined day.
- g. Employees who leave the service of the company for any reason except discipline or voluntary resignation and have a remaining designated optional holiday(s) shall be granted pay in lieu of such Company designated optional holiday(s).

**STAND-BY TECHNICIAN
CPE Only**

A. When considered for use in any location, management will discuss the need with the Local Union President and seek concurrence on the plan's implementation. Once agreed at the local level, the Company may utilize one or more volunteers of a work unit in order of seniority. Should there not be an agreement at the local level or enough volunteers, the Company may rotate the assignments, among all technicians in the work unit in inverse order of seniority. Assignments will be rotated on a weekly basis.

1. The Stand-by Tech shall be available at all times to respond to telephone or pager calls.

a. Stand-by Technicians may be assigned for periods of duty as follows:

- A full week coverage (7 days – Monday – Sunday)
- Weekend coverage (2 days – Saturday and Sunday)
- One day coverage (holidays only) (*See note*)
- Five day coverage (Monday-Friday)

Designation as stand-by technician may be made for periods not to exceed one week before being rotated to the next available technician. Upon agreement with the Local President(s) and Director, the stand-by technician coverage may be expanded beyond his/her work unit area.

b. When more than one stand-by technician is designated in a work unit, the call-out assignments will be rotated among the designees for that period. Pay provisions for a stand-by technician on call are as follows:

Customer Markets Addendum
Stand-by Technician - CPE

- (1) 1 hour's pay per day at the overtime rate for a scheduled work day.
 - (2) 2-1/2 hours' pay per day at the overtime rate for an unscheduled work day.
- c. Regular call-out payment provisions will apply in addition to "b" above.

Note: For the life of this agreement, the "holidays only" limitation does not apply. Therefore, one day Stand-by coverage may be utilized as appropriate during the calendar week, as defined in Article 1.02.

TEMPORARY TRANSFERS
CPE Only

Temporary Transfers. When an employee is needed in another work location for more than a day, his expenses shall be paid as provided for in Article 9. Available qualified employees will be polled in the order of seniority, and if there are no volunteers, the transfer shall be made in inverse order of seniority among those available qualified employees.

1. When a temporary transfer is expected to last in excess of one week, the employee will be given as much as 5 days advance notice. If unable to provide such notice, the employee should be given a reasonable amount of paid time off, if needed, to handle personal business prior to being transferred. Such excused time should not exceed one tour for interstate transfers and one session for intrastate transfers.
2. Basic pay treatment and differential payments while on temporary transfer will remain the same as the employee's permanent place of reporting.

TIME-OFF NOT SCHEDULED UNDER 5.07F
CPE Only

Vacation and other paid time off may be re-scheduled to any available period in order of seniority.

TRAVEL EXPENSES
CPE Only

1. When an employee is required to be away from his/her home location overnight he/she shall receive a per diem allowance for meals, lodging, laundry or other expenses in accordance with the following:

All Expense -- (More than 35 miles)

<u>Meal and Other Expense</u>	<u>*Lodging Expense</u>	<u>Total Expense</u>
\$42.50	\$60.00	\$102.50

- * If an employee elects, he/she may voucher properly receipted, necessary and reasonable lodging expense incurred at a commercial establishment.
 - a. Distance calculations under this section will be as shown on the most recent official State Highway Department maps or Rand McNally Atlas.
 - b. In addition to the meal and other expense authorized above, for each day worked the employee will be entitled to \$5.50 per day or he/she may directly voucher reasonable and necessary local transportation for intracity transportation cost incurred for travel from his/her place of lodging in the temporary location to his/her place of reporting, which is in excess of one-half mile, provided such transportation is not arranged for by the Company without cost to the employee.

Customer Markets Addendum
Travel Expenses - CPE

- c. On the day the temporary transfer originates, if the combination of travel and work time is greater than 4 hours, the employee will receive the full per diem. If less than 4 hours, half the meal and other expense allowance plus lodging will be paid. On the day the temporary transfer terminates, if the combination of travel and work time is greater than 4 hours, the employee will receive the full meal and other expense allowance. If less than 4 hours, half the meal and other expense allowance will be paid.
- d. Except in cases of formal training, an employee temporarily assigned to another location within his/her WRA will receive a daily allowance of \$5.50, provided the temporary location is greater than 1 mile from the employee's regular location.
- e. In the case of training schools or group movement of employees for emergency reasons, the Company may elect to furnish suitable lodging and/or meals and pay for same directly.

WAGES - STARTING RATES
CPE Only

Starting Rates.

1. A new hire may be granted wage experience for previous training or experience, or to meet market conditions in a given locality. Such wage experience shall be granted solely at the discretion of the Company, and may not be grieved or arbitrated.
2. When granted, such wage experience shall be at the appropriate progression step, not at a point between any steps. Thereafter, the employee shall progress in keeping with the steps for the wage scale in which the employee was hired.
3. Wage progression increases shall be automatic.