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Employees who enlist for the minimum period of the Armed Forces, or are members of a Component and are involuntarily ordered into active duty will be paid in accordance with the policy established by the Company at this time.

B. Concession Telephone Service.

1. When an employee is granted a military leave, concession telephone service may be continued during the period the employee is on leave provided the service is being furnished within the Company to the employee or a member of his/her family to whose support he/she contributes.

## ARTICLE 7

### FORCE ADJUSTMENTS

#### 7.01 Reduction in Force.

A. The Company will endeavor to operate the business in a manner which will continue to provide employment security for all regular, full-time employees consistent with the needs of the business.

1. When, as a result of a technological change *or economic reason*, a force surplus exists, which may result in the displacement of regular, full-time employees, the Company will adhere to the following procedures to reduce or eliminate the detrimental impact of such displacement. In such event, the Company will notify the Union, in writing, at least *three (3)* months prior to *the effective release date*.
2. Following such notification provided in 7.01A1, the Company will meet with the Union at the Executive Level. The Union will be given the opportunity to make recommendations to decrease the detrimental effect of the technological *or economic* change on employees. The Company may consider the appropriateness of the following:

- the Union's recommendations;
  - engaging temporary employees in jobs that will become surplus;
  - engaging temporary employees in jobs in the same job title and/or work location who later could be terminated to make positions available for regular employees whose jobs have become surplus;
  - offering time off without pay and enhanced personal leaves of absences;
  - terminating temporary employees in non-effected areas;
  - a hiring freeze;
  - job sharing;
- B. Following the above, the Company will determine the job title(s), work group(s) and department(s) in which a surplus exists and the number of jobs considered to be surplus. Thereafter, the Company will notify the Union of such determination.
1. After compiling a surplus list, each employee on the list will be eligible for participation in the orientation concerning the PARTNERSHIP Job Bank as described in Article 24. The Job Bank provides guidance to surplus employees on career counseling, training and retraining, job opportunities, etc.
- C. The force reduction will be implemented as follows:
1. The affected employees will be grouped with the following employees for the purposes of reclassifying such employees to vacancies for which they qualify.
    - Employees on technological leave of absence in the location.
    - Employees who have return rights to the title pursuant to 7.01E.

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- Employees who are participants in the Job Bank as described under 24.05D.
  - *Surplus/bumped* employees in the process of being displaced.

These employees (regardless of their present department) will be considered, in seniority order, in filling vacancies (regardless of department in which the vacancies exist). A vacancy will not be considered to exist when an employee desires to follow his/her work to another location due to reorganization or centralization. Surplus employees may elect to follow their work across state lines, when no equal level vacancy exists for which they can qualify in the surplus employee's location.

The normal sequence for handling this procedure will be in accordance with the following steps and will apply to both technological and economic surplus unless excluded in the step:

- a. Fill available vacancies (same or lower level jobs regardless of department) in the work location in order of seniority. Employees may reject lower level job offers and continue to be processed. Employees refusing equal level vacancies in their location will not be processed for other equal or lower level vacancies.
  - b. Fill remaining available equal level vacancies in the work location by reclassifying surplus employees in inverse order of seniority.
2. Offer SIPP and ESIPP to Reduce Surplus

In order to be considered for SIPP/ESIPP eligible employees must notify the appropriate Employment Office in advance that they are interested in such an offer.

Offer SIPP as outlined in 8.02A of the Agreement to those employees doing essentially the same type work in the location. If this SIPP offer does not reduce the surplus sufficiently or does not create enough vacancies to handle the surplus, the Company will offer Expanded SIPP

(ESIPP) to non-surplus SIPP eligible employees. The offer will be made in seniority order among those employees who have expressed interest in accordance with the following paragraphs in an effort to create vacancies for the surplus employees.

Non-surplus employees who are offered ESIPP under these procedures must accept or reject the offer by not later than the tenth calendar day following the date on which the offer is made.

ESIPP will not be offered in order to create vacancies for employees who are not qualified or for whom extensive training in excess of 14 weeks would be required.

Should a surplus employee decline a vacancy created under these procedures, the ESIPP offer will be withdrawn from the offered individual.

- a. Allow surplus employees to express their interest, in the order of priority they desire, for equal or lower rated jobs, within the location or in a location within 40 miles. Surplus employees may also select one location anywhere in the Company beyond 40 miles where they will accept a move to a vacancy within their title which may be created through ESIPP.

Should the surplus employee decline to express his/her interest as described above, the Company may offer ESIPP in seniority order to create an equal level job for which the surplus employee can qualify within 40 miles of the surplus employees present place of reporting. Should such a vacancy be created, the surplus employee must accept the job or be separated from the Company without termination allowance. All involuntary movement will be in inverse order of seniority.

To accommodate the express interest of surplus employees, the Company will:

- offer ESIPP within the location in any department to create equal level jobs;

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- offer ESIPP within the location in any department to create lower level jobs;
  - offer ESIPP in a location within 40 miles to create equal level jobs;
  - offer ESIPP in a location within 40 miles to create lower level jobs;
  - offer ESIPP in a location within the Company beyond 40 miles to employees holding the same title as the surplus employee should the surplus employee request a move to such location and should there be no vacancy without ESIPP. Only one such offer will be made for each surplus employee.
- b. Employees accepting lower rated jobs under this paragraph will be treated under the provisions of 8.01B or C, as appropriate. Employees who decline lower-rated jobs will continue to be processed.
- c. The Company *will* offer SIPP/ESIPP for economic surplus.
- d. Vacancies created by SIPP or ESIPP will be filled in the order of seniority by surplus employees and will not be treated as vacancies under other provisions of the contract relating to the filling of vacancies.
- e. Generally ESIPP will not be used to create vacancies in other locations where surplus exists.
- f. Employees who elect not to accept a job offer 40 miles from their present place of reporting will continue to be processed. Employees electing to move to a job over 40 miles from their present place of reporting will receive moving expense as described in 9.01B and 7.01G.
3. If further Force Adjustments are deemed necessary by the Company, layoff employees with less than 5 years seniority in the affected title, in any department holding the affected title, in all locations within 40 miles of the

surplus location, who perform the same type work, to the extent necessary to eliminate the surplus as follows:

- a. Prepare a combined seniority list of the less than 5 year employees holding the surplus title, in any department in the surplus location and in those locations within 40 miles of the surplus location.
  - b. Layoff in inverse order of seniority from the combined list of employees with less than 5 years seniority to the extent necessary to relieve the surplus and reassign or transfer surplus employees to the created vacancies.
4. If any surplus employee cannot be placed after the above steps have been implemented, the employee will be considered for vacancies for which they are qualified, throughout the Company. The Company and the Union both recognize that relocation is not favored by the employees, the Union, or the Company. Available positions will be offered by seniority, with consideration to avoiding the relocation of employees, in the following order:
- same job title, same location or another location within 40 miles
  - same wage scale, same location or another location within 40 miles
  - same job title, different location, more than 40 miles
  - same wage scale, different location, more than 40 miles
  - demotion, same location or another location within 40 miles
  - demotion, different location, more than 40 miles
5. If further adjustments are deemed necessary by the Company, the affected employees in seniority order will be offered:
- a. The opportunity to bump junior employees in the same location, *or any location within 60 miles* provided

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he/she is qualified to do that employee's job. Refusal of an offer to bump qualifies the employee for termination allowance under 8.03B.

b. *In the event an entire work location is closed and no other work location exists within 60 miles, the affected employees may bump junior employees within the same state. Relocation expenses will not be applicable to the affected employees if they bump to a position under this provision.*

c. Reassignment to vacancies in other entities as follows:

- (1) Reassignment to equal or lower level vacancies in the same location.
- (2) Reassignment to same level job vacancy in another location pursuant to the applicable provisions of the receiving entity's collective bargaining agreement.

The reassignments in "c" will only be done when there are no employees in the following categories who may claim the vacancy:

- surplus in the entity where the vacancy exists.
- employees in the entity where the vacancy exists who have return rights to the vacancy.
- employees in the entity where the vacancy exists who have mandatory rights of return from a leave of absence.

If the employee chooses "a" above the bumping provisions will be implemented as follows:

d. The remaining surplus employees will constitute the Potential Layoff List (PLL)).

e. A Layoff List (LL), equal to the number of employees on the PLL, will be developed as follows:

- (1) A list of employees, in inverse order of seniority, in the same title, in any department, in the same location, *or any location within 60 miles*

(specifying the place of reporting if more than one exists in *those* locations);

- (2) Then: a list of employees, in inverse order of seniority, in other equal or lower level titles, in any department, in the location, *or any location within 60 miles* (specifying the place of reporting if more than one exists in *those* locations), will be added;

*f. In the event an entire work location is closed and no other work location exists within 60 miles, a Layoff List (LL), equal to the number of employees on the PLL, will be developed as follows:*

- (1) *A list of employees, in inverse order of seniority, in the same title, in any department, in the same state (specifying the place of reporting if more than one exists in that state);*

- (2) *Then: a list of employees, in inverse order of seniority, in other equal or lower level titles, in any department, in the same state (specifying the place of reporting if more than one exists in that state);*

6. Each PLL employee will be given a copy of the PLL and the LL and will have five calendar days to give the Company his/her choice(s) in rank order for the LL or termination allowance. Employees' choices are limited to the same, equal or lower rated titles that are available on the LL, in which there are employees junior in seniority to them.

Employees listed on the LL will be given a copy of the PLL and LL and advised that their job is in jeopardy.

Employees listed on the LL who are bumped and are more senior than a remaining PLL or LL employee may bump a more junior employee holding an equal or lower level job on the LL.

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7. If further Force Adjustments are deemed necessary by the Company, the remaining *surplus/bumped* employees may elect to either:
- a. be laid off and paid termination pay under 8.03B, or;
  - b. participate in the PARTNERSHIP Job Bank as described in Article 24.
  - c. *Supplemental Income Protection Program (SIPP), including ESIPP*
  - d. *Sabbatical Leave of Absence*
  - e. *Technological Displacement Leave of Absence*
- D. An employee one step out of the bargaining unit, with five or more years of seniority, who is notified by the Company that his/her job is declared surplus locally may be reassigned to a job within the same department in a title which he/she formerly held including "acting" titles, or a job which he/she can satisfactorily perform.
1. If the above reclassification of employees results in a surplus in the location in another title or titles, the provisions of Article 7 may be concurrently applied to such force surplus.
- E. Employees transferred and/or demoted under 7.01C, moved under 7.01C, or 12.04 will have the right, in order of their seniority, to return within 5 years *to any location within 60 miles of the location* from which they were displaced, as jobs become available in the job title they now hold or which they were holding at the time of transfer provided the employee has a valid request on file under 12.01B. The employee may only have one 7.01E request on file. The rejection by the employee of an offer of a job pursuant to the above will discharge the Company of any further obligation hereunder.

Employees demoted within the location under 7.01C above will have the right, in order of their seniority, to be reinstated in a vacancy within 5 years, *to any location within 60 miles of the location where they were demoted*, in the job he/she held at the time of his/her demotion, provided he/she has a valid

request on file to be reinstated in such job. The rejection of an offer of a job, in the location, ***or a location within 60 miles***, in the title held at the time of the demotion will discharge the Company of any further obligation hereunder.

Vacancies that are filled under the provisions of 7.01E by such reinstatements will not be subject to the provisions of Article 12.

- F. Any regular employee whose job is affected by the force surplus due to technological change ***or economic reason*** as described in 7.01 and is not eligible for a service pension may elect not to accept a reassignment involving a lower rate of pay or to a location more than 40 miles away and will be paid a termination allowance. Any such regular employee who refuses to accept a transfer to a job title having the same or greater rate of pay and which does not require a change in residence will not be paid a termination allowance.
- G. A job will be considered commutable, and therefore not requiring a change in residence, if the job is within a location less than 40 miles away from the employee's current location. Any employee who accepts a position under 7.01C, which is at a location more than 40 miles from their current location and relocates their residence to make the job commutable will be reimbursed for moving expenses under 9.01B, ***except as follows:***
  - 1. ***In the event an employee bumps to another position in any location, the employee will not qualify for reimbursement of moving expenses, regardless of whether or not the position requires a change of residence.***
- H. Although the filling of vacancies across entity lines under this Article is not subject to the grievance and arbitration procedures, the Company recognizes its obligation to make a good faith effort to consider employees who have been identified as surplus in other entities and to place such employees in vacancies.

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**7.02 Recalled After Layoff.**

- A. Laid off employees will have the right to be recalled as follows:
1. When a vacancy exists for a regular employee in a work location and there are no employees who are to be placed in the vacancy under the procedures described in 7.01H, 12.02D2, 12.04, 24.05D or employees who have mandatory return rights, any employee(s) who is on layoff from *a.)* the location in which that vacancy exists, *or, b.) any location within 60 miles of the location in which that vacancy exists*, who has requested such job will be offered the equal or lower level vacancy in order of seniority, from the list of laid off employees, provided they are qualified to perform the duties of the vacant job.
    - a. Vacancies that are filled by the recalling of such laid off employees will not be considered as vacancies to be filled by the transfer and upgrade provisions of the working agreement.
  2. Laid off employees may submit up to six requests for equal or lower rated titles, within the location, *or any location within 60 miles* from which they were laid off. Such requests will remain active for a period of four years from the date of layoff.
  3. Any refusal of an offer of a requested equal or lower level job will discharge the Company of all obligations hereunder.
  4. Notification under 7.02A1 will be sent by certified mail to such employee's last known address. The employee is responsible for keeping the Company advised of any change in address.
  5. A former employee who wishes to accept such offer of re-employment will notify the Company of such intention within nine work days and will normally return to the employment of the Company within fourteen days from the date of such notification, which is conclusively to be

presumed to have been given as of the date of the mailing of such notification.

- a. Where the time periods specified in 7.02A6 above will work an undue hardship on an employee, they may be extended.
6. No impairment which existed at termination of last preceding period of Company service will be considered as just cause for a denial of re-employment.
7. Any employee recalled under the provisions of this section within four years from the date of his/her layoff will have the continuity of his/her service protected, including seniority, and if his/her layoff was not for more than six months duration, he/she will be allowed service and seniority credit for such layoff unless it began within twelve months of a previous layoff.
8. Laid off employees selected for a lower rated job than the one from which they were laid off will not be eligible for the Reassignment Pay Protection Plan (RPPP), as outlined in 8.01B.
9. Laid off employees selected for jobs under 7.02A, in other work locations or who are selected for lower level jobs will have return rights as described under 7.01E.
10. Laid off employees will be recalled based upon their seniority date on the date of layoff.
11. Decisions regarding the recall and filling of vacancies of employees under the provisions of 7.02 may be discussed between the appropriate CWA & Company representative. Such decisions, however, are not subject to the grievance & arbitration procedures.

### **7.03 Temporary Hiring of Laid Off Employees.**

As a general practice the Company will endeavor to offer laid off employees any temporary vacancies for which they are qualified. Acceptance of such temporary vacancies will not affect their status as a laid off employee.