

2013 CWA DISTRICT 6 - AT&T SOUTHWEST CONTRACT HIGHLIGHTS

We are pleased to announce that we have reached a four-year Tentative Agreement between CWA District 6 and AT&T Southwest. Despite these tough economic times, the new contract achieves our key goals:

1. Maintains and improves our members' Standard of Living.
2. Provides employees who retire in the life of this contract with active employee medical coverage throughout life of the contract.
3. Improved Employment Security.

These were challenging negotiations and we are extremely pleased with the work that has been done in accomplishing the terms of this agreement. The CWA Bargaining Committee was extremely committed and worked diligently to negotiate this fair and just contract. We are extremely proud of the work that they did.

There will be a contract explanation meeting for CWA Local officers on January 7, 2013 at the Sheraton Grand Hotel in Irving, Texas. The Locals will then be responsible for explaining the information to their members. This is a Tentative Agreement until ratified by majority vote of members, voting in a secret ballot election. Your CWA elected Bargaining Committee unanimously recommends ratification of this agreement.

Claude Cummings, Jr.
Vice President

Sylvia J. Ramos
Assistant to the Vice President

AT&T SW Bargaining Committee

Michael Neumann, Chair
Tony Shaffer, Staff Representative
Charlie Torres, Staff Representative
Chad Barnhill, Local 6012
James Henny, Local 6222
Josh Kayser, Local 6300
Gerald Murray, Local 6507
Jason Peavler, Local 6132
Glynne Stanley, Local 6214

Here are some of the highlights on the key issues of the new Tentative Agreement.

ACCUMULATIVE FINANCIAL EFFECT

- The positive economic value of this contract is worth over \$11,000 to the current employee earning \$60,000 and who is an average user of health care.

WAGES

- Annual general wage increases of 2.25%/ 2.5%/2.75%/3%
- The compounded wage increase over 4 year contract is 10.9%
- Ratification bonus of \$1,000

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HEALTHCARE

Among key provisions, this agreement:

- Provides that the company will continue to pay 100 percent of the cost of network preventive care, including items such as annual physicals and well-child care
- For employees on the payroll prior to 4/7/13, monthly contributions will be:
 - 2014 - \$45 individual, \$95 family
 - 2015 - \$70 individual, \$150 family
 - 2016 - \$90 individual, \$195 family
 - 2017 - \$105 individual, \$225 family
- Annual deductibles for network providers will be \$500 for individuals, \$1,000 for families in all contract years
- Coinsurance will be 10 percent for network providers
- Protects employees from catastrophic loss through reasonable out-of-pocket limits, even in cases requiring major surgeries or extended hospital stays—what this means is that AT&T pays every dime of your eligible network medical costs beyond the annual out-of-pocket limits
- Out-of-pocket maximums for network providers will be:
 - 2014 - \$1,700 individual, \$3,400 family
 - 2015 - \$2,000 individual, \$4,000 family
 - 2016 - \$2,000 individual, \$4,000 family
 - 2017 - \$2,000 individual, \$4,000 family

PENSION

- One percent band increase for all years of contract
- 2013 New Hires receive BCB2
- BCB2 will receive a one percent one-time increase to the age credit table
- Extended the lump sum option

SAVINGS

- Added 2 wage tiers to ASSP
- 2013 New Hires receive ARSP

JOBS

Company will add a minimum of 2,000 jobs to current workforce over the life of the agreement.

JOB SECURITY

- 2009 Regular New Hires are included in the Extended Employment Opportunity Period

ATTENDANCE

- Employees will have up to 10 paid days for personal illness
- If an employee has less than 5 days of illness in the prior year, 5 additional days may be used in conjunction with an approved disability

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SUCCESS SHARING PLAN

- Renewed Success Sharing Plan with dividend rate value and stock appreciation value in cash for all 4 years of the contract

NATIONAL TRANSFER PLAN

- Eligible employees may transfer to and from Mobility

CUSTOMER SERVICES TECHNICIAN/PREMISES TECHNICIAN

Customer Services Technician (CST) Protections

- Protected general wage increase for all years of contract
- Increase protected CSTs frozen wages to match current CST wages
- Renewed economic protections for protected Premises Technicians
- Increase job security for CSTs

CUSTOMER SERVICES TECHNICIAN/PREMISES TECHNICIAN (CONTINUED)

Premises Technician

- An increase of .60 per hour for additional scope
- Increased Job Duties
- Increase the per diem allowance from \$30 to \$35
- Reduce the overtime limit from 20 hours to 17 hours
- Sunday's and union time count towards the 40 hours build-up
- Tour selection by seniority
- Overnight temp assignment by seniority

CRIFT

Agreement includes a platform to discuss the CRIFT issues and concerns at the Alliance Executive Council Meeting which includes senior leadership from both the Union and the Company.

OTHER

- Improved travel allowance
- Improved RPPP payout
- Improved Involuntary Severance payout
- Successorship language
- Renewed card check agreement
- Renewed presidential council