

**CWA-BellSouth Telecommunications, Inc. (BST)
2009 Final Bargaining Report**

Wages

3% Retroactive to 8/9/2009
 3% 9/5/2010
 2.75% 9/4/2011.

- Wages to be exponentialized over the length of the progression table

EXAMPLE

**BellSouth Telecommunications, Inc.
Wage Scale 30
Titles**

Communications Technician
 Outside Plant Technician

Services Technician

Wage length of Service	Start	End of 6 th Month	End of 12 th Month	End of 18 th Month	End of 24 th Month	End of 30 th Month	End of 36 th Month	End of 42 nd Month	End of 48 th Month	End of 54 th Month	End of 60 th Month
Zone A/Wage Area I											
8/3/08	706.00	739.00	773.50	809.50	847.50	887.00	928.50	972.00	1,017.50	1,065.00	1,115.00
8/9/09	706.00	741.00	778.00	817.00	857.50	900.50	945.50	992.50	1042.00	1094.00	1148.50
9/5/10	706.00	743.50	783.00	824.00	868.00	914.00	962.50	1013.50	1067.00	1123.50	1183.00
9/4/11	706.00	745.50	787.00	831.00	877.50	926.40	978.00	1032.50	1090.50	1151.00	1215.50
Zone B/Wage Area II											
8/3/08	634.50	670.00	707.00	746.50	788.50	832.00	878.50	927.50	979.50	1,034.00	1,091.50
8/9/09	634.50	672.00	711.50	753.00	797.50	844.50	894.00	947.00	1002.50	1061.50	1124.00
9/5/10	634.50	674.00	715.50	760.00	807.00	857.00	910.00	966.50	1026.50	1090.00	1157.50
9/4/11	634.50	675.50	719.50	766.00	816.00	869.00	925.00	985.00	1049.00	1117.00	1189.50
Zone C											
8/3/08	572.50	610.00	650.00	692.50	738.00	786.50	838.00	892.50	951.00	1,013.50	1,080.00
8/9/09	572.50	612.00	654.00	699.00	747.00	798.00	853.00	911.50	974.00	1041.00	1112.50
9/5/10	572.50	613.50	657.50	705.00	755.50	810.00	868.00	930.50	997.50	1069.00	1146.00
9/4/11	572.50	615.50	661.50	711.00	764.00	821.00	882.50	948.20	1019.50	1095.50	1177.50

Pension Band Zone A/Wage Area I – 117 Zone B/Wage Area II – 116 Zone C-116

EXAMPLE

**BellSouth Telecommunications, Inc.
Wage Scale 27
Titles**

Customer Service Associate

Sales Associate

Wage length of Service	Start	End of 6 th Month	End of 12 th Month	End of 18 th Month	End of 24 th Month	End of 30 th Month	End of 36 th Month	End of 42 nd Month	End of 48 th Month
Zone A/Wage Area 1									
8/3/08	654.00	687.50	723.00	760.50	800.00	841.00	884.50	930.00	978.00
8/9/09	654.00	690.50	728.50	769.00	811.50	857.00	904.50	954.50	1,007.50
9/5/10	654.00	693.00	734.0	777.50	823.50	872.50	924.50	979.50	1,037.50
9/4/11	654.00	695.00	739.00	785.50	835.00	887.50	943.50	1,003.00	1,066.00
Zone B/Wage Area II									
8/3/08	588.00	625.50	665.00	707.50	752.50	800.50	851.50	905.50	963.00
8/9/09	588.00	627.50	670.00	715.50	763.50	815.50	870.50	929.00	992.00
9/5/10	588.00	630.00	675.00	723.50	775.00	830.50	890.00	954.00	1,022.00
9/4/11	588.00	632.00	679.50	731.00	785.50	845.00	908.50	976.50	1,050.00
Zone C									
8/3/08	530.50	571.00	6114.50	661.50	712.50	767.00	825.50	888.50	956.50
8/9/09	530.50	573.00	619.50	669.00	723.00	781.00	844.00	911.50	985.00
9/5/10	530.50	575.50	624.00	676.50	733.50	795.50	862.50	935.50	1,014.50
9/4/11	530.50	577.00	628.00	683.50	743.50	809.00	880.50	958.00	1,042.50

Pension Band Zone A/Wage Area I – 113 Zone B/Wage Area II – 113 Zone C-113

Health Care

- No Health Care Plan changes to plan in 2010
- Health Care Plan changes beginning January 1, 2011
- Monthly Premium - \$35 single/\$75 family
- Eliminate spousal carve-out premium

- Preventative – no deductible, no coinsurance payments
- Deductible - \$350 Individual/\$700 Family
- Co-Insurance – 10% In-Network/40% Out of Network
- Out of Pocket Maximum –

	In Network	Out of Network
Individual	\$1,000	\$3,000
Family	\$3,000	\$6,000

- No Co-pays
- Individual Basis for deductibles and Out of Pocket Maximums
- Current employees that retire will have multiple options available to them as previously established.

Prescription Coverage

- No prescription coverage changes in 2010
- Plan changes beginning January 1, 2011
- Separate Out of Pocket Maximum of \$900 Individual/\$1800 Family
- Individual Basis for Out of Pocket Maximum
- Retail - Network Co-pays (up to 30 days supply)
 - Generic - \$10
 - Formulary - \$20
 - Non-Formulary - \$40
- Retail – Non-Network Copays (up to 30 days supply)
 - Participant pays the greater of the applicable Network copay or balance remaining after the plan pays 75%
- Mail Order Copays (up to 90 days supply)
 - Generic - \$20
 - Formulary - \$40

- Non-Formulary - \$80
- * 90 day prescription available at CVS pharmacies at mail order prices.

Dental

Same as today

Vision

Same as today

Health Reimbursement Accounts

- Create New Tax-Free Health Reimbursement Accounts (HRA)
- Active Employees will get:
 - 0/0 Year 2010 (also SSP – see below)
 - \$300/\$600 Year 2011 (also SSP – see below)
 - 0/0 Year 2012 (also SSP – see below)

In Year 2010 and 2011, stock appreciation portion of SSP applies to HRA. In Year 2012, both dividend portion and appreciation apply to HRA.

- **HRA Current Retirees on 12/31/2009**
 - \$850/\$1700 Year 2010
 - \$150/\$300 Year 2011
 - 0/0 Year 2012
- **HRA Future Retirees who retiree between 1/1/2010-9/30/2010**
 - 450/900 Year 2010
 - 150/300 Year 2011

Stock appreciation portion of SSP will be applied to HRAs for those retiring between 10/1/2010 and 11/30/2010 in addition to the following:

- \$450/900 Year 2010
- \$150/300 Year 2011

- HRA Funding levels will be based on healthcare enrollment status as of the 1st of year
- HRA dollars not used in a plan year are rolled over.

Success Sharing Plan (SSP)(replaces TIA)

- SSP will be separated into two parts
- Each employee will receive 150 Success Units per year that will be multiplied by increases in stock price over a year's term.
- In Year 2012, employees will have an additional opportunity to gain reward through annual dividend equivalent payments; as with stock appreciations, payments will be based on the annual dividend multiplied by 150 success units.
- All SSP payments will be used to fund HRAs.

Pensions

Pension band increases

- 2% - effective June 1, 2010
- 2% - effective June 1, 2011
- 2% - effective June 1, 2012

Preserved lump sum option for life of contract and retained non decreasing lump sum.

2012 – Start phased in schedule to Pension Protection Act (PPA) rate rather than General Agreement of Tarriffs & Trades (GATT) to calculate lump sum. PPA's will be phased in 25% increments per year.

New Hires

- Same medical as current non-management employees
- New Hires will receive Bargained Cash Balance #2 (BCB2) cash balance pension with lump sum option.
- New Hires that retire in the future – AT&T will pay 50% Medical up to age 65
- No Company funded HRA for new hires.

Employment Security

Maintained all provisions of Article 14.

Leveraged Titles

- Provide protections to assure existing Sales Associates are not forced to become “leveraged” as well as provide enhanced employment security for existing Sales Associates through combining of titles in a surplus.
- Limited scope. If Management wants to expand “leverage” program to any other title, they must bargain to agreement with the Union.
- Regular Sales Associate can try Leveraged title for up to 6 months with return rights to their former position.
- Leveraged formula – 60% base wages guaranteed and 40% base wages leveraged.

National

- National Card Check Agreement
- Recognition for Video Hub Technicians (National Internet Contract)
- Negotiated President’s Council (Replaces Operations Board) – Company and Union leaders meet semi-annually to discuss matters of mutual interest.
- National Transfer Plan – Employees will be able to participate in the National Transfer Plan.

Other Items

- Retroactivity to 8/9/2009 for Wages and Arbitration rights.
- On a one time basis and within 90 days of ratification Temp/Term employees in Network organization may be reclassified to regular.
- Temps/Terms converted after 8/9/2009 will be treated as new hires for post retirement benefits.
- Retained 1 Managed Care Specialists and 1 Claims Facilitator
- Retained 1 Process Improvement Representative
- Retained 1 PARTNERSHIP Representative
- PARTNERSHIP funding levels modified to \$110 per employee
- Eliminates Tuition Aid payments to the Institution
- Creates Text Book reimbursement
- Language that will allow 2 EWD days to be flexed in Network
- Renewed MOA for 1 flexible vacation day in Residence Repair Center
- Added stepbrother and stepsister to immediate family
- No loss of pay for certified Union representatives employed by the Company to attend meetings in any AT&T Company represented by CWA
- 1 additional optional E-SIPP

- Expanded-SIPP (ESIPP) will be offered for Economic Surplus.
- BASC, CORP and BSLD were brought in to the BST Contract

ARTICLE 1

- ARTICLE 1.17 Redefined Organizational Units
- ARTICLE 1.33 Changed Term employment up to 36 months and gave Term employees bid rights after 24 months for equal or lower level jobs.

ARTICLE 2

- ARTICLE 2.04 Progression rate to be at 6 month intervals or at such other intervals as may be specified in the applicable Wage Table.
- ARTICLE 2.02B5 Allows employees transferring on a higher rated job classification to BST from another Bellsouth Entity to have Wage Rate and Promotional Increases Calculated under 2.06A

ARTICLE 3

- ARTICLE 3.02B2 Saturday prior to and the Sunday following one or more full weeks of vacation may be worked voluntarily but will not be scheduled

ARTICLE 4

- ARTICLE 4 Improved process for off cycle payments for missed pay and missed overtime pay. Improved process for recovery of overpayments including advance notification and consideration for alternative payment arrangements.
- ARTICLE 4.06B8c Added Standby option to include Friday, Saturday, Sunday schedule
- ARTICLE 4.08 Moved Thursday funding to Friday Payday. Check Stubs will be available on line (no longer be mailed to most employees).

ARTICLE 5

- ARTICLE 5.01 Discontinue substitution of Optional Holiday for Local day of Significance in various locations (Example: New Orleans – Mardi Gras).

ARTICLE 5.05H Adds language that will allow 2 EWD days to be used flexible in network.

ARTICLE 5.08 Replaced Three Week Look Back with differential appropriate for employee regular tour in calculation of Vacation Pay.

ARTICLE 6

ARTICLE 6.04C Addition of Step-Brother & Step-Sister to the Definition of Immediate Family

ARTICLE 7

ARTICLE 7.01C4b Expanded SIPP (ESIPP) will be offered in Economic Surplus

ARTICLE 7.01K Included AT&T Billing Southeast, LLC and Utility Operations

Seniority Tie Breaker Tie Breakers for same seniority dates will be determined using a random number software program when a surplus is declared under Article 7.

ARTICLE 8

ARTICLE 8.04A1c Permit two Optional E-SIPP requests for an equal or lower level job in their Family of Skills in their Organizational unit any where in the Company.

ARTICLE 12

ARTICLE 12.01A2 Job Advertisement Report may be delivered Electronically

ARTICLE 14

Employment Security Maintained all provisions of Article 14

ARTICLE 17

ARTICLE 17.06 No Loss of Pay for certified Union representatives employed by the Company to attend meetings in any AT&T Company represented by CWA.

ARTICLE 23

ARTICLE 23.02B Increase minimum # of Arbitrators from 8 to 10

ARTICLE 24

ARTICLE 24.01D PARTNERSHIP funding levels modified to \$110 per employee.

ARTICLE 24.B4a Eliminates tuition aid payments to the institution. Creates text book reimbursement.

APPENDIX A

APPENDIX A PART II Modified exchanges added since 2004 Bargaining.

(Moved to Customer Markets Addendum)

APPENDIX A PART III Combined all Family of Skills Tables into one.

APPENDIX B

APPENDIX B PART III Removed Incentive Award Plan and added Success Sharing Plan (SSP)

APPENDIX C

APPENDIX C PART II Renewed Closed Key Time

APPENDIX C PART IV Renew Easy Time Agreement for Consumer and Collections

APPENDIX C PART XIX Uniform Program- Updated current amounts to initial credit of \$443.55; an annual credit of \$194.10 for Outside Techs; and for Inside Techs an annual credit of \$172.90 for program participants.

APPENDIX C Modified incentive plan language to include all employees.

ADDENDUMS

CUSTOMER MKTS ADD. Correct Reference of Article 9 in CPE Travel Expense

CUSTOMER MKTS ADD. Includes WRAs added since 2004 bargaining.

CUSTOMER MKTS ADD. Added Leveraged Title

MOA'S

MOA Renews MOA regarding the use of term Service Reps. And Sales Associate

MOA Renews Safe Load Limit MOA

MOA Renews Jessica Lunsford Act MOA

MOA Modified existing Aligning for Success MOA

**Any additions or deletions or clean up that does not effect the intent of the language
is not advertised in this document.**