

10. The time limit for requesting arbitration under this provision shall be the same as in existing procedures.

23.03 Mediation.

- A. Where mutually agreed, grievances appealed to arbitration may be mediated, with the exception of those dealing with matters of contract interpretation.
 1. Once a grievance has been appealed to arbitration in accordance with Article 23, if the Union at the bargaining level requests mediation and the Company concurs, the grievance will be presented at a Mediation Conference before it is scheduled for arbitration.
 2. Within 15 days of the Union's request for arbitration, the parties will schedule a Mediation Conference to be held at the earliest available date of a member on the mediation panel. The Mediation Conference will normally be held in the grievant's exchange and in either a Company or Union facility. Should the availability of a mediator unnecessarily delay the processing of the grievance in the opinion of either party, either party may request that the mediation step be bypassed and the grievance be scheduled for arbitration.
 3. The spokesperson for the Company will normally be the Director having primary Labor Relations responsibilities or his/her designee. The Communications Workers of America Representative will normally represent the CWA. An attorney will not be used by either party at the Mediation Conference. The number of employees who shall suffer no loss in pay under 21.03 of the Agreement shall be no more than 2. Should additional employees be necessary for the complete discovery of facts at the Conference, the parties will agree in advance of the number of additional employees who will attend the conference and suffer no loss in pay under 21.03.
 4. The Mediation Conference will normally be attended by the grievant, the Local President, the grievant's supervisor and Director. Attendance at the Mediation Conference shall be

limited to those people actually involved in the Mediation Conference.

5. All written material that is presented to the mediator or to the other party shall be returned to the party presenting the material at the termination of the Mediation Conference. The mediator may, however, retain one copy of the written grievance, to be used solely for purposes of statistical analysis.
6. Proceedings before the mediator shall be informal in nature. The presentation of evidence is not limited to that which has been presented in the grievance proceedings; however, the issue mediated will be the same as the issue the parties have tried to resolve through the grievance process. The rules of evidence will not apply, and no record of the Mediation Conference shall be made.
7. The mediator will have the authority to meet separately with any person or persons, but will not have the authority to compel the resolution of a grievance.
8. The Company and Union spokespersons at the Mediation Conference may accept the resolution proposed by the mediator and such settlement or any other settlement resulting from the conference shall not be precedent-setting, unless both parties agree.
9. If no settlement is reached during the Mediation Conference, the mediator shall provide the parties with an immediate oral advisory opinion, unless both parties agree that no opinion shall be provided.
10. The mediator shall state the grounds of his/her advisory opinion.
11. If no settlement is reached at the Mediation Conference, the grievance is subject to being scheduled for arbitration in accordance with Article 23.
12. In the event that a grievance which has been mediated subsequently is arbitrated, no person serving as a mediator between these parties may serve as arbitrator. Nothing said

or done by the mediator may be referred to at arbitration. Any settlement proposal made by either party at the Mediation Conference shall not be referred to at the arbitration hearing.

- B. The parties will share equally the costs associated with mediation.

ARTICLE 24

EMPLOYMENT SECURITY PARTNERSHIP

24.01 General Information.

- A. Definition: The Employment Security PARTNERSHIP is intended to benefit our employee body because we acknowledge that employees represent our best competitive advantage. Employees and their jobs will continue to be affected by technological developments and structural changes, therefore CWA and BellSouth realize the need for ongoing employee development, career preparation and career transition.
- B. Eligibility: All regular full-time and regular part-time employees with at least 6 months of seniority will be eligible to participate in the Program.
- C. Participation: Participation in all components of the Program is on the employee's own time with the exception of Orientation meetings and Career Counseling (as specified in 24.03 and 24.05).
- D. Funding: The Program will be funded through an Employment Security PARTNERSHIP account. This account will be computed by multiplying term of contract (years) x \$130 x the total number of regular full-time *and regular part-time* employees in the company as used in wage and benefits calculations for *2004* contract negotiations. The PARTNERSHIP Board of Directors will monitor Employment Security PARTNERSHIP funding levels and, from time to time, may recommend to the Company that it provide

additional funds in order to maintain approved programs, training courses, and other PARTNERSHIP activities.

1. Costs to be charged to the Employment Security PARTNERSHIP account include:

- a. All training and associated costs for the PARTNERSHIP Program, including educational assistance and the PARTNERSHIP Job Bank.
- b. PARTNERSHIP Representatives' time and expenses in accordance with 9.02 involved in delivering orientation meetings or other services of this Program.
- c. All employees' scheduled time associated with participation in the orientation meetings, career counseling and assessment.
- d. All administrative costs of this Program.
- e. All temporary transfer costs as defined in 9.02 and relocation expenses as defined in 24.05D4d4.
- f. All training costs and wages for employees while in training associated with 24.05D3a1.
- g. All costs associated with the supplemental training (24.04A) and career counseling, as well as the costs for administration of subsequent job-specific training as described in 24.04A.
- h. Other costs intended to enhance employment security.
- i. Reasonable expenses incurred by ESP Board of Directors associated with their participation on the Board.

2. Credits to the Employment Security PARTNERSHIP account include:

- a. Training and associated costs reimbursed by a department for required training successfully completed by participants selected to fill vacancies in that department.

- b. Reimbursement by a department for work performed under the provisions of 24.05D3b.
 3. If the Account is fully depleted prior to contract expiration, services will be discontinued.
- E. Grievances: Provisions of Article 24 will not be subject to the grievance and arbitration procedure, except decisions in the filling of vacancies with Job Bank participants which will be subject to the grievance procedures up to and including arbitration within each BellSouth entity.

24.02 Program Administration.

- A. Definition: The Program is jointly governed and administered by the Company and CWA.
- B. Employment Security Board of Directors: The Board will consist of 5 Company and 5 CWA Representatives and may include up to two non-voting external advisors who will meet periodically and have responsibility for:
 1. Providing direction and guidance for the Employment Security PARTNERSHIP Program.
 2. Reviewing the progress of the Program through periodic status reports, quarterly report of the Employment Security Account expenditures. In addition, an annual report will be provided detailing the Program components made available to employees and the overall number of participants in the services.
 3. Establishing amount available/limits for program participants.
 4. Furnishing advice to the Company on personal or career development and job displacement training courses and curricula.
 5. Reviewing and making recommendations regarding training delivery systems (Technical Schools, Colleges, home study programs, Computer Based Training, and Web Sites, etc.) available to be used by the Company.
 6. Evaluating the effectiveness and progress of the Program.

7. Encouraging employees to participate in and successfully complete available training courses.
- C. PARTNERSHIP Staff: The PARTNERSHIP Staff will co-administer the day-to-day operation of the PARTNERSHIP Program. Responsibilities include:
1. Tracking data, costs, and Program participation in order to provide reports to the Board of Directors.
 2. Maintaining the PARTNERSHIP office (formerly Career Resource Center) which will house facilities for counseling, workshops, clerical support and a resource library. The office will be open to all participants for assistance and support in their career objectives. It will also function to coordinate and monitor throughout BellSouth all components of the ESP Program, including the Job Bank.
 3. Ensuring the timely and effective delivery of the Program components.
 4. Evaluating the delivery systems (inside and outside BellSouth) necessary to meet employee training needs.
- D. PARTNERSHIP Representatives: Local PARTNERSHIP Representatives will exist for linkages and assistance in delivery of Program services throughout the region. Duties include:
1. Presenting Article 24 in joint Career Transitions Orientations (24.05C1).
 2. Assistance in surveying employee training requirements and identifying training delivery options.
 3. Conducting meetings to present Program components to employees.

24.03 Employee Development/Internal Opportunities.

- A. Definition: The Employment Security PARTNERSHIP provides the information and support necessary for an employee to identify a path or direction for his/her career and to effectively pursue that path within or outside BellSouth.

Through joint sponsorship of the PARTNERSHIP, CWA and BellSouth will ensure that personal and career development is made available to each employee so both our business and our employees can flourish.

B. Program Components: PARTNERSHIP consists of several components, each aimed at meeting special needs of participants. The components are:

1. A PARTNERSHIP Employee Orientation meeting, conducted jointly by the Union and Company, will be held on company time. During this meeting information will be provided on:

- Career Counseling and Assessment
- Internal Job/Career Development Plan
- Educational assistance

All services are available to employees who wish to pursue such development on their own time unless otherwise specified. An overview of the Career Transitions component will also be included.

2. Career Counseling and Assessment will be provided by professional career counselors associated with the Program. The counseling session could include internal and/or external focus. One counseling session per contract cycle will be offered on company time. However, this session may be scheduled on employee's own time at their request. Subsequent counseling would be available on the employee's own time. Additional counseling will be offered associated with Career Transitions (24.05C2).

3. Internal Job/Career Development Plan, which is personalized, may be jointly created by the employee, or Job Bank participant (24.05B) and a professional career counselor. The acquisition of skills for a job title may be pursued through this plan which will identify the skills required for targeted jobs.

- Workshops, correspondence courses, home studies, customized courses, study guides, etc. associated with skills tests will be available to assist employees with their Internal Job/Career Development Plan.
4. Educational Assistance: Training under this Program 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) or
 - 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. A lump sum of \$50.00 will be paid to an employee upon submitting evidence that he/she has satisfactorily completed a PARTNERSHIP-approved course. This sum is intended to defray expenses associated with pursuit of training.
 - d. Successful completion by an employee of any training or course pursuant to such Program will be taken into account when considering the employee for an upgrade or transfer.
 5. Career Transitions services are designed for employees declared surplus or surplus-affected. Such employees are eligible to participate in Program services defined in 24.03 as well as 24.05.

24.04 Future Technological Change.

A. Old Work Environment to New Work Environment: An employee who is in an organization which has been identified by the Company as being affected by a future technological change which will have immediate and significant impact on an incumbent's job responsibilities will receive, on Company time, information on these technological changes as well as general information on the skills and training requirements of the new environment. An employee who does not desire to go to the new environment will be treated as outlined in 13.06C3.

1. In accordance with 12.02E, eligible incumbents will receive Company sponsored job-specific training.
2. Incumbents who successfully complete the job-specific training will be eligible for immediate transfer to the new environment.
3. If work exists in the "old" environment, incumbents who do not successfully complete training will be retained in title and be provided supplemental training, on Company time, for a maximum of 6 months or until the old work has been exhausted, whichever is less. Such supplemental training will be designed to help incumbents understand the subject matter of the training.

Incumbents who are assigned the supplemental training will be afforded the opportunity to successfully complete the job-specific training within the 6 months period. Incumbents may retake the entire training or the appropriate modules that were not initially successfully completed.

Incumbents who successfully complete the job-specific training during the 6 months period will become eligible for immediate transfer to the new work environment. Incumbents who do not successfully complete the job-specific training during this period will receive treatment at the appropriate time under Article 7.

4. If work in the “old” environment does not exist, incumbents who do not successfully complete training will be offered supplemental training, on Company time, to prepare them to repeat the training. Generally, such supplemental training will immediately follow the initial training and will be conducted under the auspices of the Employment Security PARTNERSHIP. This supplemental training will not extend beyond 3 weeks or one-half the duration of the initial training, whichever is less. At the completion of the supplemental training, such incumbents will be afforded the opportunity to retake the entire job-specific training or the appropriate modules that were not initially successfully completed.

Incumbents who successfully complete the job-specific training will be eligible for immediate transfer to the new work environment. Incumbents who do not successfully complete the second training will receive treatment at the appropriate time under Article 7.

5. Incumbents who do not successfully complete the initial training and who choose not to accept the supplemental training will receive treatment at the appropriate time under Article 7.
 6. All costs associated with the supplemental training as well as all cost(s) for administration of the second training class will be charged to the Employment Security PARTNERSHIP Account as describe in 24.01D1g.
- B. Announced Surplus Condition: Employees within an organization who have been identified by the Company (based on, but not limited to, input from the Technological Change Committee) as being part of an announced future surplus condition will be eligible to receive an overview, on company time, which will provide information on the following:
1. Career Counseling and Assessment (24.03B2)
 2. Internal Job/Career Development Plan (24.03B3)
 3. Educational Assistance (24.03B4)

4. Career Transitions (24.03B5 or 24.05C1, as appropriate)
5. General job skill needs of the company

24.05 Career Transitions/ External Opportunities.

- A. Definition: The Career Transitions component of the Employment Security PARTNERSHIP provides additional services to employees affected by surplus displacement.
- B. Eligibility: Employees eligible to participate in the services provided under Career Transitions (24.05) include regular full-time *and regular part-time* employees who, because of their seniority, will be affected by a formal declaration of surplus made by the company (as described in 7.01 A).
- C. Program Components: Career Transitions consists of several components, each aimed at meeting the needs of surplus and surplus-affected employees. The components are:
 1. A Career Transitions Orientation provided jointly by the Union and Company will be held on company time. Information will be presented on Article 24 as follows:
 - a. PARTNERSHIP program components (as described in 24.03B3, 4 and 5)
 - b. Career Transitions Counseling and Assessment
 - c. An overview of PARTNERSHIP Job Bank
 - d. General job skill needs of the company

Information will also be provided, as it applies to affected employees, on the provisions of Articles 7, 8, 12.02E and 13.06C.
 2. A Career Transitions Counseling and Assessment session is available on a voluntary basis on company time by professional career counselors associated with the PARTNERSHIP Program. This counseling and assessment will provide advice and assistance in establishing a plan for career development.

3. Access to the PARTNERSHIP Job Bank: When a regular full-time surplus or surplus affected employee has been processed through Article 7 and is to be laid off, the employee may elect to take their termination allowance incrementally (in bi-weekly payments, based on the title held) by participating in the PARTNERSHIP Job Bank for a designated period of time as described in 24.05D below.

D. PARTNERSHIP Job Bank.

1. Definition: Job Bank participants are retained on the company payroll while receiving their termination allowance and accruing seniority. Seniority for the determination of Job Bank eligibility and subsequent termination pay will be as of the date the employee enters the Job Bank. Vacation time will be taken, or the employee will be paid in lieu of his/her vacation, prior to entry into the Job Bank. Vacation time will not accrue as a result of employee's election to participate in the Job Bank.
2. Eligibility: Regular full-time *and regular part-time* employees scheduled to be laid off under the provisions of Article 7 may elect to participate in the PARTNERSHIP Job Bank and remain in the Job Bank until the completion of Career Transitions Counseling and Assessment plus the following:

CONDITION	WEEKS OF ELIGIBILITY	
<ul style="list-style-type: none"> • Regular full-time <i>and regular part-time</i> employees with at least 6 months of service who are to be laid off under the provisions of Article 7 due to: <ul style="list-style-type: none"> • Technological/operational efficiency surplus with less than 5 years of service • Economic surplus. • <i>Permanent medical restrictions</i> 	2 WEEKS* <i>*An employee who has six months or more service but less than one year of service, at the time of entering the PARTNERSHIP Job Bank (PJB), and is receiving one week of termination pay will be eligible for two weeks in the PJB. One of the weeks in the PJB with pay (receipt of term pay) and one week without pay.</i>	
<ul style="list-style-type: none"> • Regular full-time <i>and regular part-time</i> employees who are to be laid off under the provisions of Article 7 due to technological/operational efficiency/economic surplus with 5 or more years of service • Permanent Medical Restrictions 	YEARS SVC. 5-6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35+	WEEKS ELIG. 4 5 6 7 8 10 12 14 16 18 20 22 24 26 28 30 32 34 35 36 37 38 39 40 42 44 46 48 50 52

3. Services for job opportunities available while in Job Bank include:
 - a. Internal Job Placement: the Job Bank participant will be tested to identify abilities, skills, and interests to perform jobs in BellSouth as well as general occupations outside the corporation. The results of the assessment will be used in Career Transitions Counseling to establish an Internal Job/Career Development Plan (24.03B3) and/or external career plan. Upon creation of a career plan the following will be available:
 - 1) A Job Bank participant can receive up to a maximum of 6 weeks of training, on their own time, while still in the Job Bank for higher or lower rated jobs. Such training would assist in preparation for threshold requirements and would be included in his/her educational assistance allotment of \$2,500.
 - b. Temporary Job Placement: Job Bank participants may be voluntarily assigned available temporary work while in the Job Bank.
 - 1) The Job Bank participant may voluntarily identify, in priority order, the types of assignments and locations of his/her preference, and may be assigned to work based on his/her skills and assignment requests in order of seniority. The Career Transitions Counseling and the Internal Job/Career Development Plan are available to assist in identification of skills. Staffing will give preference to Job Bank employees whose exchange of reporting is within 35 miles of the work assignment.
 - 2) If a Job Bank participant is assigned to a temporary position the following will apply:
 - Once an employee begins an assignment, he/she will continue in that assignment until it is completed (provided the employee can satisfactorily perform the job), or the employee is selected to fill a vacancy, or the employee enters a qualified training program, or participation in the Job Bank is terminated. Should such an assignment extend beyond an employee's

normal eligibility, the Company at its option can suspend the clock for the balance of the assignment for a maximum of *120* days.

- Should the employee perform temporary work at a higher wage scale than was held when he/she entered the Program, the employee will be paid a differential while working in the assignment as described in 4.07B1. At the Company's option, the employee can remain in the assignment for the duration of Program eligibility but will not receive an acting title while performing the temporary work.
 - An employee who remains on the same temporary assignment after six months on the job may take up to 1 week of time off from the temporary job. This time will be counted toward Job Bank eligibility, and the employee will continue to be paid from his/her termination pay.
 - Employees may be temporarily transferred on a voluntary basis, in order of seniority, to a location outside the exchange where they normally report, and will be paid travel and living expenses as provided for in the Agreement.
- c. Outplacement Services, (ex: resume assistance, workshops on topics such as job search skills and training/career development opportunities, subsequent counseling, as needed.)
4. Benefits associated with participation in PARTNERSHIP Job Bank.
- a. Continuation of benefits (as described in Article 19), with termination allowance received in bi-weekly payments
 - b. Continued union membership
 - c. ***Regular full-time*** participants will be eligible to participate in Educational Assistance as described in 24.03B4 above. \$2,500 for such training including tuition, required books, and required materials for coursework approved while in the Program will be available. The \$2,500 will remain available

up to 2 years beyond the date of termination of employment provided the employee completes their full Job Bank eligibility. Any such expenses for which reimbursement will be made must be approved prior to being incurred. This amount will not be deducted from termination pay at the end of the Job Bank eligibility.

- d. Priority consideration for equal or lower level vacancies within their home state in BellSouth Telecommunications.
 - 1) All requests will be canceled if an employee is selected to fill a regular full-time vacancy, leaves the Job Bank, or is laid off. Laid off employees may submit requests under the provisions of 7.02.
 - 2) Selections will be based on the normal selection procedures as described in the Agreement, except that Job Bank participants will be given priority consideration for existing equal or lower level vacancies in their home state in BellSouth Telecommunications after employees with mandatory return from leave rights and along with employees to be considered under the provisions of 7.01C.
 - 3) A Job Bank participant selected for a vacancy which has a report date later than the last day of Job Bank eligibility may elect to take a departmental or personal leave of absence from the last day of eligibility until the report date. In no event can the leave of absence exceed 90 days.
 - 4) Relocation expenses for Job Bank participants selected to fill intra- or inter- company vacancies requiring relocation will be paid according to the provisions of 9.01B of the Agreement.
5. After the eligibility time of an employee has been exhausted, or if such employee elects to terminate participation in Job Bank, the employee will be laid off. A laid off employee who participated in the Career Transitions Counseling and Assessment component of the Program will continue to have

access to the PARTNERSHIP office as long as the laid off employee maintains transfer requests as described in 7.02.

The termination allowance from which the employee receives bi-weekly payments while in the Job Bank will be adjusted as follows:

- a. For each day in a work assignment (24.05D3b) or while in the Career Transitions Counseling and Assessment, nothing will be subtracted from the termination allowance.
- b. For each day in Job Bank in which the participant is not in Career Transitions Counseling and Assessment or on a work assignment, an amount equivalent to a full day's pay will be subtracted from the termination allowance.

Any remaining balance will be paid to the employee at the time he/she exits the Job Bank.

ARTICLE 25

PAYROLL DUES DEDUCTION AND UNION SECURITY

25.01 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 the 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.

- A. 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.

- B. Such cancellation requests must be sent individually by certified mail to the Payroll Office Manager with a copy to the Union, postmarked during one of the 10 day periods described in 25.01 above. The Company shall cease such deductions the month after the receipt by the Company of the certified notice.
- C. 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.
- D. 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.
- E. Authorization cards which by their terms are revocable at will are not subject to the 10 day revocation periods referred to in 25.01 above.

25.02 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 this Agreement, or who later becomes a member, and all employees entering into the bargaining unit on or after the effective date of this Agreement, shall, as a condition of employment, pay or tender to the Union amounts equal to the periodic dues applicable to members, for the period from such effective date or, in the case of employees entering into the bargaining unit after the effective date, on or after the thirtieth day of such entrance, whichever of these dates is later, until the termination of this Agreement. (For the purpose of this Article, "employee" shall mean any person entering into the bargaining unit, except an occasional employee.)

25.03 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.

25.04 Movement In and Out of Bargaining Unit.

The condition of employment specified above shall not apply during periods of formal separation from the bargaining unit by any such employee but shall reapply to such employee on the thirtieth 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.

25.05 Application Under the Law.

Sections 25.02 and 25.03 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 employees 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.

25.06 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.

25.07 Deduction Cost.

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

25.08 Union Dues Deduction Agreement.

In addition to this section of the Agreement, the parties have concurrently executed a separate Union Dues Deduction Agreement.

ARTICLE 26

ABSENCES FOR UNION DUTIES

26.01 Excused Time for Union Duty.

Subject to limitations expressed below, employees who are elected or appointed to an office or committee in or for the Local, District or National Union and who are certified in writing to the Company by the Vice President or the Executive Board of the Union as having to be absent from their regular Company work for the proper performance of their lawful duties to the Union in connection with such office or committee, shall be excused without pay for periods not exceeding, in the total, 120 work days in any calendar year provided that such absences shall not exceed 30 consecutive days in any one period. However, for Union officers as identified and limited by 17.01C the 120 work days may be increased to a maximum of 150 work days upon approval at the Company bargaining level. Except for unforeseen situations, a Local officer shall notify the immediate supervisor of the employee to be released when such absence is to begin and for what period the employee expects to be absent. The status of employees absent for such duties shall be the same, including seniority, as for other employees excused from Company duties for personal reasons not in excess of 30 consecutive days at any one period.

26.02 Union Leave of Absence.

Employees whose Union duties require their absence from Company work for a period, or periods, in excess of those set out in 26.01, 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. Leaves of absence granted pursuant to this Article, shall be subject to the conditions hereinafter stated in 26.03.

- A. Requests for leaves of absence shall be made in writing by the employee and the Vice President of the Union or his/her delegated representative, with the request being directed to the Senior Human Resources Executive of the Company at least 30 days before such leave is to begin.
- B. Requests for such leaves of absence shall be acted upon promptly by the Company.

26.03 Conditions of Leaves of Absence.

Leaves of absence granted under the terms of 26.02 are subject to these conditions.

- A. The period of an employee's absence on such leave shall be included in determining such employee's Seniority with the Company. However, for the purpose of determining the length of service upon which such employee's wage progression is based, such employee shall be given credit for only the first 30 days of the first leave of absence granted such employee. When the employee returns from leave, his/her wage progression, if determined in accordance with an automatic wage scale, shall be accelerated by reducing the normal intervals between increases by one-half until the employee shall have attained his/her position on his/her wage scale commensurate with his/her length of service had he/she not been on leave of absence.
- B. During the period of such employee's leave of absence, such employee's qualified dependent, or dependents, shall retain eligibility to Sickness Death Benefits. The employee may continue coverage under the BellSouth Employees' Medical Assistance Plan when employed by CWA or when elected or appointed to a CWA office within a Local Union. The employee may continue his/her own coverage under the BellSouth Employees' Dental Assistance Plan and the BellSouth Employees' Vision Assistance Plan by individual payment of the full amount of appropriate payment.
- C. Employees who return to Company duty at the expiration of such leaves of absence shall be placed on the payroll at the rate

received when such absence was granted, adjusted for any changes in wage level made during the period of such leave of absence. In the event such leave of absence has expired and such employee desires to, and is otherwise entitled to, resume employment with the Company, but at the time of such expiration such employee is unable to perform the required Company duties because of sickness, such employee shall nevertheless be re-employed, and in determining the eligibility of such employee to sickness payments the first day of such re-employment shall be considered as such employee's first day of absence because of sickness.

- D. Such leave of absence for an employee shall be terminated at his/her request prior to the expiration of such leave of absence only in case the employee is able to perform on a full-time basis the Company duties required of such employee. The term "full-time basis" as used in the preceding sentence, shall not be construed to deny to such employee incidental participation in Union matters without pay if excused by the Company for such purposes. An employee requesting to return from Union leave under this paragraph shall give his/her supervisor reasonable notice.
- E. The termination of this Agreement by either party shall not affect the leave status or re-employment rights of an employee who is on leave of absence granted under 26.02.
- F. Notwithstanding the provisions of 21.02, employees on such leaves of absence shall not be entitled to receive from the Company any pay or compensation for time consumed in meetings with Management, or necessarily consumed in traveling to and from such meetings.

26.04 Limitations of Union Leaves.

In the event the Company is of the opinion that the duties being performed by an employee are not within the intent of this Article, the Company shall notify the employee and the Union and allow the employee an opportunity to cease such duties.

ARTICLE 27**DISTRIBUTION OF AGREEMENT****27.01 Distribution to Employees.**

The Company shall have this Agreement printed and distributed to all of its present employees, and shall hand a copy to all employees when they begin work with the Company.

ARTICLE 28**RESPONSIBLE UNION-COMPANY RELATIONSHIP****28.01 Union-Company Relationship.**

The Company and the Union recognize it is in the best interests of both parties, employees and the public that all dealings between them continue to be characterized by mutual responsibility and respect. To ensure this relationship continues and improves, both parties agree that their respective representatives at all levels will apply the terms of this Agreement in accord with its intent and meaning and consistent with the Union's status as exclusive bargaining representative of all employees in the unit.

Each party shall bring to the attention of all employees in the unit their purpose to conduct themselves in a spirit of responsibility and respect and of the measures they have agreed upon to ensure adherence to this purpose.

This Agreement recognizes the heritage of our responsible relationship which began in the 1960's and has been improved upon throughout the subsequent years. We recognize that the labor relationship builds upon our past but looks to the future as well.

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 our 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.

Organizational and technological innovations are necessary and inevitable. We believe that every employee has both the ability and responsibility to contribute to the goals of the organization - in return, the Company will treat every employee with dignity and respect.

Both parties have the responsibility to assure this improving relationship exists, is endorsed and communicated throughout all levels of the Company and the Union.

ARTICLE 29

APPLICATION, EXCLUSIONS AND AMENDMENTS

29.01 Application.

This Agreement applies to all regular and temporary employees of the Company within the bargaining unit, but applies to occasional employees only to the extent and with the limitations expressed in 29.02.

29.02 Occasional Employees.

The following provisions of this Agreement are not applicable to occasional employees: Articles 3, except 3.03; 4, except 4.01D, 4.01H, 4.01J, 4.02A, 4.02B, 4.03D, 4.04A, 4.04B and 4.07; 5; 6; 7 (except separation of occasionals); 8; 9; 10; 11; 12; 13; 14; 15; 16; 19; 25; and 26.

29.03 Amendments.

Any provisions of this Agreement may be amended, modified or supplemented at any time by mutual consent of the parties hereto, without in any way affecting any of the other provisions of this Agreement.

ARTICLE 30
NON-DISCRIMINATION

30.01 Company Responsibilities.

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

30.02 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.

30.03 Non-Discrimination Clause.

In a desire to restate their respective policies, neither the Company nor the Union shall discriminate against any employee because of such employee's race, color, religion, sex, *sexual orientation*, national origin, age, *disability or veteran status*.

30.04 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 31

DURATION OF AGREEMENT

31.01 Life of Agreement.

This Agreement shall be effective as of August 8, 2004 and shall continue in full force and effect until its termination at 11:59 P.M. August 8, 2009.

IN WITNESS WHEREOF, Communications Workers of America and BellSouth Corporation-Headquarters 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

James E. Smith
Vice President

ATTEST:

Jerry D. Keene
State Representative

APPROVED:

Morton Bahr
President, Communications
Workers of America

BELLSOUTH CORPORATION-
HEADQUARTERS

Michael L. Matthews
Executive Director
Labor Relations

ATTEST:

Myra E. Wright
Director – Labor Relations

TITLES AND WAGE SCALE ASSIGNMENTS

The following listing is intended to show current departmental usage of the various bargaining unit job titles. This listing is for the convenience of the reader and is not to be considered as binding on the Company as to changes which may be made in the use of these titles by the various departments from time to time.

The titles, wage scale assignments, symbols and numbers shown on the following pages of Appendix A, Part I are explained as follows:

Column A - Wage Scale Applicable to each title.

Column B - Employee Title authorized for use in the department as indicated by the department symbol in Column C.

Where a statement shown below applies to a particular title, the applicable corresponding number is shown following such title:

- (1) These titles are entrance jobs.
- (2) These titles are normally filled by promotion within the Comptroller Department.
- (3) Any title may act as a working leader when the employee is performing duties as outlined in 1.29. When performing in such capacity, an employee will be paid a maximum rate of pay of \$12.00 above the appropriate wage scale.

Column C - Department for which title is authorized and definition of symbol.

A..... Corporate Affairs including Corporate Real Estate Services

B..... Corporate Planning including Financial
Management/Strategic Analysis

C..... Finance including Auditing/Comptrollers/Tax/Treasury

D..... Human Resources

E..... Public Relations/Advertising

**DEPARTMENTAL USAGE OF TITLES
WAGE SCALE TABLE**

(A)	(B)	(C)				
Wage Scale	Title	Department				
		A	B	C	D	E
16	Accounting Assistant (2) (3)			C		
18	Accounting Specialist (2) (3)			C		
16	<i>Engineering Assistant</i>				<i>D</i>	
10	Office Assistant (1) (3)	A	B	C	D	E
2	Office Clerical Assistant (1) (3)	A	B	C	D	E
14	Secretarial Stenographer (3)	A	B	C	D	E
14	Special Assistant (3)	A	B	C	D	E

FAMILY OF SKILLS

Employees in all Wage Scales may be first grouped with the most junior people in the department in their Wage Scale, then with the most junior people in the department in Wage Scales below them.

**BELLSOUTH CORPORATION HEADQUARTERS
 WAGE SCALE 2
 TITLES**

OFFICE CLERICAL ASSISTANT

Wage Length of Service	Weekly Wage Rates								
	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
08/08/04	366.50	393.00	422.00	452.50	485.50	521.00	559.00	600.00	643.50
08/07/05	374.00	401.50	430.50	462.00	495.50	531.50	570.50	612.00	656.50
08/06/06	383.50	411.50	441.50	473.50	508.00	545.00	584.50	627.50	673.00
08/05/07	393.00	421.50	452.50	485.50	520.50	558.50	599.50	643.00	690.00
08/03/08	403.00	432.50	464.00	497.50	534.00	573.00	614.50	659.50	707.50

Pension Band - 102 -

**BELLSOUTH CORPORATION HEADQUARTERS
 WAGE SCALE 10
 TITLES**

OFFICE ASSISTANT

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
08/08/04	455.00	483.50	514.50	546.50	581.00	618.00	657.00	698.50	742.50
08/07/05	464.00	493.50	524.50	557.50	593.00	630.50	670.00	712.50	757.50
08/06/06	475.50	505.50	537.50	571.50	607.50	646.00	687.00	730.50	776.50
08/05/07	487.50	518.50	551.00	586.00	623.00	662.50	704.00	748.50	796.00
08/03/08	499.50	531.00	564.50	600.50	638.50	679.00	722.00	767.50	816.00

Pension Band - 106 -

**BELLSOUTH CORPORATION HEADQUARTERS
 WAGE SCALE 14
 TITLES**

SECRETARIAL-STENOGRAPHER			SPECIAL ASSISTANT						
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
08/08/04	516.00	543.00	571.50	602.00	633.50	666.50	702.00	738.50	777.50
08/07/05	526.50	554.00	583.50	614.00	646.00	680.00	716.00	753.50	793.00
08/06/06	539.50	568.00	597.50	629.00	662.50	697.00	734.00	772.50	813.00
08/05/07	553.00	582.00	612.50	645.00	679.00	714.50	752.00	792.00	833.50
08/03/08	567.00	597.00	628.00	661.50	696.00	732.50	771.00	812.00	854.50

Pension Band - 108 -

**BELLSOUTH CORPORATION HEADQUARTERS
 WAGE SCALE 16
 TITLES**

ACCOUNTING ASSISTANT
 ENGINEERING ASSISTANT

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
08/08/04	529.50	557.50	587.00	618.50	651.50	686.00	722.50	760.50	801.00
08/07/05	540.00	568.50	599.00	630.50	664.00	699.50	736.50	776.00	817.00
08/06/06	553.50	583.00	614.00	646.50	681.00	717.00	755.00	795.00	837.50
08/05/07	567.50	597.50	629.50	663.00	698.00	735.00	774.00	815.00	858.50
08/03/08	581.50	612.50	645.00	679.00	715.50	753.50	793.50	835.50	880.00

Pension Band - 108 -

**BELLSOUTH CORPORATION HEADQUARTERS
 WAGE SCALE 18
 TITLES**

ACCOUNTING SPECIALIST

Wage Length of Service	Weekly Wage Rates								
	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
08/08/04	536.00	565.50	596.00	628.50	663.00	699.00	737.50	777.50	820.00
08/07/05	546.50	576.50	608.00	641.00	676.00	713.00	752.00	793.00	836.50
08/06/06	560.00	590.50	623.00	657.00	693.00	731.00	771.00	813.00	857.50
08/05/07	574.00	605.50	638.50	673.50	710.50	749.00	790.00	833.50	879.00
08/03/08	588.50	620.50	654.50	690.50	728.00	768.00	810.00	854.50	901.00

Pension Band - 109 -

**PENSION BAND AMOUNTS USED TO CALCULATE
CASH BALANCE ACCOUNT AND PRE-99 BENEFIT**

Band*	On or After July 1, 2005	On or After July 1, 2006	On or After July 1, 2007	On or After July 1, 2008	On or After July 1, 2009
102	31.93	32.89	33.71	34.38	35.07
106	37.10	38.21	39.17	39.95	40.75
108	39.67	40.86	41.88	42.72	43.57
109	40.98	42.21	43.27	44.14	45.02

* NOTE: See appropriate Wage Scale for Pension Band Assignment.

Wage Scale	On or After July 1, 2005	On or After July 1, 2006	On or After July 1, 2007	On or After July 1, 2008	On or After July 1, 2009
2	31.93	32.89	33.71	34.38	35.07
10	37.10	38.21	39.17	39.95	40.75
14	39.67	40.86	41.88	42.72	43.57
16	39.67	40.86	41.88	42.72	43.57
18	40.98	42.21	43.27	44.14	45.02

BELLSOUTH PENSION PLAN

Instructions to calculate a monthly pension benefit

Cash Balance Account portion

1. All employees hired on or after January 1, 1999 will begin with a \$0 opening balance.
2. Annual Pension Band Credits
 - An annual credit shall be made to the cash balance account that is equal to 60 times the applicable pension band at the end of each plan year. This credit amount will be prorated for terminations prior to the end of the calendar year.
3. Interest Credits
 - The cash balance account shall earn interest at the 30-year Treasury rate (the published rate in November of the preceding year) and will be credited to the accounts at the end of each calendar year. This credit will be prorated for terminations prior to the end of the calendar year.

Pre-99 Benefit portion

1. The accrued benefit will be based on:
 - Pension band at the time of retirement; times
 - Service at December 31, 1998.

Also, the accrued benefit will be:

- Increased with age-based enhancements based on age at retirement

- Decreased with early retirement reductions based on age and service at retirement.

Optional Forms of Payment

- For service pension retirements, the BSPP will permit a lump-sum payment equivalent to the total annuity benefit accrued as a result of service through and including December 31, 1998. The lump sum will be calculated using GATT assumptions and immediate age factors, and the lump sum amount cannot be less than any preceding December 31 lump sum amount, beginning with the lump sum calculated on December 31, 1999.
- For deferred vested pensioners, the prior service annuity benefit will be paid under the options available prior to December 31, 1998.
- For service pension retirements, participants may be paid their cash balance account as a lump sum.
- For deferred vested pensioners who terminate during the period January 1, 2002 through and including December 31, 2003, participants will not be paid their cash balance account as a lump sum.
- For deferred vested pensioners who terminate on and after January 1, 2004, cash balance accounts may be paid as a lump sum to all participants upon termination of employment, regardless of their pension commencement date.

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 Director/Senior Director level's management incentive award.

<i>Year</i>	<i>Std Award %</i>
<i>2004</i>	<i>2%</i>
<i>2005</i>	<i>2%</i>
<i>2006</i>	<i>2%</i>
<i>2007</i>	<i>3%</i>
<i>2008</i>	<i>3%</i>

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.

MEMORANDUM OF AGREEMENT OPERATIONS BOARD

Due to the competitive and rapidly changing business environment in which BellSouth Telecommunications and BellSouth Corporation operate, the parties recognize the continuing need for jointly addressing matters of mutual importance and providing timely responses at the highest levels. Accordingly, the parties do hereby agree to the continuation of the Operations Board for the purpose of establishing joint committees, providing direction, guidance and coordination in such areas as joint trials and other issues addressed in the Job Review Committee, Technology Change Committee, Continuous Bargaining Committee, *Organizational Boards, Local Governance Partnerships*, Occupational Safety and Health Committee, Joint Health Care Cost Containment Committee, Operator Services Committee, Service Representative Forums, Network/Utilities Committee and others as appropriate. The parties agree to the following parameters concerning the functioning of the Board:

1. The Board will be comprised of 6 members from the Union and 6 members from the Companies. Company membership will consist of representatives from the Human Resources organizations of BellSouth Telecommunications and BellSouth Corporation, as well as representatives from the Network and Customer Markets Units. Appointments of specific individuals to serve on the Board will be made by the Union and Companies respectively.
2. The Board will meet at least quarterly, but may be convened more frequently at the initiative of either party if mutually agreeable. Reasonable expenses incurred by Union Board members will be reimbursed by the Companies. Furthermore, active employees serving on the Board will suffer no loss of regular pay for time spent attending Board meetings.
3. The parties may request additional members to attend quarterly meetings as necessary. Additional Union members' expenses and wages will be paid as agreed to by the Board on an individual basis.

4. As appropriate and when mutually agreed to, the Board may establish ongoing joint subcommittees, ad hoc committees, etc., for the purpose of addressing areas of concern that may warrant joint action in specific areas such as safety, quality, technology change, etc., or within a particular organization or locality as deemed necessary. The Board's exercise of direction, guidance and coordination of these subcommittees will include, but is not limited to, the following:

Define a charter, including:

- subcommittee purpose and objective
- membership composition
- frequency of meetings
- handling of time and expenses.
- expiration date of committee, with right to extend as necessary

BUSINESS NEEDS

Dear Ms. Crawford:

During 2001 bargaining, the CWA expressed concern that some managers continue to use the term “business needs” in administering various sections of the Working Agreement. The CWA felt that some managers were too restrictive in scheduling and granting time off and were incorrectly using business needs as the reason. The Company and the CWA also discussed the need to continue to provide our customers with excellent service and are fully aware that good client service is an important value of our Company.

The Company recognizes the need for our managers to exercise “business needs” in a spirit of good faith. While service to our clients is more important than ever, we must carefully consider the needs of our employees and the economical operation of the business before invoking “business needs”.

Lin H. Parker
Director
Human Resources

JOB REVIEW COMMITTEE

It is hereby agreed that this Joint Job Review Committee will be continued during the term of the *2004* Working Agreement. *The purpose of this committee is to examine jobs identified by the parties to determine their appropriate placement within or outside the bargaining unit.*

TELECOMMUTING

The Company and the Union recognize the challenge that each employee faces as workplace demands, career objectives, family needs and personal goals compete for time and attention. Telecommuting is a possible resource to help meet those challenges as well as addressing environmental concerns. In addition, telecommuting affords the Company the opportunity to demonstrate to its current and potential customers the benefits of adopting new and evolving technologies, including remote worker applications.

Telecommuting is an alternative work arrangement that may provide increased flexibility where work content does not require that a particular job function be done totally at a specific job site. The criteria for telecommuting will be developed by the Company and the Union at the Executive Level prior to implementation.

The selections of employees who volunteer for telecommuting opportunities will be by seniority if all criteria qualifications are equal and the necessary qualifications of the individuals are equal. Employees or the Company may opt out of a telecommuting work arrangement after 30 days or immediately in emergency situations.

BSC EMPLOYEE REFERRAL PROGRAM

All regular employees of BellSouth Headquarters are eligible to participate in R.E.F.E.R, an Employee Referral Program. The Program pays employees \$500 cash award (grossed up for applicable federal and state taxes) who refer candidates for positions within BellSouth Headquarters meeting the following rules.

- All referrals must be submitted on a completed referral form with a resume attached. No other forms will be accepted. Forms are found on the Intranet.
- All referrals must be submitted through staffing.
- The referral must be for a specific position found on the transfer and selection system for BellSouth Corporation-Headquarters.
- The candidate must meet the eligibility requirements for the job vacancy.
- Awards are made to the first submitting employee when duplicate referrals are submitted.
- Referrals of individuals currently or previously employed by BellSouth will not be eligible for an award.
- Requests for payments will be submitted after the new employee has been on BellSouth Corporation's payroll for 60 days.
- Awards are paid for referrals that are hired in temporary positions at any point the referral becomes a regular employee.

MEMORANDUM OF AGREEMENT

INCENTIVE AND JOINT TRIAL COMPENSATION PLANS

Recognizing the need to gain experience with innovative *incentive*/compensation plans, it is agreed that during the life of the **2004** Working Agreement, new *incentive and* 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 *incentive*/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:

Group Incentives

Group Awards

In all trial locations, 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.

For the Union
Jerry D. Keene
State Representative

For the Company
Myra E. Wright
Director
Labor Relations

FLEXIBLE EXCUSED TIME TRIAL

The Company and the Union recognize a desire for increased workplace flexibility. In a trial effort to that end, employees may use 7.5 hours of their 5.05B Flexible Excused Time in 15 minute increments at any time during the calendar year provided the supervisor is notified as described in 5.07C.

It is agreed that this Flexible Excused Time Trial will continue during the term of the 2004 Working Agreement.

*Myra Wright
Director
Labor Relations*

NOTES