

Agreement between



**COMMUNICATIONS WORKERS
OF AMERICA**

and



BellSouth Long Distance, Inc.

EFFECTIVE January 1, 2006

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AGREEMENT
Between
COMMUNICATIONS WORKERS OF AMERICA
and
BELLSOUTH LONG DISTANCE, INC.

This Agreement, made by and between Communications Workers of America, herein called Union, and BellSouth Long Distance, Inc., herein called Company:

The parties agree that the Company hereby recognizes the Union, for the purposes of collective bargaining with respect to rates of pay, wages, hours of employment and other conditions of employment, as the exclusive bargaining representative of employees as defined in the National Labor Relations Act as amended.

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

The Company will retain and exercise full and exclusive authority for the management of its operations, except as expressly limited by the terms of this Agreement.

ARTICLE 1
DEFINITIONS

A. Basic Rates, Wages, Pay.

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

B. Calendar Week.

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

Article 1

C. Calendar Year.

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

D. Employee Classification.

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

E. *Entity.*

For purposes of force movement, an entity is defined as BellSouth Telecommunications, Inc., BellSouth Corporation - Headquarters, BellSouth Advertising & Publishing Corporation, BellSouth Billing, Inc., BellSouth Affiliate Services Corporation, BellSouth Long Distance, Inc, Utility Operations, Internet Services, and National Directory and Customer Assistance.

F. Holiday Work.

Any work which begins on an authorized holiday.

G. Non-Scheduled Day.

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

H. Normal Work Day (Tour).

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

I. Normal Work Week.

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

J. Overtime Rate, Pay.

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

K. Scheduled Hours.

Hours falling within an employee's scheduled tour.

L. Scheduled Tour.

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

M. Seniority.

1. The date the employee is engaged. Seniority will accrue based on the length of employment. Seniority shall govern for all matters to the extent and with the limitations set out in the Agreement.
2. Bridging. When a former employee is rehired by the Company, he/she shall be given credit for the former service as follows:
 - a. When the break in service has been less than 6 months, the former service shall be bridged immediately and the seniority date adjusted accordingly.
 - b. When the break in service has been 6 calendar months or more, the former service shall be bridged after 3 continuous years of service, and the seniority date adjusted accordingly.
3. Part-time employees will accrue seniority on a prorated basis. Such proration shall be determined by the number of hours worked per week as a percent of 40 hours. Full-time employees who are subsequently reclassified to part-time will accrue seniority as if they were full-time employees. Additionally, part-time employees shall be eligible for coverage in all benefit plans in accordance with Article 12.
4. In applying any of the provisions of this Agreement, in any case where 2 or more employees' seniority date is equal, the last four digits of the employees' social security number shall determine seniority. 0000 will be the most senior and 9999 will be the most junior.

N. Business Needs.

Whenever used in the Agreement, "Business Needs" means such business needs as determined by the Company, but such determination shall be subject to the grievance procedure set forth in

Article 13, and a charge of bad faith or arbitrary action shall be subject to the arbitration procedure set out in Article 13.

ARTICLE 2
SCHEDULING

A. Work Schedules.

Where employees work common hours as a group, a statement stating the hours may be posted for the work group.

B. When employees do not work common hours within the group, the Company shall assign tours allowing for employee preference in order of seniority.

1. Lunch or meal periods which are changed by the Company are not considered as a shift of tours, but these changes should be used only when absolutely necessary to meet the needs of the business.
2. The Company may initiate a change in schedule as needed. Not more than 4 weeks prior to the schedule effective date the new schedule should be posted.

Example:

Schedule	Number of Tours
7:30 AM to 11:30 AM - 12:30 PM to 4:30 PM.....	1
8:00 AM to 12:00 Noon - 1:00 PM to 5:00 PM.....	2
8:30 AM to 1:00 PM - 2:00 PM to 5:30 PM.....	3

3. Employees unavailable for contact should be given the same schedule currently assigned.

- C. Generally, employees should not be scheduled to work more than 13 consecutive days without their consent.
1. Should an employee work more than 13 consecutive days, he/she shall be paid at the overtime rate beginning with the 14th day until he/she has been granted a day off.
- D. Changes from posted tours may be made to accommodate an employee or by the Company to meet unexpected conditions if 12 hours notification is provided.
- E. Scheduling:
1. Insofar as business needs permit, the Company shall assign tours in accordance with the preference of employees in the order of their seniority. Tours will be scheduled and assigned in accordance with 2B2.

It is not the intent of this article or any other provision in this Agreement to require the Company to revise a posted work schedule so as to assign an employee entering the work group the tours to which his/her seniority would otherwise entitle him/her.
 2. Tours may fall on any day of the week necessary to meet needs of the business, except that the tours which make up the normal work week may not be spread over more than 6 days of the calendar week.
 - a. Scheduled time is comprised of tours. The scheduled time for any work day shall not exceed the length of a normal tour.
 - b. In the event it becomes necessary to schedule an employee to work more than 5 tours in a calendar week, the sixth and seventh day shall be considered as premium days on the weekly work schedule.
 3. Employees who enter a work group (return from leaves, transfer in, etc.) shall be inserted in the seniority list at the point their seniority dates indicate they should be placed. These employees

- shall have the opportunity to exercise their seniority for choice of tours on the next posted weekly work schedule.
- a. The procedure outlined above shall also apply to those employees whose seniority has been bridged.
 - b. Employees entering or returning to the work group who have not been given work assignments in the current week may be assigned any tour.
4. Part-time employees will be used to supplement schedules to meet the needs of the business.
 5. Changes from officially posted weekly work schedules may be made at the instance of the Company or written request of employees if business needs permit.
 6. The implementation of a four-day work week requires agreement between the Local President and the Director (or designated manager) concerning the specific guidelines under which this flexible concept will be administered.

ARTICLE 3

PAY AND BASIS OF COMPENSATION

Employees shall be paid as follows:

- A. Employees working on a weekday shall be paid at the regular rate for all scheduled time worked, except as otherwise provided in this section.
- B. Overtime rate (1-1/2) for all hours worked on a weekday in excess of 8 hours and for any work performed in excess of 40 hours in a calendar week.
- C. Overtime rate (1-1/2) for all hours worked on Sunday and on a holiday.
- D. Double time rate (2) for all hours worked on a Sunday which falls on a holiday.

- E. Opportunity for premium pay work shall be equalized insofar as practicable.
- F. Time considered worked shall include only time actually worked except:
 - 1. Number of hours authorized for travel time for a day not scheduled up to the length of a normal tour.
 - 2. Time excused as a holiday or vacation day.
 - 3. Union time paid and not paid (up to the length of a normal tour).
- G. A day's regular pay for an authorized holiday scheduled "off".

Employees failing to report for scheduled work on the holiday, or for scheduled work on the day preceding or following the holiday, shall receive no pay for the holiday, unless such absences are excused.

- H. Pay for Vacations.
 - 1. Full-time Employees.

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

The rate of pay for vacations will be prorated based on employee's total hours worked times the employee's basic rate.
- I. Supervisory-Relief Differential shall be paid to an employee designated to relieve a management employee or to perform supervisory work. The employee shall be paid a differential of 10% above his/her basic hourly rate of pay for such time worked provided he/she performs such work for two or more hours during the calendar week.
- J. An employee working temporarily on a higher rated job classification within the bargaining unit shall receive a differential of 10% above his/her basic hourly rate of pay for such time worked provided he/she performs such work for two or more hours during the calendar week.

K. Payroll Periods and Paycheck Deliveries.

Employees will be carried on bi-weekly payrolls. An employee may be paid by direct deposit into a bank or credit union account, or the check or check stub mailed to the employee's home address.

L. Effective Date for Progression Increases.

The effective date for progression increases shall be the beginning of the payroll period nearest the first day of the calendar month for employees engaged between the first and fifteenth days of the month, and shall be the beginning of the payroll period nearest the first day of the next succeeding month for employees engaged between the sixteenth and the last day of the month.

M. On-call pay of one (1) hour at the basic hourly rate of pay for a scheduled worked day and two (2) hours at the basic hourly rate of pay for a non-scheduled day. An employee is designated on-call by the Company and the employee is ready and available to receive and respond to service requests within one (1) hour from the receipt of call.

N. Call-out pay of one (1) hour at the overtime rate if the work is performed "remote" and does not result in an on-site job visit. Call-out pay of two (2) hours minimum at the overtime rate if the work requires an on-site job visit and does not connect to regularly scheduled work.

O. A night differential shall be paid to employees for all scheduled time actually worked after 7:00 p.m. and ending at or before 7:00 a.m. in the amount of ten (10) percent of the employee's basic hourly rate.

ARTICLE 4
HOLIDAYS AND VACATIONS

A. Holidays.

1. Specified Holidays shall be:

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

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

B. Vacations.

1. Eligibility for vacation shall be as follows:

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

2. Vacations are not cumulative and should normally be taken only during the calendar year within which they are due. However, if mutually agreeable, employees may carry over one week of vacation to be taken in the first quarter of the next year.
3. Not earlier than November 1st the Company will make a reasonable effort to contact employees in order of their seniority, so that they may choose vacation.
4. Employees shall select vacation in order of seniority.
5. For an employee electing to take his/her vacation in segments, he/she shall be entitled to exercise preference for only one segment until all other employees who have expressed preference

- for his/her vacation or the first segment has been assigned or has been passed over because their preference was not available.
- a. A segment of vacation is a continuous period of vacation (in full week increments beginning with Sunday of the first week and ending with Saturday of the last week) with no work time between the beginning and end of such vacation period.
6. After all vacation segments have been selected, the process begins again in accordance with B3 above to select all remaining vacation days even though the days selected may not be consecutive.
 7. An employee who leaves the service before his/her vacation is completed shall be granted pay in lieu of such vacation as he/she was otherwise entitled to receive during the remainder of the current calendar year.
 8. An employee transferring to other BellSouth bargaining units before his/her vacation is scheduled to begin shall receive such vacation before transferring to the other unit if such transfer is arranged upon that basis. If the transfer is made before the vacation is given, the department receiving the employee will be so advised.

ARTICLE 5

ABSENCES FROM DUTY

A. Personal Paid Time.

1. ***Four*** personal paid days will be granted to each regular employee ***hired prior to*** January 1 of any given year. ***Two*** personal paid ***days*** may be taken in one hour increments. One of the personal paid days may be designated by the Company. Employees who are not otherwise eligible for a paid personal day shall be excused and paid for such designated day provided they are on the active payroll of the Company on the designated day.

2. Regular employees hired during the calendar year will be granted personal paid days as follows:

<u><i>Hire Date</i></u>	<u><i>Paid Personal Days</i></u>
<i>Jan 1 – March 31</i>	<i>3</i>
<i>Apr 1 – June 30</i>	<i>2</i>
<i>July 1 – September 30</i>	<i>1</i>
<i>Oct 1 – December 31</i>	<i>0</i>

B. Death.

If reasonable notice is given to his/her supervisor, an employee shall suffer no loss of regular pay for a reasonable amount of scheduled time lost on account of death in the immediate family or household of such employee. Immediate family shall be defined as consisting of wife, husband, daughter, son, mother, father, brother, sister, grandmother, grandfather, mother-in-law, father-in-law, son-in-law, daughter-in-law, sister-in-law, brother-in-law, grandchildren, stepparents and stepchildren.

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

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

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

D. Military Service.

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

ARTICLE 6
FORCE REDUCTION

A. Layoff.

1. In the event that the Company determines that there is not enough work to justify the continued employment of any employee, the Company will advise the affected employee or employees, and the Union, with as much advance notice as possible prior to the effective layoff date of the individual or individuals.
2. In the event that there are 2 or more employees in the same job title who perform substantially the same job functions, the layoff of employees will be in the inverse order of the employees' seniority with the Company, provided that the employee or employees who would remain are fully qualified to perform the work available or expected to be available.
3. Regular employees who are laid off pursuant to this Article will be paid a layoff allowance based upon the employee's seniority with the Company, according to the following schedule:

<u>Seniority</u>	<u>Amount of Allowance</u>
Less than 3 years	\$ 450.00
3 years but less than 6 years	750.00
6 years or more	1,200.00

4. ***Former Nortel Networks technicians who are terminated due to a reduction in force will receive four (4) weeks basic pay plus one week of basic pay for each year of service (service rounded to nearest year).***

- B. Regular, full-time and regular, part-time employees scheduled to be laid off under the provisions of this article may elect to participate in the PARTNERSHIP Job Bank.***

<u><i>Years of Service</i></u>	<u><i>Weeks of Eligibility</i></u>
<i>Less than 6 months</i>	<i>0 weeks</i>
<i>6 months but less than 5 years</i>	<i>2 weeks</i>
<i>5 years or more</i>	<i>4 weeks</i>

The time in the Job Bank may include both paid and unpaid time.

ARTICLE 7

SUSPENSION, DISCHARGE AND DEMOTIONS

A. Limitations.

1. In the event an employee is suspended or discharged, a charge that the suspension or discharge was without just cause shall be handled in accordance with the following:
 - a. If the employee has 6 months or less of seniority, a charge that the discharge was without just cause shall be subject to the full grievance procedure set forth in Article 13, but shall not be subject to arbitration.
 - b. If the employee has been suspended or has more than 6 months seniority, a charge that the action was without just cause shall be subject to the full grievance and arbitration procedures set forth in Article 13.

B. Reinstatement.

1. In the processing of grievances or arbitration, unless the parties at the Executive Level mutually agree to the contrary with respect to the particular grievance or arbitration case, the following shall apply: If as a result of such grievance or arbitration procedure it is determined that the employee was discharged, suspended or demoted without just cause, the Company agrees to reinstate the employee and to reimburse him/her according to the following:

- a. In a discharge case, the employee shall receive his/her regular pay for the time lost less the amount of any termination pay received from the Company and unemployment compensation received or receivable; and the employee shall receive an additional 6% of the remaining amount.
- b. In a suspension case, the employee shall receive his/her regular pay for the time lost less the amount of any unemployment compensation received or receivable, and any amount paid to or receivable by the employee as wages in other employment.

ARTICLE 8

PROMOTION AND TRANSFER PLAN

- A. In the selection of employees for transfer, the Company will adhere to the principles that seniority will govern if all other qualifications of the individuals considered are determined to be substantially equal.
- B. Employees who meet eligibility requirements after six months may ***submit an unlimited number of “specific” requests for currently advertised vacancies and up to 10 “future” requests*** for considerations of transfer or promotion ***to other BellSouth entities. These may be a combination of intra- or inter-entity requests. A specific request is only valid until the advertised job is filled.*** An employee meets eligibility requirements provided the employee: (a) is classified on the payroll as regular employee; (b) meets time-in-title requirements; and (c) has satisfactory performance in their current job.
- C. Time-in-title requirements for transfer eligibility are outlined in Appendix A by job title. The time-in-title table is the minimum standard. Due to unique business needs, and upon mutual agreement, the Company and Union at the Executive level may extend or reduce these time frames.
- D. Transfer or promotional moves may be requested within and between the following entities: BellSouth Corporation-Headquarters, BellSouth

Affiliate Services Corporation, BellSouth Telecommunications, Inc., BAPCO, BellSouth Billing, Inc., *BellSouth Long Distance, Inc., Utility Operations, Internet Services, and National Directory and Customer Assistance.*

- E. An employee of another BellSouth entity transferring to this bargaining unit on a higher-rated job classification shall be placed on a progression step that is equal to their weekly wage rate at the time of transfer or the Start rate, which ever is greater. If there is not an exact match, the employee will be placed on the nearest higher step of the new wage scale. The employee's wage length of service will be adjusted accordingly after placement on the new wage scale.*
- F. An employee of another BellSouth entity transferring to this bargaining unit in the same or lower-rated job classification will be given credit for the wage experience accrued with the other BellSouth entity. The employee's new wage rate will be the step rate of the new wage scale for the wage length of service accrued on the previous wage scale.*

ARTICLE 9

JURISDICTION OF WORK

A. Contract Work.

The Company will not, as a general policy, contract out work done by the titles contained in Appendix A if such contracting out will currently and directly cause layoffs or part-timing of employees. However, the Company may use contract employees on a daily basis for a cumulative total of not more than 30 days, in a calendar year, regardless of the length of the daily or weekly assignments. If a contract employee actually works or is engaged to work more than 30 days in a calendar year, the Company will submit a regular job vacancy.

- B. The Company shall notify the Local President in advance of implementing major changes in the use of contract services.

- C. The Company reserves the right to use temporaries when needed. A temporary employee is one whose term of employment is intended to last more than 3 weeks, but not more than 12 months. If a temporary employee works more than 12 months a regular job vacancy will be submitted. A temporary employee who has reached the 12-month temporary status will not be re-hired to perform essentially the same type work for at least 90 days.

ARTICLE 10
HEALTH AND SAFETY

The maintenance of proper health and sanitary conditions, the observance of all laws relating to fire protection and safety, and hazardous wastes, materials, and substances are of mutual concern to the Company and the Union. Any question regarding such matters may be made the subject of a grievance but shall not be submitted to arbitration.

ARTICLE 11
UNION REPRESENTATION

- A. Union Orientation.

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

The local Union President will arrange with the supervisor designated above to meet with newly-hired or transferred employees as part of the overall orientation process for the purpose of furnishing them with information about the Union. The meeting will be limited to a maximum of 30 minutes and may be coupled with a relief or lunch period. Time spent during the basic scheduled work period for each employee will be paid as time worked.

B. Union Representation.

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

C. Union Leave of Absence

Employees whose Union duties require their absence from Company work for a period exceeding 120 days in a calendar year shall apply to the Company for a leave of absence without pay, and the Company shall grant such leave of absence for a reasonable period not to exceed one year.

ARTICLE 12

BENEFITS

A. Benefit Agreements, Plans and Programs.

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

BellSouth Anticipated Disability Leave of Absence Program

BellSouth Dental Assistance Plan

BellSouth Pension Plan

BellSouth Care of Newborn Children Leave of Absence Program

BellSouth Dependent Care Leave of Absence Program

BellSouth Family Care Reimbursement Plan

BellSouth Group Life Plan

Health: VEBA Trust

BellSouth Long Term Disability Plan *for Non-Salaried Employees*

BellSouth Long-Term Care Insurance Plan

BellSouth Medical Assistance Plan

BellSouth Savings and Security Plan

BellSouth Short Term Disability Plan
BellSouth Vision Assistance Plan

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

B. Benefit Plan Eligibility.

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

C. Grievance Procedure Regarding Benefit Plans.

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

ARTICLE 13

**GRIEVANCE, ARBITRATION AND
MEDIATION PROCEDURES**

A. Grievance.

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

Director or his designee. The grievance must be filed within 60 days of the occurrence being grieved. The Company will inform the Union within 14 days from the date of filing 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.

- b. Executive Level (Company Headquarters Final Review). The appropriate Company representative shall meet and discuss the grievance with the Union within 30 days after the request for the conference. If the Company fails to meet within the 30 days or fails to get an extension, it will be treated as a rejection by the Company of the Union's position. If a remedy cannot be agreed on, it shall be determined by arbitration.
3. In the Supervisory step 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. In addition to the grievant, one other person shall suffer no loss of pay.
4. True intent grievances shall initially be presented at the Executive level.
5. Grievances involving the filling of vacancies. Grievances will be filed at Human Resources Director level. The Union shall advise the Company of the unsuccessful requesters on whose behalf it is grieving, or designate the employees whom it contends were erroneously selected instead of the aggrieved employee(s).
6. Grievance adjustments at the Supervisory Level shall be final and binding, and shall not be used as a precedent by either party, except that an adjustment at this level may be made subject to the Executive level approval if either party at the Supervisory Level

informs the other in writing within 14 days from the date of settlement that a “true intent and meaning” question exists.

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

B. Arbitration and Expedited Arbitration.

1. If at any time a controversy should arise regarding the true intent and meaning of any provisions of this Agreement, including Memoranda of Agreement or other Letters of Understanding interpreting the Agreement in regard to the performance of an obligation hereunder, which the parties are unable to resolve by use of the grievance procedure, the matter shall be arbitrated upon written request of either party to this Agreement.

The Impartial Arbitrator shall have power to decide whether or not a particular finding shall have a retroactive effect. However, no retroactivity shall predate the Union’s demand for arbitration except as is or may be otherwise provided in other contracts or agreements between the parties.

2. Any written request for arbitration shall be made within 90 days from the date of the final decision in writing on the grievance.
3. Standard procedures for arbitration and expedited arbitration as agreed to by both parties shall be followed.
4. Compensation and expenses of the Impartial Arbitrator and the general expenses of the arbitration shall be shared equally by the Company and the Union.
5. Any grievance filed on behalf of an employee which involves suspensions or discharge, except those which also involve an issue of arbitrability, contract interpretation, work stoppage activity, or which are the subject of an administrative charge or court action, shall be submitted to arbitration under the expedited arbitration procedure within 15 days after the filing of a request for arbitration.

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

C. Mediation.

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

D. Strike Limitations.

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

ARTICLE 14
RECORDS

A. Personnel Records.

1. All personnel records kept by the Company on an employee which may affect the conditions of such employee's employment shall be subject to his/her inspection. After such inspection he/she shall have the right to initial and date the record as acknowledgment of having inspected the record on that date. Upon the development of a grievance condition where necessary to develop pertinent facts having to do with the presentation or resolving of such a grievance, the personnel record of any employee shall be subject to inspection by the Union upon such employee's written consent. Employees' personnel records shall be made available within ten (10) working days of the request.

When entries other than those of a routine nature are made to an employee's personnel record which may affect conditions of his/her employment, the employee shall be so advised. When such an entry is to be made, the employee will be given the opportunity to affix his/her signature and date acknowledging that the employee has inspected the entry. The acknowledged entry shall be placed in the employee's personnel record within 7 days from the discussion and does not indicate the employee concurs with the entry.

2. After a counseling entry has been on file for a period of six (6) months without any intervening disciplinary action pertaining to the same subject matter, it will be removed from the employee's personnel record. A warning entry will be removed after 24 months and all remaining entries will be removed after a period

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

B. General Records.

Records kept by the Company which are pertinent to collective bargaining between the parties shall be made available to certified Union Representatives upon request.

ARTICLE 15
COMPLIANCE WITH LAW

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

ARTICLE 16
PAYROLL DUES DEDUCTION AND UNION SECURITY

A. Payroll Dues Deduction.

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

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

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

B. Dues Requirements.

Each employee who is a member of the Union or who is obligated to tender to the Union amounts equal to periodic dues on the effective date of the Agreement, or who later becomes a member, and all employees entering into the bargaining unit on or after the effective date of the Agreement, shall, as a condition of employment, pay or tender to the Union amounts equal to the periodic dues applicable to members, for the period from such effective date or, in the case of employees entering into the bargaining unit after the effective date, on or after the thirtieth day of such entrance, whichever of these dates is later, until the termination of this Agreement.

C. Effective Dates for Dues Collection.

Each employee who is a member of the bargaining unit on or before the effective date of this Agreement and who on the effective date of this Agreement was not required as a condition of employment to pay

or tender to the Union amounts equal to the periodic dues applicable to members, shall, as a condition of employment, pay or tender to the Union amounts equal to the periodic dues applicable to members for the period beginning 30 days after the effective date of this Agreement, until the termination of this Agreement.

D. Movement In and Out of Bargaining Unit.

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

E. Application Under The Law.

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

F. COPE Payroll Deduction.

The Company agrees to make collection of CWA-COPE-PAC payments of any bargaining unit employee through payroll deduction upon the order in writing, signed by such employee, and to pay over the amount thus deducted to the CWA-COPE-PAC.

G. Deduction Cost.

It is agreed that the Union will pay the Company the cost of making deductions.

ARTICLE 17
TRAVEL EXPENSES

- A. All customary and reasonable receipted expenses will be reimbursed.
- B. Should an occasion for travel occur, the Company will reimburse the employee at the maximum IRS rate per mile for use of personal vehicle.

ARTICLE 18
RESPONSIBLE UNION-COMPANY RELATIONSHIP

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

- responsibility to contribute to the goals of the organization - and in return, the Company will treat every employee with dignity and respect.
- E. Both parties have the responsibility to assure this positive relationship exists, is endorsed and communicated throughout all levels of the Company and the Union.

ARTICLE 19

NON-DISCRIMINATION

A. Company Responsibilities.

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

B. Union Responsibilities.

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

C. Non-Discrimination Clause.

The Company and the Union reaffirm their commitment to comply with all Federal, State, and Local Equal Employment and Affirmative Action statutes, ordinances, and regulations, to which they are subject, and where applicable, to cooperate fully with each other to ensure such compliance.

D. Effect on Employment.

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

ARTICLE 20
COLLECTIVE BARGAINING PROCEDURE

- A. Bargaining on wages, hours of employment, working conditions, and other general conditions of employment shall be conducted at the Executive Level of Management by duly authorized representatives of the Union and by duly designated representatives of the Company. Both the Company and the Union will limit the Bargaining representatives to no more than three per side. The Union and the Company will notify each other of the names of their representatives who are authorized to represent them under this Article.
- B. The authorized representatives of the Union shall suffer no loss of pay (including differentials) for time consumed in bargaining meetings and necessarily consumed in traveling to and from such meetings.

ARTICLE 21
EMPLOYEE DEVELOPMENT

- A. The parties recognize the mutual advantage of promoting and facilitating the efforts of employees to identify a path or direction for his/her career and to effectively pursue that path within or outside BellSouth. CWA and BellSouth realize the need for ongoing employee development so both our business and our employees can flourish. To aid in their developmental efforts the following components will be made available:
 - 1. All regular full-time employees with at least 6 months of seniority will be eligible for Career Counseling and Assessment provided by professional career counselors. The counseling session could include internal and/or external focus. One counseling will be offered on company time per contract cycle.
 - 2. *Workshops, correspondence courses, home studies, customized courses, study guides, etc. associated with skills tests will be available.*

3. Educational Assistance training will address vocational, personal, and general skills. Coursework that enhances employability (including courses that can be used inside or outside the company) will be approved under educational assistance.
 - a. All such training will be taken at an accredited/approved institution.
 - 1) Prepay Plan: Tuition and fees for such coursework will be paid directly to the approved institution (which is in compliance with our billing procedures).
 - 2) Reimbursement Plan: The employee will be reimbursed for payment of approved tuition and fees after successful course completion.
 - b. An employee may be required to reimburse the amount advanced for prepaid tuition if a course is not satisfactorily completed.
 - c. Such training or coursework will be taken on the employee's own time.
- B. Provisions of this Article will not be subject to the grievance, arbitration or mediation procedures set forth in Article 13.

ARTICLE 22
DURATION OF AGREEMENT

- A. This agreement shall be effective as of *January 1, 2006* and shall continue in full force and effect until its termination at 11:59 p.m., *August 8, 2009*.
- B. IN WITNESS WHEREOF, Communications Workers of America and BellSouth Long Distance have caused this Agreement to be executed by their respective officers and agents thereunto duly authorized, all as of the day first above written.

COMMUNICATIONS
WORKERS OF AMERICA
Noah V. Savant
Vice President

BELLSOUTH
LONG DISTANCE
Salem C. Shunnarah
Senior Director, Labor Relations

ATTEST:
Beverly A. Hicks
Assistant to the VP

ATTEST:
Steve Stevenson
Senior Director, Labor Relations

APPROVED:
Larry Cohen
President

TIME-IN-TITLE REQUIREMENTS:

General Assistant	12 months
Administrative Assistant	12 months
Toll-free Provisioner	36 months
Field Service Technician	36 months

BELLSOUTH LONG DISTANCE, INC
WAGE SCALE 4A
TITLES

General Assistant

Hourly Wage Rates					
Wage Length of Service	Start	End of 6th Month	End of 12th Month	End of 18th Month	End of 24th Month
03/19/06	\$10.45	\$11.05	\$11.70	\$12.35	\$13.05
03/18/07	\$10.70	\$11.30	\$11.95	\$12.65	\$13.40
03/16/08	\$10.95	\$11.60	\$12.25	\$13.00	\$13.75
03/15/09	\$11.20	\$11.85	\$12.55	\$13.30	\$14.10

Pension Band 012

BELLSOUTH LONG DISTANCE, INC
WAGE SCALE 4C
TITLES

Administrative Assistant

Hourly Wage Rates					
Wage Length of Service	Start	End of 6th Month	End of 12th Month	End of 18th Month	End of 24th Month
03/19/06	\$12.80	\$13.55	\$14.30	\$15.15	\$16.00
03/18/07	\$13.10	\$13.85	\$14.65	\$15.50	\$16.40
03/16/08	\$13.45	\$14.20	\$15.05	\$15.90	\$16.80
03/15/09	\$13.80	\$14.60	\$15.40	\$16.30	\$17.20

Pension Band 012

BELLSOUTH LONG DISTANCE, INC.
WAGE SCALE 4G
TITLES

Toll-free Provisioner

Weekly Wage Rates											
Wage Length of Service	Start	End of 6th Month	End of 12th Month	End of 18th Month	End of 24th Month	End of 30th Month	End of 36th Month	End of 42nd Month	End of 48th Month	End of 54th Month	End of 60th Month
03/19/06	\$627.00	\$641.50	\$656.50	\$672.00	\$687.50	\$703.50	\$720.00	\$737.00	\$754.00	\$771.50	\$789.50
03/18/07	\$642.50	\$657.50	\$673.00	\$688.50	\$704.50	\$721.00	\$738.00	\$755.00	\$772.50	\$790.50	\$809.00
03/16/08	\$658.50	\$674.00	\$689.50	\$705.50	\$722.00	\$739.00	\$756.00	\$773.50	\$791.50	\$810.00	\$829.00
03/15/09	\$675.00	\$690.50	\$707.00	\$723.00	\$740.00	\$757.00	\$775.00	\$793.00	\$811.50	\$830.00	\$849.50

Pension Band 107

BELLSOUTH LONG DISTANCE, INC.
WAGE SCALE 4T
TITLES

Field Service Technician

Weekly Wage Rates											
Wage Length of Service	Start	End of 6th Month	End of 12th Month	End of 18th Month	End of 24th Month	End of 30th Month	End of 36th Month	End of 42nd Month	End of 48th Month	End of 54th Month	End of 60th Month
03/19/06	\$727.00	\$756.50	\$787.00	\$819.00	\$852.00	\$886.50	\$922.00	\$959.50	\$998.00	\$1,038.50	\$1,080.50
03/18/07	\$745.00	\$775.00	\$806.50	\$839.00	\$873.00	\$908.50	\$945.00	\$983.50	\$1,023.00	\$1,064.50	\$1,107.50
03/16/08	\$763.50	\$794.50	\$826.50	\$860.00	\$894.50	\$931.00	\$968.50	\$1,007.50	\$1,048.50	\$1,091.00	\$1,135.00
03/15/09	\$782.50	\$814.00	\$847.00	\$881.50	\$917.00	\$954.00	\$993.00	\$1,033.00	\$1,075.00	\$1,118.00	\$1,163.50

Pension Band 119

MONTHLY PENSION BAND VALUES

Wage Scale	Band	Effective July 1, 2005	Effective July 1, 2006	Effective July 1, 2007	Effective July 1, 2008	Effective July 1, 2009
4A	012	\$12.36	\$12.73	\$13.05	\$13.31	\$13.58
4C	012	\$12.36	\$12.73	\$13.05	\$13.31	\$13.58
4G	107	\$38.40	\$39.55	\$40.54	\$41.35	\$42.18
4T	119	\$53.88	\$55.50	\$56.89	\$58.03	\$59.19

JOINT TRIAL COMPENSATION PLANS

Recognizing the need for trials to gain experience with innovative compensation plans, it is agreed that during the life of this Working Agreement, new compensation plans may be developed and trialed by the Company with the Union's participation in development and implementation. At the Bargaining Level of the Company, periodic meetings will be held with the Union to review progress of the trials. The parties recognize that any permanent changes in compensation plans must be bargained and agreed to by the Company and the Union.

Examples of Trial Compensation Plans, which may be explored include, but are not limited to the following areas:

- Sales/Marketing
- Employee Productivity
- Group Incentives
- Group Awards
- Department Head Awards

No employee shall suffer any loss of pay while participating in a trial. Furthermore, employees will not be disciplined solely because of failure to meet the objectives of the trial.

JOB TITLES

March 14, 1999

Mr. James E. Smith
Vice President
Communications Workers of America
3516 Covington Highway
Decatur, Georgia 30032

Dear Mr. Smith:

During negotiations for the BellSouth Long Distance contract, concern was expressed over how new titles would be established in this bargaining unit. It is agreed that before new craft titles are created in this bargaining unit, negotiations relative to those titles will take place with CWA.

Sincerely,

Loretta Y. Walker
Director – Human Resources

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.

INCENTIVE AWARD PLAN

The Incentive Award plan is intended to encourage and reward the contribution of eligible represented employees to the Company's service and financial performance by providing incentive compensation.

- 1. To be eligible for an Incentive Award, an employee must be an active, regular, full-time or part-time bargaining unit employee as of December 31 of the award year, and have worked in the bargaining unit for three full months during the award year.*
- 2. The standard award, listed below, will be calculated on the same basis as the management incentive award.*

<u>Year</u>	<u>Std Award %</u>
2005	2%
2006	2%
2007	3%
2008	3%

- 3. The Company will review the objectives used in the determination of the award with the Union at the Executive Level.*
- 4. Eligible employees, who retire, die or leave the Company under a Company declared surplus plan during the award year, will receive a prorated payment based on the year to date actual award results and year to date eligible earnings.*
- 5. Employees who voluntarily leave the Company and are subsequently reemployed will be treated as a new hire for the award calculation. Previous service will not be considered for the award calculation.*
- 6. Temporary employees and service/earnings as a temporary employee are not included in this award.*
- 7. The award is subject to state and local taxes, federal income tax and Social Security tax at the time of payment. Deductions for union dues will be made from Award payments as authorized by the employee and the Union. Personal allotments such as Savings Bonds and United Way, and savings account deductions such as Credit Union or BellSouth Savings and Security Plan will not be made.*