

# **LABOR AGREEMENT**

EMBARQ  
CENTRAL TELEPHONE COMPANY  
OF VIRGINIA

and

COMMUNICATION WORKERS  
OF AMERICA

**APPLICABLE TO THE COMPANY'S  
MARTINSVILLE DISTRICT**

AFL-CIO

June 2, 2006

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(ALPHABETICAL)**

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## DECLARATION OF AGREEMENT

THIS AGREEMENT made and entered into this June 2, 2006, between the CENTRAL TELEPHONE COMPANY OF VIRGINIA, (hereinafter called the "Company") and the COMMUNICATIONS WORKERS OF AMERICA, (hereinafter called the "Union").

### ARTICLE 1

#### RECOGNITION

- 1.01 The Company recognizes the Union as the exclusive collective bargaining representative in matters with respect to rates of pay, wages, hours of employment and other conditions of employment for all of its Network Services, Operator Services, Real Estate, Wholesale Markets and Clerical employees who are included in the Bargaining Unit: R
- a. Insofar as the Network Services employees are concerned to the extent certified by the National Labor Relations Board on June 16, 1967, in Case No. 5-RC-5996, and R
  - b. Insofar as the Operator Services employees are concerned to the extent certified by the National Labor Relations Board on August 3, 1967, in Case No. 5-RC-6042, and
  - c. Insofar as the Clerical employees are concerned to the extent certified by the National Labor Relations Board on July 1, 1977, in Case No. 5-RC-10089, and
  - d. Insofar as the Merchants and Farmers Telephone Company is concerned to the extent certified by the National Labor Relations Board on December 28, 1981, in Case No. 5-RC-11684 but excluding all other managerial, confidential and professional employees, and guards and supervisors as defined by the National Labor Relations Act, as amended.
- 1.02 This Agreement shall apply to all such Network Services, Real Estate, Wholesale Markets and Clerical employees in the Company's Martinsville, Virginia District at the following locations: R
- |                     |                     |
|---------------------|---------------------|
| Axton, (1)          | Martinsville, (1)   |
| Ararat, (4)         | Meadows of Dan, (4) |
| Bachelors Hall, (1) | Montpelier, (2)     |
| Bassett, (1)        | Ridgeway, (1)       |
| Beaverdam, (2)      | Rocky Mount, (3)    |
| Boones Mill, (3)    | Spencer, (1)        |
| Burnt Chimney, (3)  | Stuart, (4)         |
| Collinsville, (1)   | Union Hall, (3)     |
| Ferrum, (3)         | Whitmell, (1)       |
| Fieldale, (1)       | Woolwine, (4)       |
| Gumtree, (2)        |                     |

\* The numbers indicate the areas as outlined in Section 25.21.

- 1.03 The Company will inform the Union in writing of the creation of any new non-supervisory job classifications in the Bargaining Unit within thirty (30) days after the date of the creation of such job classification.

- 1.04 The provisions of this Agreement shall not, except as to wage rates, working hours, holidays and the grievance procedure (but not the arbitration procedure) apply to any employee hereafter employed who has not completed a full-time probationary period of six (6) months employment with the Company.
- 1.05 The Company retains all customary, usual and exclusive rights, decision-making prerogatives, functions and authority connected with or in any way incident to its responsibility to manage the enterprise or any part of it. The rights of employees in the bargaining unit and the Union are limited to those specifically set forth in this Agreement and the Company retains all prerogatives, functions and rights not specifically limited by the terms of this Agreement. The Company shall have no obligation to bargain with the Union with respect to any such decision making with regard thereto, any subject covered by the terms of this Agreement and closed to further bargaining for the term thereof, and any subject which was or might have been raised in the course of collective bargaining.

Without limitation, but by way of illustration, the exclusive prerogatives, functions and right of the Company shall include the following:

1. To direct and supervise all plant and business operations and policies.
2. To close or liquidate an operation or facility, or combination of facilities, or to move such operation or facility.
3. To determine the need for a reduction or an increase in the workforce and the implementation of any decision with regard thereto.
4. To establish the standards for hiring, job classifications, promotion, quantity of work, quality of work, safety, materials, equipment, methods and procedures.
5. To install new, or to discard, wholly or in part, old methods, procedures, materials, equipment, plant and facilities, or standards.
6. To assign and distribute work.
7. To contract work as determined by the Company.
8. To assign shifts, work days and work locations.
9. To assign all work duties.
10. To introduce new jobs and to revise job classifications and duties into the unit.
11. To determine the need for and the qualifications of new hires, transfers and promotions.
12. To discipline, suspend, demote or discharge an employee so long as such action is not without cause.

## **ARTICLE 2**

### **TERM OF AGREEMENT - AMENDMENTS - TERMINATION**

- 2.01 This Agreement shall become effective June 2, 2006 and shall continue in effect through June 1, 2009, and thereafter until either party serves written notice on the other of its desire to terminate the Agreement, in which case the termination shall become effective as provided in such notice, but not earlier than sixty (60) days after the date of delivery of such notice.
- 2.02 The wage rates to be paid under the terms of this Agreement shall be those appearing in Exhibit A and made a part hereof, and shall be effective as indicated in said Exhibit A. In no event, however, will these wage rates be made effective prior to the date indicated in said Exhibit A, nor will they exceed the wage rates provided for in Exhibit A.

Any other form of additional remuneration provided for by this Agreement including, but not necessarily limited to, insurance improvements, accident and sickness insurance, and any other "fringe" benefits shall be effective as agreed to, but in no event will these "fringe" benefits be made effective earlier than May 16, 2003.

- 2.03 It is hereby agreed that this contract contains the complete agreement between the parties or their successors and no additions, waivers, deletions, changes, or amendments shall be made during the life of this contract, except by mutual consent in writing by the parties.

It is understood that Section 2.03 does not prohibit the Union from exercising its rights to bargain over subjects covered under the National Labor Relations Act during the term of this contract.

- 2.04 This Agreement amends and replaces all agreements previously entered into by and between the Company and the Union.

## **ARTICLE 3**

### **METHOD OF NEGOTIATION**

- 3.01 The Company and the Union, through a properly authorized representative of the Company and a properly authorized representative of the Union, shall furnish and keep each other informed of the names, capacities and addresses of personnel authorized to represent them in bargaining proceedings associated with this Agreement.
- 3.02 Meetings between authorized representatives of the Union and the Company will be held at any time upon reasonable notice by either party to the other.
- 3.03 The Union and the Company also agree to certify to each other the names of their respective officers and representatives who are authorized to represent them at each step of the grievance procedure.

## **ARTICLE 4**

### **RESPONSIBLE UNION - COMPANY RELATIONSHIP**

- 4.01 The Company and the Union recognize that it is in the best interests of both parties, the employees, and the public that all dealings between them continue to be characterized by mutual responsibility

and respect. To insure that this relationship continues and improves, the Company and the Union and their respective representatives at all levels will apply the terms of this Agreement fairly 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, including new hires, their purpose to conduct themselves in a spirit of responsibility and respect and of the measures they have agreed upon to insure adherence to this purpose.

- 4.02 Consistent with the other provisions of this Agreement, the Company and the Union agree to continue to support their policies of avoiding discrimination against any employee regarding the terms or conditions of employment because of sex, race, color, religion, age or national origin.
- 4.03 The Union, and its members, agree that they will not cause, permit, sanction, or participate in any strike, sympathy strike or interruption of work of any kind during the term of this Agreement.
- 4.04 The Company agrees that it will not cause or permit a lockout of its employees, covered by this agreement, during the term thereof.

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## **ARTICLE 5**

### **PAYROLL DEDUCTION OF UNION DUES**

- 5.01 The Company agrees that during the term of this Agreement it will, if furnished a written individual payroll deduction authorization form, voluntarily executed by an employee covered by the terms of this Agreement, deduct from the wages of such employee, the amount of monthly Union dues (including initiation fees) to be paid to the Union provided that:
  - a. Each such payroll deduction authorization shall: (1) be made on forms approved by the Company; (2) be dated; (3) indicate "the amount of my regular monthly Union dues as certified to the Company by the Secretary-Treasurer of the Communications Workers of America" to be deducted regularly each month; (4) provide that the authorization can be terminated by the employees on December 31, of any year by written notice delivered to the Company not later than December 1, of that year; and (5) that the employee will also furnish the Union with a copy of any notice to the Company terminating such authorization;
  - b. All such payroll deduction shall be made from checks issued to cover the last payroll period of each month;
  - c. When a new request for payroll deduction of Union dues card, or if any written notice terminating a previous authorization to make payroll deductions of Union dues, is delivered to the company after the fifth (5th) day of the then current calendar month, it shall first become effective in the following month;
  - d. An employee's payroll deduction of Union dues authorization shall terminate automatically with the termination of his employment within the Bargaining Unit, except only when such termination is temporary and results from the employee being temporarily assigned to a management position;
  - e. The total sum of Union dues so deducted shall be forwarded by the Company to the Secretary-Treasurer of the Union as soon after the deductions have been made as in the ordinary course of carrying on the business of the Company is possible; accompanied by a statement showing: (1) the Local Union Number 2277; (2) all employees for whom the

Company holds effective payroll deduction authorization cards; (3) the amount of dues deducted for each employee or the reason if no deduction has been made; and (4) a list of employees hired during the previous month who are in the Bargaining Unit, along with their job classifications and locations. A copy of this statement will also be sent to the Virginia Area director of the Communications Workers of America;

- f. The Company assumes no responsibility in connection with Union dues deducted, except of forwarding monies so deducted to the Union's Secretary-Treasurer as indicated under e. above;
- g. The Union will keep the Company informed at all times - by letter - as to who the Secretary-Treasurer of the Union and the Virginia Area Director of CWA are, and of their official addresses;
- h. Execution of a payroll deduction of Union dues authorization form shall in no event be a condition of employment by the Company.
- i. The Company agrees to provide payroll deductions for COPE (Committee on Political Education) for employees represented by the Communications Workers of America subject to the following conditions:
  - a. Deduction requests must be submitted on a properly completed authorization card.
  - b. The amount specified will be deducted every pay period if sufficient paycheck money is available and the total amount will be forwarded once per month to the person designated by the CWA.

The Union agrees to hold the Company harmless against any claims that might be made by any employee as to the application of the funds.

It is understood that a one (1) time set up fee of \$500 will be paid to Embarq Mid-Atlantic Telecom from the Communications Workers of America.

## **ARTICLE 6**

### **HOURS OF WORK AND BASIS OF COMPENSATION**

- 6.01 The Company agrees to post work schedules for all employees by 3:00 p.m. on Wednesday to show for each such employee his scheduled or assigned tours for the next calendar week. Work schedules shall stipulate the starting and ending time of such tours, together with the starting and ending time of each session. The scheduled interval between the two (2) sessions may be shifted not more than one (1) hour either way at the instance of the Company in order to meet necessary service requirements without changing the length of time which had originally been scheduled between the sessions or the total number of scheduled hours for the tour.

The Company may change such schedules in order to meet work requirements and service conditions subject, however, to Section 6.10 of this Article.

- 6.02 Employees shall have the opportunity to exercise their seniority for choice of working hours for which they are qualified, generally not less than every ninety (90) days nor more than one hundred

twenty (120) days; provided, however, that such selections may be made more or less frequently when the Company determines that force and service conditions require.

- 6.03 Employees returning from leaves of absence, layoff, or employees coming in by transfer shall be granted choice of hours in accordance with their seniority and qualifications at the next revision of the schedule, per above.
- 6.04 Tours may fall on any day of the week necessary to meet service requirements, except that the tours which make up the normal work week may not be spread over more than five (5) days of the calendar week.
- a. Scheduled time is comprised of tours and the scheduled time for any work day shall not exceed the length of a normal tour.
- 6.05 No employee shall be scheduled to work more than ten (10) consecutive days, except where unusual service conditions develop.
- 6.06 Insofar as service requirements will permit, a minimum time interval of ten (10) hours shall elapse between the scheduled ending time of one tour and the scheduled starting time of the next tour, except when a shorter interval between tours results from an employee exercising his seniority for choice of hours or voluntary, approved changes of hours with another employee.
- 6.07 Insofar as service requirements and employee's qualifications permit, holiday assignments shall be rotated among employees having the same job classifications within a particular work group.
- 6.08 Changes from officially posted weekly work schedules may be made (without changing the total scheduled hours for the week) to provide for changes in hours, work days, or off-days in accordance with the following:
- a. At the request of the Company in order to meet service requirements and service conditions subject, however, to Section 6.10 of this Article.
- b. At the request of employees.
- (1) If an employee requests time off for personal reasons, he may be permitted to work one (1) non-scheduled day in the same work week at his regular wage rate, plus applicable differentials.
- (2) If the Company contacts an employee in connection with a shift of his tour and if the employee agrees to the shift, the shift shall not be considered to be made at the request of the employee.
- (3) Employees assigned to like work will be permitted, with prior knowledge and consent of their supervisor to, from time to time, exchange tours or shifts if they so desire, provided this does not interfere with the efficiency or quality of the telephone service and provided further that it does not cause an employee to work more than a normal day's tour in one (1) day or more than a normal work week in any one (1) calendar week.
- 6.09 **Relief Periods.** A relief period of not in excess of fifteen (15) minutes shall be provided for all employees once each uninterrupted work session provided that:

- a. All employees shall be assigned such relief periods as near the midpoint of the session as practicable, but in no event shall they be assigned to start less than one (1) hour from the beginning or end of each session unless a service emergency develops, except:
- b. Employees shall, whenever possible and as near the midpoint of the session as practicable, take their relief periods between jobs. Otherwise they may leave a job, or their truck at a point enroute, during their relief periods, provided they take precautions commonly recognized under the circumstances, for the protection of the service and the safety of the public and return to work promptly at the end of the relief period.
- c. Crew employees shall take their relief periods at times to be determined by the Foreperson, or his designated representative, who shall take into consideration the work and service conditions, location, and also that it is desirable for the relief periods to be taken near the middle of the work session. Crew employees may leave a job, or their truck at a point enroute during their relief periods, provided they take precautions commonly recognized under the circumstances, for the protection of the service and the safety of the public and return to work promptly at the end of the relief period.

6.10 **Pay for Work on a Week Day (Other than an Authorized Holiday).** Employees working on a week day shall be paid at their regular rate for all scheduled time worked, except as otherwise provided in this Section.

When the Company assigns an employee to work a regular work day on a day on which the employee had not been scheduled to work, the employee's work time on another day in the same calendar week may be reduced to the extent of the additional assignments, provided that:

- a. The employee is notified of the change as long in advance as practicable and not less than twenty-four (24) hours prior to the beginning of the additional or decreased assignment - whichever is earlier;
- b. If the employee is not notified of the change by the Company within the time limits prescribed above, then the employee may - at the time of receiving such non-scheduled assignment - elect to work out the hours of his previously scheduled work week in addition to the added assignment which on this basis would be paid for as overtime.

6.11 **Part-time.** Part-time employees may be employed but not used to the extent as will cause other regular employees to be reduced to a part-time basis.

6.12 **Pay for All Work Performed on Sunday.** Effective 01/01/07, Network Services, Real Estate, Wholesale Markets and Clerical Department employees working on Sunday shall be paid at one and one-half (1 ½) times their basic hourly rate of pay plus applicable differentials.

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6.13 **Pay for Authorized Holiday.** All regular employees shall receive for the day on which a holiday is observed pay for a normal day's tour at the employee's basic hourly rate, including applicable differentials, for all holidays, whether or not they perform work, except as otherwise provided below.

Employees who work on a holiday shall be paid at one and one-half (1-1/2) times the employee's basic hourly rate for all time worked within a normal day's tour and in addition:

- a. Employees will be paid for, all hours worked over the normal daily tour worked on holidays and for all hours worked on holiday call-outs outside the employee's normal daily tour, at the employee's holiday overtime rate of two and one-half (2-1/2) times the employee's basic hourly rate, plus applicable differentials.

Holiday time within an employee's scheduled work week, whether worked or excused but not both, shall be used in computation of weekly overtime (except as provided below).

Employees failing to work on a holiday for which they are scheduled to work, or employees failing to work on either their last scheduled work day preceding, or their first scheduled work day following the holiday shall receive no holiday allowance or other holiday pay, unless excused by the Company.

6.14 **Overtime Work, Call-Outs.** Employees shall be paid their overtime rates for all non-scheduled time worked subject to the following:

- a. When employees are called back after having been released from a regular tour or shift, or before their scheduled starting time of their next regular shift and who are required to leave their residence in order to perform work for the Company, shall be paid for not less than three (3) hours at their regular rate. Employees called back after having been released from a regular tour or shift, or before their scheduled starting time of their next regular shift, and who are not required to leave their residence in order to perform work for the Company, will be paid at their regular rate for a minimum of one and one half (1 ½) hours. Such call-out time shall be computed from the time the employee leaves home and continue until the employee has had time to return home (or the equivalent), except that when the necessary work extends beyond the starting time of the employee's next regular work day only the traveling time from the employee's home to the job shall be included in the computation of the call-out time worked and effective with the beginning of the employee's regular work day he shall be paid at his regular rate for the regular time worked.

6.15 **Meal Allowance.** When an employee is required to continue to work three (3) hours or more immediately following his regular day's work, he shall be provided a meal allowance, not to exceed \$6.00 by the Company, and at intervals of four (4) hours thereafter until the start of his next regular work day, or until he is released from duty, whichever is earlier. Effective 01/01/08, the meal allowance shall be deleted from the agreement.

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Employees will be given a lunch intermission of not to exceed one (1) hour without pay as determined by the Company. Non-Customer Support positions may request a one half (1/2) hour lunch, Company approval will be based on current service requirements. Meals shall be taken as near the time indicated, or normal meal times for the employee, as is reasonable under the circumstances.

6.16 All overtime and Sunday work shall, so far as practical, be equally and impartially divided among the employees within their classification.

It shall be the responsibility of each supervisor and manager of the affected work groups to assure that overtime is equalized. It shall further be the responsibility of the appropriate district manager and the Labor Relations Specialist to monitor results and take corrective action as may become necessary. The Company shall provide to the Local Union, when requested, a quarterly report of overtime worked by each employee.

- 6.17 Compensation at the rate of two (2) times the basic hourly straight time rate of pay will be paid for all time worked in excess of sixty-five (65) hours (06/02/06), sixty-seven (67) hours (06/02/07) within the calendar week. Effective 06/02/08 double time under this provision shall terminate. Any hours worked and paid as premium time shall not be used in the computation of excess weekly overtime.
- 6.18 If an employee is requested by the Company to fill a temporary vacancy in a job calling for a higher wage rate than is paid for his regular job, for one (1) session or more, he shall receive the higher wage rate for such time as he works on the higher rated job. Upon return to his regular job he shall again receive his regular rate. If the rate for the job to which he is temporarily assigned is lower, the employee's rate of pay shall not be reduced.

## ARTICLE 7

### WAGE SCHEDULES

- 7.01 The wage increase schedules and differential payments for the various job classifications set forth in Exhibit A in this Agreement shall be in effect for the term of this agreement.
- 7.02 The Company agrees to grant wage increases to the maximum wage rates specified in their appropriate schedules in accordance with the time intervals and amounts provided in such schedules, except that such wage increases may be deferred or withheld if an employee does not merit the increase. Furthermore, the Company may shorten scheduled increase intervals in individual cases for such employees when such treatment is merited.

## ARTICLE 8

### DIFFERENTIALS PAYMENTS

- 8.01 **IN CHARGE.** The Company will pay non-supervisory employees "In Charge" differentials in the following amounts whenever they are specifically appointed to an "In Charge" capacity as a temporary replacement of a management employee, subject to the provisions in a., b., c., d. and e. below:
- a. The differential rate shall be \$.75 per hour for each full session of such assignment.
  - b. There shall be no change in title.
  - c. The employee shall retain eligibility to the working conditions to which he was eligible prior to appointment.
  - d. Employees appointed "In Charge" will, whenever possible, be given advance oral notice of such appointments and the probable duration thereof. Confirmation of each such appointment will be posted, not later than the effective date thereof, on the bulletin board in the department involved. Following termination of each such appointment, the bulletin relating thereto will be removed from the bulletin board and held by the Company on file for future reference.
  - e. Such appointments shall be made only when, in the Company's judgment, supervision of a group of employees or a property is required during the absence of supervisors due to vacation, leave of absence, sickness or other absence where the regular supervisor, or other supervisor designated in

his place, is not readily available by telephone or the job requirements make a replacement necessary. It is not contemplated that the payment of "In Charge" differentials will be required for supervisory absences due to scheduled days off, holidays, weekends, or conferences where telephone contacts are readily possible and employees so assigned shall not perform bargaining unit work.

8.02 **WORKING LEADER.** Employees selected by the Company to serve in the capacity as working leader shall be paid, in addition to their base rate of pay, a differential of seventy-five cents (\$.75) per hour for all hours worked in such capacity.

8.03 **TOUR DIFFERENTIAL.** Employees working hours that fall within the period between 7:00 P.M. and 6:00 A.M. shall be paid an hourly differential of \$1.10 (\$1.20 effective June 1, 2004 and \$1.25 June 1, 2005 for each hour worked.

## ARTICLE 9

### VACATIONS

9.01 **Vacation Eligibility.** Regular employees will be granted vacation with pay in and for each calendar year on the following basis:

a. Full-time employees hired during the previous calendar year will receive one (1) day (eight hours) of paid vacation for each full month of service up to a maximum of two (2) weeks vacation with pay for 80 hours at their base rate of pay.

b. Employees having less than five years of credited service will receive two (2) weeks vacation with pay for 80 hours at their base rate of pay.

c. Commencing in the calendar year in which employees complete five years of credited service they will receive three (3) weeks vacation with pay for 120 hours at their base rate of pay.

d. Commencing in the calendar year in which employees complete fifteen years of credited service they will receive four (4) weeks vacation with pay for 160 hours at their base rate of pay.

e. Commencing in the calendar year in which employees complete twenty-five years of credited service they will receive five (5) weeks vacation with pay for 200 hours at their base rate of pay.

9.02 A week of vacation shall mean a period of seven (7) consecutive days, including Saturdays, Sundays and holidays.

9.03 Employees on leave of absence for any full calendar year will not be eligible for a paid vacation during that year.

9.04 **Vacation Pay.** Payments per week of vacation will be equal to the employees' basic hourly wage rate plus applicable positional differentials times the hours the employee is regularly scheduled to work in a normal work week.

9.05 Effective 01/01/05 accrued and carried over vacation time will be used for incidental absence needs not covered by any paid benefit referenced within this agreement (to include absences for the

employee's own medical condition for the first five days of any such absence as noted in Article 28).

- 9.06 Up to a maximum of one week (40 hours) of vacation may be carried over from one year to another, and must be used within the first quarter of the succeeding year or forfeited, unless an extension of this period is mutually agreed upon by the Company and the Union. Carry-over is not cumulative. Carryover may be selected only after all vacation selections for the current year earned vacation have been completed. R
- 9.07 Employees who are eligible for two (2) or three (3) weeks of vacation may, at their option and in accordance with the present vacation selection schedule, schedule a one (1) portion of such vacation as a tentative vacation week. This tentative vacation week will consist of five (5) paid vacation days that may be scheduled on a day-at-a-time basis or increments as small as four (4) hours, service conditions permitting.
- 9.08 Similarly, employees who are eligible for four (4) or more weeks of vacation may, at their option in accordance with the present vacation schedule practice, schedule two (2) weeks of such vacation as tentative vacation weeks. These tentative vacation weeks will consist of ten (1) paid vacation days that may be scheduled on a day-at-a-time basis or increments as small as four (4) hours, service conditions permitting. One (1) such tentative vacation week must be scheduled and taken by June 30 of the calendar year.
- 9.09 If the employee has not taken all five (5) days or ten (10) days of the tentative vacation weeks, on a day-at-a-time basis, prior to the employee's scheduled tentative vacation weeks, those vacation days remaining will be taken during the scheduled vacation weeks.
- 9.10 Insofar as practical, the employees shall make their request for such day(s) of vacation to their supervisor no later than the Monday of the week preceding the week in which they desire to take a day(s) of vacation as described above. Such days of vacation will be granted to employees upon request, service requirements permitting. Premium paid days (Sunday and holidays) may not be selected as tentative days in conjunction with the tentative vacation week.
- 9.11 Work load, service requirements and other requirements of the business permitting, the vacation schedules shall be prepared in such a manner as will permit a maximum number of vacations to be taken during the more desirable vacation periods.
- 9.12 **In November** of each year, the Company will post on appropriate bulletin boards a schedule showing the vacation allowance which each employee at the particular location will be eligible for in the succeeding calendar year.
- 9.13 **Concurrently from November 1 to January 31**, the Company, through its respective supervisors will consult with all employees eligible for vacations in the succeeding calendar year as to their choice of vacation period(s) for the particular year.
- a. Employees shall, in the order of their seniority, be entitled to express preference as to the time of taking their vacations, provided:
- (1) Employees eligible for more than one (1) week of vacation electing to take their vacations in segments will only be entitled to, in the order of their seniority, express preference for one (1) segment at a time; and

(2) No segment shall be less than one (1) week, or the balance of the vacation the employee is eligible for, if less than one (1) week.

b. Any employee who fails to indicate a choice of vacation period by January 31st will be construed to have waived whatever right he may have had to choose his vacation period(s) for the succeeding calendar year.

9.14 **Between November 1<sup>st</sup> and January 31st**, the Company will establish the vacation time schedule for all employees who will be eligible for vacations in the succeeding calendar year. In so doing, the Company will give consideration to each employee's seniority and expressed choice of vacation period or periods insofar as the available vacation periods established under Section 9.11 will permit.

After the vacation periods for all employees who have informed the Company of their choice of vacation period or periods (as provided for in Section 9.13 have been assigned, vacation for all other employees who will be eligible for vacations in the succeeding calendar year shall be assigned to such periods as remain available.

9.15 **On or before February 1st** of each year the Company shall post on appropriate bulletin boards the vacation time schedule for employees at the particular location.

9.16 An employee who leaves the employ of the Company before his vacation is completed shall be granted pay in lieu of such vacation, or remainder thereof, if any, as he is entitled to in conformity with the foregoing provisions, except employees discharged for cause.

## **ARTICLE 10**

### **HOLIDAYS**

10.01 The Company recognizes the following holidays:

New Year's Day	Labor Day
Memorial Day	Thanksgiving Day
Fourth of July	Christmas Day

(8) Personal Holidays\*

\*Effective 01/01/05 eight (8) personal holidays.

10.02 Effective 01/01/05 personal Holiday time will be used for incidental absence needs not covered by any paid benefit referenced within this agreement (to include absences for the employee's own medical condition for the first five days of absence as noted in Article 28).

(a) An employee may select eight (8) days each calendar year as "Personal Holidays". The day need not be the same each year. Initial selection may be made by seniority after all vacations are selected. After initial selections are made, remaining selections will be made subject to the following conditions:

1. Selection will be on a first-come, first-served basis.

2. The employee must submit his request for such "Personal Holiday(s)" to his immediate supervisor on the Monday of the week preceding the week in which he desires to take the "Personal Holiday(s)", when practicable. Any "Personal Holiday(s)" not selected prior to August 1 will be assigned by the Company.
  3. Premium pay days may not be selected as "Personal Holidays".
  4. The Company will make a reasonable effort to grant the employee's selection, but service requirements of the Company shall prevail.
  5. Once the selection process has been completed, an employee's day(s) shall not be changed except by mutual agreement between the Company and the affected employee.
  6. In the first year of employment, employees hired by March 31<sup>st</sup> will be granted five (5) "Personal Holidays"; employees hired by June 30<sup>th</sup> will be granted four (4) "Personal Holidays"; employees hired by September 30<sup>th</sup> will be granted three (3) "Personal Holidays"; and employees hired by November 30<sup>th</sup> will be granted one (1) "Personal Holiday."
- 10.03 Holidays occurring on Sunday will be observed on the following Monday; holidays falling on Saturday, at the option of the Company, may be scheduled to be observed on the preceding Friday. The Saturday and/or Sunday shall be considered the same as any other Saturday or Sunday. Any tour of duty which begins on a holiday shall be known as a holiday tour.
- 10.04 When an authorized holiday falls within an employee's vacation period, either an additional day's regular pay in lieu of vacation or an additional day of vacation shall be provided. The employee and his supervisor will mutually agree before the start of the employee's vacation which of these will be applicable.
- 10.05 Employees may not carry over personal holidays from one year to another. Employees who leave the Company for any reason prior to taking their personal holidays will forfeit their unused holiday.

## **ARTICLE 11**

### **SENIORITY - TRANSFERS**

- 11.01 Insofar as practical and consistent with rendering good telephone service, seniority shall apply as follows whenever more than one (1) employee has the requisite ability and qualifications and is capable of performing the work:
- a. Selection of employees for promotion to higher wage rated positions within the Bargaining Unit.
  - b. Selection of scheduled working hours for which an employee is qualified in conformity with Article 6 within his work group.
  - c. Selection of vacation periods in conformity with Article 9 within the work group.
  - d. For the purpose of layoffs, those employees who perform essentially the same type of work within the same working area, and in conformity with Article 24, "Force Adjustments".

- e. Voluntary transfers and involuntary transfers.
  - f. Temporary assignment to higher-rated job classifications.
- 11.02 For purposes of promotions employees will be considered on the basis of qualifications.
- 11.03 All employees on military leaves of absence shall continue to accrue seniority during such leaves in conformity with Article 17, "Military Leaves".
- 11.04 In the exercise of Section 11.01 b. and c. above, in any case where seniority is equal, the selections shall be on a rotation basis.
- 11.05 The seniority of a regular full-time employee temporarily assigned to part-time work and the seniority of part-time employees will accrue on a pro rata basis during the period of the employee's part-time work.
- 11.06 Any regular employee who desires to transfer from one job classification to another job classification to fill a vacancy shall submit in advance written application to the employee's immediate supervisor and Employee Relations (copy to the Union) stating his/her desires and qualifications for the position to which he/she wishes to be transferred. Employees who have filed such applications will be considered in addition to employees who bid on the same position provided that they possess the requisite ability and other qualifications to perform the work of the position in which the vacancy exists (except as provided in Article 24, Section 24.02).
- a. Any employee who has submitted a "Request for Transfer" under this provision can withdraw, amend or replace his application at any time. Applications once filed will otherwise be considered as of current date throughout the life of this Agreement.
  - b. Vacancies as used in this Section will include vacancies created by transfers, resignations, dismissals or increases in the work force (except general clerk, janitors and tellers) will be posted on the appropriate bulletin board for a period not to exceed seven (7) calendar days.
  - c. Notice as to whom was selected to fill the vacancy will be posted on the bulletin boards and copy of such notice will be furnished to Local Union President. After selection to fill a job has been made, such selection shall be posted within fifteen (15) days.
- 11.07 Any employee transferred or promoted into a position covered by the Bargaining Unit who has had six (6) months or more of employment with the Company will be credited with seniority based upon his total service beginning with the last date upon which he entered the Company's employ.
- 11.08 The Company will, as soon as possible after the date of this Agreement, and annually thereafter, prepare seniority rosters of employees covered by this Agreement and copies thereof will be furnished to the Union. Such rosters will show:
- a. The names of all regular employees;
  - b. The department in which each listed employee is employed;
  - c. The last date upon which the employee entered the Company's employ;
  - d. Years, months and days of net credited service on the "as of" date of the roster;

- e. Assigned job classification of all regular employees; and
  - f. Footnote explanations relative to any periods subsequent to the last date on which the employee entered the Company's employ when seniority did not accrue.
- 11.09 The first rosters so prepared shall be subject to review and correction for a period of sixty (60) days, after which time they shall become the official seniority rosters, except as to any corrections, if any, to be made through the elimination of inaccuracies presented before the end of said sixty (60) day period, subject only to additions, removals and changes made between the date of the first such rosters and the dates of any rosters prepared thereafter.
- 11.10 Job vacancies within the bargaining unit shall be filled through the bidding/transfer procedure. All job vacancy notices will be posted electronically when such systems become available. In those areas where access to electronic postings are limited or unavailable, the Company will mail the notices to the appropriate locations.
- 11.11 Employees shall have seven (7) calendar days from the date of the posting to apply either electronically using the Company's automated application system or in writing on forms to be provided by the Company to the employee's immediate supervisor or appropriate supervisor if his/her supervisor is unavailable, and only those so applying will be considered. The Company shall not be required to consider a bid from any employee who has been hired, promoted or reclassified during the preceding twelve (12) months. However, should the Company waive the twelve (12) month restriction for "time in title" for any employee on a particular job bid, such restriction will be waived for all bidders on that particular bid.
- 11.12 The Company will consider all employees when making selection decisions on the basis of requisite ability and qualifications. To determine requisite ability and qualifications the Company may require testing. When the above are substantially equal then seniority shall prevail.
- 11.13 When an applicant does not possess all of the required qualifications as listed on the job vacancy notice and the Company determines that there is a lack of experienced employees available, the Company shall have the option of selecting the most qualified applicant or a qualified individual from any available source.
- 11.14 Employees entering the bargaining unit from another AFL-CIO unit within an Embarq Company that offers reciprocal seniority recognition will have their bargaining unit seniority bridged at 100% immediately.

## **ARTICLE 12**

### **TRANSFERS AND EXPENSES**

- 12.01 Employees transferred from one (1) permanent location to another permanent location, at the request of the Company, shall suffer no loss in regular pay (basic hourly rate for hours normally worked - no overtime) for necessary and reasonable time off to arrange for moving his household furnishings;

Such employees shall also upon presentation of receipted bills, or other evidence of payment, be reimbursed for necessary moving expenses consisting of reasonable costs of transportation, meals and lodging for himself and members of his immediate family who regularly reside with him,

including drayage cost of moving the employee's furnishings for his household; Provided that the employee secures Company approval in advance of taking any time off for these purposes, or contracting any such expense.

## **ARTICLE 13**

### **TRAVEL TIME - TRANSPORTATION - BOARD AND LODGING**

- 13.01 Except where expressly stated within this Article, all expenses paid for board, lodging and travel allowance will be in accordance with the Embarq Employee Business Expense practice except that receipts for all expenses will be required by local management. Employees will be responsible for obtaining Company designated credit cards for billing purposes when required by the Company.
- 13.02 Travel time for assignments involving travel other than normally required between the employee's residence and assigned report location will be paid as follows:
- a. Standby. Travel time between the employee's residence and their work center or the employee's first/last work assignment that is in excess of the normal drive time between the residence and the assigned work center will be paid at the appropriate rate. This is true whether or not employees are in a company vehicle.
  - b. Call Out. Travel time between employee's residence and their work center or the employee's first/last work assignment, will be paid at the appropriate rate. This is true whether or not employees are in a company vehicle.
  - c. Training or Temporary Assignment. Travel time at the beginning and completion of training or temporary assignments that is in excess of the normal drive time between the residence and the assigned work center, will be paid at the appropriate rate. This is true whether or not employees are in a company vehicle.
  - d. While Driving A Personal Vehicle. For employees who receive prior approval to travel by personal vehicle instead of by air, the maximum travel time paid (at the appropriate rate of pay) is limited to the equivalent number of hours it would normally take to travel from the employees' home to the hotel, by means of a commercial air carrier.
  - e. When traveling via any commercial carrier. Employees may be paid for up to eight (8) hours per day. In no case will employees be paid overtime as a result of travel delays.

## **ARTICLE 14**

### **TOOLS**

- 14.01 The Company will furnish all tools and equipment necessary to provide and maintain telephone service.
- 14.02 Tools and equipment referred to in Section 14.01 found upon inspection to be unsafe, in the judgment of the Network Services, Real Estate and Wholesale Markets Supervisor, for continued use will be turned into and replaced by the Company, except as provided in 14.04.

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- 14.03 Suitable rain protective equipment for employees required to work out-of-doors in inclement weather, will be furnished by the Company.
- 14.04 Such tools and equipment furnished by the Company as referred to in Sections 14.01, 14.02, and 14.03 shall be signed for by the employee who shall be held responsible for their return in good condition, reasonable wear and tear expected.

## ARTICLE 15

### INCLEMENT WEATHER

- 15.01 When employees report for duty and because of inclement weather, are, in the opinion of the supervisor, unable to safely perform their regular work, they shall be assigned other work as may be available in order that their time may be profitably utilized.
- a. Notwithstanding the provisions of Section 15.01 above, employees who report for work and who, because of unsatisfactory or unsafe working conditions that are beyond the control of the Company, are unable to satisfactorily perform any work shall be paid for four (4) hours or until dismissed from duty, whichever time is greater. Employees may, at their discretion take a half of a day's vacation or excused time without pay.
- 15.02 The maintenance of proper health and sanitary conditions and the observance of all laws relating to fire protection and safety are of mutual concern to the Company and the Union.
- 15.03 Safety rules and regulations issued by the Company, or local, state and federal governments for health and safety of employees and the public shall be strictly complied with. The Union and the Company shall cooperate in enforcing all such measures.
- 15.04 Any question regarding matters referred to in this Article 15 shall be subject to the grievance procedure but shall not be subject to arbitration. Any Union complaint of unfair treatment under this Article shall, however, be subject to final review by the Employee Relations Manager and the Virginia Area Director of the Union.

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## ARTICLE 16

### ABSENCES FROM DUTY

- 16.01 **Leaves of Absence.** To the extent the needs of the service will permit, the Company may, for good cause, grant an authorized leave of absence, without pay, for any period not in excess of one (1) year, to any regular employee who requests the same and furnish the employee and the President of the Local Union each with a written copy thereof, provided that:
- a. Leaves of absence granted to regular employees entering the Armed Forces of the United States under any law now in effect or which may be enacted will be granted as provided by Article 17, "Military Leaves";
- b. Net credited service shall accrue for employees temporarily absent from work due to accidental injuries or to illness for any period not in excess of one (1) year, provided that the employee returns to active work promptly upon recovery and after his or her physician finds and reports to the employee and to the Company that he or she is qualified to do so;

- c. Except as provided in subparagraph b. above, subparagraph e. below, Article 24, Paragraph 24.01 and Article 17, Paragraph 17.02, service considered in the determination of seniority, wage rates, vacation time, or other purposes shall be retained but shall not accrue during any personal leave of absence granted or taken, or disciplinary suspension in excess of thirty (30) calendar days;
- d. Working for another employer or becoming otherwise gainfully employed during a leave of absence, except as provided in subparagraph e. without the written sanction of the Company shall be deemed as a termination of employment with the Company;
- e. If an employee is elected to fill a term of office with the Local Union which requires absence from duty with the Company, and both the Union and the employee request, in writing, as far in advance as possible (normally not less than thirty (30) days), that the employee be granted a leave of absence, then the Company will grant a leave of absence not to exceed three (3) years. No more than two (2) employees shall be on leave of absence for Union business at one time.
- f. If applications for leaves of absence exceed the number of employees which the Company feels can be released, applications shall be granted first to those who are unable to work as shown by the written advice of their physicians; then as provided by subparagraph e.; and then according to the seniority of the other employees involved;
- g. All requests for leaves of absence shall be submitted at least thirty (30) days in advance, if possible.

An employee shall, upon his return from a leave of absence -- subject to the seniority and associated provisions of this Agreement and provided that the employee has the physical and mental fitness and capacity to perform the work -- be reinstated:

- a. On the same job, and at the same level of the wage progression schedule he left when his leave of absence began, provided that job is available; otherwise
- b. At work generally similar to that in which he was engaged immediately prior to the beginning of his leave of absence, and at the appropriate wage rate applicable to such work, provided that such job is available.

If work is not available as described in b. above, the employee shall, upon request, be granted an extension of leave and during such extension shall retain his reinstatement rights under this section or until he is offered reinstatement under b. above, provided that the total time from the beginning of the leave's period to the last extension shall not exceed the total of the employee's net credited service or two (2) years, whichever is less.

16.02 Employees shall be excused by Company with pay under the following conditions:

- a. **Absence Due to Death in the Immediate Family.** In the event of a death in the immediate family of an employee, excused time off, with pay for scheduled time, will be granted for up to five (5) consecutive workdays following the day of the death. The term "immediate family" as used herein, is defined as mother, father, brother, sister, spouse, child, stepparent, stepchild, stepbrother and stepsister. In addition, excused time off, with pay for scheduled time, will be granted for up to three (3) consecutive workdays following the day of the death

for other covered family members. The term “other covered family members” as used herein, is defined as aunt, uncle, niece, nephew, grandparent, grandchild, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law and grandparent-in-law. Additional time off, without pay, may be granted if necessary and requested, at the Company’s discretion.

b. **Absence for Jury Duty.** Any regular employee who has been lawfully summoned to report for jury service and/or who actually performs jury service, will be paid by the Company the basic straight-time rate of pay for such regular time as he/she is required to be absent from duty provided that:

- (1) The employee notifies the immediate supervisor on the employee’s first working day following receipt of such summons - unless prevented from doing so by conditions beyond the employee's control - and is assigned or reassigned, to a regular 8:00 a.m. to 5:00 p.m. tour for the period of such jury service.
- (2) Any such employee who on any day is excused from such jury duty, at a time that will permit him to return to work for a part of the day, shall communicate with the supervisor for such assignment as is reasonable under the circumstances.

16.03 **Absence for Union Business.** Service and other business conditions permitting, any employee who is an authorized representative of the Union and whose Union assignment requires that he be absent from the Company will, upon request by the employee to his immediate supervisor be excused without pay.

All requests for such excused absences shall be made as far in advance as possible and the Company shall act promptly upon each request. Such excused absences shall not exceed twenty (20) consecutive calendar days, or a total not to exceed fifty (50) working days in any calendar year.

It is understood that the above limitations shall be exclusive of time spent in collective bargaining and grievance handling.

No more than one (1) employee from any one departmental work group or five (5) employees in total shall, at any one time, be excused, unless in special cases, other arrangements are made and agreed upon between the Company and the Union a reasonable period in advance.

## ARTICLE 17

### MILITARY LEAVES

17.01 Leaves of absence will be granted to all regular employees entering the Armed Forces of the United States under any law now in effect, or which may be enacted. Such leaves, hereinafter referred to as military leaves, will be for the initial period of the employee's military service and of any hospitalization continuing after discharge for a period of not more than one (1) year.

17.02 Employees granted such military leaves shall continue to accrue seniority during such leave.

- 17.03 Any employee who enlists in, or who is inducted into, the military forces of the United States shall be re-employed in accordance with the re-employment rights provided under the Vietnam Era Veterans' Re-adjustment Assistance Act, as of now or hereafter amended.
- 17.04 If at the time of application for re-employment by an employee who has been in military services, no vacancy exists, one may be created by discharge or layoff. Any layoff shall be made in accordance with procedure outlined in Article 11, "Seniority".
- 17.05 Employees granted military leaves who are eligible for a paid annual vacation in the current calendar year, which they have not already taken, shall at the time of their induction, or within a reasonable period thereafter, receive the appropriate vacation pay, or unpaid portion thereof.
- 17.06 **Military Reservist Policy.** Effective May 16, 1997, any regular full-time or regular part-time employee who is a member of the National Guard, State Guard or Reserve component of the United States Armed Forces, when ordered to report for training by his/her commanding officer to any training center or camp, when such training cannot be obtained outside of said employee's scheduled working hours, shall be excused by the Company to receive such training upon his/her giving at least fourteen (14) days prior written notice to his/her Supervisor. An employee granted absence for such training shall be paid, up to a maximum of two (2) calendar weeks, a sum which, when added to the payment received for such military training, shall equal straight-time pay which the employee would have earned for the same two (2) weeks, provided he/she furnishes the Company written proof from his/her commanding officer of such time spent in training and the payment received for such military training. Such payment will be made but once in any calendar year.

## ARTICLE 18

### GRIEVANCE PROCEDURE

- 18.01 If any grievance or difference arises between the Company and the Union, or any employee or employees covered by this Agreement, as to any alleged unjust discharge, or any alleged unjust treatment, including alleged unjust treatment in connection with matters adversely affecting the protection during the working hours of the health and safety of employees, or the application or interpretation, or alleged violation of the provisions of this Agreement, such grievance or difference shall be processed in accordance with the following procedure; provided, that any individual employee or group of employees shall have the right at any time to present grievances to the Company and to have such grievances adjusted, without the intervention of the Union, as long as the adjustment is not inconsistent with the terms of this Agreement or Agreement then in effect; provided further, that the Union has been given opportunity to be present at such adjustment:

Step 1. The grievance shall first be discussed by an appropriate Union representative, who may be accompanied by an aggrieved employee or one of a group of aggrieved employees, if any, with the immediate supervisor.

If the grievance is presented by a properly authorized Union representative, no Company representative shall, thereafter, discuss the grievance with the employee involved, pending final disposition of the matter, without first notifying the Union's properly authorized representative and giving him the opportunity to be present.

If the grievance or difference is not resolved satisfactorily under Step 1 above, the Local Union President shall reduce the grievance to writing, identifying the grievance, setting

forth the facts giving rise to the grievance, including the contract provision alleged to have been violated and the remedy requested. The written grievance shall be forwarded to the District Department Manager within seven (7) calendar days of the Company's answer under Step 1 above.

Step 2. The Company's District Department Manager, having jurisdiction (and/or his designated representative) and the Local Union President (and/or his designated representative), who may be accompanied by the aggrieved employee, shall then attempt to settle the grievance or difference. Within seven (7) calendar days after giving an oral answer at the Step 2 meeting the District Department Manager shall forward a written answer to the Local Union President.

If the grievance or difference is not satisfactorily settled at Step 2 above, the CWA Representative or Local Union President may forward a written appeal to the Company's Employee Relations Representative, within fourteen (14) calendar days after the Company's answer under Step 2 above.

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Step 3. The Company's Manager-Labor Relations (and/or his designated representative) and the Union's representative (authorized to act with regard to the grievance at this level), shall then attempt to settle the grievance.

If a satisfactory adjustment or withdrawal of the grievance or difference is not obtained within fifteen (15) calendar days - or any extension of this period mutually agreed upon and confirmed in writing - after such grievance or difference was first submitted under Step 3, then either party shall, subject to the provisions of Article 19, having the right to, at any time within the next following thirty (30) calendar days, submit the grievance or difference to arbitration by delivering to the other, by certified mail, written notice of its intention to do so effective fifteen (15) calendar days after the date of delivery of such notice unless satisfactory adjustment or withdrawal is obtained in the interim.

- 18.02 The time limits specified in any of the foregoing steps may be extended with respect to the particular grievance or difference by mutual consent of the parties hereto and confirmed in writing.
- 18.03 Any grievance shall be presented as soon as practicable after the last occurrence, but in no event later than fifteen (15) calendar days thereafter. Failure to submit a grievance within such period shall constitute a bar to further action thereon, unless it is shown that such failure was due to causes beyond the control of the employee, or that neither the employee nor the Union knew that the cause of the grievance existed.
- 18.04 The aggrieved employee and the employee acting as authorized representative of the Union may, without loss of pay and following reasonable advance notice, and at a time mutually agreed to in advance, discuss and investigate grievances when accompanied by a Company representative during their respective scheduled work days.
- 18.05 If the aggrieved employee and/or his representative employed by the Company or other employees are requested by the Company to leave their normal working area in the handling of an alleged grievance or difference, the Company will reimburse him (them) for reasonable board, lodging and transportation expense incurred in connection therewith.
- 18.06 Exclusive of Company representatives, attendance at grievance meetings shall be limited to three (3) persons, one of which must be the aggrieved. Within these limitations, employees of the Company shall suffer no loss of time or pay for regular scheduled work time during the normal work week spent in attendance at such meetings.

**ARTICLE 19**

**ARBITRATION PROCEDURE**

- 19.01 a. Any grievance or difference involving the alleged unjust suspension, or dismissal or demotion of an employee, or the interpretation, or alleged violation of any of the provisions of this Agreement.
- b. Any particular grievance or difference not included in the preceding subparagraph a., by mutual agreement of the parties hereto.
- 19.02 In order to be timely filed for arbitration, the matter must be submitted to the Federal Mediation and Conciliation Service within sixty (60) days from the date the Company notifies the Union it has received its appeal to arbitration. R
- a. Either party may request the Director of the Federal Mediation and Conciliation Service to submit to the two (2) member Board, a list of seven (7) Arbitrators, approved by that Agency. After receiving the list of arbitrators, and within thirty (30) days of its receipt, an arbitrator shall be selected. The Company member and the Union member shall each have the right to strike three (3) names from such list. The parties shall alternate in striking the names; the representative of the aggrieved party exercising the first strike. The person whose name remains on the list shall be designated the Arbitrator; R
- b. The decision of the Arbitrator, which shall contain a statement of the grounds upon which the issue or issues have been decided, shall be final and binding upon each of the parties hereto and they will abide thereby.
- 19.03 The Arbitrator to be appointed in accordance with the foregoing provisions shall have no power to alter, amend, annul, or disregard any of the terms or provisions of this Agreement.
- 19.04 Each of the parties shall bear the expense of its own representatives and witnesses and the parties hereto shall jointly bear any general expenses of the Arbitration, including the expense of providing the Arbitrator.
- 19.05 The time limits specified in any of the foregoing procedures may be extended by mutual agreement of the parties hereto expressed in writing.
- 19.06 No employee shall be paid by the Company for any time lost while acting on behalf of the Union during arbitration proceedings.
- 19.07 The Arbitrator will give his decision within thirty (30) days after receiving briefs from both sides if any.

**ARTICLE 20**

**JURISDICTION OF WORK**

- 20.01 The Company agrees that it will not contract out any work covered by this Agreement if, as a result thereof, it would become necessary to lay off, or reduce to part time, or to reduce the rate of pay of any employee. The Company will determine whether or not vacancies exist. If the Company

determines a vacancy exists, it will be the Company's election to either backfill said vacancy with a Company employee or utilize other means of accomplishing the work.

- 20.02 The Company and the Union shall meet quarterly to review and discuss contractor usage. At such meeting the Company shall provide when and in which work area work has been performed under contract for a period of two (2) weeks or more. Nothing contained in the requirement shall impose any restrictions on the Company's ability to contract work out except as specifically stated in Section 20.01 above.
- 20.03 The Company agrees that it will not work supervisory employees on work ordinarily performed by non-supervisory employees, except for purposes of instruction or to meet emergency conditions.
- 20.04 Employees may, on occasion, be required to travel outside the service area represented by CWA, Local 2277, to perform work on customer equipment. Likewise, it is understood that the Company may utilize individuals from outside the service area represented by CWA, Local 2277, when bid jobs must be installed in a limited time frame and when extraordinary customer troubles or emergencies occur. Should this be deemed necessary, the Company agrees to notify the local Union President in advance. It is understood that all qualified and available employees within the service area represented by CWA, Local 2277, will be utilized before additional Company individuals are brought in from the outside.
- 20.05 Nothing in this section is to be interpreted as prohibiting the Company from the consolidation or transfer of work to other Embarq groups. In such cases, the Company shall advise the Union of its intention to consolidate or transfer work prior to implementing such changes.

## **ARTICLE 21**

### **UNION BULLETIN BOARDS**

- 21.01 The Union shall have the right to mount and maintain bulletin boards at its own expense upon the Company's property at such locations and of such construction as may from time to time be mutually agreed upon in advance between the Company and the Union.
- 21.02 Such Union bulletin boards shall only be used for:
- a. Factual notices and announcements of the Union pertaining to the following:
    - (1) Meetings and Convention calls of the Union,
    - (2) Nominations and elections of the Union,
    - (3) Results of Union elections,
    - (4) Appointments to Union offices and committees, and
    - (5) Social, educational and recreational affairs of Union.
  - b. Announcements or letters issued jointly by the Union and the Company.
- 21.03 Material posted shall not contain anything of a controversial or political nature, anything derogatory to the Company, its Management or any of its employees.

- 21.04 Should the Union desire to post any material, including promotional and organizational material, not provided for in Section 21.02, it may be posted only after an authorized representative of the International Union has secured the written approval of the Employee Relations Manager or designated individual in this regard.
- 21.05 No material shall be posted upon these Union bulletin boards, except by a properly authorized representative of the Local Union. The Union agrees to keep all material posted neat in appearance at all times.

## **ARTICLE 22**

### **UNION ACTIVITY ON COMPANY PROPERTY**

- 22.01 Neither the Union, its representatives, nor its members shall carry on Union activities on Company premises, or on Company time, except that Union officers and members, who are also employees, and other authorized Union representatives may carry on legitimate Union activities outside of working periods of all employees participating, in space where no Company operations or other work is performed, provided that:
- a. Such activity shall be limited to small groups of not to exceed six (6) employees;
  - b. Shall not interfere with the business of the Company or the use of such space for the purposes for which the space is intended; and
  - c. Arrangements for use of such space are made in advance with the appropriate supervisor.
- 22.02 The Company and the Union agree to cooperate in the inspection of working conditions and in the investigation of circumstances involving any alleged grievance.

## **ARTICLE 23**

### **BASIC WAGE ADJUSTMENT IN THE EVENT OF A CHANGE IN JOB CLASSIFICATION**

- 23.01 When an employee is transferred or promoted he/she shall be given a trial period not to exceed six (6) months in the new assignment. If the employee shows that he/she is unable to efficiently perform the work of the new assignment within such trial period, he/she shall be returned to his/her former job classification, if such job is available, at the former wage rate. If no vacancy in the employee's former job classification exists, the employee may transfer to an alternative position, if available, provided the employee is qualified. An employee may request at any time during the trial period to return to his/her former job classification, provided said position is available as determined by the Company.
- 23.02 When an employee is promoted in accordance with Article 11, Paragraph 11.06, or is reclassified, the wage rate application shall be as follows:
- a. An employee promoted through the bidding procedure to another schedule with higher rated progressions shall upon entering the new job receive the pay of the lowest rated interval of

the higher schedule which gives an increase, retaining all time in the former scale, and shall progress according to the regular interval of said higher rated schedule.

- b. An employee, who has been reclassified to a lower rated job which he/she previously held, shall be placed at the highest rated step of the lower schedule which gives a decrease. In the event the employee has not previously held the lower rated job, the pay shall be the highest rated step of the lowest scale which gives a decrease, less one (1) additional step.

## **ARTICLE 24**

### **FORCE ADJUSTMENTS**

#### **24.01 Reduction in Force**

- A. Whenever the Company deems it advisable to reduce to part-time or lay off regular employees, such force adjustments shall be made effective among employees performing essentially the same type of work in the district, through reducing to part-time or layoffs or both, subject to the following conditions:
  - 1. Temporary employees shall be laid off first.
  - 2. Next in order, employees with less than two (2) years' seniority shall be declared surplus in the inverse order of seniority.
  - 3. After the steps as outlined in paragraph 1. and 2. above have been taken and further reductions in the work force are advisable, the Company may declare employees surplus in the inverse order of seniority.
- B.
  - 1. Employees who are designated as surplus shall be offered reassignment to available jobs in the same or lower pay levels within the district affected, provided they are qualified to perform such jobs.
  - 2. Employees who are surplus shall be offered transfer to the jobs in paragraph 1. in order of their seniority.
  - 3. If there are no jobs available in the district as provided in paragraph 1. above or the employees refuse the offer, then the employees shall be laid off in accordance with Section 24.03.

#### **24.02 Technological Displacements**

- A. A technological displacement occurs when the job of a regular employee or group of regular employees is no longer considered necessary due to a technological change in the type of plant or equipment used, or a change in operating procedures reducing the total number of employees considered necessary to provide the same service. Technological change shall be defined as any change in equipment, material and/or methods after the date of this Agreement which results in any reduction in the number of bargaining unit employees. This is to be distinguished from a force surplus due to lack of work covered in Section 24.01 above.

- B. When regular employees are displaced by a technological change, such employees shall be offered continuing employment with the Company in accordance with the following conditions:
1. Employees displaced shall be offered the opportunity for reassignment available jobs within the district affected. Such employees shall take precedence over employees who seek a transfer under Article 11. Employees exercising their option for reassignment under this Section who are unable to qualify for the job or who the Company determines fails to perform his/her job satisfactorily in the new assignment will be laid off under Section 24.03 below.
  2. The offering of reassignment shall be in order of seniority.
  3. Employees who are technologically displaced may in order of seniority displace employees in similarly rated jobs or lower rated jobs for which they are currently qualified.
  4. Employees offered, but not accepting re-assignment in the district and in a similarly rated job or not displacing an employee as described in paragraph 3. above shall be retired, if eligible, or considered terminated. In either case, the employee will have eligibility for Supplemental Income Protection benefits.
  5. If an employee is transferred to a job title in a lower wage schedule, his/her rate of pay, if above the maximum for the new job title, shall be reduced to that maximum.

24.03 **Layoff Procedure**

Layoffs because of lack of work for employees who perform essentially the same type of work within the same working area shall be made as follows:

- A. Employees who have not established seniority thereunder, such as temporary employees, shall first be laid off.
- B. Regular employees within the affected work group shall be laid off in the inverse order of their seniority provided:
  1. Regular employees, otherwise subject to layoff from the affected work group, shall be offered re-assignment to work, according to service requirements, in classifications which they have previously performed and/or are qualified (meaning up to a three (3) day acquaintance period) to perform, provided:
  2. If a regular employee refuses to accept such re-assignment, offered in order to preserve his employment, to available work at the prevailing wage rate for that classification, he may be laid off without regard to his seniority.
  3. If a regular employee accepts such re-assignment, offered in order to preserve his employment, to available work at the prevailing wage rate for that classification, and is later re-assigned to his former classification, his Wage Experience Credit in his former classification shall be the same as it would have been had he remained in his former classification.

- C. When the Company is contemplating laying off an employee, the employee to be affected shall be given ten (10) days' advance written notice of the layoff (copy to the Local Union) provided that any temporary continuation of employment for not more than sixty (60) work days shall not necessitate the giving of any additional notice in advance of the layoff being made effective. An employee anticipating quitting shall be expected to give ten (10) days' advance written notice to the Company.
- D. Displaced employees who are not offered continue employment or who refused re-assignment to available jobs in accordance with Section 24.01 B.1.above, shall be retired, if eligible, in accordance with the Embarq Retirement Pension Plan, including Appendix MM, with eligibility for severance pay under the Severance Plan.

#### 24.04 **Rehiring After Layoff**

The net credited service of an employee temporarily laid off through no fault of his own, and reinstated within twelve (12) months after layoff shall continue to accrue during such layoff period; provided that when the laid-off employee is notified to return to work such notice shall be mailed not less than two (2) weeks in advance of the date on which he is directed to report for work. Such notice shall be sent by registered mail, return receipt requested, to the employee's last known address and it shall be his duty to inform the Company by registered mail, return receipt requested, within ten (10) days after the date on which the Company's notice was mailed, whether he will return to work on the date stated in the Company's notice.

An employee who fails to send the Company such notice, or who fails to report, as directed, shall be deemed to have terminated. An employee laid off shall keep the Company informed at all times of his current mailing address.

When adding to the forces, the former employees most recently laid-off within the past twelve (12) months, or employees most recently re-assigned within the past twenty-four (24) months, will, in accordance with their net credited service, be the first to be re-assigned to their former job classification or re-employed, if available qualifications being sufficient, and provided they are physically qualified to return to work.

#### 24.05 **Special Surplus Status**

- A. When a surplus of employees exist for any reason, after exhausting steps outlined in paragraph 24.01 A.1. above, the Company may at its sole discretion elect to offer special surplus status to employees in the affected work group in order of seniority. However, the Company may at its sole discretion terminate the offering within the work group prior to eliminating the surplus. Employees so selected by the Company are eligible for severance pay in accordance with the Severance Plan. When deemed appropriate, the Company may, at its sole discretion, offer such employees a choice of reassignment to certain available job(s) or termination allowance. Employees who are offered this special surplus status have the right to accept or reject the Company's offer. Employees who elect to receive benefits under the provisions of this section shall not be entitled to benefits under Supplemental Income Protection Plan. Employees who accept special surplus status and leave the service will be considered to have voluntarily terminated employment.

## ARTICLE 25

### DEFINITIONS

- 25.01 **Appropriate wage schedule** as used herein shall be deemed to mean the wage schedule applicable to the employee's particular location and job or group classification.
- 25.02 **Basic hourly rate** as herein used shall not be construed to include differential payments, premium payments or overtime payments.
- 25.03 **Employee or employees** as used in this Agreement shall be deemed to mean regular full-time, regular part-time and temporary non-supervisory employees.
- 25.04 **Differential Payments.** Employees shall be paid in addition to their basic hourly rates, an hourly differential for each hour of a normal daily tour (including all hours worked on connecting overtime) when any hours of that normal daily tour fall within the period between 7:00 P.M. to 6:00 A.M.
- 25.05 **Gender.** Whenever the masculine gender is used, it is intended to cover female employees as well, where applicable.
- 25.06 **Job classification** as used herein shall mean those individual job classifications specified in the various wage schedules attached to this Agreement.
- 25.07 **Net credited service** shall mean length of continuous Company service accrued from the last date the employee actually began work within the Company's Martinsville, Virginia District, excluding appropriate periods and as shown on Company records.
- 25.08 **Non-supervisory employees** as used in this Agreement shall be deemed to mean those employees engaged within the job classifications expressly set forth in Exhibit A, inclusive, of this Agreement.
- 25.09 **A normal day's tour** for full-time employees shall consist of eight (8) working hours and shall consist of two (2) work sessions. The first session shall be that portion of the normal daily tour which is scheduled before the assigned lunch or supper period or shall be the hours of work assigned in the first portion of a morning - evening tour. The second session shall be that portion of the normal daily tour which is scheduled after the assigned lunch or supper period or the hours of work assigned in the last portion of the morning - evening tour.
- 25.10 **Normal report location** shall mean the location, such as a central office, garage or storeroom at a city or town to which location employees regularly report for duty at the time shown on their work schedules posted at such location.
- 25.11 **A normal work week** for full-time employees shall consist of five (5) "normal days' tours" which may be scheduled on any of the seven (7) days of a calendar week.
- 25.12 **Overtime rate, pay - except holidays.** All work performed over eight (8) hours in any one (1) day, or over forty (40) hours in any one (1) week, shall be paid for at the employee's overtime rate of one and one-half (1-1/2) times the employee's regular rate.

- 25.13 **Overtime rate, pay - holidays**, is two and one-half (2-1/2) 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.
- 25.14 **Part-time employees** are regular, probationary or temporary employees who are employed for less than the normal daily or weekly working periods specified for full-time employees, provided, however, that such employees may be assigned to work full-time during the temporary absences of other employees.
- 25.15 **Probationary employees** are those employees who are employed with the understanding that they will become regular employees, provided that during the six (6) months' probationary period they show that they have the requisite ability and qualifications.
- 25.16 **Regular employees** are those who have been employed by the Company for more than six (6) months and who have successfully completed their respective probationary periods. The date of employment of regular employees who have satisfactorily completed a probationary period of employment shall be the last date upon which the employee entered the Company's full-time employment (whether as a probationary or a temporary employee).
- 25.17 **Seniority** shall mean any right of preference accruing to a regular employee upon the basis of the employee's net credited service (as defined in Section 25.07).
- 25.18 **Temporary employees** are persons whose term of employment is intended not to be more than three (3) months, or who are hired for a special project involving not more than a six (6) months' period, provided that the period for which a temporary employee may be employed can, by mutual agreement of the parties hereto, be extended to cover the full period of the temporary employment, not to exceed twelve (12) months. Such employees shall be reclassified as regular employees if their employment exceeds one (1) year of continuous service since date of last engagement.
- 25.19 **Wage Length of Service (Wage Experience Credit)**. Period credited to an employee in the application of the wage schedule for his job classification. Generally, the wage length of service of an employee whose entire service has been continuously in the same job will be his total length of service. If one is employed at a starting rate higher than the normal starting rate on account of previous telephone or other experience or special training, the wage length of service will include such credit as is given at the time of employment or re-employment, plus service accumulated thereafter.
- 25.20 **Work group** shall mean groups of employees having the same job classifications and reporting to the same normal report location.
- 25.21 **Working area** shall mean the areas served by the Company in Martinsville (1), Montpelier (2), Rocky Mount (3) and Stuart (4), Virginia. It is recognized, however, that working areas can be different for different job classifications working out of the same normal report locations. (The numbers indicate the locations as outlined in Section 1.02)
- 25.22 **Working Leader**. A non-supervisory employee on productive work who is assigned by the Company to coordinate the work activities of a group of workers and who may contribute to the training of employees.

## **ARTICLE 26**

### **FEDERAL AND STATE LAWS**

- 26.01 Nothing in this Agreement shall be construed to require either party to this Agreement to act contrary to any State or Federal Law or regulation, having the effect of law. In the event any such condition arises, it is agreed that this Agreement shall be modified in respect to either or both parties to the extent necessary to comply with the law or regulation having the effect of law.
- 26.02 The Employee's Occupational Accident and Sickness Insurance, the FlexCare Program, the Embarq Retirement Pension Plan, and the Centel Retirement Savings Plan for Bargaining Unit Employees (for employees of Central Telephone Company of Virginia) are, by this reference, made part of this Agreement.
- 26.03 Notwithstanding anything to the contrary, where any one clause or Article of this Contract is applicable to a request for a leave of absence as defined by the Family and Medical Leave Act of 1993 ("FMLA"), the minimum requirements provided by the FMLA shall prevail unless the Contract provides for a type or level of benefit greater than that specified under the FMLA.

The Company and the Union will comply with the Americans with Disabilities Act.

## **ARTICLE 27**

### **SERVICE BRIDGING**

- 27.01 All regular, full time employees of the Company, including predecessor or acquired companies, who successfully completed the probationary period and left in good standing are eligible for service bridging.
- 27.02 If an employee leaves and is rehired, the length of service prior to the break will be bridged after five (5) years of uninterrupted service.
- 27.03 Bridging only applies to service prior to the most recent break, and, or combination of service and bridged service prior to the most recent break.
- 27.04 Bridging of prior service will apply to the following:
- a. Eligibility for accident and sickness benefits.
  - b. Vacation eligibility.
  - c. Service awards.

## **ARTICLE 28**

### **SHORT TERM DISABILITY BENEFIT PLAN** **(STD PLAN)**

- 28.01 Effective with the first payroll period beginning three months after ratification, the Company agrees to provide accident and sickness benefits for all regular employees on a non-contributory

basis; provided, however, the Company reserves the right to change insurance carriers or to establish other arrangements for accident and sickness benefits, so long as it maintains all present benefit levels for the life of this agreement. The provisions of this article shall govern in all matters pertaining to accident and sickness benefits.

- A. Any eligible employee receiving benefits under a previous plan on the effective date will continue to receive benefits under that plan until either exhaustion of benefits occurs, or the employee returns to work on his/her regular work schedule.
- B. To be a participant covered by the STD Benefit Plan, an employee must complete one calendar year of employment and be a regular full-time (scheduled to work 40 hours per week) or regular part-time (scheduled to work at least twenty hours per week).

28.02 Employees qualify for STD benefits when they are participants who cannot work at their usual job due to an illness or injury incurred, either on or off the job; and satisfy the requirements as outlined in this Article. STD benefits begin on the sixth consecutive scheduled work day of illness or injury for participants. Written medical certification may be required.

- A. Vacation and personal holidays are provided for all incidental absences from work. Employees will be required to use a minimum of three (3) paid vacation, personal holidays or a combination of both during any five consecutively scheduled workdays of incidental absence before hours can be taken unpaid for their own medical condition. If an employee does not have available vacation or personal holidays any portion of the first five days of illness, those days shall be nonpaid. During FMLA covered absences to care for a covered relative, the employee will have the opportunity to elect whether to take vacation, personal holiday's or an unpaid absence. R
- B. Employees' absences for their own non-medical condition will be paid from their vacation, personal holidays or a combination of both if available. Employees will not be permitted to substitute nonpaid time off for incidental absences for any time less than five days. R
- C. The employee is solely responsible for providing medical certification when requested by the Company. The Company may, at its own expense, require a second medical evaluation provided by a Company chosen physician.

28.03 Employees do not qualify for STD benefits if:

- A. they engage in any activity which is inconsistent with the application for STD;
- B. the physician or counselor is not licensed by the state where treatment is received;
- C. cosmetic surgery is performed except when medically necessary;
- D. they refuse restricted or light duty assignments that are in compliance with work restrictions while receiving STD benefits; or
- E. the illness or injury is caused by armed conflict, results from committing a felony or attempted felony, occurs while engaging in an illegal activity, or is intentionally self-inflicted.

- 28.04 If employment is involuntarily terminated due to reasons including but not limited to reduction in work force, resolution of a Workers' Compensation claim, plant/office closure, etc., while the employee is receiving STD benefits, the employee may continue to receive benefits until either the benefits are exhausted or the employee's physician, Company designated physician, or independent medical examination (IME) physician determines the employee can return to work. If employment is involuntarily terminated for cause, STD benefits may be terminated immediately.
- A. Other company benefits will cease as provided by each program.
  - B. The Company may suspend or deny STD benefits if the employee fails to submit all forms/documentation as required, or if the employee does not comply with a Company request for a second medical evaluation.
  - C. Failure to qualify for STD benefits does not preclude application for unpaid leave under the Family and Medical leave Act (FMLA).
- 28.05 An employee may become or remain eligible for temporary restricted STD benefits for a partial schedule if the certifying physician, Company designated physician, or an IME physician determines a return to work in a temporary restricted duty capacity is permissible and the Company is able to accommodate the restrictions. Temporary restricted schedule STD benefits are paid when an employee misses portions of a workday or works a shortened workweek (partial schedule) due to illness or injury incurred on or off the job.
- A. The restricted duty schedule must be consistent with the business unit's permitted schedules. The duration of the temporary restricted schedule allowed will under normal circumstances be limited to 90 calendar days. Extensions beyond 90 calendar days may be granted at the Company's discretion.
- 28.06 Employees released to a full work schedule with work restrictions may be allowed to perform temporary alternate duty (TAD) assignments at the Company's discretion. TAD assignments are permissible provided there is meaningful business unit work available to be performed which does not violate the stated medical restrictions; and the prognosis from the treating physician, Company designated physician, or IME clearly indicates the employee will be able to return to his/her normal job duties within 90 calendar days from the initiation date of TAD. TAD may be discontinued at any time if the Company determines that work is no longer available or that the employee is unable to perform the work in a satisfactory manner.
- A. Under this practice, temporary alternate duty means the temporary assignment of available work can be performed without undue risk of injury to the employee (including aggravation of an existing condition) or to co-workers. Temporary alternate duty assignments may include some of the job duties within the employee's regular job classification and/or some or all of the job duties within another job classification.
  - B. The Company will not be required to create work not otherwise available or to lay-off or terminate any other employee in order to make a temporary alternate duty assignment available to an employee with a disability.
  - C. Employee Relations in coordination with the department managers/supervisors, be responsible for determining whether TAD assignments are available and ensure compliance with the procedure set forth below.

- D. TAD assignments shall apply whenever (a) the Company determines that a TAD assignment is available, and (b) the attending physician of such an employee advises the Company that the employee is able to perform other duties.
  - E. If it is determined that a TAD assignment is available, Employee Relations will inform the employee and his/her attending physician of the job duties and physical requirement of the assignment. If the attending physician advises the Company that the employee can perform the assignment without undue risk of injury (including aggravation of an existing condition) to the employee or co-workers, the employee will be assigned to the alternate duty.
  - F. While assigned to TAD, the employee will be paid at the wage rate for his/her regular job classification. Time worked on such assignment shall be included for purposes of wage progression in that classification, and the employee's service and seniority shall accrue for benefits.
  - G. While assigned to TAD, the employee may be required to participate in (a) a rehabilitation program that may assist in recovery from his/her disability and/or (b) Company provided or sponsored training classes related to the employee's regular job classification. These requirements shall be waived if the employee's attending physician advises the Company, in writing, that the employee's disability prevents such participation.
  - H. If the attending physician of an employee on TAD advises the Company, in writing, that is unlikely the employee will recover sufficiently to resume his/her normal job duties, the case will be reviewed by the Disability Review Committee regarding future status.
- 28.07 Application for non-occupational injury/illness related STD benefits must be submitted on properly completed Company forms and must be signed as directed. The forms will require a physician's written certification of inability to work to include the specific diagnosis, prognosis, expected date of return and any work restrictions which may apply.
- A. The Company may suspend or deny STD benefits if proper certification is not received within 15 calendar days from the date the forms are provided to the employee.
  - B. When foreseeable, requests for absences should be submitted at least 30 calendar days prior to the planned absence. In all cases, required forms should be returned as far in advance as possible.
- 28.08 The Company, at its own expense, may require a second medical examination and certification by a second physician designated by the Company at any time. If the second opinion does not support the employee's physician's opinion, STD benefits will be denied. Additionally, STD benefits may be suspended while a second opinion is pending. In this instance the employee may request an IME at his/her own expense. If the IME physician's determination does not support the need for STD benefit, the STD benefit will cease. If the IME physician's determination supports the need for STD benefit, the STD benefit will be paid retroactively in accordance with this article.
- A. As a condition of this STD policy, employees must give their consent for their treating physician to provide information regarding their condition to the Company or to the second physician designated by the Company.

- B. If the initial disability qualification is not sustained by the second opinion, the employee must return to work unless qualified for an unpaid FMLA leave, or unless the employee pursues an IME. Failure to return to work for reasons other than those stated herein may result in termination of employment for job abandonment.

28.09 Benefits may be paid up to a maximum of 26 weeks. The amount of pay is a percentage of “base wage”. Base wage for the purpose of determining the appropriate STD benefit will be based on the rate of pay in effect on the last regular scheduled workday prior to cessation of active work. Base wage does not include incentive compensation, overtime, shift differential or other special payments or calculations.

- A. The STD benefit is either 100% or 60% of base wage. The percentage paid is based on the length of service with the Company. An employee’s service anniversary date determines the timeframe for which an employee can receive benefits. The following STD benefit payment schedule is based on completed years of service as determined by the employee’s system anniversary date.
- B. A higher level of benefits does not take place if an employment anniversary occurs while receiving benefits or if the employment anniversary occurs before the employee works 181 consecutive days after any STD benefit usage.

<b>If your service is:</b>	<b>Benefits are 100% Of Base Salary for:</b>	<b>Benefits are 60% of Base Salary for:</b>
<b>Less than one calendar year</b>	<b>0 weeks</b>	<b>0 weeks</b>
<b>1 year but &lt; 2 years</b>	<b>2 weeks</b>	<b>24 weeks</b>
<b>2 years but &lt; 3 years</b>	<b>4 weeks</b>	<b>22 weeks</b>
<b>3 years but &lt; 4 years</b>	<b>6 weeks</b>	<b>20 weeks</b>
<b>4 years but &lt; 5 years</b>	<b>8 weeks</b>	<b>18 weeks</b>
<b>5 years but &lt; 6 years</b>	<b>10 weeks</b>	<b>16 weeks</b>
<b>6 years but &lt; 7 years</b>	<b>12weeks</b>	<b>14 weeks</b>
<b>7 years but &lt; 8 years</b>	<b>14 weeks</b>	<b>12 weeks</b>
<b>8 years but &lt; 9 years</b>	<b>16 weeks</b>	<b>10 weeks</b>
<b>9 years but &lt; 10 years</b>	<b>18 weeks</b>	<b>8 weeks</b>
<b>10 years but &lt; 11 years</b>	<b>20 weeks</b>	<b>6 weeks</b>
<b>11 years but &lt; 12 years</b>	<b>22 weeks</b>	<b>4 weeks</b>
<b>12 years but &lt; 13 years</b>	<b>24 weeks</b>	<b>2 weeks</b>
<b>13 years or &gt;</b>	<b>26 weeks</b>	<b>0 weeks</b>

- C. STD benefits cease when either the employee is released to return to work or benefits exhaust.

28.10 Employee STD benefits are coordinated with workers’ compensation benefits for wage replacement. Employees receive the maximum payment available under either this plan or the workers’ compensation state statute, but not the total sum of both benefits.

- A. Once the employee has met the State waiting period for workers’ compensation, the Company’s designated Third Party Administrator (TPA) will issue a check for the workers’ compensation benefit, which is the Temporary Total Disability or Temporary Partial Disability (TTD or TPD). Once the employee has met the STD waiting period,

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they may also start receiving a check from Embarq for the difference between the TTD amount, up to a maximum of 85% of their gross weekly salary.

B. If it is determined that the employees STD benefit of 60% is less than the workers' compensation benefit from the insurance company, their Embarq checks will cease and they will only receive a check from the TPA. During this time, Flexcare benefits are maintained and benefit deductions will suspend. Upon return to work, the suspended deductions will automatically be taken out of the employee's first paycheck on a pre-tax basis. If for some reason the employee does not return to work, they will be required to reimburse Embarq the suspended deductions for health care and all other Flexcare benefits paid on the employees behalf while on leave. Special arrangements must be made for payment of savings plan loans or stock payments with the Benefits Department. A

C. Employees have the option of using vacation or floating holiday time prior to workers' compensation eligibility. If the employee opts to use available vacation or floating holidays it is not reinstated with the eligibility of workers' compensation benefit. A

28.11 Overpayments occur when the employee is paid more STD benefits than they are entitled to receive. The Company will recover overpayments by offsets against future payments or any other method permitted by applicable law.

A. In certain circumstances the Company can recover from other parties for the STD benefits paid. When the Company has these "subrogation rights", the employee must do anything the Company reasonably asks to protect these rights and help the Company recover from the other party.

28.12 When non-occupational illness or injury keeps an employee from working at his/her regular work schedule after a return from an STD benefit period, further benefits are paid as shown:

If...	Then..
an employee returns to work on his/her regular work schedule for less than 181 continuous days...	STD benefits begin immediately at the benefit level which applied when the employee returned from work
an employee returns to work on his/her regular work schedule for <i>at least</i> 181 continuous days....	the STD benefit level is reinstated, in total, according to the payment schedule.

Vacation, floating or fixed holidays, bereavement, jury duty and other excused paid time is included in the 181-day benefit reinstatement period.

28.13 An employee's job is normally held available during the period of paid STD benefits. If medical documentation indicates an employee will not return to work upon exhaustion of STD benefits, the employee (with medical certification indicating prognosis on employee's ability to return to work) may be placed on an excused, unpaid absence for a maximum of 90 days, but unused vacation or personal holidays shall be substituted during this unpaid absence. A

28.14 The total period of absence associated with the illness or injury, including paid STD benefits, excused unpaid absence (or vacation/personal holidays substitutions), unpaid leave of absence,

and Family and Medical Leave Act entitlement (if available) shall not exceed 26 weeks, unless an exception is granted at the sole discretion of the Company. Earned, embedded, and banked vacation time, if available, may not be used to extend the STD absence beyond 26 weeks. Any earned unused vacation will be paid in a lump sum at the end of the STD period. When this period of absence ends and there is a further need to remain absent from work, employment will be terminated.

- 28.15 Employees who utilize their entire initial allotment of benefits over a rolling 24 month period of time (based on their allotted benefit eligibility available to them at the beginning of the rolling 24 month period) who require further absence from work due to their medical condition will be viewed as having exhausted their entire benefit allotment. This is true regardless of whether they met the 181-day refreshment of benefits period requirement. At such time, employees may request an additional 30 day nonpaid leave of absence. Should they then be unable to return to work, their employment will be terminated.

## **ARTICLE 29**

### **STAND-BY PROGRAM**

- 29.01 The Company will designate which areas and job classifications whereby a “Stand-By Program” will be utilized and the length of the stand-by period.
- 29.02 The Company will first attempt to satisfy stand-by coverage needs through qualified volunteers. In the event there is a sufficient number of qualified volunteers, the Company will not mandate any further stand-by duty assignments. In the event there is an insufficient number of qualified volunteers, the Company may then require employees to serve on stand-by.
- 29.03 Stand-by will be rotated among all qualified employees as determined by the Company in a geographic area defined by the Company on a seniority basis. The stand-by period will normally be for seven (7) calendar days. Occasional stand-by periods for other lengths of time may be required under unusual or special circumstances. Stand-by periods for other lengths of time may be scheduled in advance by the appropriate Department Manager. The normal weekly stand-by period will run from Tuesday 8:00 A.M. and continue through 8:00 A.M. the following Tuesday.
- 29.04 Under normal circumstances no employee will be required to serve on stand-by for more than one week in each four (4) week period unless the relative size of the workgroup requires greater frequency. This restriction will not prevent employees from volunteering for stand-by duty on a more frequent basis, nor will it prevent employees from trading weeks of stand-by. During the period of stand-by, the employee will be available to take all calls and report to a job site as needed.
- 29.05 Employees who are designated for stand-by will be utilized in any district location where he/she is qualified to perform the work. Additionally, employees may be required to diagnose problems that are outside the area of their responsibility.
- 29.06 Employees on stand-by will be provided pagers and cellular phone and will be required to stay within paging range at all times. The stand-by employee will be first contacted by telephone and if no one answers he/she then will be paged. The stand-by employee will be available to respond to the trouble (i.e., be enroute) within one (1) hour.
- 29.07 During periods of stand-by, the employee may be assigned a vehicle for business purposes only. If assigned a vehicle, the vehicle must be kept at the employee’s residence and parked off the public

street when possible. If the vehicle cannot be kept at the employee's place of residence due to an ordinance or other regulation, it may be parked at the nearest Company approved location/s. Employees on stand-by are responsible for ensuring that Company vehicles are properly maintained. The Company will pay for all required vehicle maintenance.

- 29.08 Travel time (for stand-by) between the employee's residence and their work center or the employee's first/last work assignment that is in excess of the normal drive time between the residence and the assigned work center will be paid at the appropriate rate. This is true whether or not employees are in a company vehicle.
- 29.09 It will be the responsibility of all employees on stand-by to report the completion of a case of trouble. This will clear the employee for additional call-outs and allow the customer to be given a status of trouble report if required.
- 29.10 The stand-by employees will be paid twenty dollars (\$20) per week day for stand-by periods and twenty-five dollars (\$25) per weekend day and/or holiday.

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### **ARTICLE 30**

#### **PAYDAY AND PAY METHODS**

- 30.01 All employees will be paid on a bi-weekly basis with the payday being Friday following the pay period ending date. When a normal payday falls on a Company holiday, the payday will be on the preceding Thursday.
- 30.02 Employees who do not desire to have their paychecks direct deposited will receive their paychecks via US Mail. The Company will make every effort to ensure paychecks sent via US Mail will be received no later than the recognized Friday payday. Paychecks will be postmarked on Wednesday preceding payday.
- 30.03 Electronic paystubs will be available on each payday and shall include a statement of hours worked, earnings and a listing of all deduction from earnings.
- 30.04 It shall be the duty and responsibility of each employee to maintain his/her current mailing address with the company at all times. This requirement will facilitate and expedite the delivery of checks to employees when they are required to be mailed to employees home address.

### **ARTICLE 31**

#### **HEALTH, SAFETY AND APPEARANCE**

- 31.01 On an annual basis the Company shall provide an allowance of \$75 after taxes for the purchase of safety footwear (shoes or boots) or the repair of existing safety footwear for designated employees who are required to wear safety footwear. Designated employees eligible for the reimbursement shall be determined by PPE hazard assessment by the Company.
- 31.02 The Company will make the determination of which job classifications will be required to wear safety footwear as well as what is considered acceptable safety footwear with respect to appearance and functionality.

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- 31.03 Safety footwear must meet the current ANSI Z41.1 Class 75 safety requirements and must be worn at all times during working hours.
- 31.04 The Company will pay \$100 of the cost of prescription safety glasses for employees in positions which require the wearing of safety glasses. Any additional expense beyond what is noted in this article will be the responsibility of the employee.
- a). The Company will make the determination of which employee classifications will be required to wear safety glasses.
  - b). Prescription safety glasses for this purpose must meet current OSHA and ANSI recommendations.
  - c). The Company reserves the right to determine the frames to be used and which vendor(s) may be utilized for the provisioning of prescription safety glasses.
  - d). Employees are responsible for the cost of eye examinations. The Company will pay for one pair of replacement lenses per year for prescription changes, all repairs to glasses, and up to \$20 for fitting fees.
  - e). The Company will pay for one pair of one prescription or bi-focal prescription safety glasses once every two years unless the glasses are broken during the course of an employee's work beyond repair for reasons other than neglect.

## **ARTICLE 32**

### **TELEPHONE CONCESSIONS**

- 32.01 Subject to Company policy, regular full-time and part-time employees with six (6) or more months of service are eligible for a discount on service or services offered by the Company on the same basis as non –represented employees.

It is recognized that the Company has the exclusive right to amend, modify wholly or in part this plan. The Company agrees, however, that any changes to the concession plan for bargaining unit employees will be equivalent to the services that is provided to non-bargaining employees at the same location.

If a National Concession Plan is offered to other represented units or if another represented unit is offered concession over and beyond that of non-represented employees, employees under this agreement shall be made the same offer.

## **ARTICLE 33**

### **PROFESSIONAL WEAR**

- 33.01 Employees in all job classifications will be eligible to participate in the Professional Wear Program, however, Business Services Technicians, Central Office Technician, Customer Service Technicians and Public Access Coin Collectors will be required to participate. Employees in other classifications that elect to participate must remain in the program for the life of the agreement. The Company will pay 100% of the cost.

- a) Color, style, and material blend of clothing will be determined by the Company. The Company logo shall be required on the shirts and jacket.
- b) The Company may, at any reasonable time, require the return of any part of the uniform. The Company may require the return of Company uniforms which have been in the care of an employee who is terminating from the Company on the employee's last working day, or the employee must pay the Company original purchase price for all missing garments. This cost will be deducted from the employee's final paycheck.
- c) Replacement of uniform garments damaged through normal wear on the job will be the responsibility of the Company. Employees will be responsible for the full Company cost of replacing uniform garments should they be lost, stolen, or damaged through neglect.
- d) All participating employees will be required to wear uniforms that are, in the Company's judgment, properly maintained and presentable. The employee will be responsible for the laundering and minor maintenance of the uniform garments. The wearing of uniforms will be mandatory during all work hours.
- e) The Company will furnish a minimum initial allotment of six trousers and six shirts, 1 jacket, and 1 cap to each eligible employee. Additional garments may be furnished by the Company at the Company's discretion. Shorts for classifications deemed appropriate by the Company as an acceptable alternative to uniform pants, may be substituted by the employee for an equal number of trousers as part of the initial uniform allotment.
- f) Belts are not provided in this program. The personal belt of an employee must be an acceptable complement to the uniform, as determined solely by the Company.
- g) Each eligible employee will be issued an official "Embarq" Company cap specifically designed as part of the program. Employees are not required to wear the cap with the uniform. Exceptions to this paragraph based upon medical necessity will be reviewed by the Company and the Company's determination will be binding.
- h) A pin, not to exceed 1 ½ inches in diameter designating affiliation with the CWA, may be worn with the uniform. This pin will not cover the Company logo.
- i) The Company reserves the right to cease the professional Wear program in its entirety.
- j) Employees shall be allowed up to a maximum of \$45.00 annually to purchase additional uniform garments.

**ARTICLE 34**  
**HOME GARAGE**

34.01 In order to better meet the ever-changing needs of our customers, the Company and the Union hereby agree to institute a program entitled "Home Garage". This program will permit affected employees to keep their vehicles at their home locations and be dispatched directly to the customer's location each morning.

Listed below are some guidelines for the program:

1. The Company will determine which job classifications and reporting locations will be eligible to participate.
2. Participation will be optional among qualified employees. Employees participating must notify the immediate supervisor when desiring to cease participation in the program. Employees electing to participate will be required to remain in the program for a minimum of thirteen (13) weeks. Generally, a two-week notice will be required when options change.
3. Employees in the following job titles may be eligible to participate providing the nature of the work being performed by the employees in the group is (a) other than at the same Company owned /maintained facility on a regular basis, (b) is such that the employees can be dispatched and report directly to the work location at the beginning of the work day, and (c) it would not be necessary for the employee to first report to a Company owned/maintained facility prior to his/her going to the work location:

Cable Splicer  
Business Services Technician  
Facility Coordinator  
Public Access Technician  
Customer Services Technician  
COE Installer  
C.O. Technician

4. Individuals not electing to participate in “Home Garage” will continue to report as previously assigned. (Martinsville, Rocky Mount, Stuart and Montepelier)
5. The program must be flexible in that there may be times certain employees will be required to report to the work center to complete assigned projects. Employees, however, should not alter their travel by stopping by the work center unless there is a business necessity.
6. Employees should be at the first assignment at the scheduled starting time of the tour and at the last assignment at the scheduled ending time of the tour, unless overtime is required, then, the paid time ceases when the job is completed at the work site. If the first assignment is beyond 25 air miles from the designated reference point, the Company will allow 30 minutes travel time at the beginning of the tour. If the last assignment is beyond 25 air miles from the designated reference point, the Company will allow 30 minutes travel time.
7. Call out may be contingent upon an employee’s ability to respond to customer service needs.
8. Employees must live within 30 minutes of their normal report center to participate in the “Home Garage” program unless agreed to by the Company.

9. No non-company passengers allowed in vehicles.
10. Employees will not use the company vehicles for personal activities.
11. No alcohol or drugs will be allowed in company vehicles.
12. Liability of secured vehicle will be Company's responsibility; i.e., vandalism, theft, and Act of God.
13. Location of vehicle during employee vacation will be at the discretion of local management.
14. Vehicle maintenance – routine and repair at discretion of local management, on company time.
15. Scheduled and unscheduled meetings (safety training, information, quality) will be handled by local management.
16. Accidents incurred (personal injury and company vehicle) while enroute to and from work are covered by the Company.
17. Company vehicles during off hours should be parked on employee's personal property; however, will allow street parking where zoning permits.
18. No weapons will be allowed on Company vehicle.

### **ARTICLE 35**

#### **FOUR DAY WORK WEEK**

35.01 For purposes of implementing and administering a four-day work week, Central Telephone Company of Virginia (the "Company") and the Communications Workers of America (the "Union") do hereby agree as follows:

1. General

It is agreed a four-day work week may be implemented which will replace the normal five-day schedule, to all classifications whenever practicable, depending on service requirements and work load. In executing this agreement, it is mutually agreed that deriving incidental or indirect benefits, not specifically addressed, because of the implementation of a four-day work week is not in keeping with the intent and spirit of this Agreement and any such efforts to derive such benefits will not be supported by either the Company or the Union.

When implemented, the four-day work week generally should apply to all eligible employees of the work group, however, the Company reserves the right to restrict the number of available four day workweek schedules based on operational necessity. Work Group for this purpose shall consists of "a group of employees who work under the same first line supervisor and who regularly relieve each other."

Implementation of the four-day work week shall be voluntary and shall be mutually agreed upon between the employee and supervisor.

## 2. Work Day

For employees normally scheduled forty (40) hours per week, each tour will be of ten (10) hours duration. A session - one of the two parts into which a tour is divided - shall not be less than three (3) hours. One fifteen (15) minutes relief period shall be assigned or allowed as near to the midpoint of each session as practicable. Utilizing a four-day work week will not change weekend or holiday rotation.

For employees on a ten (10) hour work day, all work performed over ten (10) hours in any one day, or over forty (40) hours in any one week, shall be paid for at the employee's overtime rate of one and one-half (1 1/2) times the employee's regular rate, provided the employee works the remainder of the scheduled work week, unless the Company authorizes otherwise.

## 3. Evening and Night Differentials

For four-day work week employees, the payment of evening and night differentials shall be based upon work hours which fall wholly or partly between 7:00 PM and 6:00 AM.

## 4. Holidays

For four-day work week employees, the schedule for weeks containing a core or personal holiday will revert to a normal five day schedule with the employee either scheduled and excused or scheduled to work on the holiday.

## 5. Vacations

For vacation purposes, those employees assigned a four-day work week will be reassigned to a five-day work week and treated in accordance with Article 9 of the Labor Agreement.

## 6. Absences Excused with Pay

All leaves of absence (union activity time, jury duty, funeral leave) paid or unpaid, will be made on the basis of a five-day work week.

## 7. Reverting to a Five-Day Schedule

It is recognized that various conditions, other than those specifically addressed in this Article, may necessitate the temporary reverting of four-day work week employees to five-day schedules (e.g. formal schools, temporary transfers, other employees in work group on vacation, other employees in work group on Short Term Disability, Workers' Compensation, jury duty).

# **ARTICLE 36**

## **REIMBURSEMENT OF RELOCATION EXPENSES**

- 36.01 Effective May 16, 1997, regular, full-time bargaining unit employees shall be eligible for reimbursement of relocation expenses incurred as the result of approved transfers to a new work location that is at least 50 miles further (one way) from his/her old residence than the old residence was from his/her former place of work.

- 36.02 Relocation expenses shall consist of reasonable and customary expenses supported by valid receipts or other sufficient evidence incurred by the transferred employee for (a) residence inspection and selection, (b) moving, (c) temporary living at the new location, and (d) selling and purchasing a residence. Such expenses shall be reimbursed up to a maximum of \$5,000 for employees who are homeowners at the time of transfer, and who are purchasing a home at the new work location, and up to a maximum of \$2,500 for employees who are renters at the time of transfer.
- 36.03 Transferring employees also shall be offered relocation services consisting of relocation counseling and mortgage counseling which will be paid directly by the Company up to certain limits to be established by the Company.
- 36.04 The Company shall also calculate a reimbursement amount to help defray state and/or federal income tax obligations on reimbursed moving expenses for which the transferred employee is not entitled to claim a tax deduction.
- 36.05 If the spouse of a transferring employee also is a Centel employee, the spouse shall not be eligible for reimbursement of relocation expenses.
- 36.06 Central Telephone Company shall prepare and make available to employees a comprehensive written practice incorporating the above provisions and containing additional detail about the procedures to be followed for moving expense reimbursement.

### **ARTICLE 37**

#### **SEVERANCE PLAN**

- 37.01 The Company will grant severance pay to regular employees who are laid off under the provisions of Article 24, at their straight time hourly rate, at a rate of one (1) week per year of continuous service to a maximum of 40 weeks not to exceed \$38,000 in total payment.
- 37.02 Employees will receive severance pay at the time of service termination. Such severance pay shall be in addition to earned pay and vacation pay to which the employee may be eligible and without regard to unemployment benefits. Such severance pay shall begin within one (1) month of layoff and shall be payable for the eligible number of weeks indicated in paragraph A. above, at regular pay roll periods, until paid in full or the employee is recalled by the Company or rehired by a Embarq System Company, whichever occurs first. At the Company's discretion, severance pay may be paid in a lump sum.
- 37.03 Employees who have once received severance pay, and have later been re-employed or recalled, must complete one (1) full year of employment before being eligible for severance pay for a subsequent layoff, and the amount of such severance pay shall be based on the period of employment between the date of the employee's most recent re-employment or recall and the subsequent layoff.

### **ARTICLE 38**

#### **SUPPLEMENTAL INCOME PROTECTION PLAN**

- 38.01 If during the term of this Agreement, the Company notifies the Union in writing that technological change (defined as changes in equipment or methods of operation) has or will create a surplus in

any job title in any work area which will necessitate layoffs or involuntary permanent reassignments of regular full-time employees to different job titles involving a reduction in pay or to locations requiring a change of residence, or if a force surplus necessitating any of the above actions exists for reasons other than technological change and the Company deems it appropriate and in the exercise of its sole discretion, employees in the affected job titles and work area who have a least ten (10) years of continuous service (as defined in the United System Employee Retirement Plan) and whose age is at least 55 years as of the date of the Company's notice to the Union, may elect, in the order of seniority, and to the extent necessary to relieve the surplus, to leave the service of the Company and receive Supplemental Income Protection benefits described in 38.02 of this Agreement subject to the following conditions:

1. The Company shall determine the job titles and work area in which a surplus exists, the number of employees in such titles and areas who are considered to be surplus, and the period during which the employee may, if he or she so elects, leave the service of the Company pursuant to this Agreement. Neither such determinations by the Company nor any other part of this Agreement shall be subject to arbitration.
  2. The number of employees who may make such election shall not exceed the number of employees determined by the Company to be surplus.
  3. An employee's election to leave the service of the Company and receive Supplemental Income Protection benefits must be in writing and transmitted to the Company within thirty (30) days from the date the Company makes notification of any such change or surplus in order to be effective and such election may only be revoked within such thirty (30) day period.
  4. Employees who elect to receive benefits under the provisions of this Agreement shall not be entitled to other severance pay benefits or other benefits which may be provided to laid-off employees but shall be entitled to receive these benefits applicable to retirees, if the employee elects to retire. No employee shall be required to retire in order to receive Supplemental Income Protection Plan payments.
- 38.02. Supplemental Income Protection payments for employees who so elect to leave the service of the Company in accordance with 38.01 shall begin within one month after such employee has left the service of the Company to continue until 48 payments have been made.
- 38.03 For employees who so elect in accordance with Article 38.01, the Company will pay monthly as Supplemental Income Protection payments, \$8.50 for each year of continuous service plus 45% of the employee's final basic weekly or equivalent wage rate but, in no case to exceed in aggregate a total of \$525 per month. The maximum amount of Supplemental Income Protection benefits payable shall in no event exceed a total of \$25,200.
- 38.04 In no event shall the total of the Supplemental Income Protection payments exceed the equivalent of twice the employee's annual compensation at the basic wage rate (or its equivalent) received during the year immediately preceding the termination of service.
- 38.05 As used in this Agreement, "annual compensation at the basic weekly rate (or its equivalent)" or "basic weekly wage rate (or its equivalent)" do not include tour or temporary differentials, overtime pay, or other extra payments.

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- 38.06 Payments hereunder shall cease upon the employment of a recipient by the Company or any affiliated or subsidiary companies of United Telecommunications, Inc.
- 38.07 In the event of the death of a recipient of Supplemental Income Protection payments before all of the monthly payments to which he/she is entitled have been made, the remaining amount shall be paid to the individual's estate.
- 38.08 When the surplus is not relieved by a sufficient number of employees accepting the Company's offer under provisions of this article, the Company may lay off employees as provided under other provisions of this Agreement.
- 38.09 The provisions of the Plan shall govern in all matters pertaining to the Supplemental Income Protection Plan.

**ARTICLE 39**  
**FLEXCARE**

- 39.01 Effective June 2, 2006 and continuing for the life of this agreement, the company agrees, subject to the limitations described below, to include employees subject to this Agreement in the FlexCare Plan as it is applicable to non-represented employees of the Company. The components of the FlexCare Plan available to employees include the following benefit options: Medical, Prescription Drug, Dental, Vision Care, Supplemental Long-Term Disability, Health Care Reimbursement Account, Dependent Day Care Reimbursement Account, Employee Life Insurance, Dependent Life Insurance and Accidental Death and Dismemberment Insurance. The Company agrees to provide eligible employees with Basic Long-Term Disability Coverage and to pay for such coverage. R
- 39.02 The annual price tags for the Medical, Prescription Drug and Dental Coverage options will be the same as those applicable to non-represented employees of the Company. On an annual basis, employees will be credited with benefit dollars the same as those applicable to non-represented employees of the Company. R
- 39.03 The Company at its sole discretion, shall designate the insurance carrier(s) and the agent(s) for processing claims and other transactions for the FlexCare Plan and the individual components thereof. The Company may change the insurance carrier(s) and/or the claims administrator(s) at any time provided that the Company first provide notice to the Bargaining Unit thereof.
- 39.04 As provided in the various Summary Plan Descriptions, which were presented to the Bargaining Unit on May 10, 2006, the Company reserves the right to amend or terminate any one of the various components of the FlexCare Plan at any time, including changing the deductible, co-payment, and maximum out-of-pocket amounts for certain health care options so long as the changes are uniformly applied to all eligible employees, both non-represented and bargaining unit employees. R
- 39.05 Effective September 1, 2004 and continuing for the life of this Agreement, the Company agrees, subject to the limitations described below, to include employees in the Voluntary Benefits program as it is applicable to non-represented employees of the Company. The components of the Voluntary Benefits program available to employees may include, but not be limited to, Automobile Insurance, Homeowners Insurance, Long Term Care Insurance, Pet Insurance, Universal Life Insurance coverages and Legal Services and Critical Illness Insurance. A

- 39.06 It is understood that employees will be responsible for the entire cost for each component of the Voluntary Benefits program. At its sole discretion, the Company may permit employees to have the required costs withheld through payroll deduction.
- 39.07 In addition, at its sole discretion, the Company shall designate the insurance carrier(s) and/or the agents for the various components of the Voluntary Benefits program. The Company may change the insurance carrier(s) and/or the agents at any time provided sufficient notice is given. The Company will provide the insurance carrier(s) and/or the agent(s) with all applicable employee information needed to offer the program. The Company also reserves the right to modify or terminate any one of the various components of the Voluntary Benefits program at any time so long as the changes are uniformly applied to all eligible employees, both non-represented and bargaining unit employees.

**ARTICLE 40**  
**INCENTIVE RECOGNITION**

- 40.01 Effective June 2, 2006, at the sole discretion of the Company, voluntary individual and group incentives/recognition programs to honor objectives met by employees may be unilaterally developed, implemented, modified or deleted. The Company will notify and discuss with the Union in advance of any newly developed or modified or expired incentive recognition programs; however, both parties mutually agree to the above mentioned unilateral Company right. The program may include cash awards. Individual cash awards associated with the Embarq Acclaim recognition program will be subject to approval by the Union. It is not the intent of the Company to discipline any employee for not participating in any Incentive/Recognition programs. This agreement shall expire on June 2, 2009 unless the parties mutually agree to extend said agreement. In addition, where business conditions permit, the Company will endeavor to provide proper training to those employees participating in an incentive/recognition program on the products and services it provided including customer benefits and sales techniques where applicable.

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Dated at Martinsville, Virginia, this 2<sup>nd</sup> day of June, 2006

EMBARQ CENTRAL TELEPHONE COMPANY OF VIRGINIA  
COMMUNICATIONS WORKERS OF AMERICA LOCAL UNION NO. 2277

By \_\_\_\_\_  
Dan Gronniger  
Employee Relations Manager

By \_\_\_\_\_  
Carol Summerlyn  
CWA Representative - Virginia

By \_\_\_\_\_  
Karen Foster  
HR Manager I

By \_\_\_\_\_  
Russell Wells  
President - Local Union No. 2277

**Exhibit A**  
**CWA-EMBARQ CENTEL VIRGINIA**  
**Wage Schedules**

		Effective 06/01/2006	Effective 06/01/2007	Effective 12/01/2007	Effective 06/01/2008	Effective 12/01/2008
<b>Schedule 1 (306)</b>	Start	5.90	5.97	6.04	6.12	6.20
<b>House Services Worker (SW550)</b>	Step 2	6.38	6.46	6.54	6.62	6.70
	Step 3	6.88	6.97	7.06	7.15	7.24
	Step 4	7.44	7.53	7.62	7.72	7.82
	Step 5	8.03	8.13	8.23	8.33	8.43
	Step 6	8.66	8.77	8.88	8.99	9.10
	Step 7	9.37	9.49	9.61	9.73	9.85
	Step 8	10.13	10.26	10.39	10.52	10.65
	Step 9	10.94	11.08	11.22	11.36	11.50
	Top	11.82	11.97	12.12	12.27	12.42

		Effective 06/01/2006	Effective 06/01/2007	Effective 12/01/2007	Effective 06/01/2008	Effective 12/01/2008
<b>Schedule 2 (305)</b>	Start	5.91	5.98	6.05	6.13	6.21
<b>Laborer (LA550)</b>	Step 2	6.48	6.56	6.64	6.72	6.80
	Step 3	7.04	7.13	7.22	7.31	7.40
	Step 4	7.71	7.81	7.91	8.01	8.11
	Step 5	8.43	8.54	8.65	8.76	8.87
	Step 6	9.20	9.32	9.44	9.56	9.68
	Step 7	10.06	10.09	10.32	10.45	10.58
	Step 8	10.98	11.12	11.26	11.40	11.54
	Step 9	11.98	12.13	12.28	12.43	12.59
	Top	13.11	13.27	13.44	13.61	13.78

**Exhibit A**  
**CWA-EMBARQ CENTEL VIRGINIA**  
**Wage Schedules**

		Effective 06/01/2006	Effective 06/01/2007	Effective 12/01/2007	Effective 06/01/2008	Effective 12/01/2008
<b>Schedule 3 (307)</b>	Start	7.21	7.30	7.39	7.48	7.57
<b>Plant Clerk (CR950)</b>	Step 2	7.86	7.96	8.06	8.16	8.26
	Step 3	8.60	8.71	8.82	8.93	9.04
	Step 4	9.40	9.52	9.64	9.76	9.88
	Step 5	10.27	10.40	10.53	10.66	10.79
	Step 6	11.22	11.36	11.50	11.64	11.79
	Step 7	12.27	12.42	12.58	12.74	12.90
	Step 8	13.42	13.59	13.76	13.93	14.10
	Step 9	14.65	14.83	15.02	15.21	15.40
	Top	16.01	16.21	16.41	16.62	16.83

		Effective 06/01/2006	Effective 06/01/2007	Effective 12/01/2007	Effective 06/01/2008	Effective 12/01/2008
<b>Schedule 4 (302)</b>	Start	7.32	7.41	7.50	7.59	7.68
<b>Central Office Attendant (CR951)</b>	Step 2	8.00	8.10	8.20	8.30	8.40
	Step 3	8.73	8.84	8.95	9.06	9.17
	Step 4	9.53	9.65	9.77	9.89	10.01
	Step 5	10.42	10.55	10.68	10.81	10.95
	Step 6	11.40	11.54	11.68	11.83	11.98
	Step 7	12.45	12.61	12.77	12.93	13.09
	Step 8	13.60	13.77	13.94	14.11	14.29
	Step 9	14.86	15.05	15.24	15.43	15.62
	Top	16.26	16.46	16.67	16.88	17.09

**Exhibit A**  
**CWA-EMBARQ CENTEL VIRGINIA**  
**Wage Schedules**

		Effective 06/01/2006	Effective 06/01/2007	Effective 12/01/2007	Effective 06/01/2008	Effective 12/01/2008
<b>Schedule 5 (303)</b>	Start	10.58	10.71	10.84	10.98	11.12
<b>Lineperson (CR555)</b>	Step 2	11.56	11.70	11.85	12.00	12.15
<b>Public Access Technician (UN232)</b>	Step 3	12.64	12.80	12.96	13.12	13.28
	Step 4	13.81	13.98	14.15	14.33	14.51
	Step 5	15.10	15.29	15.48	15.67	15.87
	Step 6	16.49	16.70	16.91	17.12	17.33
	Step 7	18.03	18.26	18.49	18.72	18.95
	Step 8	19.71	19.96	20.21	20.46	20.72
	Step 9	21.55	21.82	22.09	22.37	22.65
	Top	23.56	23.85	24.15	24.45	24.76

		Effective 06/01/2006	Effective 06/01/2007	Effective 12/01/2007	Effective 06/01/2008	Effective 12/01/2008
<b>Schedule 6 (304)</b>	Start	10.62	10.75	10.88	11.02	11.16
<b>Facility Coordinator (CR586)</b>	Step 2	11.61	11.76	11.91	12.06	12.21
	Step 3	12.69	12.85	13.01	13.17	13.33
	Step 4	13.88	14.05	14.23	14.41	14.59
	Step 5	15.17	15.36	15.55	15.74	15.94
	Step 6	16.57	16.78	16.99	17.20	17.42
	Step 7	18.12	18.35	18.58	18.81	19.05
	Step 8	19.81	20.06	20.31	20.56	20.82
	Step 9	21.65	21.92	22.19	22.47	22.75
	Top	23.67	23.97	24.27	24.57	24.88

**Exhibit A**  
**CWA-EMBARQ CENTEL VIRGINIA**  
**Wage Schedules**

		Effective 06/01/2006	Effective 06/01/2007	Effective 12/01/2007	Effective 06/01/2008	Effective 12/01/2008
	Start	10.94	11.08	11.22	11.36	11.50
<b>Schedule 7 (307)</b>	Step 2	11.95	12.10	12.25	12.40	12.56
<b>Cable Splicer (CR550)</b>	Step 3	13.07	13.23	13.40	13.57	13.74
<b>C.O. Technician (CR551)</b>	Step 4	14.29	14.47	14.65	14.83	15.02
<b>COE Installer (CR561)</b>	Step 5	15.61	15.81	16.01	16.21	16.41
	Step 6	17.07	17.28	17.50	17.72	17.94
	Step 7	18.66	18.89	19.13	19.37	19.61
	Step 8	20.40	20.66	20.92	21.18	21.44
	Step 9	22.29	22.57	22.85	23.14	23.43
	Top	24.36	24.66	24.97	25.28	25.60

		Effective 06/01/2006	Effective 06/01/2007	Effective 12/01/2007	Effective 06/01/2008	Effective 12/01/2008
	Start	11.06	11.20	11.34	11.48	11.62
<b>Schedule 8 (311)</b>	Step 2	12.10	12.25	12.40	12.56	12.72
<b>Customer Services Technician (CR560)</b>	Step 3	13.23	13.40	13.57	13.74	13.91
	Step 4	14.45	14.63	14.81	15.00	15.19
	Step 5	15.81	16.01	16.21	16.41	16.62
	Step 6	17.28	17.50	17.72	17.94	18.16
	Step 7	18.88	19.12	19.36	19.60	19.85
	Step 8	20.64	20.90	21.16	21.42	21.69
	Step 9	22.56	22.84	23.13	23.42	23.71
	Top	24.66	24.97	25.28	25.60	25.92

**Exhibit A**  
**CWA-EMBARQ CENTEL VIRGINIA**  
**Wage Schedules**

		Effective 06/01/20 06	Effective 06/01/2007	Effective 12/01/2007	Effective 06/01/2008	Effective 12/01/2008
<b>Schedule 9 (312)</b>	Start	11.19	11.33	11.47	11.61	11.76
<b>Business Services Technician I (CR552)</b>	Step 2	12.25	12.40	12.56	12.72	12.88
	Step 3	13.40	13.57	13.74	13.91	14.08
	Step 4	14.64	14.82	15.01	15.20	15.39
	Step 5	16.01	16.21	16.41	16.62	16.83
	Step 6	17.50	17.72	17.94	18.16	18.39
	Step 7	19.12	19.36	19.60	19.85	20.10
	Step 8	20.90	21.16	21.42	21.69	21.96
	Step 9	22.86	23.15	23.44	23.73	24.03
	Top	24.98	25.29	25.61	25.93	26.25

**CENTEL RETIREMENT SAVINGS PLAN**

The Company has adopted the Centel Retirement Savings Plan for Bargaining Unit Employees (the "Retirement Savings Plan") and agrees to include employees covered by this Agreement as members of such Retirement Savings Plan as soon as administratively feasible following ratification of this agreement, in accordance with the Retirement Savings Plan Agreement as included below. In addition, the Company agrees to withhold employee contributions as provided in said Retirement Savings Plan Agreement and to make Company contributions thereto. Said Retirement Savings Plan Agreement shall be continued without modification for the life of this Agreement; provided, however, the Company (and for this purpose only "Company" shall include Embarq) retains the right to make such changes in the Retirement Savings Plan, in its sole discretion, as may be required to obtain a ruling from the Commissioner of Internal Revenue that the Retirement Savings Plan qualifies under Section 401(a) and 401(k) of the Internal Revenue Code of 1986, as amended from time to time, and that the Trust implementing the Retirement Savings Plan is exempt from taxation under Section 501(a) of said Code, to satisfy any applicable state or federal statute, regulation, ruling, court decision or other law applicable to said Retirement Savings Plan, or to administer said Retirement Savings Plan in an orderly and efficient manner. Any such action taken by the Company in its sole discretion with respect to the Retirement Savings Plan shall apply to all similarly situated employees of the Company in a uniform manner.

**Section 1. Centel Retirement Savings Plan for Bargaining Unit Employees.**

The Company agrees to provide a means for employees to save for their retirement on a tax preferred basis through the Centel Retirement Savings Plan for Bargaining Unit Employees (the "Retirement Savings Plan"). Employee and Company contributions to said Retirement Savings Plan are specified in this Agreement. All terms defined in the Retirement Savings Plan shall have the meaning specified therein unless the context of this Retirement Savings Plan Agreement clearly indicates otherwise.

Plan participation shall be in accordance with Section 3 of the Retirement Savings Plan.

**Section 2. Employee Contributions.**

- (a) Each Participant shall be allowed to contribute on a bi-weekly basis up to an amount equal to sixteen percent (16%) of the employee's wage. Such bi-weekly wage deductions shall be in increments of one percent (1%) and shall be contributed to the Participant's account. The first ten percent (10%) may be contributed on a pre-tax basis, after-tax basis, or both. An additional six percent (6%) may be contributed on an after tax basis only.
- (b) The first six percent (6%) of contributions made on a bi-weekly basis shall be known as "Basic Contributions". The minimum Basic Contribution shall be one percent (1%) for each bi-weekly pay period. Employee Contributions made in excess of Basic Contributions, contributions greater than six percent (6%) of wages, shall be known as "Supplemental Contributions".

An employee's "wage" means base pay and approved incentives earned during a payroll period and shall not include overtime pay, shift differential pay, disability benefits, severance pay or any other extra compensation.

**Section 3. Company Contributions.**

- a) The Company will contribute the Company matching contribution equal to twenty-five percent (25%) of the Participant's Basic Contribution.
- b) The Company may provide an increased Company contribution based on the same performance measurement standard that applies in the Retirement Savings Plan for non-represented employees.
- c) **Catch-Up Contributions**  
Effective August 1, 2006, each eligible Participant shall be permitted to make Catch-Up Contributions as defined in the plan document. Upon attainment of age 50 a participant may contribute an additional amount per year to the extent provided by Section 414(v) of the Internal Revenue Code and under procedures established by the Embarq Savings Plan Committee.

A

#### Section 4. Vesting.

- a) A Participant shall always be one hundred percent (100%) vested in the value of their own Contributions.
- b) A Participant shall become vested in Company contributions as defined by Non-vested Amounts.
- c) Participants eligible to receive the Employer Profit Sharing Contribution shall always be one hundred percent (100%) vested in the value of the Employer Profit Sharing Contributions.

#### Section 5. Investment Options.

- a) As provided for in the Retirement Savings Plan, a certain number of investment options (funds) will be available for Participants to invest their own Contributions. The percentage of contributions allocated to any investment option shall be in whole percent increments with a minimum of five (5%) to an investment option.
- b) The Company matching contribution and Profit Sharing Contribution for each participant shall be invested in the same investment funds and in the same percentage allocation as Participant elect to invest their own Contributions.
- c) The Company shall designate the investment vehicle for each investment fund and can change any investment vehicle at any time.

#### Section 6. Automated Services.

Represented employees are included in the same automated processing services for transactions under the Retirement Savings Plan for the same fees as non-represented Embarq employees at these locations.

These services include but are not necessarily limited to:

- Enrollments by phone or online
- Contribution deferral changes by phone or online
- Transfers between funds (exchanges) by voice response system or online
- Investment allocation (mix) changes by voice response system or online
- Pre-approved loans by phone or online
- Pre-approved withdrawals and distributions by phone or online
- Hardship withdrawals by phone or online

Changes to these services and fees, if any, will be made at the sole discretion of the Company. Such changes, however, will continue to be equal to the services and fees offered to non-represented employees at these locations.

Section 7. Administration of the Retirement Savings Plan.

At its sole discretion, the Company shall designate the agent for maintaining participant records and processing transactions for the Retirement Savings Plan. The Company may change the designated agent at any time provided that benefits are not diminished or eliminated.

**PENSION AGREEMENT**

The Company has adopted the Embarq Retirement Pension Plan (the “Retirement Pension Plan”) and agrees to include employees covered by this Agreement as members of such Retirement Pension Plan in accordance with the Pension Agreement, which by reference thereto is incorporated herein and made a part of this Agreement. Said Pension Agreement shall be continued without modification for the life of this Agreement; provided, however, the Company (and for this purpose only, “Company” shall include Embarq) retains the right to make such changes in the Retirement Pension Plan, in its sole discretion, as may be required to obtain a ruling from the Commissioner of Internal Revenue that the Retirement Pension Plan qualifies under Section 401(a) of the Internal Revenue Code of 1986, as amended from time to time, and that the Trust implementing the Retirement Pension Plan is exempt from taxation under Section 501(a) of said Code, to satisfy any applicable state or federal statute, regulation, ruling, court decision or other law applicable to said Retirement Pension Plan, or to administer said Retirement Pension Plan in an orderly and efficient manner. Any such action taken by the Company in its sole discretion with respect to the Retirement Pension Plan shall apply to all similarly situated employees of the Company in a uniform manner. The Company pays all contributions to the Retirement Pension Plan.

**Section 1. Embarq Retirement Pension Plan**

The Employer agrees to provide to Covered Members, through the Embarq Retirement Pension Plan (the “Retirement Pension Plan”), the benefits hereinafter specified in this Agreement effective September 1, 2006. All terms defined in the Embarq Retirement Pension Plan, including Appendix MM, shall have this meaning specified therein unless the context of this Pension Agreement clearly indicates otherwise.

Covered Member shall mean an employee of Central Telephone Company of Virginia represented by Local Union No. 2277 of the Communications Workers of America who is a member of the Retirement Pension Plan pursuant to Article 2 of the Retirement Pension Plan.

The provisions of the Retirement Pension Plan, other than Sections 3.1, Retirement Allowance General and 3.2, Retirement Allowance on Termination of Employment or Retirement, including the rights of the Board of Directors of Embarq Corporation to make such amendments as it deems advisable with respect to all of the provisions of the Retirement Pension Plan other than those referred to specifically in this document, are incorporated herein by reference and shall be in full force and effect provided that continuous service and credited service shall be determined in accordance with the provisions of Article IX, Definitions; and Paragraphs I, Continuous Service; and J, Credited Service respectively, of Appendix MM of the Retirement Pension Plan, except as specifically provided to the contrary herein.

Anything contained in the Retirement Pension Plan to the contrary notwithstanding, the tables of monthly benefit per year of service hereinafter described shall apply to a Covered Member until revised by a subsequent Pension Agreement. This Pension Agreement shall terminate when the contract between the Employer and the Bargaining Unit terminates. Upon the termination of this Pension Agreement, if as of such a date subsequent Pension Agreement between Central Telephone Company of Virginia and the Local Union No. 2277 of the Communications Workers of America is not in force, the retirement allowance of any Covered Member shall be determined as of such date and shall not increase for any reason until the effective date of a subsequent Pension Agreement. No credited service shall be earned following such date.

Continuous service shall continue to be earned in accordance with Article IX, Paragraph I. of Appendix MM of the Retirement Pension Plan. A Covered Member may retire as provided in the Retirement Pension Plan following such termination date and receive the retirement allowance determined as of the termination

date, provided, that such allowance shall be adjusted as provided in the Retirement Pension Plan if it is paid in a form other than a life annuity or commences on a day other than the Covered Member's Normal Retirement Date, as defined in the Retirement Pension Plan.

Section 2. Eligibility for Benefits

(a) Effective May 16, 1999, the benefit accrued by a Centel Bargaining Unit Employee covered by this Agreement shall be frozen with regard to determining the benefit ultimately payable under Article VII, Paragraph C., Centel Special Early Retirement of Appendix MM of the Retirement Pension Plan (the "60/30 Provision") in the manner described in Section 2(b). The 60/30 Provision shall not apply to any Centel Bargaining Unit Employee who has no continuous service under the Retirement Pension Plan on or before May 16, 1999.

(b) For each Centel Bargaining Unit Employee covered by this Agreement as of May 16, 1999, the retirement allowance of such employee who has a termination of employment prior to his or her attainment of age 65 and on or after the attainment of age 60 and 30 or more years of service, shall be greater of:

(1) The benefit accrued as of May 16, 1999, as if such employee had a termination of employment as of that date under the 60/30 Provision, i.e., the accrued benefit shall not be reduced for early retirement, or

(2) The benefit accrued as of the date the Centel Bargaining Unit Employee actually terminates employment reduced by the early retirement factors in effect at that time.

(c) Effective May 16, 1999, the Special Early Retirement Allowance, as defined in Section 1.56 of the Retirement Pension Plan, and the Special Early Retirement Date, as defined in Section 1.57 of the Retirement Pension Plan shall be extended to a Centel Bargaining Unit Employee. The determination of a benefit under the Special Early Retirement Allowance shall be made in accordance with Section 7.6(b) of the Retirement Pension Plan.

**SCHEDULE OF PENSION BANDS  
CENTRAL TELEPHONE COMPANY OF VIRGINIA  
LOCAL 2277  
COMMUNICATIONS WORKERS OF AMERICA  
EFFECTIVE MAY 7, 2000**

**BAND 1**

Schedule 1 (306): House Service Worker

Schedule 2 (305): Laborer

**BAND 2**

Schedule 3 (307): Plant Clerk

Schedule 4 (302): Central Office Attendant

**BAND 3**

Schedule 5 (303): Lineperson, Public Access Technician

Schedule 6 (304): Facility Coordinator

Schedule 7 (300): Cable Splicer, C.O. Technician, COE Installer

Schedule 8 (311): Customer Services Technician

**BAND 4**

Schedule 9 (312): Business Services Technician I

**SCHEDULE OF RETIREMENT INCOMES  
CENTRAL TELEPHONE COMPANY OF VIRGINIA  
LOCAL 2277, COMMUNICATIONS WORKERS OF AMERICA**

Method A: Current Centel Method

Average salaries for each schedule or group are developed on the basis of employees who are age 55 & older. The average band salary is not a weighted average of the groups within the band. The pension band amount for year 1 is based on a 5-year average salary, with the amount for years 2 and 3 equal to the year 1 amount times the proposed salary increase.

Band	Age 65 Benefit Amounts			
	Current	2.5% Proposal		
		6/1/2006	6/1/2007	6/1/2008
1	\$ 26.00	\$26.69	\$27.36	\$28.05
2	31.76	\$31.76	\$32.56	\$33.38
3	50.20	\$51.53	\$52.82	\$54.15
4	53.15	\$53.48	\$54.83	\$56.21

Early Retirement Benefits

Employees who begin receiving benefits after attaining age 55 but prior to age 65 will have their normal monthly retirement benefit (which equals the applicable age 65 band amount multiplied by years of credited service) reduced in accordance with the following early retirement factors:

- \*Early Retirement
- \*Age adjustment

<u>At Commencement Of Benefits</u>	<u>Factors (5% Per Year From Age 65)</u>
64	95%
63	90%
62	85%
61	80%
60	75%
59	70%
58	65%
57	60%
56	55%
55	50%

\*Factors will be incrementally increased for each full month an employee's age at early commencement of benefits exceeds the early retirement ages shown above.

**MEMORANDUM OF UNDERSTANDING  
BETWEEN  
COMMUNICATIONS WORKERS OF AMERICA  
AND  
EMBARQ/CENTEL-VIRGINIA**

It is understood that where job titles are removed from the current agreement, if the Company re-populates such job duties such titles and wage rates will continue to be in effect.

This agreement is effective immediately and shall continue in effect until May 31, 2006, unless amended by mutual consent of the parties hereto.

COMMUNICATIONS EMBARQ/  
CENTRAL  
WORKERS OF AMERICA  
TELEPHONE COMPANY  
LOCAL UNION NO. 2277 OF VIRGINIA

By \_\_\_\_\_  
Steve Moss  
CWA Representative –  
Virginia

By \_\_\_\_\_  
Corwin Johnson  
Employee Relations Manager

## NOTES

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