

**2004 - 2007
AGREEMENT**

Between

**CENTRAL TELEPHONE COMPANY
OF TEXAS**

and

**COMMUNICATIONS WORKERS
OF AMERICA
LOCAL 6174**

**EFFECTIVE OCTOBER 1, 2004
EXPIRATION SEPTEMBER 30, 2007**

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DECLARATION OF AGREEMENT

This Agreement by and between CENTRAL TELEPHONE COMPANY OF TEXAS, (hereinafter the “Company”), and COMMUNICATIONS WORKERS OF AMERICA, (hereinafter the “Union”), WITNESSETH:

ARTICLE I RECOGNITION

- 1.01 The Company recognizes the Union as the exclusive collective bargaining representative in matters of wages, hours of work, working conditions and other conditions of employment for all of the following:
- (a) All Customer Services and Network & Switching, and Clerical employees, including those with the title of Service Representative, who are included in the Bargaining Units certified by the National Labor Relations Board on September 21, 1977 in Case No. 23-RC-4562 (formerly Home Telephone Company), but excluding all other managerial, confidential and professional employees, and guards and supervisors as defined by the National Labor Relations Act, as amended.

 - (b) All Customer Services and Network & Switching, and Clerical employees who are included in the Bargaining Unit certified by the National Labor Relations Board on October 23, 1976 in Case No. 16-RC-7297 (formerly Wise County Telephone Company), but excluding all other managerial, confidential and professional employees, and guards and supervisors as defined by the National Labor Relations Act, as amended.

- (c) All Customer Services and Network & Switching employees who are included in the Bargaining Unit as of September 1, 1978, (formerly Clifton Telephone Company), but excluding all other managerial, confidential and professional employees, and guards and supervisors as defined by the National Labor Relations Act, as amended.
- (d) All Customer Services and Network & Switching employees who are included in the Bargaining Unit certified by the National Labor Relations Board on December 1, 1978, in Case No. 16-RC-7838 (formerly United Telephone Company), but excluding all other managerial, confidential and professional employees and guards and supervisors as defined by the National Labor Relations Act, as amended.
- (e) All hourly employees employed at the facilities at West Columbia, Texas, as certified by the National Labor Relations Board in Case NO. 23-RC-4024 (formerly Garrison Telephone Company), including Customer Services and Network & Switching and Clerical employees, but excluding all other employees, guards, watchmen and supervisors as defined by the Act.
- (f) All employees included in the Mid Texas Telephone Company Bargaining Unit as of October 1, 1986 but excluding guards, confidential employees, and professional and supervisory employees as defined in the Labor-Management Relations Act of 1947, as amended.

1.02 This Agreement shall apply to all such employees working in the various classifications shown in attached wage schedules, inclusive, and to the work performed by them at or on the

Company's telephone properties located at Humble, South Humble, Kingwood, Porter, Porter Heights, Atascocita, Decatur, Slidell, Sanger, Ponder, Boyd, Alvord, Sunset, Boonsville, Chico, Krum, Clifton, Cransville Gap, Turnersville, Laguna Park-Lake Whitney, Salado, Berclair, Charco, Little River, Moffat, Oenaville, Pawnee, Pettus, Stockdale, Zabcikville, Heidenheimer, St. Jo, Rhome, Killeen, Copperas Cove, Fort Hood Reservation, Harker Heights, Kempner, Nolanville, West Columbia, Glen Flora, Lometa, Florence, Hutto, Milano, Holland, Buckholts, except that -

- (a) Only the occupational wage rates, working hours, holiday and vacation provisions shall apply to part-time employees; and
- (b) Only the occupational wage rates and working hours provisions shall apply to temporary employees; and
- (c) Only the occupational wage rates, working hours and holiday provisions shall apply to probationary employees until they have completed six (6) months of continuous service with the Company, excluding time scheduled for but not worked. Probationary employees remaining in the employ of the Company after such six (6) months shall automatically be reclassified as regular employees and credited with six (6) months seniority.

ARTICLE II MANAGEMENT RIGHTS

- 2.01 It is understood and agreed that the Company has all of the customary and usual rights, powers, functions, and authority of management. Any of the rights, powers, functions, or authority which the Company has prior to the signing of this

Agreement, or any Agreement with the Union, including but not limited to those in respect to rates of pay, hours of employment or conditions of work, making and enforcing work rules and the disciplining of employees are retained by the Company, except as those rights, powers, functions or authority are specifically abridged or modified by this Agreement or by any supplement to this Agreement arrived at through the process of collective bargaining, subject to Article XIII of this Agreement.

- 2.02 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, within the affected job classification.
- 2.03 The foregoing prohibition shall not apply to the consolidation or transfer of work to other Sprint, Sprint/United or Sprint/Centel work groups. In such cases the Company shall advise the Union of its intention to consolidate or transfer work prior to implementing such changes.
- 2.04 At the discretion of management due to service requirements, bargaining unit employees may be required to work at other Company locations outside the bargaining unit on a temporary basis. Similarly, non-bargaining unit employees assigned to Company work locations may be required to perform bargaining unit work on a temporary basis. The use of this provision is not intended to be the direct cause of a reduction of current employees.

- 2.05 The parties agree that the assignment of bargaining unit work to non-unit employees and the assignment of non-bargaining unit work to bargaining unit employees as permitted under this agreement is not intended in any way to affect the separate community of interest shared by each group of employees, nor to result in an accretion of one group of employees into another.

ARTICLE III
PART-TIME, PROBATIONARY, REGULAR AND
TEMPORARY EMPLOYEES DEFINED

- 3.01 **“Part-time Employees”** are employees who work less than the established regular work day or regular work week. Part-time employees shall accrue service credits for wage progression, vacation pay, and holiday pay on a pro rata basis.
- 3.02 **“Probationary Employees”** are those employees who are employed with the understanding that they will become regular employees upon successfully completing a probationary period of six (6) months continuous service, excluding time scheduled for but not worked, provided that they have the requisite ability and qualifications. However, during the probationary period the Company may lay-off, discipline, discharge or rehire such employees with or without cause, and such action shall not be subject to the grievance and arbitration provisions of this Agreement. Employees retained by the Company after their probationary periods shall be considered as regular employees and shall be immediately credited with six (6) months of seniority.

- 3.03 **“Regular Employees”** are those who have been employed by the Company for longer than the six (6) months probationary period and are not employed on a part-time or temporary basis. Regular employees temporarily assigned to part-time work shall continue to accumulate seniority and wage length of service credit on a pro rata basis.
- 3.04 **“Temporary Employees”** are employees hired to work during a period when additional work of any nature requires temporarily augmented forces, or in the event of an emergency, or to relieve regular employees because of illness, leave of absence, or to work during vacation periods. The Company may, at its option, lay-off, discipline or discharge temporary employees at any time with or without cause, and such action shall not be subject to the grievance and arbitration provisions of this Agreement.
- (a) Any temporary employee who has been continuously employed by the Company for a period of six (6) months, shall automatically become a regular employee, unless mutually agreed upon between the Company and the Union and his or her seniority shall date back to date of employment.

ARTICLE IV WAGE SCHEDULES

- 4.01 The wage progression schedules and differential payments for the various job classifications set forth in attached wage groups “1” thru “9” inclusive of this Agreement shall be in effect for the term of this Agreement.

- 4.02 The Company agrees to grant wage progression increases every six months to the maximum rates specified in the appropriate schedules. The Company shall have the right to employ persons at starting wage rates commensurate with their previous training, employment, and experience.

ARTICLE V IN CHARGE DIFFERENTIALS

- 5.01 When in the Company's judgment, non-supervisory employees are specifically appointed to an in charge capacity as a temporary replacement of a management employees, those employees will be paid a differential of eighty cents (\$.80) per hour for all hours worked during the period of such appointment.
- 5.02 The Company shall have the right, in its sole discretion, to determine the need for such supervision, to select the employee to be appointed as such, to fix the period of such appointment, to terminate the appointment, at any time, and to extend the period of such appointment. If, in the Company's judgment, an employee thus appointed is not performing satisfactorily in that capacity, then the Company may immediately terminate the appointment and appoint another employee.
- 5.03 Any such appointment shall not be construed as a reclassification of the employee, or change the employee's job classification, and shall not affect in any way the employee's right to benefits under this Agreement to which he is otherwise eligible or entitled.

- 5.04 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.
- 5.05 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.

ARTICLE VI HOURS OF WORK AND BASIS OF COMPENSATION

- 6.01 The regular work day and the regular work week shall be:
- (A) **Customer Services and Network & Switching Department.**
Eight (8) consecutive hours worked between 7:00 a.m. and 7:00 p.m. exclusive of one (1) hour for lunch period shall constitute the regular work day or shift, except in the case of employees assigned to evening or night shifts.

Five (5) such work days or shifts within any calendar week period shall constitute the regular work week.

(B) Posting Work Schedules in Customer Service and Network & Switching:

- (1) A Schedule shall be posted or furnished to show the days and hours of work for one week for all Plant departmental employees. The schedule shall be posted or furnished one (1) week in advance of the first scheduled working day of the one week period.
- (2) New or revised schedules of work shall be posted or furnished at one week intervals following the date of posting of the first schedule.
- (3) Schedules may be changed from time to time in order to meet service requirements. The Company will provide the affected employee as much advance notice as possible of the effective date of the change in any previously posted or furnished schedule.
- (4) In the event it becomes necessary to change a posted or furnished schedule with less than twenty-four (24) hours notice in advance of the effective date of such changes, all work performed outside of the original schedule shall be paid at the rate of one and one-half (1 1/2) times the hourly rate of pay.

(5) Overtime Work, Call-Outs. Employees shall be paid at their overtime rate for all non-scheduled time worked subject to the following:

(a) When employees are called back after having been released from a regular day or shift, or before their scheduled starting time of their next regular day or shift, they shall be paid for not less than three (3) hours at their overtime rate. 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 basic hourly straight time rate for the regular time worked.

(b) **Standby.**

1. The Company may assign standby time to employees for which straight-time pay will be made. Standby can be assigned for four time frames for each week. Standby shall be assigned by work location, by work group. Time paid for being on standby required under this section shall not be considered as work time for the computation of overtime.

2. **7-Day Standby.** Monday 8:00 a.m. through Monday 8:00 a.m. - \$170.00 will be paid for the 7 Day Standby. R

3. **Weekend/Split Week (63-hour) Standby.** Friday 5:00 p.m. through Monday 8:00 a.m., or other 63-hour time periods commencing at 5:00 p.m. - \$85.00 will be paid for the 63-hour standby.
4. If a shift would include a holiday, an additional \$50.00 will be paid. R
5. **24-Hour Coverage.** If a single day (24 hours) period is assigned, \$25.00 will be paid for the 24 hour coverage.
6. Standby time will be posted with the normal work schedule. Standby shall be on a voluntary basis, provided a sufficient number of employees in the job title within the work group volunteer to be on standby. If there are not enough qualified volunteers to meet the standby requirements in any workgroup, management shall assign standby on a rotation basis by job title within each work group. Such assignment shall be in inverse seniority order. Standby duty will be assigned in an outside and/or inside group. Classifications included in the two groups are as follows:

Outside: Cable Splicer
 Communications Technician
 Broadband Service Technician
 Broadband Installation Technician

Inside: COE Technician
 Complex Technician
 Business Service Technician

7. Weekend standby will be assigned by individual job classification, by work group, at the Company's option, through a separate rotation list. If an employee(s) is not on standby rotation, then Article 6.01(B)5(a) will apply at that work location.
8. An employee may have another employee cover his/her shift, providing that such employee is in the same rotation schedule, and the employee(s) notify the supervisor/alarm center of the change. When scheduling standby, consideration will be given to other schedules.
9. The employee on standby will notify the supervisor/alarm center of his/her location and be available for duty within a reasonable period of time. Pagers or radios may be assigned to standby employees where available, but does not relieve the employee of his/her responsibility to keep the supervisor/alarm center updated on their location. Employees on standby may, at the Company's option, be authorized to drive a Company vehicle home for standby use however, it must not be used for personal use at any time.
10. The employee called back to duty from standby will make a reasonable attempt to restore service without referring the trouble back to the supervisor/alarm center for dispatching to another classification. The employee is required to notify the supervisor/alarm center of the status of the callout and any additional follow-up required before returning to standby.

(6) **Inclement Weather:** With a view of minimizing time lost due to bad weather by employees of the Construction Department, the Company will arrange, whenever feasible, for the doing of required training work of various kinds during bad weather periods rather than at times when weather conditions permit the doing of regular work. It will likewise provide for the sorting of materials and the repairing and cleaning of tools during such bad weather periods as far as possible, and will cause the scheduling of various odd jobs including occasional work for other departments of the Company to be accumulated and disposed of during periods of bad weather to the extent consistent with the efficient operation of the business. It is recognized by the parties hereto that these measures can be applied only within practicable limits and that some loss of time due to such conditions cannot be avoided. When weather conditions are such that time is lost on account thereof, the following schedule of wage payments is agreed upon for such periods, it being the understanding of the parties that time paid for but not utilized for work may be utilized by the Company for training the employees affected or for similar activities. The schedule of payment for all classes of employees is as follows:

- (a) When employees report in the morning, but do not work due to bad weather - two hours pay;
- (b) When employees report in the morning and work during part thereof but quit before noon - four hours pay;

- (c) When employees work all morning and part of the afternoon - eight hours pay;
- (d) When employees report in the afternoon and work part thereof - four hours pay.

(C) **Customer Care Center.**

Up to (9) consecutive hours worked between 6:00a.m. and 9:00pm exclusive of one (1) hour for lunch period shall constitute the regular work day or shift. In the event service and business conditions require a half hour lunch period, the Company shall request volunteers in order to meet service demands. Should the Company be unable to meet the required service demands on a voluntary basis, the Company shall leave the right to assign the remaining half hour lunches in inverse seniority order. Up to six (6) such work days or shifts within any calendar week period shall constitute a regular work week.

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- (1) No more than 50% of all Customer Representatives may be assigned shifts over a six (6) day period within any calendar week. Employees serving as Coaches may volunteer to work a schedule over a six (6) day period.

(D) **Posting Work Schedules in Customer Care Center.**

- (1) A schedule shall be posted or furnished to show the days and hours of work for one week for all Customer Care departmental employees. The schedule shall be posted or furnished one (1) week in advance of the first scheduled working day of the one week period.

- (2) New or revised schedules of work shall be posted or furnished at one week intervals following the date of posting of the first schedule.
- (3) Schedules may be changed from time to time in order to meet service requirements. The Company will provide the affected employee as much advance notice as possible of the effective date of the change in any previously posted or furnished schedule.
- (4) Employees shall be paid at their applicable overtime rate for all non-scheduled time worked.

6.02 A relief period of fifteen (15) minutes per session shall be allowed.

6.03 Effective 10/01/06, employees in the Consumer Solutions Center only, scheduled to work on Sunday at the request of Management shall receive their current hourly rate of pay. However, should an employee be scheduled and required to work on three or more consecutive Sundays, all pay for the third and subsequent consecutive Sundays shall be paid premium pay at one and one-half times (1 ½) the employees current hourly rate of pay. All other job titles will receive premium pay.

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6.04 If an employee is assigned by the Company to a job classification calling for a higher wage rate than is paid for his regular job for one (1) hour or more within a day, 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.

- 6.05 Time and one-half (1 1/2) will be paid for all time worked in excess of eight (8) hours in a day or forty (40) hours in a calendar week, except any employee scheduled for more than eight (8) hours in a day in accordance with Article 6.01(C) or Article 6.11 will receive time and one-half (1 1/2) after completion of their scheduled hours.
- 6.06 If for any reason an employee cannot work his assigned schedule during a normal work week, he may be permitted to work sufficient hours during the week outside of the regular tour of duty to make a minimum of forty hours at regular pay.
- 6.07 All mobile employees will take their lunch periods on the job site where they are working, or immediately adjacent thereto, or at a point in route between jobs. Company vehicles will not be used for the specific purpose of traveling to or from a different location to obtain lunch.
- 6.08 Employees shall have the opportunity to exercise their seniority for choice of scheduled 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. Employees in the Customer Care Center only shall have the opportunity to exercise their seniority for choice of scheduled hours and days as noted above.
- 6.09 Effective 01/01/05, employees shall be paid a meal allowance of \$5.50, or, at the Company's option, have a meal provided, whenever they are required to continue to work for three (3) or more consecutive hours before or after their regular scheduled time.

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6.10 **Four — Ten-Hour Work Days.**

- (A) It is recognized that in certain work units or groups, it may be in the best interest of the business to establish a four (4) day schedule as a normal work week. Four (4) ten (10) hour days will be understood to be consecutive, where possible, and apply within the hours of 6:00 a.m. to 7:00 p.m. Sick leave and vacation while working four (4) ten (10) hour days will be based on the amount of hours taken. Weeks which include any fixed holiday will be worked as five (5) eight (8) hour days.

- (B) Four (4) ten (10) hour work days shall be on a voluntary basis, provided a sufficient number of employees within the applicable work group volunteer for the four (4) ten (10) hour work schedule.

- (C) No daily overtime payment as required in Article VI, Section 6.06 shall be made for any of the hours worked over eight (8) when the conditions of this section are in effect. Continuous work over ten (10) hours in any work day will be paid at the applicable overtime rate. Night differential payment will be paid for hours worked before 6:00 a.m. and after 7:00 p.m.

6.11 **Pay for Performance Incentive Plan.**

- (A) The Company shall establish an incentive plan for all on-line Customer Representatives who are considered eligible in accordance with Company policy. This plan is established in order to monetarily recognize exceptional sales performance on the part of participants in the plan.

The incentive plan, also known as “Pay for Performance Plan” shall become effective October 1, 1998.

- (B) Each calendar month participants of the plan shall have a monthly gross sales objective based on the actual number of business days in the month. Due to market conditions, employees shall be required to balance their sales of products/services between recurring and non-recurring revenue streams.
- (C) Sales of products/services shall be required to be retained by the customer for a period of sixty days. In the event the sale of the product or service is not retained by the customer for at least sixty days, the gross sales dollars for the sale will be deducted from the participant’s current month’s sales total.
- (D) The Company reserves the exclusive right to amend or cancel the plan in accordance with the provisions contained in the Plan Policy. The Company shall make a good faith effort to notify the union of changes to the plan.
- (E) In the event the plan is cancelled prior to the expiration date of this Collective Bargaining Agreement, then the parties agree that the issue of wage rates to be paid to employees in job classifications covered by PFP may be reopened for negotiations upon the written request of either party. In the event of such reopener, only the issue of wages to be paid to members of classifications covered by PFP shall be negotiated and no other provision of the Collective Bargaining Agreement including the no strike no lockout clause shall be reopened or suspended during such negotiations.

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6.12 **Customer Care Coach.**

- (A) The position of Coach shall be established in order to assist on-line Customer Representatives with customer issues and for further development of customer service skills.
- (B) The position(s) of Coach shall be selected from those Customer Representatives who have indicated their interest by notifying their supervisor of their desire to volunteer for a Coach position.
- (C) Selection for the Coach position(s) shall be through an interview process of those candidates who have indicated an interest. If more than one candidate possesses all of the qualifications, the selection will be by seniority.
- (D) The duration of a Coach shall be no less than one month.
- (E) An employee selected to serve in the capacity of “Coach” shall receive additional compensation of \$2.25 per hour effective 10/1/04; \$2.50 per hour effective 10/1/05; and \$2.75 per hour effective 10/1/06 for all time worked in addition to their hourly wage rate.
- (F) The Company reserves the right in its sole discretion to remove or replace a Customer Representative from the position of Coach if the Company determines the functions of Coach are not being satisfactorily performed.

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ARTICLE VII SENIORITY

7.01 **Purpose.** It is recognized that seniority rules are intended to provide maximum job protection for workers with the longest service, and to eliminate opportunities for favoritism and discrimination in employment by utilizing an objective measurement, length of service to determine the allocation of jobs.

Establishment.

- (A) Seniority shall be the relative status of employees in respect to length of service with the Company. Length of service for full-time regular employees shall be the total service with the Company, unbroken by discharge, in accordance with terms of this Agreement. Seniority between employees whose length of service is equal shall be determined by age, the employee oldest in age shall be deemed to have the greater seniority.

- (B) Employees who transfer or are hired directly into this bargaining unit who were covered by another bargaining agreement at a Sprint/United Company, shall bridge their seniority date they held at the former company, after completing one (1) year of uninterrupted service, and that date shall become the seniority date within this company, providing said company has a like provision in their labor agreement.

- (C) The employee's seniority date shall not be used to determine the level of employee benefits. The employee benefits shall be determined based on the employee's System Service Date established by the Company.

- (D) Bridging of Company service for the purpose of determining length of participation in the Centel Retirement Pension Plan for Bargaining Unit Employees and the Retirement Savings Plan for Bargaining Unit Employees will be governed solely by the provisions of such plans and applicable laws.
- (E) If any employee is transferred to a supervisory or other position so as to be excluded from the coverage of this Agreement, such employee shall retain his or her seniority in the position from which he or she was transferred and, in the event he or she shall be retransferred to such position, shall resume the seniority which he or she had before transferring.

7.02 Insofar as practicable and consistent with rendering good telephone service, seniority shall apply as follows whenever more than one (1) employee has the 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 VI, Section 6.08.
- (c) Selection of vacation periods in conformity with Article VIII, Section 8.09.
- (d) For the purposes of lay-offs, those employees who perform essentially the same type of work within the Company's working areas, and in conformity with Article X.

- (e) Voluntary transfers and involuntary transfers.
- (f) Temporary assignments.

7.03 Seniority shall be broken and employment terminated for the following reasons:

- (a) Quitting;
- (b) Discharge for Cause;
- (c) Absence for three (3) days without notification to the employee's supervisor (outside the Bargaining Unit) by telephone or in writing on or prior to the third (3rd) day;

Notification of any absence shall be given to the employee's supervisor (outside the Bargaining Unit) before the start of the shift on the first day except in the case of illness or disability of such a serious nature that the employee cannot give such notification;

- (d) Failure to report for work at the termination of a Leave of Absence or extension thereof;
- (e) Failure of a laid-off employee to report for work within ten (10) days of notification sent to him by Registered Mail, Return Receipt Requested, to his last address on the Company's records; and

- (f) Lay-off for a period equal to whichever is lesser of twelve (12) months or the employee's continuous service with the Company on the date of lay-off.

7.04 The Company will, within ninety (90) days after the date of this Agreement, and then quarterly thereafter, prepare a seniority roster of employees covered by this Agreement and copies thereof will be furnished to the Union.

Such roster 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 employees entered the Company's employ (within the Bargaining Unit);
- (d) Seniority on the "as of" date of the roster; and
- (e) Footnote explanations relative to any periods subsequent to the last date on which the employee entered the Company's employ (within the Bargaining Unit) when seniority did not accrue.

7.05 The first roster so prepared shall be subject to review and correction for a period of thirty (30) days, after which time it shall become the official seniority roster, except as to any corrections, if any, to be made through the elimination of inaccuracies presented before the end of said thirty (30) day period, subject only to additions, removals and changes made between the date of the first such roster and the dates of any rosters prepared thereafter.

ARTICLE VIII VACATIONS

8.01 Regular and part-time employees will be granted vacation with pay in and for each calendar year on the following basis:

- (a) Employees who have been employed for six (6) months or more but less than one (1) year will be granted a one (1) week vacation.
- (b) Employees who have been employed for one (1) or more consecutive years but less than five (5) consecutive years will be granted a two (2) week vacation.
- (c) Employees who have been employed for five (5) years but less than fifteen (15) years consecutive service will be granted a three (3) week vacation.
- (d) Employees who have been employed for fifteen (15) years but less than twenty-five (25) years consecutive service will be granted a four (4) week vacation.
- (e) Employees who have been employed for twenty-five (25) or more consecutive years will be granted a five (5) week vacation.

NOTE: An employee not qualifying for full vacation eligibility because of a non-paid leave of absence in excess of 30 days per year, shall have his/her vacation allowance adjusted in the next calendar year. The vacation allowance shall be prorated in proportion to the number of work days missed during the leave period.

8.02 A week of vacation shall mean a period of seven (7) consecutive days, including Saturdays, Sundays, and Holidays. Employees will not be scheduled to work (except in an emergency) during a vacation period. Service and other business conditions permitting, employees will not be scheduled to work on the weekend prior to or immediately after a full week vacation.

8.03 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.

8.04 Payments per week of vacation will be equal to the employee's basic hourly straight time rate of pay, including applicable positional differentials, times the hours the employee is regularly scheduled to work in a regular work week, (not to exceed forty (40) hours).

(A) For part-time employees the amount of vacation pay per week will be equal to the employee's basic hourly straight time rate of pay (including applicable positional differentials) times the average number of hours the employee worked per week during the four (4) weeks immediately prior to the time of taking the vacation.

8.05 Employees whose six month (6) or first (1st) year service anniversary date falls within the current calendar year shall be eligible to take the vacation for which their service makes them eligible at any time, subject to their seniority rights, and work and service conditions permitting. However, in the event an employee terminates prior to their six (6) month or first (1st) year service anniversary and has taken vacation, the vacation hours taken will be deducted from the employee's final payroll check.

- 8.06 Employees who have completed more than two (2) years consecutive service may take their vacations at any time during the year that work and service conditions and their seniority will permit.
- 8.07 Vacation of up to five (5) days may be carried over into the first quarter of the following year. By October 1, employees desiring to carry over vacation must designate their selection of specific dates in the first quarter on a seniority basis. During the normal vacation selection process carry over vacation days already selected will have priority in the first quarter. Carry over vacation days reserved to be taken in the first quarter may be changed with the approval of management. Carry over vacation days not utilized by March 31 will be forfeited. R
- 8.08 In September 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 and a chart showing available vacation periods in the particular department.
- 8.09 Beginning October 15, the Company, through its respective supervisors (outside the Bargaining Unit) 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 may elect to take up to two (2) weeks of vacation (ten (10) paid vacation days) on a day-at-a-time basis.
 - (B) Employees, in like classifications, shall be entitled to express preference as to the time of taking their full weeks of vacation and may also choose one
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week (five (5) paid vacation days) on a day-at-a-time basis in the order of their seniority. The second week (five (5) paid vacation days) to be scheduled on a day-at-a-time basis shall be selected in seniority order after all employees have had an opportunity to express their preference for full weeks of vacation and first week of day-at-a-time vacation days by seniority.

(C) Vacation and Floating holiday hours are provided for all incidental absences from work. The employee must use all available vacation and floating holiday hours before hours can be taken unpaid. Employees shall be permitted to take 24 hours of vacation or floating holidays in 4 hour increments. An additional 16 hours of vacation or floating holidays may be taken in 2 hour increments.

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(D) Any employee who fails to indicate a choice of vacation period(s) by December 10, will be construed to have waived whatever right he may have had to choose his vacation period(s) for the succeeding year.

(E) Employees who become ill and notify their supervisor prior to the end of their shift on their last scheduled work day before the beginning of their vacation may have that vacation rescheduled during remaining available work weeks.

8.10 Between December 16 and December 31, the Company will establish the vacation time schedule for all employees who will be eligible for vacations in the succeeding calendar year. In doing so, the Company will give consideration to each employee's seniority and expressed choice of vacation period(s) insofar as the available vacation periods established will permit.

- (A) Workload, 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 period(s).
- (B) After the vacation periods, for all employees who have informed the Company of their choice of vacation period or periods, have been assigned vacation for all employees who will be eligible for vacations in the succeeding calendar year shall be assigned to such periods as remain available.
- (C) On or before January 1 of each year, the Company shall post on appropriate bulletin boards the vacation time schedule for employees at the particular location and no employee's vacation period shall thereafter be changed, except by mutual agreement between the Company and the employee involved.
- (D) 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, unless discharged for just cause.

8.11 Vacation treatment to an employee separated from service
- An employee who is laid off because there is not enough work before his or her vacation is scheduled to begin, shall be granted an allowance equivalent to pay for such vacation as employee is eligible to be scheduled for at the time of leaving.

An employee who goes on leave of absence, resigns, is laid off or pensioned before his or her vacation is scheduled to begin shall be granted an allowance equivalent to the pay for such vacation as employee is eligible to be scheduled for at the time of leaving.

**ARTICLE IX
HOLIDAYS**

- 9.01 The following days shall be observed as holidays:
- | | | |
|------------------|-------------------|---|
| New Year's Day | Thanksgiving Day | |
| Memorial Day | Christmas Day | |
| Independence Day | Floating Holidays | R |
| Labor Day | | |

All regular and probationary employees shall be paid for eight (8) hours time at the employee's basic hourly straight time rate, including applicable positional differentials, for all holidays, whether or not they perform work (except as provided in Section 9.08).

- (A) Probationary employees having less than six (6) months seniority will not be eligible for floating holidays. R

- (B) Part-time employees who regularly work eight (8) hours or more per week will be paid the average number of hours and nearest half-hour the employee worked per day during the four (4) full work weeks next proceeding the holiday, but not more than eight (8) hours.

(In calculating nearest half hour, less than fifteen (15) minutes to be dropped; fifteen (15) minutes to forty-four (44) minutes to be payable as one-half (1/2) hour; forty-five (45) minutes to one (1) hour to be payable as one (1) hour.)

- 9.02 Employees shall be eligible for floating holidays based on the following schedule: R

Service	Floating Holidays	
Six months but <1 year	6	R
1 year < 2 years	6	
2 years < 5 years	8	
5 years < 15 years	8	
15 years < 25 years	8	
25 and over	8	R

An employee may select floating holidays each calendar year. The days need not be the same each year. Each employee will notify his supervisor (outside the Bargaining Unit) two (2) weeks prior to the day the employee wants to take, when practicable. The Company will make a reasonable effort to grant the employee's selection, but seniority and service requirements of the Company shall prevail. R

- 9.03 If an employee is on leave of absence or accident and sickness when a holiday falls, he will not receive holiday pay for that holiday.
- 9.04 When an authorized holiday falls on Sunday, the following Monday shall be recognized and observed as the holiday. Whenever a holiday falls on a Saturday, the preceding Friday shall be observed as the holiday.
- 9.05 Holiday time within an employee's scheduled work week, whether worked or excused (not both), shall be used in the computation of weekly overtime (except as provided in 9.06A).
- 9.06 Employees who work on a holiday shall be paid at one and one-half (1 1/2) times the employee's basic hourly straight time rate for all time worked within a normal day or shift and in addition:

(A) Employees will be paid for all hours worked over the normal day or shift worked on holidays and for all hours worked on holiday callouts outside the employee's normal daily day or shift at the employee's holiday overtime rate of two and one-half (2 1/2) times the employee's basic hourly straight time rate.

9.07 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.

9.08 Employees who have not scheduled any remaining floating holidays prior to October 1, shall have their floating holidays assigned by management throughout the remainder of the calendar year as service requirements permit.

ARTICLE X FORCE ADJUSTMENT & RECALL

10.01 Employee Income Protection Plan.

(A) 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 location 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 locations who have at least ten years of continuous service (as defined in MM of the Sprint Retirement Pension 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 Employee Income Protection benefits described in paragraph (b) of this Article subject to the following conditions.

- (1) The Company shall determine the job titles and work locations in which a surplus exists, the number of employees in such titles, and locations 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 Article. Neither such determinations by the Company nor any other part of Section 10.01 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 Employee Income Protection benefits must be in writing and transmitted to the Company within 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 30 day period.

- (4) Employees who elect to receive benefits under the provisions of this Article shall not be entitled to other termination pay benefits or other benefits which may be provided to laid-off employees but shall be entitled to receive those benefits applicable to retirees, if the employee elects to retire. No employee shall be required to retire in order to receive Employee Income Protection Plan payments.
- (B) Employee Income Protection payments for employees who so elect to leave the service of the Company in accordance with paragraph (A) shall begin within one month after such employee has left the service of the Company to continue until 48 payments have been made.
- (C) For employees who so elect in accordance with paragraph (A), the Company will pay monthly as Employee Income Protection payments, \$8.50 for each year of continuous service plus 35% of the employee's final basic weekly or equivalent wage rate but, in no case to exceed in aggregate a total of \$425.00 per month. The maximum amount of Employee Income Protection benefits payable shall in no event exceed a total of \$20,400.
- (D) In no event shall the total of the Employee Income Protection Payments exceed the equivalent of twice the employee's annual compensation at the basic weekly wage rate (or its equivalent) received during the year immediately preceding the termination of service.

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- (E) As used in this Article, “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.
- (F) Payments hereunder shall cease upon the employment of a recipient by the Company or any affiliated or subsidiary companies of Sprint Corporation.
- (G) In the event of the death of a recipient of Employee Income Protection payments before all of the monthly payments to which he is entitled have been made, the remaining amount shall be paid to the individual’s estate.
- (H) 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.

10.02 In the event force adjustment directly involving a surplus of employees is found to be necessary, the method for accomplishing the force reduction shall be on the basis of seniority. However, due consideration shall be given to qualifications, ability, skill, physical fitness, and active disciplinary record.

10.03 In the event there is lack of work in any job title in any work location for employees covered by this Agreement, the Company shall decide the necessity for and the extent of the force adjustment, and the following shall be the lay-off and rehiring procedure, subject to provisions set forth in other Sections of this Agreement. The Company agrees

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to make every reasonable effort to avoid laying off employees. In addition to the options listed in this Article, these efforts may include temporarily assigning employee(s) to another job classification for which they are qualified.

- 10.04 If the Company deems it appropriate and in the exercise of its sole discretion, employees in the affected job titles and work locations who have at least ten (10) years of continuous service (as defined in MM of the Sprint Retirement Pension Plan) and whose age is at least fifty-five (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 Employee Income Protection benefits under the terms and conditions as described in Article X.
- 10.05 In order to avoid a lay-off, it may be determined by the Company at its sole discretion that those employees remaining shall remain at work until there is insufficient work to be provided them with a work week of thirty-two (32) hours. Should the Company determine it necessary to reduce the work week of any employee, it will review with the Union its reasons for the reduction in hours.
- 10.06 The Company may at its sole discretion elect to temporarily lay-off employees, in seniority order, in order to relieve a surplus condition or react to business needs. Any such temporary lay-off of an employee will not exceed sixty (60) days within a calendar year. Employees being placed on temporary lay-off status are not permitted to exercise any bumping rights as outlined in this Article. Any employee on temporary lay-off will continue to receive insurance benefits. Employees on temporary lay-off status will not be eligible to use accrued vacation or

floating holiday time during the temporary lay-off period. At the end of the temporary lay-off period the employee will either be returned to their former position or will be laid off in accordance with the provisions as set forth in other Sections of this Agreement.

10.07 Should a reduction in force be deemed necessary, the Company will first offer transfers, in seniority order, to fill existing job vacancies provided the following conditions exist:

(A) The job vacancy is not in a higher classification.

(B) The displaced employee has the skill and ability to perform the vacant job with a minimum of on-the-job training and familiarization. If formal classroom training is required, the displaced employee does not have the necessary skill and ability to perform the job.

10.08 A job vacancy is defined as one that has been posted or about to be posted and an award has not been made. During a layoff period, Section 10.08 of this Article supersedes and causes Article XI to be inoperative. The terms and conditions of Article XI, however, shall remain operative if the job vacancy is in a higher classification than that of the employee(s) to be laid off.

10.09 When a reduction in force is still deemed necessary by the Company, temporary and probationary employees at the affected location in the affected job title(s) shall be first laid off.

10.10 Should further reduction of force be necessary, in seniority order, employees who have been identified as surplus may exercise one of two options by bumping an employee with less seniority as follows:

- (1) First option, the surplus employee, if qualified, may exercise his/her seniority to remain in the area as follows: (See Appendix A for exchanges included in three (3) districts for bumping purposes.)
 - (A) The surplus employee may bump the least senior employee within the job title(s) for which the employee is qualified, in the same district in the same classification.
 - (B) If the surplus employee does not have sufficient seniority or qualifications to bump in his/her classification, the surplus employee, may bump the least senior employee within the job title(s) for which the employee is qualified, in the district in the next lower classification.
 - (C) When necessary, this procedure is continued to the next lower classification(s) until the employee either bumps a junior employee or until it is determined the employee cannot exercise a bump within the area.
 - (D) It is understood and agreed that an employee exercising a bump right has no choice of job titles. Rather, the surplus employee must bump the least senior employee within all job titles for which the employee is qualified within the classification. Further, the bumping employee must have the skill and ability to perform the new job with a minimum of on-the-job training and familiarization. If formal classroom training is required to perform the work, the employee may not bump.

- (E) An employee whose job title is listed in Groups 6, 7, 8, or 9 may not bump an employee whose job title is listed in Groups 1, 2, 3, 4, or 5 unless such employee has previously worked in a job title within Groups 1, 2, 3, 4, or 5.
- (2) Second Option, the surplus employee may bump the employee with the least seniority in the same job title within the company.
- (3) An employee who is bumped shall be added to the surplus list in seniority order and such employee shall have bump rights as specified in paragraphs 10.11 (1) & (2) above.
- (4) Employees are laid off when it is determined no bump rights are available.
- (5) In order to protect the legitimate needs of the business the Company may retain, without regard to seniority, up to 10% (no less than one employee) of the total employees at the affected location in the affected job title(s). The Union will be notified, in writing, of the names of the employee(s) retained under this provision. An individual may only be protected two (2) times during the life of this Agreement.
- (6) As part of any reduction in force the Union may retain, with Union and Company consent, up to 10% (with any fractional number adjusted upward to the next whole number) of its Stewards whose services are essential to the Union from any calendar year.

- 10.11 When an employee exercises a transfer or bump right that results in a lower rated job title, the employee shall be paid the wage rate of the lower job title. The employee will be placed at a rate of pay in the new job title based upon the employee's progression step at the time of layoff.
- 10.12 When an employee exercises a transfer or bump right because of a reduction in force, the one (1) year waiting rule as described in Article XI is waived.
- 10.13 Regular employees who are on a lay-off status shall first be offered re-employment under the following conditions:
- (1) In recalling laid-off employees following a force adjustment the recall shall be based on seniority. However, due consideration shall be given to qualifications, ability, skill and physical fitness.
- 10.14 Laid-off employees will be offered re-employment prior to the hiring of new employees. The Company will be under no obligation to recall former employees who have been laid off continuously for more than twelve (12) months. To be eligible for recall, the employee must notify the Company within ten (10) days of written notice received from the Company. Certified mail, return receipt requested, to the last known address as furnished by the employee will fulfill the Company's obligation.

ARTICLE XI JOB VACANCY

- 11.01 **Bidding of Job Vacancy Notices.**
The Company will post notice of a job vacancy. Notice will be posted one (1) week in advance of filling of R
vacancy.

- (A) The Company will determine the methods and procedures used for posting jobs. Such notice shall include the title and location of the job, the closing date for submission of interest and the process for submitting interest. Only those job vacancies which the Company has declared to be a job vacancy will be available for employee bids. Employees must submit interest through the methods and procedures determined by the company within the timeframe indicated on the posting. R
- (B) Employees requiring training to access job postings shall notify their supervisor in writing. Training shall be provided within 72 hours of notification. R

11.02 **Selection Process.**

- (A) The following will be the procedure for awarding all bargaining positions not considered apprenticeship provided for in 11.07 of this Article.
- (1) Only those applicants whose job performance is satisfactory will be eligible for consideration.
- (2) The job will be filled from those applicants possessing qualifications listed on the job vacancy notice.
- (3) If more than one applicant possesses all of the qualifications as listed on the job vacancy notice, the award will be based on seniority.

- (4) When an applicant does not possess all of the qualifications as listed on the job vacancy notice, and the Company determines that there is a lack of experienced employees available at the affected location to assist a bidding employee with the duties of the posted position, the Company shall have the option of selecting the most qualified applicant or a qualified person from any available source.

11.03 Notification of Bid Results.

The Company will send the results of the posting to the appropriate Union Representative within twenty-eight (28) calendar days after the initial posting date of the job vacancy notice. If an award is made, the notice will give a tentative date the position will become effective. The pay change becomes effective on this date.

11.04 Bid and Transfer Frequency.

The Company will not be required to consider a bid from an employee who has successfully been hired, transferred or bid into a position and been placed on the job until he has performed in his new assignment for at least twelve (12) months, (except as provided in Article X).

11.05 Probation.

An employee transferred in accordance with this Article XI shall be employed on the job to which he was transferred into for a reasonable trial period not to exceed six (6) months. If, during the six (6) month trial period, an employee transferred in accordance with this Article XI still is unable to satisfactorily perform the job to which he was transferred, such employee shall be returned to his former job, with no loss of seniority (during the six (6) month period).

- (B) If an employee requests to be returned to his former job classification during this six (6) month trial period, such request may be granted by mutual agreement with the employee's supervisor.

11.06 Changes in Job Duties.

Employees may request assignment to jobs with preferential duties or hours of an equal or lower rate of pay within the same "exchange area." The Company will give consideration to these requests.

11.07 Apprenticeship Program.

(A) It is the intent of the Company to establish an apprenticeship classification in order to offer advancement opportunities to employees with limited telephony experience and to insure a diversified workforce for the future. This classification will cover job titles listed under Group 1 & 2 of the Wage Schedules.

(B) The Company shall have the option of posting an opening as an apprenticeship position when in the judgment of the Company, the vacancy can be filled by an employee with limited experience. All employees covered under this Labor Agreement shall be eligible to bid on job vacancies posted as Apprenticeships.

(C) Employees may apply for an apprenticeship position by sending a written application to the Human Resources Staffing Department within seven (7) days from the date of the job vacancy notice. This application shall state the employee's overall qualifications and experience for the position for which they are applying. R

- (D) Apprenticeship positions shall be awarded on the basis of current job performance, qualifications and seniority. Only those applicants whose current job performance is satisfactory will be eligible for consideration.

- (E) Employee awarded an apprenticeship position shall be classified as such for a period of two (2) years for Group 2 positions, and three (3) years for Group 1 positions. During this apprenticeship period, the apprentice employee will be required to attend training classes at the discretion of the Company.

- (F) At the conclusion of the apprenticeship period, the employee shall be considered as fully qualified and shall be awarded the appropriate title associated with the position the employee originally bid.

- (G) An employee awarded an apprenticeship position resulting in a promotion shall be placed on the first progression step of the new job title which represents an increase over the employee's current wage rate. The employee shall be maintained at this progression step for twelve (12) months from the effective date of the award. The employee's progression date shall be changed to reflect the effective date of the award. At the completion of the first year of the program, the employee shall resume progression at six month intervals in the wage classification. Employees with the job title of COE Technician, Complex Technician, Business Service Technician or Equipment

Installer being awarded an apprenticeship position in Group 2, shall retain their current progression level but shall be placed on the appropriate wage classification for the apprenticeship position.

(H) **Bid and Transfer Frequency.**

Employees who have bid and been awarded an apprenticeship position shall be restricted from bidding or transferring to another position for a period of two (2) years for Group 2 positions and for three (3) years for Group 1 positions.

(I) **Probationary Period.**

An employee who is awarded an apprenticeship position will be placed on probation for two years during which period his or her job performance will be evaluated. During this probationary period, if it is determined that the employee is not satisfactorily performing the duties of the new job, Section 11.06 of this Article will become operative.

ARTICLE XII ABSENCES FROM DUTY

12.01 Leaves of Absence.

(A) Insofar as the requirements of the service will permit, leaves of absence without pay for good causes and of reasonable length will be granted to regular employees under the conditions set forth in this Article. Such requests must be in writing to the Company and express the intention of the employee to return to work at the expiration of the leave. If granted, the usual maximum duration of

leaves shall be up to six (6) months. Upon written request, the Company may grant extensions to such leaves of absence.

- (B) In accordance with this Article, employees who are on leaves of absence shall be unpaid. However, if an employee has qualified for vacation pay prior to commencing the leave, the employee shall be required to use such vacation during the leave of absence, except for 1 week, which the employee may elect to take later in the vacation year. Such vacation used in conjunction with this leave shall be counted toward the build-up of the leave period. With the exception of one week of vacation, employees shall be required to exhaust all other paid time off prior to commencing a leave.

Leaves of absence for other than personal reasons under this article shall be in one of the following categories:

- (1) Employee Illness & Injury Leave.
- (2) Family and Medical Leave (FMLA) including:
 - (a) Employee Illness & Injury Leave when FMLA qualified.
 - (b) Leave to care for a newborn or newly adopted or newly placed foster child.
 - (c) Leave to care for an employee's spouse, child or parent with a serious health condition.

- (3) Leave for Union Business.
- (4) Miscellaneous paid absences.

12.02 Employee Illness and Injury Leave.

(A) Leave of absence due to employee illness or injury. Regular employees whose illness or injury requires that they be absent from work are entitled to a total maximum leave of fifty-two consecutive weeks, which includes any approved Short-Term Disability leave associated with the illness or injury. A leave for medical reasons may be extended to a total leave time not to exceed 12 full months. A medical certification shall be required to obtain or extend a medical leave of absence. An employee returning from a leave of absence for the employee's illness or injury shall be required to furnish a fitness for duty statement prior to assuming his/her job duties.

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- (1) An employee's current benefits will continue through the end of the month in which an approved leave of absence becomes effective.
- (2) Employees on unpaid leaves of absence may continue their health benefits (medical and dental) in accordance with COBRA. The health benefits are made available at 102% of the Company's rate. Employees must submit payment to the Human Resources Department as instructed when leave confirmation is issued.

- (3) Other deductions (savings plans, bonds, life insurance, ESPP, credit union, etc.) will be discussed individually with the employee to determine continuation and payment procedures.

12.03 **Family and Medical Leave (FMLA).**

- (A) FMLA Compliance. It is the Company's and Union's intention that the leave policy set forth in this Article comply in all respects with the Family and Medical Leave Act.
- (B) Leave of Absence to care for a newborn/newly placed adopted or foster child. A regular employee shall be entitled to a leave of absence up to 12 work weeks to care for a newborn child or to care for an adopted or foster child who has been placed with the employee. A leave for this purpose must be taken during the 12 month period beginning on the date of the birth or placement and may not be taken on an intermittent or reduced schedule basis.
- (C) Leave of absence to care for a spouse, parent or child with a serious health condition. Regular employees will be entitled to a leave of absence of up to 12 work weeks to care for their spouse, child or parent when that individual has a serious health condition. A medical certification shall be required to obtain a leave of absence for this purpose.
- (D) Leave of absence because of an employee's own serious health condition which renders the employee unable to perform the functions of his/her position. Leaves of absence to care for a newborn or newly adopted/placed child and leaves

of absence to care for a spouse, child or parent with a serious health condition, or leaves of absence for an employee's own serious health condition shall not exceed a total of 12 work weeks in any rolling 12 month calendar period either individually or aggregated with other leaves of absence granted pursuant to section 12.03.

- (E) Notice required. If the need for a family or medical leave is foreseeable, the employee must give 30 days' notice to the Company. If such need is not foreseeable, the employee must give as much notice as possible.
- (F) During approved paid and unpaid family/medical leave, Sprint will maintain employees' health benefits as if they were actively employed (employee rate vs. full cost). Employees may retain all other benefits by paying the full cost.
- (G) Vacation and floating holidays will be in accordance with the respective contract guidelines.
- (H) If FMLA leaves are unpaid, employees must pay their portions of the health plan premium bi-weekly in conjunction with their regularly scheduled paydays. Information and instructions regarding continuation of health plan benefits and other payroll deductions will be communicated to employees by the Human Resources Department when FMLA leaves are granted.
- (I) In cases of foreseeable leaves, employees may request to have required premiums deducted from payroll checks prior to the actual leave. This will allow employees to continue paying their premiums tax-free.

- (J) Health coverage will cease if payment is more than 30 days late.
- (K) Employees who elect not to return to work at the end of approved FMLA leaves of absence will be required to reimburse the Company for the cost of health insurance premiums paid at the employee rate. This requirement is waived if the reason for not returning is due to the employee's own serious health condition.
- (L) FMLA leaves of absence may be taken intermittently or on a reduced leave schedule if medically necessary. The required medical Certification of Physician or Practitioner, Form U-7133, must indicate the medical necessity of intermittent or reduced work schedules and a schedule of visits or treatments.
- (M) Employees who are on an intermittent or reduced schedule may be temporarily transferred to an alternative position which better accommodates the recurring leave and which has equivalent pay and benefits.
- (N) Employees returning to work from FMLA leaves of absence because of their own serious health conditions will be required to provide medical certification stating that they are able to resume work.
- (O) Employees failing to provide the appropriate return to work certification will not be permitted to resume work until such form is provided.

12.04 Retention of Seniority and Service on Leave.

Employees on approved Family and Medical Leaves will accrue seniority and service for the first twelve (12) workweeks of such leave. Employees on leaves of absence for other reasons will accrue seniority and service for only the first 30 days of such leaves.

12.05 Leaves for Union Representatives.

Any employee appointed to any position with the Union shall be granted leaves of absence, if requested, from the Company either for the duration of such appointment or for such periods as may be necessary in the performance of Union duties not to exceed a total of three (3) years. A leave of absence under this Section will be granted with the following conditions:

- (A) Upon the granting of such leave of absence, the employee's seniority shall accumulate throughout the period of his or her leave of absence.
- (B) Such employee may retain his or her rights to life insurance, dental, group health insurance and major medical benefits provided the employee pays the full amount for each benefit he or she wishes to maintain. Payments by the employee are to be made in accordance with standard Company procedures.
- (C) The maximum credited and continuous service allowance for pension benefits is two (2) years.
- (D) Upon return from the leave, the employee shall be re-employed at his or her regular work or its equivalent, seniority permitting, and providing he or she is qualified for such work.

- (E) The rate of pay upon return from leave shall be that rate on the wage schedule the employee would have reached if he or she had remained an active employee.
- (F) All rights of an employee under a leave of absence granted under this Section shall terminate if the employee resigns his or her employment with the Company or accepts employment with a new or different employer other than the Union, prior to the expiration of the leave.
- (G) No more than one (1) employee shall be on such leave of absence at any one time.

12.06 **Miscellaneous Paid Absences.**

- (A) **Death.** In the case of death in the immediate family of an employee, absence with pay for scheduled time will be granted for the day of the death to, and including the day after the funeral, not to exceed five (5) days. Additional time off without pay may be granted if necessary and requested. The term “immediate family” as used herein, is defined as mother, father, brother, sister, husband, wife, child, step-child, step-siblings or step-parents. In the event of a death of an aunt, uncle, niece, nephew, grandparent, grandchild or in-law (including mother, father, son, daughter, brother, sister and grandparents) and persons living in the same household of an employee, absence with pay for scheduled time will be granted for the day of the death to, and including the day after the funeral not to exceed three (3) days.

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(B) **Jury, Witness and Election Duty.** Any regular employee who has been lawfully summoned to report for jury service, or subpoenaed to appear as a witness in court, and who actually performs jury service, or appears as a witness, will be paid by the Company at his basic hourly straight time rate of pay for such regular time as he is required to be absent from duty, (not to exceed eight (8) hours per day), provided that:

(1) Such employee notifies his immediate supervisor (outside the Bargaining Unit) of the receipt of such summons or subpoena on the employee's first scheduled work day following receipt of such summons or subpoena - unless prevented from so doing by conditions beyond the employee's control - will be assigned or reassigned, to a regular 8:00 a.m. to 5:00 p.m. day or shift for the period of such service.

(2) Any such employee who on any day is excused from such jury or witness duty, at a time that will permit him to return to work for a part of the day, shall communicate with his immediate supervisor (outside the Bargaining Unit) for such assignment as is reasonable under the circumstances.

(C) **Military Duty.** Any employee who enlists 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 Readjustment Assistance Act, as of now or hereafter amended, upon his or her return from a military 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:

- (1) On the same job, he or she left when such leave of absence began, provided that job is available; otherwise
- (2) At work generally similar to that in which he or she was engaged immediately prior to the beginning of such leave of absence, and at the appropriate wage progression schedule rate applicable to such work, provided that such job is available; otherwise
- (3) If no vacancy exists in any job referred to under a. or b., one (1) may be immediately created by demotion or lay-off subject to the provisions of Article X, "Force Adjustments."
- (4) Employees on annual military active duty or active duty training will be paid their basic hourly rate for up to two (2) weeks per year (up to eighty (80) hours), and paid the difference between their military base pay and their regular pay for the two week period by the Company. The employee must submit a copy of his military pay voucher to the Payroll Department so that the adjustment to make up the difference in pay can be made as soon after completion of the training period as possible. The Company's obligation to reimburse an

employee for difference in pay for mandatory military service shall be limited to a maximum of two (2) weeks per calendar year.

- (5) Employees who are to be gone for more than (2) weeks during any one (1) year will be allowed to use available vacation time, or will be granted an unpaid leave of absence. All arrangements should be discussed with the immediate supervisor as far in advance as possible.

12.07 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 supervisor (outside the Bargaining Unit) 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 thirty (30) calendar days in any calendar year.

The Company agrees to allow, not to exceed a total of thirty (30) days time off to a Union Officer, Steward or other designated representative of the Union who are employees of the Company. In no instance shall the time off allowed the employee be a penalty against their net credited service. The Union recognizes that service requirements must be taken into account in determining the number of employees to be excused during any one period. Except where it is impossible because of time or other circumstances, the Union shall give the Company two weeks prior notice. In those instances where such

notice is in fact given, the Company will allow such time off. However, the total number of employees, except President and Vice-President, excused at any one time from any one area shall not exceed:

Central Area — 7
Northern Area — 2

Southern Area (Except Garrison) — 4
Garrison — 1

The Union President and Vice-President shall be allowed up to ninety (90) days off per year. It may be mutually agreed between the Company Human Resources Manager or his designated representative and the Local President to extend the ninety (90) days.

12.08 **Accident and Sickness.**

(A) **Reporting.** On-the-job accidents or injuries of any nature whatever shall be reported as soon as reasonable by the employee to his or her immediate supervisor. Any employee detained from work on account of sickness or an off-the-job accident shall notify the Company as soon as reasonable.

(B) **Doctor's Certificates.** Written medical certification will be required for any STD qualifying absence in accordance with Company policy. Any additional cost involved in procuring more than one such certificate will be borne by the Company. The Company, at its own expense, may require an independent medical examination (IME) and certification by a second physician at any time during an illness/injury period. If the IME physician's determination does not support the need for time away from work, benefits under this section may be ceased.

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(C) Eligibility for STD benefits begin on the sixth day of illness or injury for participants who miss consecutive workdays for a period of at least their regular workweek. STD benefits for occupational illness/injury begin on the first day of illness/injury. Effective 01/01/05, employees will be required to use vacation or floating holiday benefits for the first five consecutive scheduled workdays of absence for their own medical condition. If an employee does not have available vacation or floating holiday benefits for any portion of the first five days of illness, those days for which vacation or floating holidays are not available shall be non-paid.

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(D) STD benefits for on-the-job and off-the-job illnesses, as defined in this section, shall be as follows:

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

(Current employees whose service is less than one year as of August 31, 2004, shall be grandfathered at the benefit level of 2 weeks full and 13 weeks half until they complete one year of service. At that time they shall revert to the above referenced STD benefit schedule.)

(E) Any eligible employee receiving benefits under the previous plan schedule on the effective date will continue to receive benefits under that plan schedule until either exhaustion of benefits occurs, or the employee returns to work on his/her regular work schedule.

(F) When an on-the-job injury occurs in the normal course of employment, the Company's obligation to pay benefits as outlined in section (d) will be limited such that the sum of the employee's Plan benefits and Workers Compensation benefits will not exceed 85% of the employee's base salary, unless otherwise required by state Workers Compensation laws. If there are insufficient non-occupational benefits available to subsidize the Worker's Compensation insurance benefit the employee will only receive the Workers' Compensation insurance benefit amounts.

Any on-the-job accident benefits as indicated in paragraph (d) of this section occurring after an employee has returned to active employment shall be considered as a new accident, unless Worker's Compensation Commission rules that it is a continuation of a previous accident.

(G) Length of service shall be determined from the records of the Company.

(H) Full pay and 60% pay shall be based on the number of hours per week not including overtime, and shall be computed at the employee's rate of pay at the time the disability began.

- (I) Week as referred to in the above benefit schedules means an employee's normal work week. R
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- (J) Successive periods of sickness disability shall be counted together as one period in computing the period during which the employee shall be entitled to benefits. In the event an employee returns to work after a period of non-occupational disability and is again absent on account of sickness within 30 days of said return, any benefits on account of such further sickness shall begin on the first day of absence. R

- (K) Benefits may be re-established to the maximum level by accumulating 182 days of active employment without any benefits being paid from the weekly indemnity schedule. Any accident and sickness benefits paid during a re-establishment period starts the count over and a new 182 day period re-established date is set. In interpreting this provision, vacation, holidays or bereavement as set forth in Article 12.06(a), will not be considered as a break in performance of duty. Any other absences without pay must be made up with an equal period of work. R

- (L) Should an employee receive all of the benefits to which they are entitled and are still unable to return to their duties, the employee may be placed in a terminated status. An employee desiring a leave of absence, shall submit their request in writing no later than thirty (30) days prior to exhaustion of active employee benefits. Leaves of absence shall not constitute a break in continuity of service. A leave of absence for purpose of these regulations shall mean leave formally granted by the Company and such leave must be obtained before the time of absence begins. R

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| (M) | Temporary, part-time and occasional employees as designated by the Company are not eligible to receive benefits under this plan. | R
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| (N) | Employees not on duty due to lay-off, resignation, discharge, or leave of absence are not eligible for any benefits under this plan; nor shall any employee be entitled to receive sickness benefits for any time for which no wages are paid them by the Company. | R

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| (O) | Disabled Employees. On a case by case basis and upon agreement between the Company and the Union, pertinent provisions of this Agreement relative to seniority may be waived for the purpose of placing employees, who become physically disabled, on jobs which they are able to perform. | |

12.09 If the Company shall refuse an employee a leave of absence, the employee may then make use of the grievance procedure set forth in this Agreement.

**ARTICLE XIII
GRIEVANCE AND ARBITRATION PROCEDURE**

13.01 A grievance is hereby defined as a claim or dispute regarding the interpretation or application of the terms of this Agreement or the discriminatory application of any of the Company policies, procedures, routines or rules which are concerned with the employees' working practices, or any claim or dispute arising from the suspension or discharge of any employee. In order to be timely filed, a grievance must be reduced to writing and submitted to the Company's

Employee Relations Manager within thirty (30) days following the event giving rise to the grievance. **NOTE:** “Days” as used in this Article shall not include Saturdays, Sundays, or Holidays.

- 13.02 Prior to the filing of a written grievance, both the Company and the Union, through their selected representatives, will meet and attempt to resolve the alleged violation in the following manner.
- (A) STEP 1 - An employee with their Union Representative, may present a grievance verbally to the grievants’ immediate supervisor.
 - (B) STEP 2 - If the grievance is not resolved with the immediate supervisor, it may be presented verbally to the grievants’ second line manager. If an agreement is reached at STEP 1 or STEP 2, the Company shall provide the parties with a brief written statement as to the disposition and agreement reached.
 - (C) STEP 3 - If the grievance is not resolved in STEP 2 above, the alleged violation will be reduced to writing and submitted to the Company’s Employee Relations Manager.
 - (D) Once the grievance has been reduced to writing, representatives of the Company will not settle nor attempt to settle the grievance with any employee involved unless a Union representative has been given an opportunity to be present.
- 13.03 The above procedure in Sections 13.01 and 13.02 shall be completed by the parties within thirty (30) days from the occurrence of the event giving rise to the grievance. It is understood; however, that this period may be extended by mutual agreement if, for all practical purposes, the above

described processes cannot be completed within the thirty (30) day time limit.

13.04 Within fifteen (15) days following the filing of a written grievance, the parties, through their representatives, shall meet for the purpose of resolving the grievance. The Company shall respond to the Union in writing within fifteen (15) days. If the grievance is not settled within fifteen (15) days, of grievance shall, upon written notice to the Company, signed by the aggrieved employee and the Union representative (authorized to act with regard to the grievance at this step) be submitted to arbitration.

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13.05 In order to be timely filed for arbitration, the matter must be submitted to the Federal Mediation Conciliation Service, within sixty (60) days following the delivery of the written Company answer referred to in 13.04 above. The submission shall contain a clear and concise statement of the nature of the dispute, the position of the party seeking arbitration and the remedy of relief sought. A copy of the submission shall be simultaneously served upon the other party.

(A) The Arbitrator shall be limited to the expressed terms of this Agreement, and he shall have no authority to add to, subtract from, alter or modify in any manner the specific written terms of this collective bargaining Agreement.

(B) The Arbitrator shall not be authorized to award punitive damages or penalties. Where the grievance submitted to arbitration involves the payment of money by the Company retroactively or otherwise, to an employee or employees covered by this Agreement, the Arbitrator shall have the authority to include in his award an order for such payment of money, retroactively or otherwise, if in his judgment such award is

justified under the contract. In determining back pay, if any, in discharge cases, interim earnings, including payments received from the Texas Employment Commission, shall be deducted from the amount the employee would have earned with the Company.

(C) Each party shall bear its own cost and share equally the cost of the arbitrator and hearing room.

13.06 Nothing contained herein shall be construed to prevent the Company and the Union from mutually resolving outstanding differences at any time.

13.07 During the term of this Agreement, the Union will not authorize or sanction a strike (including sympathy strikes), work stoppage, or interruption of service. During the term of this Agreement, the Company will not lock out its employees.

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13.08 The Company agrees to allow a reasonable number of representatives from the employee's group to participate in the presentation of grievances without loss of normal pay due to time spent in the actual presentation of grievances and travel, provided this shall not apply to more than three employees as respects pay unless it is mutually agreed that more than three shall receive pay for such time. Such time shall be considered as time worked.

13.09 The decision and/or award of the arbitrator shall be final and binding on both parties and enforceable in a court of law.

ARTICLE XIV

TRAVEL-TRANSPORTATION-BOARD AND LODGING

14.01 **Travel Time.** All traveling at the request of the Company shall be done on time paid for by the Company, provided:

- (A) If the employee travels as a passenger on one of his regular work days, the travel time involved will only be counted and paid for as time worked to the extent that when combined with the time worked by the employee on that day it will not exceed the number of hours of his normal work day.

- (B) If the employee travels as a passenger on a day on which he normally would not work, the travel time involved will only be counted and paid for as time worked to the extent that the travel time does not exceed the number of hours of his normal work day.

14.02 Transportation and Board and Lodging Transportation shall be furnished from normal exchange area to job, job-to-job, and job to normal exchange area provided that:

- (A) When an employee is temporarily assigned to work at a different exchange area than the employee's normal exchange area, the Company will at its option either:
 - 1. Furnish daily transportation, on Company time to and from the location of the temporary assignment; or
 - 2. Furnish transportation, on Company time, to and from the location of the temporary assignment, at the beginning and end

thereof, and also furnish the employee with a per diem of \$35.00 per day and lodging for the period of such temporary assignment. The per diem allowance is intended to provide reimbursement for meals and laundry.

“Exchange Area,” as used above, is defined as the territory presently or subsequently designated for exchange telephone service for the particular exchange (city or town and its environs) including such territory served by all offices in a multi-office or metropolitan exchange within the same wage schedule classification.

14.03 **Training Expenses.**

Employees who incur travel and subsistence expenses due to a training assignment shall be reimbursed in accordance with this section of the Labor Agreement. Reimbursement is for certain normal and reasonable expenses incurred while attending Company sponsored training. It is not intended to provide full reimbursement for all personal expenses incurred by the employee.

- (A) For each day of training requiring an employee to stay overnight, a fixed per diem amount of reimbursement is set at \$35.00. The per diem allowance is intended to provide reimbursement for meals and laundry.
- (B) Due to the location of the training site, it may be appropriate to provide reimbursement based upon reasonable expenses. With advanced approval from the employee’s supervisor these expenses shall be reimbursed in accordance with the Sprint Employee Travel and Entertainment Reimbursement Financial Practice. Receipts may be required to substantiate expenses when reasonable expenses are authorized.

- (C) Reasonable receipts expenses incurred on travel days are reimbursed in accordance with the Sprint Employee Travel and Entertainment Reimbursement Financial Practice. Actual meal expense on travel days shall not exceed the per diem allowance listed in paragraph (A) above.
- (D) When employees are required to attend training within the district away from their normal reporting exchange, noon meals will be reimbursed in the amount of \$5.50.
- (E) All other expenses, including lodging, rental cars, and telephone expenses, shall be reimbursed in accordance with the Sprint Employee Travel and Entertainment Reimbursement Financial Practice.

14.04 **Travel to and from Training Location.**

- (A) The actual cost by the most suitable means of public transportation is reimbursed in accordance with the Sprint Employee Travel and Entertainment Reimbursement Financial Practice. This would include public transportation to and from the training location, authorized intermittent return trips and local transportation while at the training location.
- (B) An employee may be authorized to drive his/her private vehicle. The total reimbursable amount for travel time pay, mileage and other associated expenses, such as toll road fees, shall not exceed costs normally incurred when utilizing the mode of transportation specified by management. Personal vehicle mileage will be reimbursed in accordance with the Sprint Employee Travel and Entertainment Reimbursement Financial Practice and based on the most direct highway route.

- (C) If a Company vehicle is provided enroute expenses not charged to the vehicle credit card system such as gas, oil and emergency repairs or toll road fees are reimbursable.
- (D) No employee shall leave a training session prior to its conclusion to begin his/her return trip home.
- (E) Employees released from training four (4) or more hours prior to their commercial carrier departure, are expected to make a reasonable effort to reschedule their departure arrangements permitting an earlier departure and return trip home.
- (F) Paid work hours for travel to and from a training site shall be limited to the hours required to reach the site by commercial carrier. This shall include a reasonable waiting time prior to any commercial carrier departure.
- (G) Upon arrival at the employee's home or work location the employee is expected to report to his/her supervisor or work location to finish a normal work day. However, if this day is an overtime day, the employee's time would stop upon reaching his/her home location.

14.05 Traveling from Training Location to Home Before Completion of Training Session.

- (A) Employees enrolled in training programs for four weeks in length are reimbursed for the expenses of a return home visit on the second weekend, or with advance management approval, the spouse may visit the training location.

- (B) Employees enrolled in training programs for five or more weeks in length are reimbursed for the expenses of a return home visit every third weekend, or with advance management approval, the spouse may visit the training location.
- (C) If the employee prefers to have the spouse visit the training location as an alternative to the return home visit, the travel expense for the spouse is reimbursable only when specifically approved in advance. Reimbursable transportation expenses for the spouse are the same as for the employee.
- (D) All other trips to and from home or any other destination are at the employee's expense.

14.06 **Local Transportation at Training Center.**

- (A) Company pool vehicles may be provided when available for local transportation. Other arrangements may be made to transport students to and from the training center and the motel.
- (B) Arrangements for local transportation should be made prior to attending out-company training sessions. This may require advance arrangements for rental vehicles when authorized. If approved, rental vehicles are to be economy, compact type vehicles. Management shall determine the need for local transportation depending on training location, length of course, and number of students attending.

14.07 **Expense Reports.**

- (A) The employee is responsible for reporting expenses and providing receipts in accordance with the Sprint Employee Travel and Entertainment Reimbursement Financial Practice.

- (B) A cash advance to cover the per diem expenses should be utilized using the ATM withdrawal option on the employee's GE Corporate Card. The cash advance should be reported on the employee's expense report in the Per Diem category and the ATM fees should be reported in the ATM Fees category. Both the cash advance and associated ATM fees should be charged to the Corporate Card.

ARTICLE XV SAFETY AND HEALTH

15.01 The Company shall continue to make reasonable provisions for the safety and health of its employees during the hours of their employment, and shall establish and pursue a Safety Program.

15.02 Employees shall comply with all proper safety rules and practices established by the Company.

15.03 In the event of an accident or injury, the Company will notify the Union as soon as it is determined the accident or injury was work related.

15.04 **FlexCare.**

Effective October 1, 2004, 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 subject to this agreement include the following benefit options: Medical, Prescription Drug, Dental, Vision Care, Supplemental Long Term Disability (effective 01/01/06),

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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.

In order to provide employees with an alternate plan to the basic indemnity medical plan the Company, in its sole discretion, in any manner or through any organization, including but not limited to, a program or programs provided by arrangement with a hospital plan corporation, professional health service organization or similar plan or organization, through a preferred provider arrangement, through a self-insured plan, or through a combination of any such methods, may provide an alternate to the basic indemnity plan. Employees will be free to elect or not elect coverage under any alternate plan offered by the Company and under no circumstances will employees be forced to accept the alternate plan. Should an employee elect to take such alternative health care coverage, the Company agrees, to contribute at the same level offered to non-represented employees or a minimum of seventy percent (70%) of the monthly premium in 2005, whichever is greater.

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The annual price tags for the medical, prescription drug, and dental coverage options under FlexCare 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.

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The Company, in 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 provides notices to the Bargaining Unit thereof.

As provided in the various Summary Plan Descriptions, which were presented to the Bargaining Unit on August 31, 2004, 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 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.

Effective January 1, 2005, 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 coverage, and Legal Services.

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.

In addition, at its sole discretion, the Company shall designate the insurance carrier(s) and/or agent(s) for the various components of the Voluntary Benefits program. The Company may change the insurance carrier(s) and/or

agent(s) at any time provided sufficient notice is given. R
The Company will provide the insurance carrier(s) and/or
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. R

ARTICLE XVI TOOLS

- 16.01 The Company will furnish tools and the appropriate training in their use necessary to provide and maintain telephone service.
- 16.02 Tools referred to in Section 16.01 found upon inspection to be unsafe, in the judgment of Management, for continued use will be turned in to and replaced by the Company.
- 16.03 Such tools furnished by the Company shall be signed for by the employee who shall be held responsible for their return in good condition, reasonable wear and tear expected. Tools, lost or damaged through employee negligence, shall be replaced at the employee's own expense. An employee will not be held responsible for tools lost or damaged for reasons beyond their control.

ARTICLE XVII
DEDUCTION OF UNION
DUES AND INITIATION FEES

- 17.01 The Company agrees to make monthly deductions of Union dues and the initial initiation fee without charge upon proper written authorization by the employees who are Union members and to forward the amount deducted to the authorized representative of the Union designated by the Union.
- 17.02 If, through error, on the part of the Company, deduction of Union dues and/or initiation fees is not made, the Company shall deduct from the employee's paycheck these dues and/or fees in the payroll period in which the error was found.
- 17.03 Each month the Company shall furnish the Union the names of the employees for whom initiation and dues deductions are made and the amount for each employee.

ARTICLE XVIII
UNION BULLETIN BOARDS

- 18.01 The Union may mount and maintain bulletin boards at its own expense upon the Company's property at such locations and of such construction and size as may from time to time be mutually agreed upon in advance between the Company and the Union.
- 18.02 The Union's use of these bulletin boards shall be solely for notices of Union meetings, Union appointments, nominations and election of Union officers, social, educational or recreational affairs of the Union; and such other notices as may be mutually agreed upon in advance

between the Company and the Union. Material posted shall not contain anything of a controversial or political nature, or anything derogatory to the Company, its Management or any of its employees.

- 18.03 No material shall be posted on these Union bulletin boards, except by a properly authorized representative of the Local Union. The Union agrees to keep all materials posted neat in appearance at all times.

ARTICLE XIX GENERAL

- 19.01 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.

- 19.02 Employees will be paid on the Friday following each bi-weekly pay period and the pay weeks shall be recognized as starting on a Sunday and ending on Saturday. Payment shall be by direct bank deposit as authorized by the employee effective 01/01/05. In the event the parties jointly agree to grant an exception to this provision, it shall be reduced to writing, and shall state the time period the exception is applicable.

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- 19.03 Employees shall be permitted to review their official Human Resources File on an annual basis. Requests must be made to the Human Resources Records Department through the employee's direct supervisor.

- 19.04 **Adoption Assistance.**
Effective October 1, 2004, the Adoption Assistance Program will provide benefits on the same basis that applies to non-represented employees.

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19.05 **Uniforms.**

- (A) The Company will purchase uniforms for each regular full-time employee, classified as COE Technician, Complex Technician, Business Service Technician, Equipment Installer, Cable Splicer, Communications Technician, Frameperson, Coin Collector Technician, Lineperson, Auto Mechanic, and Mechanic-Utility when such employee has accumulated six (6) months of service.
- (B) Color and style of clothing will be standard. The Company logo will appear on shirts, tops, and jackets. The hat will have the Sprint logo and name only. The Company will replace various items of uniform clothing for the above listed positions on a yearly basis, approximately one year after the initial issue has been made.
- (C) Ownership of an employee's Company clothing, will remain with the Company which may, at any time, require the return of the clothing which is unpresentable in its view. Company clothing which has been in the care of an employee who is separating from the Company, must be returned, or the employee must pay the Company original purchase price.
- (D) Regular and all appropriate maintenance of an employee's Company clothing is the responsibility of the employee.
- (E) Employees are expected to report to work in clothing (to include hats) which has been properly maintained and is presentable in the Company's judgment. An employee may be required to change clothing which is unpresentable in the

Company's view. Employee's time required to change clothing that is unpresentable shall not be considered as paid work time.

- (F) The use of Company clothing outside of working hours is not intended. The clear intent of the Company is to provide uniforms for its employees to improve the public image of the Company.
- (G) Additional garments in the Company color only, may be purchased by the employee if they desire to pay the full Company cost.
- (H) Employees may elect to wear blue jeans instead of the approved uniform trousers offered in the program. Blue jeans are not available through the authorized vendor and must be purchased at the employee's expense.
- (I) Employee participation became mandatory January 1, 1997. Employees are required to wear uniforms during all scheduled working hours.

New employees with six (6) months of service shall receive the following garments:

- 6 shirts
- 6 trousers (optional)
- 1 cap - winter
- 1 cap - summer
- 1 outer garment
- 2 ties (if required)

The allotment of garments listed for a new employee or one initially entering the program, shall be substituted for the regular issue of garments provided per the contract during that calendar year.

(J) For each employee participating in the uniform program, the Company shall provide credit, not to exceed \$190.00 10/01/04, \$190.00 10/01/05, \$200.00 10/01/06 per year, for the purchase of approved garments through the Company authorized vendor. The employee must utilize this credit in full, ninety (90) days from the annual anniversary date of the Labor Agreement.

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(K) The Company shall have the unilateral right to amend or cease the uniform program at any time.

19.06 Telephone Concession.

Subject to Company policy, regular employees (full and part-time) with six (6) or more months of service are eligible for a Sprint telecom concession.

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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 Sprint services that is provided to non-bargaining employees at the same location.

**ARTICLE XX
FEDERAL AND STATE LAWS**

20.01 It is understood and agreed that any part of this Agreement that may be construed by proper authority, or by mutual agreement to be in conflict with a mandatory State or Federal Law or Executive Order, then such part shall be suspended and the appropriate mandatory provision of the State or Federal laws or Executive Orders shall prevail.

20.02 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 age, sex, race, color, religion, or national origin or disabled status. The Company will comply with the applicable provisions of the Vietnam Era Veterans' Readjustment Act of 1974 (38 U.S.C. 2012) and the Rehabilitation Act of 1973 (Section 503), as amended. In addition, the Company will take all action necessary to comply with the Americans With Disabilities Act. 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 and the contract provides for a greater level of benefits, as required under the FMLA, the provisions of the contract shall prevail. In no instances shall the contract diminish any rights guaranteed under the Act. The Company shall have final discretion with regards to those options where the employer is provided with discretion under the FMLA.

20.03 Any reference to either male or female gender in this Agreement is intended to include both genders and is not to be considered as a limitation on either sex.

ARTICLE XXI

SERVICE BRIDGING

21.01 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.

- 21.02 If an employee leaves the Company and is rehired within one (1) year, the length of employment prior to leaving will be bridged immediately upon return.
- 21.03 If an employee leaves the Company and is rehired within two (2) to five (5) years, the length of employment prior to leaving will be bridged after one (1) year of uninterrupted employment.
- 21.04 If an employee leaves and is rehired after five (5) years or longer, the length of service prior to the break will be bridged after five (5) years of uninterrupted service.
- 21.05 Bridging only applies to service prior to the most recent break, and/or a combination of service and bridged service prior to the most recent break.
- 21.06 Bridging of the most recent period of prior service will apply to the following:
 - (A) eligibility for accident and sickness benefits;
 - (B) vacation eligibility;
 - (C) seniority.

**ARTICLE XXII
EMPLOYMENT TERMINATION**

- 22.01 **Termination Allowance.**
When the service of the regular employee is terminated under the following conditions:
 - (a) Laid-off because there is not sufficient work;
 - (b) Retired by the Company without a pension;

- (c) Dismissed after having five or more completed years of net credited service;
- (d) After a leave of absence when no work is available and when there was every reasonable expectancy at the time the leave was granted that the employee would return to work and he or she is willing and able to do so.

NOTE: No termination allowance shall be due the employee in any case where the separation is the result of retirement on pension, death, transfer, resignation, or discharge for just cause. Employees who elect to receive benefits in accordance with the Employee Income Protection Plan provisions of this Labor Agreement shall not be entitled to receive a termination allowance provided by this Article.

He or she shall receive termination allowance computed as follows:

One (1) week's basic pay for each completed year of net credited service up to and including seven (7) years; plus,

Two (2) weeks' basic pay for each completed year of net credited service from eight (8) to sixteen (16) years, both inclusive, plus,

Three (3) weeks' basic pay for each completed year of net credited service beyond sixteen (16) years. However, in no case shall a termination allowance exceed \$35,000.00. Subject to the following conditions:

- (1) An employee re-engaged and again laid off after having former service credited, will be paid the difference between the amount computed under a termination allowance plan and any previous payments such employee may have received on account of a previous layoff.
- (2) If an employee who has received a termination allowance is rehired and the number of weeks since the day laid off is less than the number of weeks upon which the allowance was based, the amount paid to that employee for the excess number of weeks shall be considered as an advance and repayment will be made through payroll deduction in the amount of ten percent (10%) of the weekly wage until the amount is fully paid.

22.02 A week's pay for the purpose of these computations shall be the regular basic pay of the employee. Hourly rates and daily rates shall be converted into weekly amounts in the manner currently in use.

ARTICLE XXIII

RESPONSIBLE UNION - COMPANY RELATIONSHIP

23.01 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.

ARTICLE XXIV HOME GARAGING

24.01 Home Garaging.

- (A) There will be established a Home Garaging Program to provide, in those work locations where implemented, that employee(s) who participate will be assigned a motor vehicle for use in their work and for traveling between their work locations and places of residence or other designated places for the vehicle storage.

- (B) The Home Garaging Program will be implemented only in those work locations where some or all of the employees normally use a Company provided motor vehicle in order to perform their work. The decision to implement and continue the program for any such employee(s) will be within management's discretion.

- (C) Participation in the Home Garaging Program by any such employee(s) shall be on a voluntary basis. However, employees shall be required to reside within a radius of 25 miles of a physical reference point to be eligible to participate in the "Home Garaging Program" unless agreed to by the

Company. An employees eligibility in the home garaging program shall not be a guarantee that home garaging will be offered to the employee by the Company.

- (D) Changes in the employee option shall be coordinated with the immediate supervisor. Generally, a two week notice will be required when options are changed. If an employee elects not to participate, management will determine where the motor vehicle assigned to that employee is to be stored and that location will become the employee's work reporting location.

- (E) Employees who elect to participate in home garaging will not report to the work center at their scheduled start and stop time. Employees shall be at their first assignment at the scheduled starting time of the tour and at 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 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 miles from the designated reference point, the Company will allow 30 minutes travel time. If the first and/or last assignment requires the individual to report to a location outside his/her normal work center, the Company will allow actual "portal to portal" travel time.

- (F) Employees who participate in the program will be expected to provide normally secure and legal storage for the vehicle at their places of residence. Liability of secured vehicles will be the Company's responsibility, i.e., vandalism, theft and act of God. If the vehicle cannot be properly stored at an employee's residence, the Company may arrange for appropriate storage at its expense. Accidents incurred (personal and vehicle) while enroute to and from work shall be covered by the Company.

- (G) Operating and maintenance costs will be at the Company's expense. The Company will make arrangements for maintenance of the vehicle; however, it will be the responsibility of the employee to whom the vehicle is assigned to assure that the vehicle is properly maintained. Routine and repair vehicle maintenance shall be at the discretion of local management.

- (H) Preferred call out will not be contingent upon "Home Garage" employees but by current procedures. Starting and ending time for call outs shall be in accordance with current procedures.

- (I) In no case shall employees be permitted to use the Company vehicle for personal use or allow non-company passengers on the vehicle. Additionally, no alcohol, drugs or firearms will be allowed on the Company vehicle.

- (J) The location of the Company vehicle during periods of employee vacation shall be determined by local management.

ARTICLE XXV
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 Sprint Corporation) 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 an 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.

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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.

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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 employees' 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 either 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.

Effective 01/01/05, the Company shall contribute a Company matching contribution equal to fifty percent (50%) of the Participant’s bi-weekly Basic Contribution. Effective 01/01/06, the Company may contribute the Company matching contributions equal to the same percentage of the Participant’s Basic Contribution as applies to non-represented employees.

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 the value of the Company 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 Participants 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 provided that benefits are not diminished.

Section 6. 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 Sprint employees.

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.

**ARTICLE XXVI
RETIREMENT PENSION PLAN**

The Company has adopted the Sprint 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 Plan Agreement, which by reference thereto is incorporated herein and made a part of this Agreement. Said Pension 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 Sprint) 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. Sprint Retirement Pension Plan.

The Employer agrees to provide Covered Members, through the Sprint Retirement Pension Plan (the “Retirement Pension Plan”) the benefits hereinafter specified in this Agreement effective October 1, 2004. All terms defined in the Sprint 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 Texas represented by Local Union No. 6174 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 Sprint 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 provision of Article IX, Definitions; and Paragraphs I, Continuous Service, and J, Credited Service, respectively of Appendix MM of the Pension Plan, except as specifically provided to the contrary herein. R
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Anything contained in the Retirement Pension Plan to the contrary notwithstanding, the tables of the 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 a subsequent Pension Agreement between Central Telephone Company of Texas and the Communications Workers of America Local 6174 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 and 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 R
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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 September 30, 1998, 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 September 30, 1998.

- (B) For each Centel Bargaining Unit Employee covered by this Agreement as of September 30, 1998, 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 the greater of:
 - (1) The benefit accrued as of September 30, 1998 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 affect at that time.

Effective October 1, 1998, 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.

ARTICLE XXVII SCOPE AND TERM OF AGREEMENT

27.01 This Agreement shall become effective on October 1, 2004, and shall continue through September 30, 2007, and thereafter unless either party serves written notice to the other of its desire to amend or 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. R R

If amendment is desired, the contents of amendment shall accompany the notice. If termination is desired the reason for termination shall be fully set forth in the notice in order that during the sixty (60) days' notice period the parties may endeavor to settle any and all controversial matters at issue, including matters which caused the sending of the termination notice.

APPENDIX A

Exchanges included in the three (3) Sprint/Centel districts for bumping purposes in accordance with Article X.

HUMBLE

Atascocita, Glen Flora, Humble, Kings Crossing, Kingwood, Porter, Porter Heights, South Humble, West Columbia.

DECATUR

Alvord, Boonesville, Boyd, Chico, Clifton, Cranfills Gap, Decatur, Krum, Laguna Park, Ponder, Rhome, Saint Jo, Sanger, Slidell, Sunset, Turnersville.

KILLEEN

Berclair, Buckholts, Charco, Copperas Cove, Florence, Fort Hood, Heidenheimer, Holland, Hutto, Kempner, Killeen, Little River, Lometa, Milano, Moffat, Oenaville, Pawnee, Pettus, Salado, Stockdale, Zabcikville, Nolanville.

APPENDIX B
PENSION BAND FOR 2004 - 2007 AGREEMENT

Pension bands for the term of this agreement shall be as follows:
 New Bands Effective 10-01-04.

BAND 2

Titles	Current	10-01-04	10-01-05	10-01-06
Broadband Installation Technician Customer Representative/Teller Customer Support Specialist Frameperson Storekeeper	\$36.17	\$36.25	\$37.16	\$38.09

BAND 3

Titles	Current	10-01-04	10-01-05	10-01-06
Broadband Service Technician Business Service Technician Cable Splicer Coin Collector Technician COE Technician Communication Technician Complex Technician Equipment Installer Lineperson Mechanic - Auto - Utilities Plant Assigner	\$46.87	\$48.55	\$49.77	\$51.02

BAND 4

Titles	Current	10-01-04	10-01-05	10-01-06
Consumer Solutions Representative	\$35.34	\$36.25	\$37.16	\$38.09

APPENDIX C
MEMORANDUM OF AGREEMENT

The parties agree that the provisioning, installation, and maintenance of DSL services will be assigned to qualified bargaining unit employees during the life of this Agreement under the following conditions:

- Employees in the Communication Technician title will be primarily responsible for this work and the Company will make every effort to distribute this work to qualified Communication Technicians. However, due to business needs the work may be assigned to any qualified employee in accordance with Article II, Section 2.01, Rights of Management.
- The Company will identify locations and number(s) of employees to be trained and certified on DSL installation.
- The Company will select the individual(s) who will receive the training and certification based on interest and aptitude (as demonstrated through skills testing). If two or more individuals are deemed to be equally qualified based on the skills testing, seniority shall prevail. If no individuals express interest in the training, the Company will assign the training to employees based on skills testing and then in inverse order of seniority.
- The Company retains the right to contract out DSL work in emergencies, special promotions, or peaks in workload and in accordance with Article II, Section 2.02.

The Memorandum of Agreement will expire effective September 28, 2007, unless it is extended by mutual agreement between the parties.

/s/ Dan D. Gronniger
Dan D. Gronniger
Central Telephone Co. of the Texas
9/30/04
Date

/s/ GloriaParra
Gloria Parra
CWA, Local 6174
9/30/04
Date

CENTEL CORPORATION
STATEMENT OF BOARD ACTION BY UNANIMOUS
CONSENT

We, the undersigned, constituting all the members of the Board of Directors of Centel Corporation (the "Corporation"), a Kansas corporation, acting pursuant to Section 17-6301 (f) of the General Corporation Code of Kansas permitting action by the Board of Directors by the unanimous written consent of all the members thereof, do hereby agree and consent to the following action and enactment of resolutions, the same declared to be authorized and effective as of August 1, 1995.

**Resolutions Authorizing Amendments of
Centel Employees' Stock Ownership Plan**

WHEREAS, the Corporation desires to amend the Centel Employees' Stock Ownership Plan (the "Plan"), so as to bring about uniform distribution options as between participants in the Plan and participants in Sprint's Employee Stock Ownership Plan, to permit Plan participants to elect to receive an in-service withdrawal of their entire account balance in the Plan attributable to contributions allocated to such participants' accounts for longer than 84 months; now, therefore, be it

RESOLVED, that effective August 1, 1995, the Plan shall be, and it hereby is, amended by adding the following subsection to Section 9:

9.6 **In-service Distributions to Participants for Allocations to Accounts After 84 Months.** This Section 9.6 applies to distributions made pursuant to a Participant's election under 9.6 (a).

- (a) **Request to Distribute.** On or after August 1, 1995 for Participants who are not covered under a collective bargaining agreement, and on or after such

later date as specified in a Participant's applicable collective bargaining agreement for Participants who are covered under a collective bargaining agreement, a Participant may, at any time prior to terminating employment with the Company and all Affiliates, elect to receive a distribution of the entire portion of his or her Account as described in 9.6 (c). Such election shall be made on such forms and in such manner as the Committee may require. Distribution shall be made in the form described in Section 9.1 and according to the schedule set forth in 9.6 (b).

- (b) In the event a Participant elects to receive a distribution under this Section 9.6, distribution shall be made on, or as close as is administratively practicable to, such Participant's applicable distribution date based on the applicable election receipt date when such election is received by the Plan Administrator. The applicable election receipt dates and distribution dates are shown below:

Election Receipt Date	Distribution Date
February 1 to April 30	June 15
May 1 to July 31	September 15
August 1 to October 31	December 15
November 1 to January 31	March 15

- (c) The portion of a Participant's Account eligible for distribution under this Section 9.6 shall be the portion attributable to contributions allocated such Participant's Account more than 84 months prior to the election under Section 9.6 (a).

CENTRAL TELEPHONE COMPANY OF TEXAS

Customer Services and Network & Switching Wage Progression Schedule

		Effective 10/01/2004	Effective 04/01/2005	Effective 10/01/2005	Effective 04/01/2006	Effective 10/01/2006	Effective 04/01/2007
Schedule 1 (C01)	Start	10.18	10.23	10.28	10.33	10.38	10.43
C.O.E Technician (CR402)	Step 2	11.13	11.20	11.26	11.33	11.39	11.46
Complex Technician (CR420)	Step 3	12.17	12.26	12.34	12.42	12.50	12.59
Equipment Installer (CR154)	Step 4	13.31	13.42	13.52	13.62	13.72	13.83
Business Service Technician (UN766)	Step 5	14.56	14.69	14.81	14.93	15.06	15.19
	Step 6	15.92	16.08	16.23	16.37	16.53	16.68
	Step 7	17.41	17.60	17.78	17.95	18.14	18.32
	Step 8	19.04	19.27	19.48	19.68	19.91	20.12
	Step 9	20.82	21.09	21.34	21.58	21.85	22.10
	Top	22.80	23.09	23.38	23.67	23.97	24.27

An evening and night differential of \$.65 shall be paid to Customer Services and Network & Switching employees for regular scheduled hours worked which fall wholly or partially outside the period from 7:00 AM to 7:00 PM inclusive.

Customer Services and Network & Switching
Wage Progression Schedule - Continued

Schedule 1A (C01A)	Start	10.20	10.20	10.20	10.20	10.20	10.20
Business Service Technician – Core (UN320)	Step 2	11.18	11.18	11.18	11.18	11.18	11.18
	Step 3	12.25	12.25	12.25	12.25	12.25	12.25
	Step 4	13.43	13.43	13.43	13.43	13.43	13.43
	Step 5	14.72	14.72	14.72	14.72	14.72	14.72
	Step 6	16.13	16.13	16.13	16.13	16.13	16.13
	Step 7	17.68	17.68	17.68	17.68	17.68	17.68
	Step 8	19.38	19.38	19.38	19.38	19.38	19.38
	Step 9	21.24	21.24	21.24	21.24	21.24	21.24
	Top	23.27	23.27	23.27	23.27	23.27	23.27

CENTRAL TELEPHONE COMPANY OF TEXAS

		Effective 10/01/2004	Effective 04/01/2005	Effective 10/01/2005	Effective 04/01/2006	Effective 10/01/2006	Effective 04/01/2007
Schedule 2 (C02)	Start	9.95	10.00	10.05	10.10	10.15	10.20
Cable Splicer (CR400)	Step 2	10.87	10.93	10.99	11.06	11.12	11.18
Communication Technician (CR405)	Step 3	11.87	11.95	12.02	12.11	12.18	12.26
Plant Assigner (CR417)	Step 4	12.96	13.06	13.15	13.26	13.34	13.44
Mechanic-Auto-Utilities (UN767)	Step 5	14.15	14.27	14.38	14.52	14.62	14.74
Coin Collector Technician (UN177)	Step 6	15.45	15.60	15.73	15.89	16.02	16.16
	Step 7	16.87	17.05	17.21	17.39	17.55	17.72
	Step 8	18.42	18.63	18.82	19.04	19.23	19.43
	Step 9	20.11	20.36	20.59	20.84	21.07	21.31
	Top	21.97	22.24	22.52	22.80	23.09	23.38

An evening and night differential of \$.65 shall be paid to Customer Services and Network & Switching employees for regular scheduled hours worked which fall wholly or partially outside the period from 7:00 AM to 7:00 PM inclusive.

		Effective 10/01/2004	Effective 04/01/2005	Effective 10/01/2005	Effective 04/01/2006	Effective 10/01/2006	Effective 04/01/2007
Schedule 3 (C03)	Start	9.70	9.75	9.80	9.85	9.90	9.95
Lineperson (UN172)	Step 2	10.59	10.66	10.72	10.78	10.85	10.91
	Step 3	11.56	11.65	11.72	11.80	11.89	11.96
	Step 4	12.62	12.73	12.82	12.92	13.03	13.11
	Step 5	13.78	13.91	14.02	14.14	14.27	14.37
	Step 6	15.05	15.20	15.33	15.48	15.63	15.76
	Step 7	16.43	16.61	16.77	16.94	17.12	17.28
	Step 8	17.94	18.15	18.34	18.54	18.76	18.95
	Step 9	19.59	19.84	20.06	20.29	20.55	20.78
	Top	21.41	21.68	21.95	22.22	22.50	22.78

An evening and night differential of \$.65 shall be paid to Customer Services and Network & Switching employees for regular scheduled hours worked which fall wholly or partially outside the period from 7:00 AM to 7:00 PM inclusive.

CENTRAL TELEPHONE COMPANY OF TEXAS

		Effective 10/01/2004	Effective 04/01/2005	Effective 10/01/2005	Effective 04/01/2006	Effective 10/01/2006	Effective 04/01/2007
Schedule 4 (C18)	Start	9.95	10.00	10.05	10.10	10.15	10.20
Broadband Service Technician (UN770)	Step 2	10.76	10.83	10.89	10.95	11.02	11.08
	Step 3	11.64	11.73	11.80	11.88	11.96	12.04
	Step 4	12.59	12.70	12.79	12.88	12.98	13.08
	Step 5	13.62	13.75	13.86	13.97	14.09	14.21
	Step 6	14.73	14.89	15.02	15.15	15.29	15.44
	Step 7	15.93	16.12	16.28	16.43	16.60	16.77
	Step 8	17.23	17.45	17.64	17.82	18.02	18.22
	Step 9	18.64	18.89	19.11	19.33	19.56	19.79
	Top	20.19	20.44	20.70	20.96	21.22	21.49

An evening and night differential of \$.65 shall be paid to Customer Services and Network & Switching employees for regular scheduled hours worked which fall wholly or partially outside the period from 7:00 AM to 7:00 PM inclusive.

		Effective 10/01/2004	Effective 04/01/2005	Effective 10/01/2005	Effective 04/01/2006	Effective 10/01/2006	Effective 04/01/2007
Schedule 5 (C05)	Start	9.70	9.75	9.80	9.85	9.90	9.95
Frameperson (CR409)	Step 2	10.37	10.43	10.50	10.56	10.62	10.68
Storekeeper (UN769)	Step 3	11.09	11.16	11.25	11.32	11.39	11.47
	Step 4	11.86	11.94	12.05	12.13	12.22	12.32
	Step 5	12.68	12.78	12.91	13.00	13.11	13.23
	Step 6	13.56	13.68	13.83	13.94	14.06	14.21
	Step 7	14.50	14.64	14.81	14.94	15.08	15.26
	Step 8	15.51	15.67	15.86	16.02	16.18	16.38
	Step 9	16.59	16.77	16.99	17.17	17.36	17.59
	Top	17.74	17.96	18.18	18.41	18.64	18.87

An evening and night differential of \$.65 shall be paid to Customer Services and Network & Switching employees for regular scheduled hours worked which fall wholly or partially outside the period from 7:00 AM to 7:00 PM inclusive.

CENTRAL TELEPHONE COMPANY OF TEXAS

		Effective 10/01/2004	Effective 04/01/2005	Effective 10/01/2005	Effective 04/01/2006	Effective 10/01/2006	Effective 04/01/2007
Schedule 6 (C06)	Start	9.00	9.05	9.10	9.15	9.20	9.25
Customer Representative/ Teller (OC010)	Step 2	9.64	9.70	9.76	9.82	9.89	9.95
	Step 3	10.33	10.40	10.47	10.54	10.63	10.70
	Step 4	11.07	11.15	11.23	11.32	11.42	11.51
	Step 5	11.86	11.95	12.05	12.15	12.27	12.38
	Step 6	12.70	12.81	12.93	13.05	13.18	13.31
	Step 7	13.60	13.73	13.87	14.01	14.16	14.31
	Step 8	14.57	14.72	14.88	15.04	15.22	15.39
	Step 9	15.61	15.78	15.96	16.15	16.35	16.55
	Top	16.72	16.93	17.14	17.35	17.57	17.79

An evening and night differential of \$.45 shall be paid to employees for regular scheduled hours worked which fall wholly or partially outside the period from 7:00 AM to 7:00 PM inclusive, for as much of said time which falls outside of said period.

		Effective 10/01/2004	Effective 04/01/2005	Effective 10/01/2005	Effective 04/01/2006	Effective 10/01/2006	Effective 04/01/2007
Schedule 7 (C19)	Start	9.70	9.75	9.80	9.85	9.90	9.95
Broadband Installation Technician (UN774)	Step 2	10.27	10.33	10.39	10.45	10.52	10.58
	Step 3	10.87	10.95	11.02	11.09	11.17	11.25
	Step 4	11.51	11.60	11.69	11.77	11.86	11.96
	Step 5	12.19	12.29	12.40	12.49	12.60	12.71
	Step 6	12.91	13.02	13.15	13.26	13.38	13.51
	Step 7	13.67	13.80	13.94	14.07	14.21	14.36
	Step 8	14.47	14.62	14.78	14.93	15.09	15.27
	Step 9	15.32	15.49	15.67	15.85	16.03	16.23
	Top	16.21	16.41	16.62	16.83	17.04	17.25

An evening and night differential of \$.65 shall be paid to Customer Services and Network & Switching employees for regular scheduled hours worked which fall wholly or partially outside the period from 7:00 AM to 7:00 PM inclusive.

CENTRAL TELEPHONE COMPANY OF TEXAS

		Effective 10/01/2004	Effective 04/01/2005	Effective 10/01/2005	Effective 04/01/2006	Effective 10/01/2006	Effective 04/01/2007
Schedule 8 (C04)	Start	9.50	9.55	9.60	9.65	9.70	9.75
Customer Support Specialist (OC025)	Step 2	10.03	10.09	10.15	10.21	10.27	10.33
	Step 3	10.59	10.66	10.73	10.80	10.87	10.95
	Step 4	11.18	11.26	11.34	11.43	11.51	11.60
	Step 5	11.80	11.89	11.99	12.09	12.19	12.29
	Step 6	12.45	12.56	12.68	12.79	12.91	13.02
	Step 7	13.14	13.27	13.40	13.53	13.67	13.80
	Step 8	13.87	14.02	14.17	14.31	14.47	14.62
	Step 9	14.64	14.81	14.98	15.14	15.32	15.49
	Top	15.44	15.63	15.83	16.03	16.23	16.43

An evening and night differential of \$.45 shall be paid to employees for regular scheduled hours worked which fall wholly or partially outside the period from 7:00 AM to 7:00 PM inclusive, for as much of said time which falls outside of said period.

		Prior to 10/1/04	Effective 10/01/2004	Effective 04/01/2005	Effective 10/01/2005	Effective 04/01/2006	Effective 10/01/2006	Effective 04/01/2007
Schedule 9 (C07)	Start	8.01						
Consumer Solutions Rep (CL405A)	Step 2	9.45						
	Step 3	9.82						
	Step 4	10.36						
	Step 5	10.93						
	Step 6	11.66						
	Step 7	12.39						
	Step 8	13.12	8.50	8.50	8.50	8.50	8.50	8.50
	Top	13.83	13.83	13.83	13.83	13.83	13.83	13.83

An evening and night differential of \$.45 shall be paid to employees for regular scheduled hours worked which fall wholly or partially outside the period from 7:00 AM to 7:00 PM inclusive, for as much of said time which falls outside of said period.

All Consumer Solution Representative new hires would be subject to a minimum wage rate of \$8.50 per hour and a maximum rate of \$13.83 per hour. Employees who are not at the maximum wage rate for their classification would receive a two percent annual wage increase to be administered twelve months from the employee's last salary action. Should an employee be less than two percent away from the maximum wage rate the employee would move to the maximum wage.