

## MEMORANDUM OF UNDERSTANDING COMMUNICATIONS WORKERS OF AMERICA APPOINTED POSITIONS

This Memorandum of Understanding between the Communications Workers of America and BellSouth outlines the understanding reached in connection with CWA appointed positions. These guidelines cover all bargained for full-time CWA Appointees for Process Improvement (Process Improvement Representatives), Employment Security PARTNERSHIP (Regional Partners), and Benefits (Claims Facilitators/Managed Care Specialist). Effective upon the signing of this memorandum, the following selection and administrative guidelines will apply.

### **Selection**

The Vice President, CWA District 3 will select individuals to serve in the CWA appointed positions. The reporting location of these assignments will be agreed upon by the parties at the bargaining level.

### **Selection Criteria**

Employees considered for these positions should possess strong oral and written communications skill, strong interpersonal and facilitation skills, be willing to travel extensively in some assignments, and evidence a strong commitment to joint Company/CWA initiatives.

During the course of these assignments, Appointees shall not engage in other Union activities such as the processing of grievances and other CWA staff work. The Company will not pay any wages or expenses in connection with other Union related functions.

### **Term of Assignment**

Normally, these positions are rotational assignments with a three year term. After the first three years, CWA has the option to rotate an Appointee out of one of the positions and select a replacement. However, the length of any assignment may be extended or abbreviated by mutual agreement.

### **Tour Length**

The normal tour length of these positions will be 7.5 hours.

### **Pay**

#### Process Improvement Representatives

- 1 @ Wage Scale 36 + 15% of appropriate step rate\*
- 3 @ Wage Scale 36 + 5% of appropriate step rate\*

#### Regional Partners

- 3 @ Wage Scale 36 + 5% of appropriate step rate\*

#### Benefits

- 1 Managed Care Specialist @ Wage Scale 36 +15% of appropriate step rate\*
- 2 Claims Facilitators @ Wage Scale 36 + 5% of appropriate step rate\*

CWA Appointed Positions

\* The Appointee's wage length of service on their permanent title will be used to place the Appointee on the appropriate step of Wage Scale 36.

Zone classification shall be based on the place of reporting for the temporary assignment. Periodic bargained for wage increases are applicable and are also based on Wage Scale 36. Promotional increase provisions of the Working Agreement do not apply.

#### **Overtime**

Normally, it is not expected that overtime will be necessary; however, when overtime is required, Management Guidelines will apply. These provisions include adjusting hours so that an Appointee will not exceed their scheduled hours in a workweek or overtime pay if appropriate.

#### **Travel Expense**

Travel expenses in connection with approved activities will be reimbursed using the same procedures used by management. It is expected that personal vehicles will be utilized in traveling as necessary. Furthermore, Company/CWA teams are expected to travel together except in those instances where it is more cost effective to travel separately or where pre-approval has been obtained. The travel expense provisions of Article 9 will not be applicable to these positions.

#### **Transfer/Relocation Expense**

With proper receipts, reasonable and necessary expense incurred in connection with temporary relocation will be reimbursed by the Company up to \$7,500 at the beginning and end of the assignment for Appointee's who sell their home. Appointees who rent at their present location or who own their home but plan to rent at the temporary location will be paid a lump sum of \$2,500 at the beginning and end of their assignment. However, if an Appointee retires from the assignment, relocation expenses at the end of the assignment will not be reimbursed. The relocation will be handled under the provisions of Relocation Plan for Non-management Employees with the exception of the \$7,500 and \$2,500 expense limitations as provided above. Relocation is subject to prior approval by the Company.

#### **Promotion and Transfer**

Time in these assignments will apply to the time-in-title provisions of the Working Agreement for promotion or transfers.

#### **Performance**

The CWA Appointees are subject to the same standards for productivity and accountability as their Company counterparts. The Company and the Union are responsible for addressing performance and behavioral issues of their respective team members.

#### **Assignment Completion**

At the end of the assignment, an Appointee vacating one of these positions will be returned to his/her job title and work location occupied prior to their appointment.

#### **Surplus**

CWA Appointed Positions

If surplus is declared in the Appointee's permanent title, they will be given the options as follows:

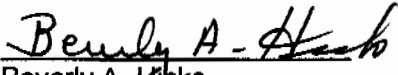
- Option A: Return to their permanent title and be processed with the current surplus.
- Option B: Remain in their current assignment until the appointment ends, then be returned to their permanent title and be processed under Article 7.

If eligible, termination pay, SIPP or ESIPP will be based on the permanent title.

**Pension**

Pension calculations for Appointees who retire will be based on the provisions of the BellSouth Pension Plan in effect at the time of retirement. Appointment to these positions will be considered promotions for the application of pension benefits.

These guidelines supersede any previous agreements or understandings between the parties and will expire concurrent with the 2004 Working Agreement. Matters pertaining to the application of this Memorandum of Understanding may be discussed between the Company and CWA at the bargaining level; however, such matters are not subject to the grievance and arbitration procedures.

  
 Beverly A. Hicks  
 Assistant to the Vice President  
 CWA District 3

  
 Michael L. Matthews  
 Vice President  
 BellSouth Labor Relations

Date: 10/31/06

Date: 11/8/06