28301

AGREEMENT

BETWEEN

CENTRAL TELEPHONE COMPANY
d/b/a CenturyLink

AND

COMMUNICATIONS WORKERS OF AMERICA – LOCAL 3672

HICKORY & MADISON
North Carolina Districts

Effective: June 1, 2014
Expiration: May 31, 2017

CenturyLink™

CWA

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AGREEMENT
Between
COMMUNICATIONS WORKERS OF AMERICA
And
CENTRAL TELEPHONE COMPANY
d/b/a CenturyLink

THIS AGREEMENT, made this 31st day of May, **2014**, by and between the Communications Workers of America, herein called Union, and the Central Telephone Company, d/b/a CenturyLink, or its successors or assigns, herein called the Company: R

WHEREAS, the majority of employees of the Company's Hickory District Customer Services, Marketing, Network Support, and Network Engineering & Construction Departments, except supervisors, confidential employees, janitors and temporary employees at a secret ballot election, conducted by the National Labor Relations Board, designated the Communications Workers of America A.F. of L. - C.I.O. as their exclusive collective bargaining representative (per N.L.R.B. CERTIFICATION dated December 10, 1964); and

WHEREAS, the majority of employees in the Company's Madison District (formerly a part of Lee Telephone Company) Customer Services, Marketing, Network Support, and Network Engineering & Construction Departments, except managerial and confidential employees, guards, professional employees and supervisors as defined in the Act, at a secret ballot election, conducted by the National Labor Relations Board, designated the Communications Workers of America, A.F. of L. - C.I.O. as their exclusive collective bargaining representative (per N.L.R.B. CERTIFICATION dated June 16, 1967); and

WHEREAS, the majority of the employees of the Company's Hickory and Madison Districts except employees of the Customer Services, Network Support, Network Engineering & Construction, Accounting, Engineering, Equipment Installers, Personnel, and Public Relations Departments, professional employees, confidential secretaries, guards and supervisors as defined in the Act, at a secret ballot election, conducted by the National Labor Relations Board, designated the Communications Workers of America, A. F. of L. - C.I.O. as their exclusive collective bargaining representative (per N.L.R.B. CERTIFICATION dated August 30, 1973);

WHEREAS, the Union and the Company now desire to enter into an Agreement with respect to the recognition of the Union as the certified exclusive bargaining representative of the employees within said unit, and for other purposes hereinafter set out;

NOW, THEREFORE, the parties do agree as follows:

WITNESSETH:

The Company hereby recognizes the Union, for the purposes of collective bargaining with respect to wages, hours of employment, and other conditions of employment, as the exclusive bargaining representative of all employees of the Hickory, North Carolina District Customer Services, Marketing, Network Support, and Network Engineering & Construction Departments, but excluding guards, supervisors, professional employees as defined in the Act, the group plant supervisor's confidential secretary, and all other confidential employees, and janitors, and temporary employees in Hickory, Valdese, Hildebran, Granite Falls and Catawba; and

All employees of the Customer Services Department at the Employer's Hickory, North Carolina facility, including service assistants, and traffic clerks; excluding office clerical employees, guards, employees in other departments, assistant chief operators, chief operator, and all other supervisors as defined in the Act; and

All employees of the Madison, North Carolina District Customer Services, Marketing, Network Support, and Network Engineering & Construction Departments, including all construction, installation, maintenance and building service employees, including Customer Services and Network Engineering & Construction clerical employees, employed by the Employer in the Employer's Customer Services, Marketing, Network Support, and Network Engineering & Construction Departments, but excluding managerial and confidential employees, guards, professional employees and supervisors as defined in the Act, as amended, and all other employees in Danbury, Quaker Gap, Madison, Sandy Ridge, Stoneville, Walkertown and Walnut Cove, North Carolina; and

All employees of the Hickory and Madison Districts Customer Contact Department, excluding employees of the Customer Services, Network Support, Network Engineering & Construction, Accounting, Customer Services - Operator Services, Engineering, Equipment Installers, Personnel and Public

Relations Departments, professional employees, confidential secretaries, guards, and supervisors as defined in the Act, in Catawba, Granite Falls, Valdese, Hickory, Walkertown and Madison; and

The provisions of this Agreement shall not, except as to occupational wage rates and working hours, apply to any employee hereafter employed who has not had at least ninety (90) days or more of continuous service with the Company.

The Union and the Company, in consideration of mutual covenants herein contained, agree that during the effective life of this Agreement the following provisions shall govern the relationship between the parties.

ARTICLE 1
DEFINITIONS

1.01 **Calendar Week -** A consecutive period of seven (7) days, the first day of which is Sunday.

1.02 **Call-Out**

A. "Call-Out"-Contacting an employee to report immediately to perform non-scheduled work for the Company, except work defined as connecting work in Section 1.03.

B. Call-out time shall include travel time to and from the employee's residence, or its equivalent. Each call-out shall be considered separately in the computation of time and payment.

1.03 **Connecting Work -** Any overtime work which connects with the beginning or end of scheduled time.

1.04 **Contract Work -** Services provided to a communications company by non-company employees.

1.05 **Headquarters** – An exchange, location, or town designated by Company as place of reporting.

1.06 **Holiday Work -** Any work which begins on an authorized holiday.

1.07 **Normal Tour -** A normal tour for full-time employees shall consist of eight (8) working hours and shall consist of two (2) work sessions divided by a lunch of one hour or one half hour in length based on service requirements.

1.08 **Overtime Rate, Pay - Except Sundays and Holidays.** Overtime rate of pay is one and one-half (1-1/2) times the basic rate of pay plus such other differential increment as required under the terms of the Fair Labor Standards Act in effect on the date of this Agreement.

A. Effective May 27, 1998, all hours worked in excess of sixty (60) hours per week shall be paid for at the rate of two (2) times the employee's basic hourly rate. All hours worked in accordance with Article 1, Paragraph 1.09, and 1.10, shall not be used in the computation of excess weekly overtime.

1.09 **Overtime Rate, Pay – Sundays -** The Customer Services, Marketing, Network Support and Network Engineering & Construction Department Sunday overtime rate of pay is one and one-half (1-1/2) times the basic rate of pay for all hours worked. Scheduled hours worked on Sunday shall be included in computation of the forty (40) hour workweek for overtime purposes. All applicable differentials shall be paid for any work on Sunday.

1.10 **Overtime Rate, Pay – Holidays -** The holiday overtime rate of pay is two and one-half (2-1/2) times the basic rate of pay plus such other differential increment as required under the terms of the Fair Labor Standards Act in effect on the date of this Agreement.

1.11 **Promotions -** Any new assignment will be filled from within the bargaining unit provided there is a qualified bidder. If no qualified bidder then the company reserves the right to fill this position.

1.12 **Regular Employee** - One who is employed for more than three (3) months.

1.13 **Scheduled Hours** - Hours falling within an employee's scheduled tour.

1.14 **Scheduled Tour -** Any of the tours which are officially posted on the weekly work schedule for a particular employee.

1.15 **Service Requirements** - Whenever used in the Agreement, "Service Requirements" means such service requirements as determined by the Company, but such determination shall be subject to the grievance procedure set out in Article 17, and a charge of bad faith, or arbitrary action shall be subject to the arbitration procedure set out in Article 18.

1.16 **Session -** One of the two parts into which a tour is divided (or assumed to be divided when the nature of the employee's assignment requires constant attention on duty). A session shall not be less than three (3) hours.

1.17 **Sunday Pay, Customer Services, Marketing, Network Support and Network Engineering & Construction Department** - One and one-half (1-1/2) times the basic rate of pay for all hours worked. Scheduled hours worked on Sunday shall be included in computation of the forty (40) hour workweek for overtime purposes. All applicable differentials shall be paid for any work on Sunday.

1.18 **Temporary Employee** - One whose term of employment is intended not to be more than three (3) months, or who is hired for a special project involving not more than a six (6) month period.

1.19 **Part-Time Employees** – Positions in this category are normally scheduled to work less than 30 hours per week and are not eligible for Health and Welfare benefits. Other benefits are applicable according to Company policy and retirement and savings plans eligibility are governed by the plan documents.

1.20 **Wage Length of Service (Wage Experience Credit) -** Period credited to an employee in the application of the wage schedule for his job classification. Generally, the wage length of service of an employee whose entire service has been continuously in the same job will be his total length of service. If one is employed at a starting rate higher than the normal starting rate on account of previous telephone or other experience or special

training, the wage length of service will include such credit as is given at the time of employment or reemployment, plus service accumulated thereafter except as limited by Section 10.05.

1.21 **Weekend Work -** Employee whose turn through rotation to work Saturday or Sunday, may be offered a day off during the same normal work week.

1.22 **Work Day -** The period of time between 12:00 midnight preceding and 12:00 midnight ending any day. Any tour, call-out, or other non-scheduled time is a part of the work day on which such tour, callout, or other non-scheduled time begins. Any connecting time which precedes a tour is a part of the work day on which the connecting time begins. Any connecting time which follows a tour is a part of the work day on which the tour begins, even though such connecting time continues until the beginning of a subsequent tour.

1.23 **Work Group -** A group of employees who work under the same first line supervisor and who regularly interchange on work assignments and regularly relieve each other.

1.24 **Working Leader** - A non-supervisory employee on productive work who is assigned to coordinate the work activities of a group of workers and who contributes to the training of employees.

ARTICLE 2
HOURS OF WORK AND BASIS OF COMPENSATION

2.01 **Work Schedules and Choice of Tours**

A. Work schedules for all employees shall be posted by 3:00 P.M. on Thursday to show for each such employee his scheduled or assigned tours for the next calendar week.

B. Work schedules shall stipulate the starting and ending time of such tours, together with the starting and ending time of each session. Intervals between sessions shall not be shifted more than one (1) hour at the instance of the Company, except as necessary to meet service requirements.

C. Employees shall have the opportunity to exercise their seniority for choice of tours for which they are qualified at least every four (4) weeks and in conjunction with the company's automated scheduling system.

1. Employees returning from leaves of absence, layoff, or employees coming in by transfer shall be granted choice of tours in accordance with their seniority and qualifications at the next revision of the schedule, per above.

2.02 **Scheduling Tours**

A. Insofar as service requirements permit, the Company shall assign tours in accordance with the preference of employees, for tours for which they are qualified, in the order of their seniority.

B. Tours may fall on any day of the week necessary to meet service requirements, except that the tours and part tours which make up the normal work week may not be spread over more than six (6) days of the calendar week.

1. Scheduled time is comprised of tours and/or part tours and the scheduled time for any work day shall not exceed the length of a normal tour.

C. No employee shall be scheduled to work more than thirteen (13) consecutive days, except where acute service conditions develop.

D. Insofar as service requirements will permit, a minimum time interval of twelve (12) hours shall elapse between the scheduled ending time of one tour and the scheduled starting time of the next tour, except when a shorter interval between tours results from an employee exercising his seniority for choice of tours.

E. Insofar as service requirements and employee's qualifications permit, holiday assignments shall be rotated among employees having the same job classification within a particular work group.

F. Changes from officially posted weekly work schedules may be made (without changing the total scheduled hours for the week) to provide for changes in hours, work days, or off-days in accordance with the following:

1. At the request of the Company in order to meet service requirements.

2. At the request of employees.

   a. If an employee requests time off for personal reasons he may be permitted to work one (1) non-scheduled day in the same work week at his regular wage rate, plus applicable differentials.

   b. If the Company contacts an employee in connection with a shift of his tour and if the employee agrees to the shift, the shift shall not be considered to be made at the request of the employee.

G. Four-Day Work Week

1. General

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

a. It is recognized that in certain work 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 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. Implementation of the four-day work week shall be voluntary and shall be mutually agreed upon between the employee and supervisor.

c. No daily overtime payment as required in Article 1, Section 1.08 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.

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

2.03 Relief Periods

A. A relief period of fifteen (15) minutes shall be provided for all employees once each uninterrupted-work session, provided that -

1. Central office employees shall be assigned such relief periods as near the midpoint of the session

as practicable, but in no event shall they be assigned to start less than one (1) hour from the beginning or end of each session unless a service emergency develops.

2. Customer Service Technicians, Business Service Technicians and Cable Splicers shall whenever possible, take their relief periods between jobs. Otherwise they may leave a job, or their truck at a point en route during their relief periods, provided they take precautions, commonly recognized under the circumstances for the protection of the service and the safety of the public and return to work promptly at the end of the relief period.

3. Crew employees shall take their relief periods at times to be determined by the Foreman, or his designated representative, who shall take into consideration the work and service conditions, location, and also that it is desirable for the relief periods to be taken near the middle of the work session. Crew employees may leave a job, or their truck at a point en route, during their relief periods, provided they take precautions, commonly recognized under the circumstances, for the protection of the service and the safety of the public and return to work promptly at the end of the relief period.

4. Customer Contact Department employees shall be assigned such relief periods as near the midpoint of the session as practicable, but in no event shall they be assigned to start less than one (1) hour from the beginning or end of each session unless a service emergency develops.

2.04 Pay for Work on a Week Day (Other than an Authorized Holiday)

A. Employees working on a week day shall be paid at their regular rate for all scheduled time worked, except as otherwise provided in this section.

B. When the Company assigns an employee to work a regular work day or half-day portion thereof on a day

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

1. The employee is notified of the change as long in advance as practicable and not less than twenty-four (24) hours prior to the beginning of the additional or decreased assignment - whichever is earlier.

2. If the employee is not notified of the change by the Company within the time limits prescribed above, then the employee may - at the time of receiving such non-scheduled assignment - elect to work out the hours of this previously scheduled work week in addition to the added assignment which on this basis would be paid for as overtime.

2.05 Pay for Authorized Holiday

A. All regular employees shall be paid eight (8) hours time at the employee's basic hourly rate, including applicable differentials, for all holidays, whether or not they perform work (except as provided in Paragraph 2.05 C) and in addition thereto they shall be paid -

1. For the first eight (8) hours worked on holidays - at one and one-half (1-1/2) times the employee's basic hourly rate, plus applicable differentials;

2. For all hours worked over the first eight (8) hours worked on holidays - at the employee's holiday overtime rate of two and one-half (2-1/2) times the employee's basic hourly rate, plus applicable differentials.

B. Holiday time within an employee's scheduled work week, whether worked or excused, shall be used in the computation of weekly overtime (except as provided in Paragraph 2.05 C).

C. Employees failing to report for scheduled work on a holiday or on either of the days which immediately precede or follow the holiday, shall receive no holiday allowance or other holiday pay unless excused by the Company.

2.06 Overtime Work, Call Outs – It is recognized that due to the nature of our business and the necessity of providing continuous service, employees may be called upon to work call out and overtime hours. Call outs after hours are a normal part of the business and employees are expected to be reasonably available and accept call outs. N

Employees shall be paid at their overtime rate for all non-scheduled time worked subject to the following:

A. For call outs, a minimum of two (2) hours pay at the employee's basic rate of pay plus applicable differentials.

B. Due to technological improvements, employees may be able to handle and resolve a call-out from home that does not require travel to the report center or to the customer location. In this situation, the employee will be paid a one (1) hour minimum at the employee's overtime rate of pay, to resolve the problem at home. If the time worked exceeds one (1) hour, then the actual time worked to resolve the problem will be paid at the overtime rate.

C. When Customer Service Technicians respond to a call out, they will receive the appropriate call out pay in compliance with Section 2.06A. Additionally, the Customer Service Technician will be eligible for one day of stand-by pay in accordance with Section 2.09. The stand-by coverage will extend until 8:00 a.m. the following day. N

2.07 Non-Compounding of Overtime - Notwithstanding any other provisions of this Agreement, employees shall not be paid for work on week days, or holidays at any rate in excess of the overtime rate, except where necessary to meet the minimum pay requirements under the terms of this Agreement, and neither shall an employee be paid

both daily and weekly overtime for the same overtime hours worked.

2.08 Differential Payments and Meal Allowance

A. Customer Services, Marketing, Network Support, and Network Engineering & Construction employees shall be paid, in addition to their basic rates, an hourly differential for each hour worked on tours which fall wholly or partly within the period 7:00 P.M. to 7:00 A.M. Night and evening shift differentials to be paid for each hour worked on regular scheduled evening or all night tours - $.75.

B. When an employee is required to continue to work more than two (2) hours immediately following his regular day's work, or is called out to work more than two (2) hours immediately preceding his regular work day, he shall be paid a meal allowance of $3.75, and at intervals of four (4) hours thereafter until the start of his next regular work day, or until he is released from duty - whichever is earlier.

C. If an employee is requested by the Company to fill a temporary vacancy in a job calling for a higher wage rate than is paid for his regular job, for one (1) session or more, he shall receive the higher wage rate for such time as he works on the higher rated job. Upon return to his regular job, he shall again receive his regular rate. If the rate for the job to which he is temporarily assigned is lower, the employee's rate of pay shall not be reduced. Working Leader Differential (no change in title involved) – for each hours worked on such assignment, for one (1) session or more - $.50.

D. All employees shall be paid every two (2) weeks. Unless prevented by circumstances beyond the Company's control, paychecks shall be available to the employee at or before the end of his/her regular shift of the Friday following the end of the two (2) week pay period through direct deposit. Failure of an employee to forward his/her daily work reports in a timely manner shall disqualify said employee from the rights under this Section. All pay advices will be

accessed on-line and may be printed by the employee.

2.09 Stand-By Technicians

In order to provide a level of service that meets the expectations and demands of our customers, the Company and the Union hereby agree to institute the following "Stand-By Program" for Business Service Technicians and other classifications as designated by the Company.

The Company may designate work groups where the "Stand-By Program" will be utilized. Employees who are used or designated as "Stand-By Technicians" will be utilized within the area where he is qualified to perform the work and must participate in the Home Garage Program during the stand-by period.

The "Stand-By Technician" will initially be voluntary and will be rotated within the affected work group by seniority among qualified volunteers. Should there be an insufficient amount of volunteers, it will be rotated within the affected work group by seniority among qualified employees.

The "Stand-By Technician" will first be contacted by telephone, and if no one answers they will be paged. The technician will be available to respond to the trouble within an hour. This will fulfill Central Telephone Company's commit time for a two (2) hour response contained in a number of our current contracts with businesses in the area.

It is the responsibility of all technicians on call out to report completion of a case of trouble. This will clear the technician for additional call outs in the system, and allow the customer to be given a status of trouble reported if required.

The "Stand-By Technician" shall be available within one (1) hour for non-connecting call outs. The designated technicians shall be equipped with pagers to facilitate call out and to provide them freedom of travel during stand-by hours. The technicians will be paid $210.00 for being on Stand-by for the week. If the technician is assigned

Stand-By for week-end only the payment will be $100.00. A daily stand-by assignment may be assigned and payment will be $25.00 per day. This payment will be in addition to any call out pay the technician may earn.

Occasional stand-by periods for other lengths of time may be required under unusual, special circumstances or upon service requirements. The assignment of stand-by periods will be at the discretion of the Company.

ARTICLE 3
HOLIDAYS

3.01 Authorized Holidays. (Effective January 1, 2006) Legal holidays within the meaning of this Agreement shall be:

New Year's Day
Memorial Day - (Last Monday in May)
Fourth of July
Labor Day
Thanksgiving Day Christmas Day

The number of personal holidays granted per year will be based upon length of service as indicated below:

*0 to 2 years service: 6 personal holidays
Over 2 years service: 8 personal holidays

3.02 Holidays Falling on Saturday or Sunday – When an authorized holiday falls on Sunday, the following Monday shall be recognized and observed as the holiday. Authorized holidays falling on Saturday shall be observed on the preceding Friday. The Saturday and/or Sunday shall be considered the same as any other Saturday or Sunday.

3.03 Holidays Within Vacation Period - 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.

3.04 An employee may select his/her personal holidays each calendar year. Initial selections may be made by seniority after vacation schedules are selected. After initial selections are made, remaining selections will be made subject to the following conditions:

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

2. A minimum of one (1) week, if practicable, notice must be given to the employee's immediate supervisor (outside the Bargaining Unit); however, all selections must be made prior to October 1. Any personal holiday(s) not selected prior to October 1, will be assigned by the Company.

3. Premium Pay days may not be selected.

4. The Company will make a reasonable effort to grant the employee's selection, but service requirements of the Company shall prevail. Any changes in selection will be subject to the needs of the business and with the concurrence of management.

5. All personal holidays must be used for all incidental absences including but not limited to the first five days of illness/injury.

6. If the employee has exhausted all his/her personal holidays or vacation days then unpaid time may be used for all incidental absences including but not limited to the first five days of illness/injury.

* In the first year of employment, employees hired between January 1st and June 30th will be granted six (6) personal holidays; employees hired between July 1st and September 30th will be granted four (4) personal holidays; employees hired between October 1st and December 1st will be granted two (2) personal holidays.

ARTICLE 4
VACATIONS

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

A. New hires employed after 12/31/xx or in the following calendar year will be eligible to earn one day (8 hrs) vacation on a monthly basis according to the following schedule:

1. Hire date 01/01/xx through 01/15/xx…
   Earn a max of 10 days

   Hire date 01/16/xx through 02/15/xx…
   Earn a max of 9 days

   Hire date 02/16/xx through 03/15/xx…
   Earn a max of 8 days

   Hire date 03/16/xx through 04/15/xx…
   Earn a max of 7 days

   Hire date 04/16/xx through 05/15/xx…
   Earn a max of 6 days

   Hire date 05/16/xx through 06/15/xx…
   Earn a max of 5 days

   Hire date 06/16/xx through 07/15/xx…
   Earn a max of 4 days

   Hire date 07/16/xx through 08/15/xx…
   Earn a max of 3 days

   Hire date 08/16/xx through 09/15/xx…
   Earn a max of 2 days

   Hire date 09/16/xx through 10/15/xx…
   Earn a max of 1 day

   Hired 10/16/xx through 12/31/xx…
   Earn a max of 0 days for current year

In general, if employees are hired on or before the 15th day of the month they will earn their vacation for that month. If they are hired after the 15th of the month, they are not eligible to earn their vacation day for that month. It follows that employees who terminate after the 15th of the month have earned their day of vacation for that month.

B. Employees who have been employed for twelve (12) consecutive months will be granted a two (2) week vacation;

C. Employees who have been employed for five (5) consecutive years will be granted a three (3) week vacation;

D. Employees who have been employed for fifteen (15) consecutive years will be granted a four (4) week vacation;

E. Employees who have been employed for twenty-five (25) consecutive years will be granted a five (5) week vacation. Vacation eligibility for employees transferred into Central Telephone Company's Hickory and Madison Districts from any place in the Central Telephone Company and affiliated Companies System, will be determined on the basis of the employee's full service within such System.

F. Employees may take vacation in one-half (1/2) day increments based on the work load and supervisory approval.

G. If the employee has exhausted all his/her personal holidays or vacation days then unpaid time may be used for all incidental absences including but not limited to the first five days of illness/injury.

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

4.03 **Vacation Pay** - Payments per week of vacation will be equal to the employee's basic hourly wage rate (including applicable differentials) times the hours the employee is regularly scheduled to work in a normal work week.

4.04 **When Vacation may be taken.** Employees whose first 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 after their service anniversary date, subject to their seniority rights, and work and service conditions permitting, provided that-

R

A. If the employee's service anniversary date occurs on or after October first (1st) the Company will make arrangements for such employee's vacation to be taken prior to his service anniversary date, but not earlier than October first (1st) of the current calendar year.

4.05 Employees who have completed one (1) or more years of consecutive service may take their vacations at any time during the year that work and service conditions and their seniority will permit.

4.06 An employee covered by this agreement will be allowed to carry over up to one week (40) hours of vacation with management approval to the next calendar year. Such carryover vacation must be taken by **December** 31 of the succeeding year. **In these instances, up to 40 hours of carryover will generate automatically for use by December 31 of the following year.** R

4.07 No later than November of each year, the Company will allow employees the opportunity to select vacation through the designated automated vacation scheduler process that will determine the vacation allowance which each employee at the particular location will be eligible for in the succeeding calendar year.

4.08 Work load, service requirements and other requirements of the business permitting, the vacation schedules shall be prepared in such a manner as will permit a maximum number of vacations to be taken during the more desirable vacation periods.

4.09

A. Employees shall in the order of their seniority be entitled to express preference as to the time of taking their vacations, provided:

1. Employees eligible for more than one (1) week of vacation electing to take their vacations in segments will only be entitled to, in the order of their seniority, express preference of one (1) segment at a time; and

2. No segment shall be less than one (1) week.

B. Vacation selections must be completed no later than December 31st and any employee who fails to indicate a choice of vacation period will be construed to have waived whatever right he may have had to choose his vacation period(s).

4.10 The Company will establish the vacation time schedule for all employees who will be eligible for vacations in the succeeding calendar year. In so doing, the Company will give consideration to each employee's seniority and expressed choice of vacation period or periods insofar as the available vacation periods established under Paragraph 4.09 will permit.

4.11 **All unused vacation hours will be paid out at termination or upon retirement, except when an employee is terminated for just cause. In the event of the death of an employee, all unused accrued PTO time shall be paid to the estate.** R

In the event a newly hired employee is permitted to take vacation time prior to accruing it, and then resigns from the Company, this time will be deducted from the final pay check.

4.12 Employees who are eligible for two or more weeks of vacation may, at their option and in accordance with the present vacation scheduling practice, schedule a one week portion of such vacation as a tentative vacation week. This tentative vacation week will consist of five paid vacation days that may be scheduled on a day-at-a-time basis.

If the employee has not taken all five days of the tentative vacation week on a day-at-a-time basis prior to the employee's scheduled tentative vacation week, those vacation days remaining will be taken during the scheduled tentative vacation week.

The employee shall submit his request for such day (or days) of vacation to his immediate supervisor (outside the bargaining unit) not later than the Monday of the week preceding the week in which he desires to take a day (or days) of vacation as described above.

Such days of vacation will be granted to employees upon request, service requirements permitting.

ARTICLE 5
ABSENCES FROM DUTY

5.01 **Leaves of Absence**

Administrative/Personal Leave

An Administrative/Personal leave of absence without pay may be granted to an employee by the Company in its sole discretion and in accordance with the Company Policy. Administrative/Personal leaves may only be requested for an absence of five (5) consecutive workdays or more and shall be limited to a cumulative total of thirty (30) calendar days in any rolling eighteen (18) month period. Any extension beyond thirty (30) calendar days requires additional approvals from the Company. An employee must have a minimum of 6 months service to be eligible for an Administrative/Personal leave. All available PTO/Vacation/Personal Holiday hours must be exhausted prior to going into unpaid status while on Administrative/Personal leave. R

Family and Medical Leave

The parties recognize the applicability of the federal Family and Medical Leave Act, and the Union recognizes the Company's right to establish FMLA policies and rules which are consistent with that law and/or any applicable state law as well as any express provision of this Agreement. These benefits are described and administered in accordance with the Company Policy.

Disability Leave

All employees who are not eligible for federal or state Family and Medical Leave, or have exhausted the maximum time available, are eligible for disability leave for recovery from bona fide disabling illnesses or injuries. This includes all on- and off-the-job illnesses and injuries. Except as otherwise

allowed by law, disability leaves will be administered in accordance with the Company Policy. Employees on disability leave may qualify for benefits under several Company plans (PTO/Vacation, Worker's Compensation, Short Term Disability, Long Term Disability) subject to all of the policies and rules governing eligibility and use of such benefits. R

General Rules Governing Leaves

The following rules shall apply to all leaves:

1. An employee shall not seek or accept other employment of any kind, including any business of his own, while on an authorized leave of absence, without advance written approval from the Company. Should an employee violate this Section, he is subject to immediate discharge.

2. Leaves granted for less than a maximum period may be extended to the maximum if the employee remains eligible, has permission and has satisfied the conditions applicable to the granting of such leave.

3. The Company may require such physical or other professional examinations from healthcare providers as are allowed under the Americans with Disabilities Act, the Family and Medical Leave Act and/or any other applicable law or regulations as well as when an employee is claiming benefits or privileges under this Agreement. This shall include, but not be limited to, independent medical examinations to confirm a disability, circumstances in which an employee seeks disability or family leave and applies for or is receiving any benefits financed by the Company; and "fitness for duty" examinations.

4. Administration of leaves, including the application process and timelines, notice requirements, return to work rights, and modified duty programs will be governed by the Company Policy.

5. The Company maintains the right to modify or amend the administration guidelines described in the Company Policy at its discretion. R

5.02 Military Leaves

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

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

C. Following discharge under honorable conditions from military service, any such employee shall be reinstated in accordance with the reemployment rights as provided under the Vietnam Era Readjustment Assistance Act, as now or hereafter amended.

D. If at the time of application for reemployment by an employee who has been in military services, no vacancy exists, one may be created by discharge or layoff. Any layoff shall be made in accordance with procedure outlined in Paragraph 6.01.

E. Effective May 27, 1999, 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 allowed to retain any military pay received. Employees who are to be gone for more than two (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.

5.03 Leave for Union Business

If an employee is elected to fill a term of office with the Local Union which requires absence from duty with the

Company, and both the Union and the employee request, in writing, as far in advance as possible (normally not less than sixty (60) days), that the employee be granted a leave of absence, then the Company will grant a leave of absence not to exceed three (3) years.

No more than one bargaining unit employee shall be on leave of absence for Union business at one time.

No more than one (1) employee from any one job classification or two (2) employees in total shall, at any one time, be excused, unless in special cases, other arrangements are made and agreed upon between the Company and Union a reasonable period in advance.

5.04 Absences Excused with Pay

A. In the unfortunate event of the death of an immediate family member, an employee is provided time off with pay to grieve, assist in making arrangements and/or to attend the funeral or services of a close relative. The length of time off shall not exceed:

Five scheduled workdays for the following immediate family members: spouse, domestic partner, father, mother, son, daughter (includes step-parents and stepchildren), grandchild. Such payment shall be for a maximum of 40 hours.

Three scheduled workdays for the following immediate family members: brother, step-brother, sister, step-sister, mother-in-law, father-in-law, son-in-law, daughter-in-law, sister-in-law, brother-in-law, grandmother, grandfather, grandmother-in-law, grandfather-in-law, aunt, and uncle.

Employees shall receive pay at their base rate of pay for the hours they were scheduled to work. Additional time off without pay may be granted at the discretion of the Company.

Such time off will begin on the day of the death to and including the day after the funeral. If a death or

funeral of a member of the employee's immediate family occurs during the employee's vacation, the employee will be allowed to use funeral leave and reschedule the remainder of his/her vacation if time and service requirements permits.

B. Any regular employee 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 straight time rate of pay for such regular time he is required to be absent from duty provided that -

1. Such employee notifies his immediate supervisor of the receipt of such summons or subpoena on the employee's first working day following receipt of such summons or subpoena -- unless prevented from so doing by conditions beyond the employee's control -- and is assigned, or reassigned, to a regular 8:00 a.m. to 5:00 p.m. shift for the period of such service, and is assigned or reassigned to a Monday to Friday period.

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.

3. Employees may keep the jury duty stipend received from the court.

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

All requests for excused absences shall be made as far in advance as possible and the Company shall act

promptly upon each request. Such excused absences shall not exceed twenty-five (25) consecutive calendar days, or a total of forty-five (45) working days in any calendar year; except in the case of the Local Union President when such excused absences shall not exceed a total of sixty (60) working days in any calendar year.

No more than two (2) employees in total shall, at any one time, be excused, unless in special cases, other arrangements are made and agreed upon between the Company and Union a reasonable period in advance.

ARTICLE 6
FORCE ADJUSTMENTS

6.01 **Section 1 - Reduction in Force**

A. Whenever the Company deems it advisable to part-time or lay off regular employees, such force adjustments as it may deem advisable shall be made effective among employees performing essentially the same type of work in the district, through part-timing or layoffs or both, subject to the following conditions:

1. Temporary employees shall be laid off first.

2. Next in order, employees with less than two (2) years' seniority shall be declared surplus in the inverse order of seniority.

3. After the steps as outlined in paragraph 1 and 2 above have been taken and further reductions in the work force are advisable, the Company may either part-time all employees after notifying the Union of its proposal to part-time including the applicable reduction in hours, or it may declare employees surplus in the inverse order of seniority.

B.

1. Employees who are designated as surplus shall be offered reassignment to available jobs in the same or lower pay levels within the district affected, provided they are qualified to perform

such jobs. **Further, the surplus employee must have previously held the job title and have the skill and qualifications to perform the new job with a minimum of on-the-job training and familiarization (defined as 3 weeks or less). If formal classroom training of 3 weeks or more is required to perform the work, the employee will not be eligible to bump.** N

2. Employees who are surplus shall be offered transfer to the jobs in paragraph 1 above in order of their seniority.

3. If there are no jobs available in the district as provided in paragraph 1 above or the employees refuse the offer, then the employees shall be laid off.

Section 2 - Technological Displacements

A. A technological displacement occurs when the job of a regular employee or group of regular employees is no longer considered necessary due to a technological change in the type of plant or equipment used, or a change in operating procedures reducing the total number of employees considered necessary to provide the same service. Technological change shall be defined as any change in equipment, material and/or methods after the date of this Agreement which results in any reduction in the number of bargaining unit employees. This is to be distinguished from a force surplus due to lack of work covered in Section 1. above.

B. When regular employees are displaced by a technological change, such employees shall be offered continuing employment with the Company in accordance with the following conditions:

1. Employees displaced shall be offered the opportunity for reassignment to available jobs within the district affected. Such employees shall take precedence over employees who seek a transfer under Article 10. Employees

exercising their option for reassignment under this Section who are unable to qualify for the job or who the Company determines fails to perform his/her job satisfactorily in the new assignment will be laid off under Section 3. below.

2. The offering of reassignment shall be in order of seniority.

3. Employees who are technologically displaced may in order of seniority displace employees in similarly rated jobs or lower rated jobs for which they are currently qualified. **The displaced employee must have previously held the job title and have the skill and qualifications to perform the new job with a minimum of on-the-job training and familiarization (defined as 3 week or less). If formal classroom training of 3 weeks or more is required to perform the work, the employee will not be eligible to bump.** N

4. Employees offered, but not accepting reassignment in the district and in a similarly rated job or not displacing an employee as described in paragraph 3 above shall be retired, if eligible, or considered terminated. In either case, the employee will have eligibility for Supplemental Income Protection benefits as shown in Article 30.

5. If an employee is transferred to a job title having a lower wage guide, his/her rate of pay, if above the maximum for the new job title, shall be reduced to that maximum.

Section 3 - Layoff Procedure

A. Layoffs because of lack of work for employees who perform essentially the same type of work (within the employee's assigned district) shall be made in the inverse order of seniority, provided:

1. Employees who have not established seniority hereunder, such as temporary employees, shall first be terminated.

2. Regular employees shall be offered reassignment to work, according to service requirements, in classifications which they have previously performed and are currently qualified to perform. **The displaced employee must have previously held the job title and have the skill and qualifications to perform the new job with a minimum of on-the-job training and familiarization (defined as 3 weeks or less). If formal classroom training of 3 weeks or more is required to perform the work, the employee will not be eligible to bump**, provided further: N

   a. If a regular employee refuses to accept such reassignment, offered in order to preserve his/her employment, to such available work at the prevailing wage rate for that classification, he/she may be laid off without regard to his/her seniority.

   b. If a regular employee accepts such reassignment, offered in order to preserve his/her employment, to such available work at the prevailing wage rate for that classification and is later reassigned to his/her former classification, his/her Wage Experience Credit in his/her former classification shall be the same as it would have been had he/she remained in his/her former classification.

3. The Company shall give the Union and employee a minimum thirty (30) day notice prior to implementing the layoff procedure.

Section 4 - Reassignment Classification

Senior qualified employees may be offered reassignment, according to service requirements, to one of the following classifications:

Utilityperson R

Such reassignment may cause the displacement of the least senior employee within the classification to which a senior employee (per above) has been offered reassignment.

6.02 Recall and Rehire after Layoff

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

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

C. When adding to the forces, employees most recently laid off or reassigned within the past twelve (12) months on account of curtailment of work shall, in accordance with the employee's seniority, be the first to be reassigned or re-employed to his original job classification if available, qualifications being sufficient, and provided he is physically qualified to return to work and has previously performed and is still qualified to perform the type of work available and to which he is to be assigned.

ARTICLE 7
TRANSFERS AND EXPENSES

7.01 Cost of Transfers - Employees transferred from one (1) permanent location to another permanent location, shall suffer no loss in regular pay (basic hourly rate for hours

normally worked - no overtime) for necessary and reasonable time off to arrange for moving his household furnishings.

Such employees shall also upon presentation of receipted bills, or other evidence of payment, be reimbursed for necessary moving expenses (subject to a maximum of $10,000 for homeowners and $5,000 for renters at the time of transfer) consisting of reasonable costs of transportation, meals and lodging for himself and members of his immediate family who regularly reside with him, including drayage cost of moving the employee's furnishings for his household;

Provided that the employee secures Company approval in advance of taking any time off for these purposes, or contracting any such expense.

ARTICLE 8
TRAVEL TIME - TRANSPORTATION - BOARD AND LODGING

8.01 On occasion employees may be assigned by the Company to attend training, work assignments, etc. that requires travel and overnight stays. When such duty is required and assigned to an employee, the Company will pay the employee on the basis of a regular work week schedule. Travel expenses and reimbursements will be handled through the Company's Employee Travel and Expense Policy. A copy of which has been provided to the Union. Employees are expected to comply with the Policy and are required to submit and pay for expenses through the automated processes established by the Company.

ARTICLE 9
SENIORITY

9.01 Seniority shall mean any right of preference accruing to a regular employee upon the basis of the employee's length of accrued time worked within the Bargaining Unit subsequent to the last date upon which he entered the employ of the Central Telephone Company's Hickory and Madison, North Carolina Districts, less deductions of any time when seniority does not accrue as set forth in other provisions of this Agreement.

9.02 Insofar as practical and consistent with rendering good telephone service, seniority shall apply as follows whenever more than one (1) employee has the requisite ability and qualifications and is capable of performing the work:

A. Selection of employees for promotion to positions of higher rank within the Bargaining Unit.

B. Selection of scheduled work tours - in conformity with Article 2 - within the work group.

C. Selection of vacation periods - in conformity with Article 4 - within the work group.

D. For the purpose of layoffs, those employees who perform essentially the same type of work (within the employees' assigned district), and in conformity with 6.01.

E. Voluntary transfers and involuntary transfers.

F. Temporary assignments to higher rated jobs.

9.03 Application of the provisions of 9.02 B and 9.02 C, in any case where seniority is equal, shall be on a rotation basis. Effective June 1, 2008, seniority for new employees hired on the same day will be determined by using the last four digits of the employees' social security numbers with the higher number being more senior.

9.04 Employees granted military leaves in conformity with Paragraph 5.02 B shall continue to accrue seniority during such leaves.

9.05 Employees transferred, or promoted, to a position within the Company, but outside of the Bargaining Unit, shall retain their seniority as accrued. Such employees returning to the Bargaining Unit will be granted their accrued seniority upon completion of three years of Bargaining Unit service.

9.06 **Upon transfer within the CWA CenturyLink family of locals, CWA bargaining unit members seniority shall be recognized within and between CWA bargaining units.** R

9.07 Effective 5-27-99, regular full-time bargaining unit employees who terminate employment (for reasons other than "cause") who are subsequently re-hired by Centel will be eligible for bridging of prior Centel bargaining unit seniority once they have been continuously reemployed by Centel for three (3) years since their most recent date of hire.

9.08 The Company will, within one hundred twenty (120) days after the date of this Agreement, and annually 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 name, title, location, service date and seniority date.

9.09 The first roster so prepared shall be subject to review and correction for a period of ninety (90) 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 ninety (90) day period, subject only to additions, removals and changes made between the date of the first such roster and the dates of any roster prepared thereafter.

ARTICLE 10
JOB VACANCIES

10.01 Prior to posting a job and when the company determines a vacancy exists and is going to post such a position, employees within the same classification as the position vacancy will be polled by seniority to determine if there is any interest in the vacancy. The qualified senior employee will be allowed to fill the vacancy and the resulting vacancy will be posted.

10.02 The Company will determine the methods and procedures used for posting jobs. Such notice shall include the title and location of the job, the qualifications needed for 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.

The Company will provide a copy of the posting to the union.

The Company may post vacancies as fully qualified. When the company posts a job as fully qualified, it does not restrict interested and qualified employees from submitting a bid for the fully qualified position. Employees must submit interest through the methods and procedures determined by the Company within the timeframe indicated on the posting. If two or more employees meet the fully qualified requirements, then seniority shall prevail.

The Company will attempt to fill the vacancy internally from those employees submitting a job bid request. However, it is understood that the Company may also consider candidates outside the bargaining unit when filling vacancies. In order to be considered a candidate for selection, the candidate must successfully pass any reasonable and job appropriate tests used by the Company for the position. If the candidate passes such testing, or if the Company elects not to use testing as part of the selection process, qualifications shall be determined by the total circumstances including work experience, performance (and any performance evaluations), applicable technical education and attendance. The Company may use other forms of testing, interviews and/or other reasonable methods of determining qualifications as herein defined. The position will be filled by the most qualified candidate as determined by the Company. Seniority will govern in the event multiple internal candidates are determined to be most qualified by the Company. If no candidates are deemed qualified by the Company, the Company may elect to fill the vacancy from any available source.

If the employee is not selected, the Company will meet and discuss with the employee the necessary skill sets and qualifications that are required. The Company will discuss and suggest avenues by which the employee can pursue in an effort for the employee to fill future job openings.

10.03 Notice as to who was selected to fill the vacancy will be posted on the bulletin boards and copy of such notice will be furnished the Local Union President. The selection to

fill a job shall be posted within thirty (30) days after the posted job has been taken down. Any employee aggrieved by the selection shall have the right to present their grievance in accordance with the provisions of Article 17, Grievance Procedure. An employee selected to fill a vacancy under this article shall be placed in the new job within thirty (30) days of being notified of the award. The thirty (30) days may be extended by mutual agreement of the Company and Union.

10.04 Until the above outlined posting provisions have been satisfied, the Company may fill the vacancy or newly created job on a temporary basis, provided that - service conditions permitting - the Company will select for assignment to fill such vacancy or newly created job the senior qualified employee available for the work assignment.

10.05 In the absence of any application being submitted to the Company, as a result of such posting, by an employee who possesses the requisite skills and abilities the Company may hire a new employee to fill the vacancy. No new employee will be hired to fill a job within the classifications covered herein for which a current employee is qualified and available.

10.06 When an employee is transferred or promoted in accordance with the provisions of Paragraph 10.02 through 10.04, he shall be given a trial period not to exceed six (6) months in his new assignment. With the mutual consent of the Company and Union, this trial period can be lengthened. If the employee shows that he is unable to efficiently perform the work of his new assignment within such trial period, he shall be returned to his former job classification at his former wage rate, or a similar position, if one is available. If the former job or a similar position is not available, the Company may demote the employee to another classification if the employee is qualified and a position is available. (This determination will first be discussed between the Human Resources Department and the President of the local Union, or his designated representative.)

A. Employees bidding into a higher classification will be moved up to the next higher basic hourly wage rate (if possible) in their present classification and

then moved to the nearest basic hourly rate in the new classification. Any wage progression step increases for employees transferring to higher rated positions will occur six (6) months after the entry date of the new position. Employees moving to lower rated positions will be placed at the appropriate wage step in accordance with the employee's length of service.

All wage adjustments falling within the first seven (7) days of a two-week pay period will be effective from the first day of that two (2) week pay period. All wage adjustments falling within the second seven (7) days of a two (2) week pay period will be effective from the first day of the following two (2) week pay period. Such adjustments establishing the effective date of an increase to meet the first day of a two (2) week pay period will not change the date from which the time interval for the next increase will be computed.

10.07 The Company will not be required to consider an application for transfer by an employee who has been promoted during the preceding eighteen (18) months unless mutually agreed between the Union and the Company.

The Company will not be required to consider an application for transfer by an employee who has been transferred during the preceding eighteen (18) months unless mutually agreed between the Union and the Company.

10.08 Anti-Nepotism Policy

A. This is to outline procedures where situations exist or are subject to occur in which an employee has supervisory authority over a relative which may lead to charges of favoritism, animosity among employees, and complaints of unlawful employment discrimination.

B. This policy will outline procedures on the hiring, transferring, and promotion of relatives.

C. This policy will outline procedures with respect to employees who marry while employed by the company.

D. This policy applies to all categories of employment including regular, part-time, occasional company temporaries, and all other temporary or contractual employees.

E. The company permits the employment of qualified relatives of employees as long as such employment does not, in the opinion of the Company, create actual or perceived conflicts of interest.

F. The company will permit individuals who are related by blood or marriage to work in the same Company facility, provided no direct reporting or supervisory/management relationship exists.

G. The company will not permit relatives to work in the same department, chain of command (reporting to the same supervisor), or in any other positions in which the Company believes an inherent conflict of interest may exist.

H. Employees who marry while employed by the company will be treated in accordance with this policy. If a conflict arises as a result of the marriage, one of the employees should be transferred at the earliest practical time.

I. Implementation of this policy is not intended to cause the termination of employment or immediate transfer of relatives of regular, part-time, occasional, or company temporary employees. Departments should identify situations described in this policy, and, when opportunities arise, recommend transfers in order to correct these situations.

J. The Employment Manager in concert with impacted Directors will be responsible for ensuring compliance with this policy.

K. Exceptions to this procedure must be approved by the Vice President – Human Resources.

L. Definitions:

1. Relative is defined as a spouse, child, parent, sibling, grandparent or corresponding in-law or "step" relations for any of these or grandchild, aunt or uncle.

2. Chain of command is defined as having a direct influence (reporting to the same supervisor) over the work responsibilities, salary, evaluation, discipline, or career progress of an employee.

ARTICLE 11
JURISDICTION OF WORK

11.01 Contract Work

A. The Company agrees that it will not use contract labor to the degree that it will cause part-timing or layoff of its regular employees.

B. Nothing in this section is to be interpreted as restricting the right of the Company to use contractor's labor to perform any work which can be done by unskilled or temporary employees. Also, it is not to be interpreted as restricting the rights of the Company to contract out any work during an emergency.

11.02 Non-performance of Craft Work by Supervisors 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.

11.03 The Company may work employees across Union jurisdictional lines without overtime restrictions, providing that the Company will not use any provisions of this Article to supply craft employees to areas served by another Union in the event of a strike by that Union.

It is agreed that this agreement is covered by collective bargaining agreements which have a similar reciprocal provision covering this matter.

11.04 The prohibition described under Article 11 of the Labor Agreement shall not apply to the consolidation or transfer of work to other Company work groups. In such cases the Company shall advise the Union of its intention to consolidate or transfer work prior to implementing such changes.

ARTICLE 12
HEALTH AND SAFETY

12.01 The Company will pay a one time amount of $185 towards the purchase of safety footwear for those employees in positions which are required under OSHA regulations to wear such footwear. Any additional expense will be the responsibility of the employee.

A. The Company will make the determination of which employee classifications will be required to wear safety footwear.

B. The Company will determine what is considered acceptable safety footwear with respect to appearance and functionality.

C. Safety footwear for this purpose must meet the current ANSI Z41.1 Class 75 safety requirements.

12.02

A. When employees report for duty and because of inclement weather, are, in the opinion of the supervisor, unable safely to perform their regular work, they shall be assigned such other work as may be available in order that their time may be profitably utilized.

B. The maintenance of proper health and sanitary conditions and the observance of all laws relating to fire protection and safety are of mutual concern to the Company and the Union.

C. Safety rules and regulations issued by the Company, or local, state and federal governments for the health and safety of employees and the public shall be strictly complied with. The Union and the Company shall cooperate in enforcing all such measures.

D. Any question regarding matters referred to in this article shall be subject to the grievance procedure but shall not be subject to arbitration. Any Union complaint of unfair treatment under this Article shall, however, be subject to final review by the General Personnel and Public Relations Manager of the Company and the Western North Carolina Director of the Union.

ARTICLE 13
UNION FUNCTIONS

13.01 Bulletin Boards

A. The Company may provide space for use of the Union on the Company's bulletin boards, or the Union shall have the right to mount and maintain bulletin boards at its own expense upon the Company's property at such locations and of such construction as may from time to time be mutually agreed upon (for the particular location) in advance between the Company and the Union.

B. 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, education or recreational affairs of Union; and such other notices as may be mutually agreed upon between the parties. Material posted shall not contain anything derogatory or controversial, or anything reflecting unfavorably upon the Company or its personnel.

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

13.02 Union Activity On Company Property

A. Neither the Union, its representatives, nor its members shall carry on union activities on Company premises, or on Company time, except that Union officers and members, who are also employees, and other authorized Union representatives may carry on

legitimate Union activities outside of working periods of all employees participating, in space where no Company operations or other work is performed, provided that:

1. Such activity shall be limited to small groups of not to exceed six (6) employees; and

2. Shall not interfere with the business of the Company or the use of such space for the purpose for which the space is intended; and

3. Arrangements for the use of such space are made in advance with appropriate supervisor (outside of the Bargaining Unit).

B. The Company and the Union agree to cooperate in the inspection of working conditions and in the investigation of circumstances surrounding any alleged grievance.

ARTICLE 14
TOOLS

14.01 The Company will furnish all tools necessary to provide and maintain telephone service, including suitable rain protective equipment for employees required to work out of doors in inclement weather.

14.02 Whenever these tools are worn out or become unsafe, in the judgment of the Management, the Company will exchange them for new ones at no cost to the employee.

14.03 Such tools and equipment 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.

14.04 In cases of excessive loss or damage by unnecessary abuse of tools and equipment referred to in this Article, the employee must replace the tools or equipment with like kind, meeting approved standards.

14.05 Uniform Program

The Company will provide at its discretion either an appropriate number of uniform garments (as determined solely by the Company) or an annual credit for the purchase of approved garments through the Company authorized vendor to employees in those classifications which the Company deems appropriate. New hires in those classifications may receive additional uniform garments or a higher initial credit. The color, style, and material blend of employee work clothing will be determined by the Company for both uniform and non-uniform garments.

Employees will be required to wear uniform and non-uniform garments that are, in the Company's judgment, properly maintained and presentable. The wearing of uniforms will be mandatory during all work hours. Regular and all appropriate maintenance of an employee's uniform is the responsibility of the employee.

The Company shall have the unilateral right to modify, amend, or cease the uniform program at any time.

14.06 Home Garage

In order to meet the needs of the business in the most efficient manner, the Company, at its sole discretion, may institute a program of home garaging. This program will permit affected employees to keep their vehicles at their home locations and be dispatched directly to the customer's location each morning. The Company retains the right to modify, alter or delete this program based on business conditions.

Listed below are some guidelines for the program:

1. The company will determine which departments and towns will be eligible to participate.

2. Participation will be optional.

3. Employees in the following job titles may be eligible to participate providing the nature of the work being performed by the employees in the group is (a) other than at the same company owned/maintained facility on a regular basis, (b) is such that the employees can be dispatched and report directly to the work location at the beginning of the work day, and (c) it would not be necessary for the employee to first report to a company owned/maintained facility prior to his/her going to the work location.

   Cable Splicer
   Customer Service Technician
   Central Office Installer
   Business Service Technician
   Public Access Technician

4. Individuals not electing to participate in "Home Garage" will continue to report as previously assigned.

5. The program must be flexible in that there may be times certain employees will be required to report to the work center to complete assigned projects.

6. In work groups (or reporting locations) with five or more eligible employees, a 50% or better participation level will be required for home garaging to be implemented. Exceptions to this policy will be addressed individually.

7. Employees should be at the first assignment at the scheduled starting time of the tour and at the last assignment at the scheduled ending time of the tour, unless overtime is required, then, the paid time ceases when the job is completed at the work site. If the first assignment is beyond 25 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. These rules apply to call out.

8. Call outs will not be contingent upon "Home Garage" employee but by current procedures.

9. Employees must live within a radius of 25 air miles of a physical reference point to participate in the

home garage program unless agreed to by the company.

"Home Garage" will be optional. Changes in the employee option may be coordinated with the immediate supervisor. Generally, a two-week notice will be required when options are changed.

No non-company passengers allowed on vehicle.

Employees will not use the company vehicle for personal activities.

No /alcohol or illegal drugs will be allowed on company vehicle.

No weapons will be allowed on company vehicle.

Liability of secured vehicle will be company's responsibility, i.e., vandalism, theft, and Act of God.

Location of vehicle during employee vacation at discretion of local management.

Employees will notify immediate supervisor should their address change.

Vehicle maintenance - routine and repair - at discretion of local management, on company time.

Scheduled and unscheduled meetings will be handled by local management. (safety, training, information, quality, uniform exchange.)

Employees participating in home garage will not report to the work center at start and stop time.

Employee should be at 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.

Accidents incurred (personal injury and vehicle) while enroute to and from work are covered by the company.

Call outs will not be contingent upon home garage employees but by current procedures.

Company vehicles during off hours should be parked on employee's personal property, however, will allow street parking where zoning permits.

Employees must live within a radius of 25 air miles of a physical reference point to participate in home garage unless agreed to by the company.

Construction splicers and Business Service Technicians may be included on a job-to-job basis wherever practicable.

ARTICLE 15
RECORDS

15.01 **Personnel Records.** Upon the development of a grievance condition where necessary to develop pertinent facts having to do with the presentation or resolving of such a grievance, the personnel record of any employee shall be subject to inspection by a properly authorized Union representative, when accompanied by the employee, on the Company's premises, following delivery to the Company of such employee's written consent.

15.02 When entries are made to an employee's personnel record which may affect his employment, the employee shall be so advised. When such an entry is to be made in a personnel record it shall be made no later than thirty (30) calendar days after the Company conducts and completes its investigation.

ARTICLE 16
UNION-MANAGEMENT CONFERENCES

16.01 Joint Conferences

A. All meetings between representatives of the Union and the representatives of the Company shall be held at the request of either party following reasonable advance notice.

B. The Company and the Union will give adequate notice in writing to each other of their respective duly authorized representatives and of matters to be discussed.

C. The Union and the Company also agree to certify to each other the names of their respective officers and representatives who are authorized to represent them at each step of the grievance procedure.

ARTICLE 17
GRIEVANCE PROCEDURE

17.01 If any grievance or difference arises between the Company and the Union, or any employee or employees covered by this Agreement, as to any alleged unjust treatment in connection with matters adversely affecting the protection during the working hours of the health and safety of employees generally, or the application or interpretation, or alleged violation of the provisions of this Agreement, such grievance or difference shall be processed in accordance with the following procedure. **However, if the Agreement expires and/or is terminated, grievances may be processed through the grievance procedure outlined below but will not proceed to arbitration.**

17.02 Step 1:

A. This informal level meeting is intended to allow both sides to fully explore the incident within 15 calendar days of its occurrence, develop the facts, and state their contentions, clear up any possible misunderstanding and attempt to informally resolve the dispute.

B. The employee and or steward and her/his immediate supervisor will attempt to settle the controversy by conference. The supervisor shall give an oral answer within 10 calendar days.

17.03 Step 2:

A. If the grievance is not satisfactorily settled in the manner provided for in Step 1, it may be appealed within 15 calendar days of the supervisor's oral answer, by filing with the appropriate Manager a written notice and description of the grievance signed by the aggrieved employee and the steward. In reducing a grievance to writing, the following information shall be stated with reasonable definitude and clarity:

B. The exact nature of the grievance, the act or acts complained of, by whom they were committed and when they occurred, the identity of the employee or employees who claim to be aggrieved, the specific provision or provisions of this Agreement which the employee or employees claim the Company has violated and the remedy sought.

C. Following receipt of the written grievance, the Manager and a Company representative will, within 15 calendar days, meet with not more than two Union representatives. Following the meeting, the Company's representative will answer the grievance in writing within 15 calendar days.

17.04 Step 3:

A. If the grievance is not settled at Step 2 of this grievance procedure, it may be appealed within 30 calendar days of the Company's answer at Step 2 by filing a written notice of such appeal with the Human Resources Representative. When such an appeal is taken, a meeting shall be scheduled between the Company and the Union representatives within 30 calendar days of filing of the Notice of Appeal.

B. Present at this meeting may be the International Representative, Local Union President (or her/his designee), and two Company representatives. Other persons may be present based upon mutual agreement of the parties.

C. The Company will reduce to writing the outcome of the Step 3 meeting within 30 calendar days of the meeting and submit it to the Union International Representative.

NOTE: As mutually agreed, to expedite grievance management, the meetings may be conducted via conference call.

17.05 Discharge Grievances. Any grievance arising because of a discharge shall be commenced at Step 3 of the grievance procedure by filing a grievance in writing with the Human Resources Representative within 30 calendar days of the date the grievant is notified of her/his discharge. Thereafter, any such grievance shall be handled as provided in Step 3.

17.06 Time Limits. In the event the Company does not answer a grievance within the prescribed time limits the grievant may proceed immediately to the next step. Failure on the part of any grievant or the Union to strictly abide by the prescribed time limits of this Article shall result in the grievance being deemed settled in accordance with the Company's last response. The time limits contained in this Article are to be strictly construed and may be extended only by mutual agreement in writing.

17.07 The aggrieved employee and the employee acting as authorized representatives of the Union, may without loss of pay and following reasonable advance notice, discuss and investigate grievances when accompanied by a Company representative during their respective scheduled work days.

17.08 Grievance Meetings. It is agreed that all meetings or conferences under this grievance procedure at Steps 1, 2 and 3 shall be conducted during regular business days (Monday - Friday) and during regular business hours (8am - 5pm) unless otherwise

mutually agreed. Employees attending grievance meetings at Steps 1, 2 and 3 shall suffer no loss of pay provided such meetings coincide with the employees' regular scheduled work hours. In no case will overtime be paid to attend meetings or any additional compensation result from attending meetings.

17.09 Except as specifically provided in this Article, all disputes, complaints and questions, and any other issues arising out of or in any way connected with any ERISA benefit plan, shall be exclusively resolved in accordance with the underlying plan, procedures and ERISA, and shall not be subject to the grievance and arbitration provisions of this Agreement. N

ARTICLE 18
ARBITRATION PROCEDURE

General. In the event a timely grievance is not satisfactorily resolved or settled by means of the grievance procedure contained in Article 17, the Union may request arbitration, **during the term of the Agreement,** by giving the Company written notice of its desire to arbitrate within 20 workdays of the Company's final answer (or failure to answer after passage of the prescribed time limits) at Step 3, in which event the grievance shall be arbitrated in accordance with the following procedure: N N

18.01 Selection of Arbitrator. The Union shall within 45 days after notification to the Company, submit a written request for a panel of seven (7) members of the National Academy of Arbitrators with a simultaneous copy to the Company's Labor Relations Manager. After receiving the list of arbitrators, and within 15 workdays of its receipt, both parties shall select an arbitrator by alternately striking from the list of seven names. The Union, as moving party, shall have the first strike. The last name remaining on the list after each party has exhausted its strikes shall become the arbitrator.

18.02 Arbitration Expenses. The expense of the arbitrator as well as other joint expenses of conducting the arbitration shall be borne equally by the Union and the Company; however, each party shall bear the expenses of its own representative, of its own

witnesses, and of preparing and presenting its own case. Either party shall have the right to request the presence of a court reporter to prepare a written transcript of evidence and, should either party make such a request, it is agreed that the expenses and fees of the court reporter shall be equally divided between the parties.

18.03 Arbitrator's Authority. The jurisdiction and authority of the arbitrator and her/his opinion and award shall be strictly limited to interpretation of the written provisions of this Agreement. The arbitrator shall have no power to add to, subtract from or in any way modify the terms of this Agreement.

The Company and the Union agree to the timely disposition of all arbitration cases and believe it is in the best interests of both parties to avoid delays in hearing cases. After demanding arbitration in accordance with Article 18 the case should be heard no later than **12** months from the date of filing. Any delays or postponements must be mutually agreed to between the parties. In absence of any delays or postponements, if the case has not begun within the **12** month timeframe, the case shall be deemed dropped and no further action to compel arbitration for the instant case shall be brought.

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ARTICLE 19
PAYROLL DEDUCTIONS

19.01 The Company agrees that during the term of this Agreement it will, if furnished a written individual payroll deduction authorization form, voluntarily executed by a regular employee covered by the terms of this Agreement, deduct from the wages of such employee, the amount of monthly Union dues (not including initiation fees or any other fees or charges) to be paid to the Union, provided that - -

A. Each such payroll deduction authorization shall: (1) be made on forms approved by the Company; (2) be dated; (3) indicate the amount of "my regular monthly Union dues as certified to the Company by the Secretary-Treasurer of the Communications Workers of America" to be deducted regularly each month; (4) provide that the authorization can be terminated by the employee on December 31, of any year by written notice delivered to the Company not later than December 1, of that year; and (5) that the employee will also furnish the Union with a copy of any notice to the Company terminating such authorization;

B. All such payroll deductions shall be made from checks issued to cover the second bi-weekly payroll period of each month;

C. An employee's payroll deduction of Union dues authorization shall be automatically cancelled as of the date his employment within the Bargaining Unit terminates, except only when such termination is temporary and results from the employee being temporarily assigned to a management position;

D. The total sum of Union dues so deducted for the purpose indicated, shall be forwarded by the Company to the Secretary-Treasurer of the Union as soon after the deductions have been made as in the ordinary course of carrying on the business of the Company is possible, accompanied by a statement showing the Local Union Number 3672 and indicating which employee's dues are being remitted and the amount thereof per employee;

E. The Company assumes no responsibility in connection with the Union dues deducted, except that of forwarding monies so deducted to the Union's Secretary-Treasurer as indicated under D. above;

F. The Union will keep the Company informed, at all times - by letter - as to who the Secretary-Treasurer of the Union is and of his official address;

G. Execution of a payroll deduction of Union dues authorization form shall in no event be a condition of employment by the Company.

H. The Company's obligations under this Article 19, as well as under any payroll deduction authorization form signed by any employee, regardless of its contents, shall not survive the expiration or termination of this Agreement (or the expiration or termination of any written

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extensions). The Company may, therefore, unilaterally and without negotiation, discontinue the payroll deductions until the parties have successfully negotiated a successor Agreement which includes a dues check off obligation.

ARTICLE 20
GROUP HEALTH AND WELFARE BENEFITS

20.01 Effective for the term of this Agreement, the Company agrees to provide employees covered by this Agreement the same group medical insurance (to include prescription drug), group dental, group vision, employee life insurance, dependent life insurance, basic long-term disability insurance, supplemental long-term disability insurance, accidental death and dismemberment, health care flexible spending account and dependent day care, flexible spending account, and at the same premiums, as the Company provides for its non-bargaining employees employed by the Company in the exchanges covered by this Agreement. The Company in its sole discretion may provide the coverage and benefits required by this Article through insurance and/or self-funded plans.

The Company will make available to employees, upon retirement, the same options for retiree health benefits as are offered to similarly-situated non-bargaining employees who retire from the Company. The retiree health benefits will be exclusively governed by the terms of the applicable plan(s).

The selection and administration of any plans to provide the coverage and benefits required by this Article shall be within the Company's exclusive control and sole discretion. The Company shall therefore have the unilateral right to make any changes which it deems necessary or desirable, including changes to establish, restore and/or maintain the most favorable qualification or treatment of the plan(s) under federal (or any applicable state) law. The selection of the insurers, carriers, agents and/or plan or claims administrators shall also be in the Company's exclusive control and sole discretion.

The Company reserves the right to unilaterally amend, change or terminate any one or more or any

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combination of these plans or flexible spending accounts or any of their features (including, but not limited to, deductibles, co-payments, maximum out-of-pocket expenses, etc.), or the premiums charged to employees (annually or as otherwise deemed necessary) for any plan(s). However, the Company may do so only so long as the amendments, changes and/or terminations apply equally to all eligible employees, both bargaining unit and non-bargaining unit employees, of the Company.

During the term of this Agreement, the Company shall not have any obligation to engage in decision or effects negotiations of any type on any subject addressed (directly or indirectly) in or by this Article.

The Company will attempt to give the Union at least 60 days advance notice before making changes to the plan and the Union can request a meeting with the Company to discuss but not negotiate the changes.

20.02 **Voluntary Benefits Program**

Effective January 1, 2012 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.

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 the agents(s) for the various components of the Voluntary Benefits program. The Company may change the insurance carrier(s) and/or the agents(s) at any time provided sufficient notice is given. The Company will provide the insurance carrier(s) and/or the agent(s) with all applicable employee information needed to offer the program. The Company also reserves the right to modify or terminate any one of the various components of the Voluntary Benefits program at any time so long as the changes are uniformly applied to all eligible

employees, both non-represented and bargaining unit employees.

20.03 Short-Term Disability

The Company agrees to provide STD benefits for all regular full-time employees on a non-contributory basis. Regular part-time, temporary or occasional employees are not eligible for STD benefits. The administration of STD leaves, including the application process and timelines, eligibility rules, notice requirements, return to work rights, and modified duty programs will be governed by the CenturyLink Disability Plan (the "Plan"). R

Employees qualify for STD benefits when they are participants who cannot work at their normal job due to an illness or injury incurred off the job, and satisfy the requirements as outlined in this Article but subject to the terms of the Plan which control and govern. STD benefits begin on the 8th consecutive calendar day (sixth consecutive scheduled workday) of non-occupational illness or injury for participants. Written medical certification shall be required.

Vacation hours are provided for all incidental absences from work and for the first five (5) consecutive scheduled workdays of a non-occupational disability related absence (STD waiting period). The employee must use all available Vacation/Personal Holiday hours before hours can be taken unpaid. If an employee does not have available Vacation/Personal Holiday hours, those hours for which Vacation/Personal Holiday hours are/is not available shall be non-paid.

If employment is involuntarily terminated due to reasons including but not limited to, reduction in work force, plant/office closure, etc., while the employee is receiving STD benefits under the Plan, the employee may continue to receive benefits until the earlier of either the Plan's benefits are exhausted, the employee fails to comply with the Plan's STD administrative requirements or the employee's doctor (or the IME doctor) states and the Plan agrees that the employee can return to work. If employment is involuntarily terminated for just cause, STD benefits may be terminated immediately. R

The Plan Administrator may suspend or deny STD benefits if the employee fails to submit all forms/documentation as required, fails to comply with a Company request for an IME, or fails to comply with the requirements of the STD Plan. The Plan Administrator may require such physical or other professional examinations from healthcare providers in accordance with the Americans with Disabilities Act, the Family and Medical Leave Act and/or any other applicable law or regulations as well as when an employee is claiming benefits or privileges under the Plan. The requirement for additional medical or other examinations shall include, but not be limited to, independent medical examinations to confirm a disability, circumstances in which an employee seeks disability or family leave and applies for or is receiving any benefits financed by the Plan; and "fitness for duty" examinations.

STD benefits under the Plan may be paid up to a maximum of twenty-six (26) weeks. The amount of pay (partial or full pay benefits) is a percentage of "base rate pay". Base rate pay for the purpose of determining the appropriate STD benefit will be based on the regular straight time rate of pay. Base rate does not include incentive compensation, overtime, shift differential or other special payments or calculations.

(a) **The STD benefit under the Plan is either sixty percent (60%) or one hundred percent (100%) of the base rate. The percentage paid is based on the length of service with the Company. An employee's service anniversary date determines the benefit payment schedule as identified in the chart below. The following STD benefit payment schedule is based on completed years of service as determined by the employee's service anniversary date.**

(b) **A higher level of benefits does not take place if an employment anniversary occurs while receiving benefits or if the employment anniversary occurs before the employee returns to work for one hundred eighty two (182) consecutive days after any STD benefit usage.**

If your length of service is:	Then benefits at 100% of Base Salary are paid for:	And benefits at 60% of Base Salary are paid for:
Less than one year	None	None
1 yr but < 2 yrs	2 weeks	24 weeks
2 yrs but < 3 yrs	4 weeks	22 weeks
3 yrs but < 4 yrs	6 weeks	20 weeks
4 yrs but < 5 yrs	8 weeks	18 weeks
5 yrs but < 6 yrs	10 weeks	16 weeks
6 yrs but < 7 yrs	12 weeks	14 weeks
7 yrs but < 8 yrs	14 weeks	12 weeks
8 yrs but < 9 yrs	16 weeks	10 weeks
9 yrs but < 10 yrs	18 weeks	8 weeks
10 yrs but < 11 yrs	20 weeks	6 weeks
11 yrs but < 12 yrs	22 weeks	4 weeks
12 yrs but < 13 yrs	24 weeks	2 week
13 yrs or more	26 weeks	0 weeks

(c) **STD benefits under the Plan cease on the earlier of when (a) the employee is released by their provider, and supported by the Plan, to return to work, (b) the employee fails to comply with the Plan's STD administrative requirements, or (c) the Plan's benefits as described in this Article have been exhausted.**

If you return to work for less than 182 calendar days following an STD absence, your previous STD benefits will be considered in determining the amount and maximum period of benefits. In other words, you will continue on the STD Benefit Payment Schedule described above based on your service at the first time you became entitled to Plan benefits.

If you return to work for at least 182 calendar days following at STD absence, your previous STD benefits under the Plan will not be considered in determining the amount and maximum period of benefits. In other words, you will be eligible for the full benefit described above for any STD absence.

Worker's Compensation

The Company will provide all Worker's Compensation benefits required by statute to an employee who sustains an on-the-job injury.

The company will provide an employee a salary continuation benefit (called Supplemental Accident Pay or SAP) equal to 85% of regular base pay when combined with **an approved** Worker's Compensation **claim and statutory payment.** The salary continuation benefit is available up to a maximum of 1040 hours for a single disability beginning on the first day of approved absence. If the disability extends beyond **1040 hours**, the employee may be eligible for Long Term Disability (LTD) **benefits under the Plan**. If approved for LTD **under the Plan**, the employees' Worker's Compensation benefit will be deducted from the employee's LTD benefit as an approved offset.

An employee is never entitled to more than 85% of regular base pay while absent due to an on-the-job injury. Any overpayments made by receiving both **SAP** salary continuation and Worker's Compensation benefit **payments** in excess of 85% of regular base pay will be deducted from the employee's salary continuation check, regular pay check, or are to be reimbursed by the employee to the Company. **The employee receiving an over payment is deemed to agree to**

the deduction from the employee's salary continuation check, regular pay check, or to reimburse the Company.

SAP payments of salary continuation benefits will be in accordance with the **CenturyLink Disability Plan (the "Plan")** and shall cease upon **the earlier of (a)** an employee's retirement, **(b)** discharge for just cause, or **(c)** when employment would otherwise terminate because of reduction in force.

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20.04 Temporary Alternate Duty (TAD)

A. Purpose

1. To establish guidelines regarding temporary alternate duty assignments for employees who are unable to perform their normal job duties due to a temporary disability.

B. Temporary Alternate Duty Assignment

1. Temporary alternate duty means the temporary assignment of available work which can be performed without undue risk of injury to the employee (including aggravation of an existing condition) or to co-workers.

2. Temporary alternate duty assignments may include some of the job duties within the employee's regular job classification and/or some or all of the job duties within another job classification.

3. The Company will not be required to create work not otherwise available or to lay-off or terminate any other employee in order to make a temporary alternate duty assignment available to an employee with a disability.

C. Responsibility

1. The supervisor/manager for each department shall be responsible for informing employees of this procedure. The Loss Prevention Coordinator will, in coordination with the department managers/supervisors, be responsible for determining whether TAD assignments are available and ensure compliance with the procedure set forth below.

D. Procedure

1. This procedure shall apply whenever (a) the Company determines that a TAD assignment is available for an employee unable to perform his/her normal job duties, and (b) the attending physician of such an employee advises the Company that the employee is able to perform other duties.

2. If it is determined that a TAD assignment is available, the Loss Prevention Coordinator will inform the employee and his/her attending physician of the job duties and physical requirements of the assignment.

3. If the attending physician advises the Company that the employee can perform the assignment without undue risk of injury (including aggravation of an existing condition) to the employee or co-workers, the employee will be assigned to the alternate duty.

4. While assigned to TAD, the employee will be paid at the wage rate for his/her regular job classification. Time worked on such assignment shall be included for purposes of wage progression in that classification.

5. While assigned to TAD, the employee's service and seniority shall accrue for benefits as identified in the appropriate labor contract.

6. While assigned to TAD, the employee may be required to participate in (a) a rehabilitation program that may assist in recovery from his/her disability and/or (b) Company provided or sponsored training classes related to the employee's regular job classification. These requirements shall be waived if the employee's attending physician advises the Company in

writing that the employee's disability prevents such participation.

7. Temporary alternate duty assignments shall not be more than 90 days (3 months) in duration unless extended by the Company and the treating physician. TAD may be discontinued at any time if the Company determines that work is no longer available or that the employee is unable to perform the work in a satisfactory manner.

8. TAD assignments shall not be considered "active full-time employment" for purposes of separating successive disabilities due to the same cause under the Accident and Sickness Benefit Plan ("A&S Plan"). Any A&S Plan benefits for which the employee is eligible at the commencement of his/her TAD assignment shall be frozen while the employee is on alternate duty. If the employee completes temporary alternate duty and is then unable to perform his/her normal job duties, the employee's A&S Plan benefits will resume from the point at which they were frozen and continue as if the employee had never been on TAD.

9. If the attending physician of an employee on TAD advises the Company in writing that it is unlikely the employee will recover sufficiently to resume his/her normal job duties, the case will be reviewed by the Disability Review Committee regarding further status.

ARTICLE 21
COOPERATION - DISCRIMINATION

21.01 The Company and the Union agree: (a) that they will, at all times, cooperate in an effort to promote harmony and efficiency among the Company's employees; and (b) that no coercion, intimidation, or discrimination of employees - because of Union membership or non-membership - will be permitted.

21.02 Management Rights

It is understood and agreed that the Company has all customary and usual rights, functions, and authority of management.

The Company shall have the exclusive right to:

A. Direct and supervise the Company's plant and business operations and policies;

B. Assign, modify or change work duties or requirements (The Company will provide advance notice when it reassigns work from one classification to another);

C. Establish and maintain rules for safe and efficient operations;

D. Move a facility or operation to another location or another facility, or close or liquidate a facility;

E. Discontinue, temporarily or permanently, in whole or in part, the conduct of its business or operations;

F. Install, remove, or change machinery and equipment and introduce new or improved methods, materials and facilities;

G. Determine the qualifications for and make the selection of its managerial, supervisory, professional and administrative personnel;

H. Determine, administer, rearrange and change methods, materials, equipment, work and safety standards, or reasonable performance requirements needed in any job or area;

I. Decide the number of employees needed at any particular time or place and be the sole judge of the quality and acceptability of the communication service rendered to the public.

J. To discipline with just cause.

It is further understood and agreed that all rights heretofore exercised by, or inherent in the Company, not modified or restricted by the terms of this Agreement, are retained solely by the Company.

21.03 Work and Safety Policies and Rules

The Company may from time to time establish, change and/or withdraw reasonable work and safety policies and rules as it deems necessary or appropriate including, but not limited to, policies and rules governing attendance, family and medical leave, unlawful harassment and discrimination, personal appearance and dress (including any uniform apparel), performance evaluations, conflicts of interest, visitors, outside employment, smoking, performance evaluations, personnel files and records, confidentiality and confidential information, alcohol and drugs (including testing), use of vehicles on Company business, and reimbursement for business related expenses.

The Company will provide the Union with copies of such policies and rules (or any changes) at least ten (10) calendar days prior to implementation unless earlier implementation is mandated by federal, state or local legislation or regulations. The Union may file a grievance at Step 3 of the Grievance Procedure if it believes any such policies, rules or changes are unreasonable and inconsistent with any specific provision of this Agreement, but any such grievance must be filed no later than ten (10) days after its effective date. If the grievance is not resolved the Union may appeal it to Arbitration per Article 18.

ARTICLE 22
RESPONSIBLE – COMPANY RELATIONSHIP

22.01 The Union Business Manager and/or a designated representative and a Human Resource representative will participate jointly in a new employee orientation. Such overview will provide information relative to the employee's rights under the law, and related Union issues. The overview will also address the

Union/Management relationship. The meeting should last no longer than 30 minutes.

22.02 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.

22.03 The Company shall provide the responsible CWA Staff Representative a complete "DRAFT" copy of new contracts within thirty (30) days after ratification by Local(s) membership.

Upon receipt, the Union will have thirty (30) days to review the "DRAFT" copy and return the new contract back to the Company.

ARTICLE 23
WAGES

23.01 The wage rates to be paid under the terms of this Agreement shall be those appearing in Schedules "1", "2", "4", "6", "7", "8", "9" and "10" attached hereto and made a part hereof, shall be effective as indicated in said schedules. In no event, however, will these wage rates be made effective prior to the dates indicated in said schedules, nor will they exceed the wage rates provided for by said schedules.

Any other forms of additional remuneration provided for by this Agreement including, but not necessarily limited to, holiday pay, insurance improvements, accident and sickness insurance and any other "fringe" benefits shall be effective as agreed to, but in no event will these fringe

benefits be effective earlier than June 1, 2011 or as elsewhere indicated in this Agreement.

23.02 **New Job Classification.** Newly created job classifications may be established by the Company and included within this Agreement and existing job classifications may also be restructured. In the event a new or modified job classification is required, the Company shall inform the Union at least fifteen (15) calendar days in advance and shall identify any proposed change in wage or wage schedule. No wage change shall be appropriate for a modified job classification unless there is a substantial change in job duties and responsibilities. Any changes in bumping rights where applicable will also be discussed. Any dispute concerning the proposed wage adjustment or wage schedule which the parties are unable to resolve may be referred by the Union to Article 17 of this Agreement by filing a grievance at Step 3 within fourteen (14) calendar days.

ARTICLE 24
DURATION OF AGREEMENT

24.01 This Agreement shall become effective on June 1, **2014**, and continue in effect through May 31, **2017**, and thereafter until either party serves written notice on the other party of its desire to terminate the Agreement, in which case the termination shall become effective as provided in such notice but not earlier than sixty (60) days after the date of delivery of such notice. R

24.02 **Negotiation.** Either party may, not earlier than sixty (60) days prior to June 1, **2017**, request in writing, negotiation of modifications or amendments to this Agreement. If such a written notice is submitted (and the other party has not terminated the Agreement) the parties shall negotiate on modifications and amendments as proposed by either party and this Agreement shall continue in effect unless replaced by a new or amended Agreement or until terminated by either party giving at least sixty (60) days written notice of termination to the other party. R

24.03 Any provisions of this Agreement may be amended, modified or supplemented at any time by mutual consent

of the parties hereto. Such Amendments shall be reduced to writing, state the effective date of the Agreement, and be executed in the same manner as is this Agreement.

ARTICLE 25
FEDERAL AND STATE LAWS

25.01 Nothing in this Agreement shall be construed to require either party to act contrary to any State or Federal Law or regulation having the effect of law. In the event such condition arises, this Agreement shall be modified in respect to either or both parties to the extent necessary to comply with such law or regulation.

25.02 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. The Company will comply with the applicable provisions of the Vietnam Era Veterans' Readjustment Act of 1974, as amended, and the Rehabilitation Act of 1973.

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

25.03 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 26
SERVICE BRIDGING

26.01 **Bridging of Service.** Upon reemployment, following any separation from employment, an employee may qualify for "bridging of service." Bridging of service shall be available to former employees in accordance with the Bridging of Service Policy applicable to non-represented employees of the Company. A copy of which was provided to the Union.

The Company has the exclusive right to amend, modify, or discontinue the Bridging of Service Policy at any time so long as the changes are uniformly

applied to all eligible employees, both represented and non-represented of the Company.

ARTICLE 27
RETIREMENT PENSION PLAN

27.01 The Company has adopted the Embarq Retirement Pension Plan (the "Retirement Pension Plan") and **except as provided in Section 3 below,** agrees to include **Eligible E**mployees covered by this Agreement as **M**embers of such Retirement Pension Plan in accordance with the Pension Agreement **below.** Said Pension Agreement shall be continued without modification for the life of this Agreement; provided, however, the Company (and for this purpose only, "Company" shall include Embarq Corporation) 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. **Except as provided in Section 3 below, a**ny 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.

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Nothing within this Agreement shall constitute an amendment to the Retirement Pension Plan, which is subject to its terms and conditions. In the event of an inconsistency between this Agreement and the Plan document, the terms of the Plan document shall govern. Administration of the Embarq Retirement Pension Plan and benefit disputes are not subject to the grievance or arbitration procedure set forth in this Agreement.

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Section 1. Embarq Retirement Pension Plan

The **Company** agrees to provide Members, **who are Eligible Employees as defined by** the Embarq Retirement Pension Plan (the "Retirement Pension Plan"), **pension** benefits **in the form of a Retirement Allowance** hereinafter specified in this Agreement effective June 1, **2014, subject to the terms and conditions of the Retirement Pension Plan**. All terms defined in the Embarq Retirement Pension Plan, including Appendix MM, shall have **the** meaning specified therein unless the context of this Pension Agreement clearly indicates otherwise. **All capitalized terms are as defined in the Retirement Pension Plan.**

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Except as provided in Section 3 below, a Member shall mean an employee of Central Telephone Company, Embarq Mid-Atlantic Telecom represented by Local Union No. 3672 of the Communications Workers of America who is **eligible to participate in** 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, 3.2, Retirement Allowance on Termination of Employment or Retirement, **and 3.3, Retirement Allowance Upon Permanent Disability,** including the rights of the Board of Directors of EMBARQ Corporation to make such amendments as it deems advisable with respect to all of the provisions of the Retirement Pension Plan other than those referred to specifically in this document, are incorporated herein by reference and shall be in full force and effect provided that **C**ontinuous **S**ervice and **C**redited **S**ervice shall be determined in accordance with provisions of Article IX, Definitions; and Paragraphs I, Continuous Service, and J, Credited Service, respectively, of Appendix MM of the Retirement Pension Plan, except as specifically provided to the contrary herein.

Anything contained in the Retirement Pension Plan to the contrary notwithstanding, the tables of monthly benefit per year of service**, the Pension Bands,** hereinafter described shall apply to a Member until **and unless** revised by a subsequent Pension Agreement. This

Pension Agreement shall terminate when the contract between the **Company** 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, Embarq Mid-Atlantic Telecom and the Local Union No. 3672 of the Communications Workers of America is not in force, the **R**etirement **A**llowance of any Member shall be determined as of such date and shall not increase for any reason until the effective date of a subsequent Pension Agreement **with a Pension Band increase**. No **C**redited **S**ervice shall be earned following such date. Continuous **S**ervice shall continue to be earned in accordance with Article IX and Paragraph I of Appendix MM of the Retirement Pension Plan. A Member may retire as provided in the Retirement Pension Plan following such termination date and receive the **R**etirement **A**llowance 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 Member's Normal Retirement Date, as defined in the **Retirement** Pension Plan.

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Section 2. <u>Eligibility for Benefits</u>

a. Effective May 26, 1999, the benefit accrued by a Centel **Union** 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 **Union** Employee who has no **C**ontinuous **S**ervice under the **Retirement** Pension Plan on or before May 26, 1999.

b. For each Centel **Union** Employee covered by this Agreement as of May 26, 1999, the **R**etirement **A**llowance of such **Centel Union E**mployee who has a **T**ermination of **E**mployment prior to his or her attainment of age 65 and on or after the attainment of age 60 and 30 or more years of **Continuous S**ervice, shall be the greater of:

1. The benefit accrued as of May 26, 1999, as if such **Centel Union E**mployee had a **T**ermination of **E**mployment 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 **Union** Employee actually terminates employment reduced by the early retirement factors in effect at that time.

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c. Effective May 27, 1999, the Special Early Retirement Allowance, as defined in Section **1.43** of the Retirement Pension Plan, and the Special Early Retirement Date, as defined in Section **1.44** of the Retirement Pension Plan shall be extended to a Centel **Union** Employee. The determination of a benefit under the Special Early Retirement Allowance shall be made in accordance with Section **7.5(b)** of the Retirement Pension Plan.

Section 3 – <u>Hired, Rehired or Transferred Employees on or after July 1, 2015 into CWA 3672</u>

Any Employee who is first hired by CenturyLink into CWA 3672 on or after July 1, 2015 shall not be eligible to become an Eligible Employee of the Retirement Pension Plan and shall not be eligible to become a Member in the Retirement Pension Plan. If such an Employee later transfers to another union that allows pension benefit accruals, under the Retirement Pension Plan, service with the Company earned prior to the transfer will not be used to determine the Employee's Retirement Allowance but such service shall be considered for purposes of eligibility, participation and vesting.

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Any Legacy Embarq Employee who is rehired into CWA 3672 on or after July 1, 2015 is not eligible to become a Member in the Retirement Pension Plan for purposes of accruing an additional Retirement Allowance under such Retirement Pension Plan. Such Employee shall remain a Member solely with respect to the amount of any Retirement Allowance

accrued prior to being rehired by CWA 3672 on or after July 1, 2015 to the extent he was not given a distribution of his entire prior Vested Interest prior to being rehired. Service on or after July 1, 2015 for such Employee will be considered only for purposes of participation, vesting and eligibility for any type of Retirement Allowance earned prior to being rehired (i.e. Normal, Early, Special Early, Deferred Vested, Disability and Death benefit).

Any Legacy Embarq Employee who is transferred to CWA 3672 on or after July 1, 2015 is not eligible to become a Member in the Retirement Pension Plan for purposes of accruing an additional Retirement Allowance under such Retirement Pension Plan. Such Employee shall remain a Member solely with respect to the amount of any Retirement Allowance accrued prior to being transferred to CWA 3672 on or after July 1, 2015, to the extent he was not given a distribution of his entire prior Vested Interest prior to being transferred. Service on or after July 1, 2015 for such Employee will be considered only for purposes of participation, vesting and eligibility for a Retirement Allowance (Normal, Early, Special Early, Deferred Vested, Disability and Death benefit), and not for accruing an additional benefit.

Any non-Legacy Embarq Employee who is transferred to or rehired into CWA 3672 on or after July 1, 2015 shall not become an Eligible Employee and shall not be eligible to become a Member in Retirement Pension Plan. Service on or after July 1, 2015 for such Employee will be considered only for purposes of determining participation, vesting and eligibility for a pension benefit in such Employee's former pension plan(s), if any. If such an Employee later transfers to another union that allows benefit accruals under the Retirement Pension Plan, service earned with CWA 3672 prior to the subsequent transfer will not be used to determine the Retirement Allowance in the Retirement Plan but such service will be considered for purposes of eligibility, participation and vesting.

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For purposes of this section only, "Legacy Embarq Employee" shall mean:

1. Any employee of Embarq prior to July 1, 2009.

2. Any employee of CenturyLink first hired on or after July 1, 2009 but before July 1, 2015 who worked at an Embarq entity and who became an Eligible Employee or is eligible to become an Eligible Employee.

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Section 4 – Lump Sum Benefit Payment Option

The Company may, at its sole option and discretion, amend the Retirement Pension Plan to provide a lump sum benefit payment option to Members represented by CWA 3672, effective as of the date specified in the Retirement Pension Plan. Members represented by CWA 3672 who elect to receive their Retirement Allowance in the form of a lump sum must make their election within the timeframe and pursuant to the procedures established by the Plan Administrator for the Retirement Pension Plan. Any lump sum benefit payment option will be based on the present value of the Member's single life annuity benefit and calculated and paid solely as provided in the Retirement Pension Plan and subject to the terms of the Retirement Pension Plan. This Section is not, and is not intended to be, an amendment of the Retirement Pension Plan which can only be amended by authorized persons designated by the Retirement Pension Plan terms.

Notwithstanding any provision to the contrary, the decision to amend the Retirement Pension Plan to provide a lump sum benefit payment option is within Company's sole and complete discretion. If the Company, however, amends the Retirement Pension Plan to provide a lump sum benefit payment option, the Company may, subject only to the Retirement Pension Plan's terms and applicable law, eliminate the lump sum benefit payment option on a prospective basis, even prior to the termination of this Section.

This Section shall terminate when the Agreement between the Company and the Bargaining Unit terminates. Thus, the Company may, unless contrary terms of the Retirement Pension Plan, the requirements of applicable law or a subsequent agreement between the Company and the Union, amend the Retirement Pension Plan to terminate this lump sum benefit option upon the expiration of this Labor Agreement. The continued application of this Section to any Member and to any Retirement Allowance of any such Member, regardless when accrued, shall be subject to collective bargaining and applicable law. The operation and administration of the Retirement Pension Plan, the calculation of benefits, eligibility requirements, all terms and conditions related thereto and the resolution of any disputes involving the terms, conditions, interpretation, and administration of the Retirement Pension Plan shall rest with the Company and its delegates, shall be determined only under the terms of the Plan, shall not be determined under the terms of this Agreement, and shall not be subject to the grievance or arbitration procedure set forth in this Agreement.

ARTICLE 28
RETIREMENT SAVINGS PLAN AGREEMENT

28.01 The Company has adopted the **CenturyLink Union 401(k)** Plan for Bargaining Unit Employees (the "**401(k)** Plan") and agrees to include employees covered by this Agreement as members of such **401(k)** 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 **CenturyLink** Corporation) retains the right to make such changes in the **401(k)** Plan, in its sole discretion, as may be required to obtain a ruling from the Commissioner of Internal Revenue that

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the **401(k)** 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 **401(k)** 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 **401(k)** Plan, or to administer said **401(k)** Plan in an orderly and efficient manner. Any such action taken by the Company in its sole discretion with respect to the **401(k)** Plan shall apply to all similarly situated employees of the Company in a uniform manner.

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Section 1. CenturyLink Union 401(k) Plan for Bargaining Unit Employees

The Company agrees to provide a means for employees to save for their retirement on a tax-**pr**eferred basis through the **CenturyLink Union 401(k)** Plan for Bargaining Unit Employees (the "**401(k)** Plan"). Employee and Company contributions to said **401(k)** Plan are specified in this Agreement. All terms defined in the **401(k)** Plan shall have the meaning specified therein unless the context of this Plan Agreement clearly indicates otherwise.

Section 2. Employee Contributions

a. Each Participant shall be allowed to contribute on a bi-weekly basis up to an amount equal to eighty percent (80%) of the Participant's wage. Such bi-weekly wage deductions shall be in increments of one percent (1%) and shall be contributed to the Participant's account. **The participant may contribute on a pre-tax, after-tax, Roth basis or any combination.**

b. Catch-Up Contributions
Catch-up contributions shall continue to be allowed as defined in the Plan document. Such bi-weekly wage deductions shall be increments of one percent (1%) and shall be contributed to the Participant's account. The participant may contribute on a pre-tax, Roth basis or combination.

A Participant'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 pay or compensation.

Section 3. Company Contributions

a. **For employees hired, re-hired, or transferred into CWA 3672 before July 1, 2015, t**he Company shall contribute a Company **M**atching **C**ontribution equal to twenty-five percent (25%) of the **Participant's Contribution, up to a maximum of 6 percent of eligible wage.**

b. **For employees hired, re-hired or transferred into CWA 3672 on or after July 1, 2015, the Company may contribute a Company Matching Contribution in accordance with the same matching contribution formula under the CenturyLink Dollars & Sence 401(k) Plan for Non-Bargaining Employees as soon as administratively feasible.**

ARTICLE 29
SEVERANCE PAY

29.01 Severance Pay

The Company will grant severance pay to regular employees who are laid off under the provisions of Article 6, Force Adjustments, at their straight time hourly rate, at a rate of one (1) week per year of continuous service to a maximum of 40 weeks.

Employees will receive severance pay at the time of service termination. Such severance pay shall be in addition to earned pay and vacation pay to which the employee may be eligible and without regard to unemployment benefits. Such severance pay shall begin within one (1) month of layoff and shall be payable for the eligible number of weeks indicated in paragraph A. above, at regular pay roll periods, until paid in full or the employee is recalled by the Company or rehired by a Embarq System Company, whichever

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occurs first. At the Company's discretion, severance pay may be paid in a lump sum.

Employees who have once received severance pay, and have later been re-employed or recalled, must complete one (1) full year of employment before being eligible for severance pay for a subsequent layoff, and the amount of such severance pay shall be based on the period of employment between the date of the employee's most recent reemployment or recall and the subsequent layoff.

ARTICLE 30
SUPPLEMENTAL INCOME PROTECTION PLAN

30.01 Supplemental Income Protection Plan (SIPP)

A. If during the term of this Agreement, the Company determines that there is a need to adjust the workforce, after written notice is first provided to the Union, the Company may at its sole discretion elect to offer employees who have at least 10 years of continuous service and whose age is at least 55 years as of the date of the Company's notice to the Union, the opportunity, in the order of seniority, to voluntarily leave the service of the Company and receive Supplemental Income Protection benefits as described below subject to the following conditions:

1. The Company in its sole discretion may offer SIPP to all employees in the bargaining unit or only to employees in certain job titles and work areas. The Company will determine the period during which the employee may, if he/she so elects, leave the service of the Company pursuant to this Article. Neither such determinations by the Company nor any other part of this Section shall be subject to arbitration.

2. An employee's election to leave the service of the Company and receive Supplemental Income Protection benefits must be in writing and transmitted to the Company within

fourteen (14) calendar days from the date the Company makes the formal offer notification in order to be effective and such election may only be revoked within such fourteen (14) day period. After the 14 day period has expired, the Company will determine the number of employees that can be granted the offer, as well as their job titles and locations. The Company will confer with the Union regarding this determination, however, the Company will make the final determination and will communicate this decision in writing to the Union and affected employees.

3. Employees who elect to receive benefits under the provisions of this Section shall not be entitled to other severance pay benefits or other benefits which may be provided to laid-off employees but shall be entitled to receive 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.

4. If an employee voluntarily accepts SIPP and is out or should go out on Short Term Disability, the Short Term Disability would end on the scheduled last day worked for SIPP designation regardless of the anticipated release date by the physician.

B. Supplemental Income Protection payments for employees who so elect to leave the service of the Company in accordance with this Section begin within one month after such employee has left the service of the Company.

C. For employees who so elect in accordance with this Section, the Company will pay monthly as Supplemental 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 $525.00 per month. The maximum amount of Supplemental Income Protection benefits payable shall in no event exceed a total of $25,200. Employees may elect to receive the total benefits,

once calculated as above, in either a lump sum, or in 12 month, or 24 month, or 36 month, or 48 month equal payments.

D. As used in this agreement, "annual compensation at the basic weekly rate (or its equivalent)" or "basic weekly wage rate (or its equivalent)" do not include tour or temporary differentials, overtime pay, or other extra payments.

E. Payments hereunder shall cease upon the employment of a recipient by the Company or any affiliated or subsidiary companies. Employees who elect a lump sum payment, and who are employed as noted above before a period of 12 months from the date of original separation, will be required to return to the Company a prorated portion of the original lump sum payment through a payment plan agreeable to both the Company and the employee. Full payment, however, must be made in six months or less.

F. In the event of the death of a recipient of Supplemental 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.

ARTICLE 31
CONCESSION

31.01 Concession

Subject to Company policy, regular employees (full and part-time) with six (6) or more months of service are eligible for the Company's telephone concession plan.

It is recognized that the Company has the exclusive right to amend, modify wholly or in part this plan.

ARTICLE 32
NO STRIKE – NO LOCKOUT

32.01 No Strike – No Lockout

It is understood between the parties that the services to be performed by the employees covered by this Agreement are essential to the operation of the Company and to the health, safety, and welfare of the public, and the Union agrees that it will not authorize or promote any strike, slowdown, picketing or other interference with the normal operations of the business. It is understood that the Union will not condone employee participation in a sympathy strike in conjunction with personnel outside of the Bargaining Unit. The Company agrees that is will not lock out its employees during the term of the Agreement. The Union shall cooperate with the Company throughout said period in continuing operations in a normal manner, and shall actively discourage and endeavor to prevent or terminate any violation of this Article. Any employee who violates the provisions of this Article may be subject to disciplinary action, including discharge.

In the event any violation of this Article hereof occurs, the Local Union President (or the appropriate Union representative if the Local Union President is not available) shall promptly order the employees involved to cease the violation and return to work at once. If any employee involved fails to obey such order promptly, or if any employee fails to report to work in the course of any action prohibited by this Article hereof, that employee shall be deemed to have violated this Article hereof unless such failure is due to circumstances beyond the employee's control.

If it is contended that any employee was improperly discharged or otherwise disciplined under this Article hereof, a grievance may be filed under Article 17 of this Agreement.

ARTICLE 33
INCENTIVE/RECOGNITION PROGRAM

At the sole discretion of the Company, employee recognition and/or incentive programs to honor exemplary performance, achievement of objectives, meritorious events, community service, etc., by employees, may be unilaterally developed, implemented, modified or deleted. Such programs may include, but not be limited to, cash payments, bonuses, or commissions and may be, at the individual and/or group level. The Company will notify the Union in advance of any newly developed, modified or expired recognition or incentive programs, however, both parties mutually agree to the above mentioned unilateral Company right. If and to the extent that any such recognition programs, incentive programs, individual bonuses, or commissions may be awarded, such award shall not constitute a binding precedent or practice with respect to any future recognition programs, incentive programs, individual bonuses, or commissions.

It is agreed and understood that all employees may be required to make referrals of company products and services and perform informal and direct sales work as part of their normal job duties as it relates to the incentive plan. The Company has the right to establish sales incentive and promotional programs to stimulate sales of its products and services and will notify the Union prior to the implementation of any new program.

IN WITNESS WHEREOF, Communications Workers of America and The Central Telephone Company's Hickory and Madison, North Carolina Districts, have caused this Agreement to be executed by their respective officers and agents thereunto duly authorized, all as of the day first above written.

Central Telephone Company

Kevin McCarter
Region President
East Region

Joseph Osa
Vice President
Labor Relations

Company Negotiating Committee:

Joseph Basile
Debbie Bradberry
Randy Hudson

Communications Workers of America

Richard Feinstein
CWA Representative

Union Negotiating Committee:

Richard Feinstein
Wil L. Barkley
Rick F. Grogan

CENTURYLINK

WAGE SCHEDULE - CWA 3672 HICKORY/MADISON, NORTH CAROLINA

EFFECTIVE: January 1, 2015

STEP	WAGE SCHEDULE 200	201	208
Start	$13.09	$13.52	$10.30
6 Months	$13.67	$14.12	$11.42
12 Months	$14.54	$14.99	$12.68
18 Months	$15.69	$16.18	$14.08
24 Months	$17.09	$17.66	$15.65
30 Months	$18.82	$19.41	
36 Months	$20.80	$21.46	
42 Months	$23.09	$23.81	
48 Months	$25.65	$26.45	
54 Months	$28.49	$29.41	

Group 200	Cable Splicer
Group 201	Business Service Technician, Central Office Installer, Central Office Technician, Customer Service Technician
Group 208	Utility Person

CENTURYLINK

WAGE SCHEDULE - CWA 3672 HICKORY/MADISON, NORTH CAROLINA

EFFECTIVE: June 1, 2015*

STEP	WAGE SCHEDULE		
	200	201	208
Start	$13.35	$13.79	$10.51
6 Months	$13.94	$14.40	$11.65
12 Months	$14.83	$15.29	$12.93
18 Months	$16.00	$16.50	$14.36
24 Months	$17.43	$18.01	$15.96
30 Months	$19.20	$19.80	
36 Months	$21.22	$21.89	
42 Months	$23.55	$24.29	
48 Months	$26.16	$26.98	
54 Months	$29.06	$30.00	

Group 200		Cable Splicer
Group 201		Business Service Technician, Central Office Installer, Central Office Technician, Customer Service Technician
Group 208		Utility Person

**Effective the first day of the pay period closest to the effective date*

CENTURYLINK

WAGE SCHEDULE - CW 3672 HICKORY/MADISON, NORTH CAROLINA

EFFECTIVE: June 1, 2016*

STEP	WAGE SCHEDULE		
	200	201	208
Start	$13.62	$14.07	$10.72
6 Months	$14.22	$14.69	$11.88
12 Months	$15.13	$15.60	$13.19
18 Months	$16.32	$16.83	$14.65
24 Months	$17.78	$18.37	$16.28
30 Months	$19.58	$20.20	
36 Months	$21.64	$22.33	
42 Months	$24.02	$24.78	
48 Months	$26.68	$27.52	
54 Months	$29.64	$30.60	

Group 200		Cable Splicer
Group 201		Business Service Technician, Central Office Installer, Central Office Technician, Customer Service Technician
Group 208		Utility Person

**Effective the first day of the pay period closest to the effective date*

SCHEDULES OF PENSION BANDS
CENTRAL TELEPHONE COMPANY – NORTH CAROLINA

LOCAL 3672 – COMMUNICATIONS WORKERS OF AMERICA

Band 1	Band 2
Utility Person	Cable Splicer Central Office Technician Customer Service Technician Business Service Technician Central Office Installer

Schedule of Retirement Incomes
Central Telephone Company of North Carolina
Local 3672, Communications Workers of America

Normal/Late Retirement Benefits

Band	Year 1 **6/1/2014**	Year 2 **6/1/2015**	Year 3 **6/1/2016**
1	**$41.50**	**$42.33**	**$42.33**
2	**$63.41**	**$64.68**	**$64.68**

Early Retirement Benefits

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

Age at Retirement	*Early Retirement Adjustment Factors (5% Per Year From Age 65)
64	95%
63	90%
62	85%
61	80%
60	75%
59	70%
58	65%
57	60%
56	55%
55	50%

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

September 10, 2014

Richard Feinstein
CWA Representative
2275 Vanstory Street
Suite 106
Greensboro, NC 27403

Dear Rick:

The following job classifications listed below are not necessary in this collective bargaining agreement.

In the event the Company elects to hire employees back into one of the below listed classifications, this agreement will be opened to negotiate the wage rates for these affected classifications formerly listed in the 2011-2014 Labor Agreement.

Facility Assigner
Lineperson
Mechanic
Frameperson
Warehouse Person
Plant Clerk
Public Access Technician

Joseph A. Basile
Labor Relations Negotiator

Richard Feinstein
CWA Representative

September 10, 2014

Richard Feinstein
CWA Representative
2275 Vanstory Street
Suite 106
Greensboro, NC 27403

Dear Rick:

The Company and Union recognize the value of training to increase employee skills in order to compete in an ever-changing business environment. The parties agree to work together to promote educational programs to bargaining unit employees to include, where possible, programs like CWA/NETT. Training associated with CWA/NETT or similar training is voluntary and taken on the employee's own time. Costs associated with this training must adhere to the Company's tuition reimbursement policy. A copy of which was provided to the Union during this bargaining session.

This Letter of Agreement will be effective upon ratification and continue throughout the life of the Agreement and will expire on May 31, 2017.

Joseph A. Basile
Labor Relations Negotiator

Richard Feinstein
CWA Representative

September 10, 2014

Richard Feinstein
CWA Representative
2275 Vanstory Street
Suite 106
Greensboro, NC 27403

Dear Rick:

The Company and the Union recognize that technologies used to provide communication services will continue to evolve. It is in the interest of the Company and the Union to work together to make the introduction of new technologies successful. To that end, the Company agrees to notify the Union as soon as possible after the decision is made by the Company to deploy new technologies within the jurisdiction of Local 3672. The Company has the sole and exclusive right to determine whether that deployment of new technologies results in additional work for bargaining employees or is accomplished through other means. This determination and decision by the Company will not be subject to the grievance or arbitration procedure.

The Company and the Union will work together to maximize the opportunities for the existing bargaining unit workforce to receive adequate training where necessary to be able to perform the work created or modified by the introduction of the technologies or methods.

This Letter of Agreement will be effective upon ratification and continue throughout the life of the Agreement and will expire on May 31, 2017.

Joseph A. Basile
Labor Relations Negotiator

Richard Feinstein
CWA Representative

R

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