

Memorandum of Agreement

Surplus and Force Adjustment Negotiations

This Memorandum of Agreement (“Memorandum”) is executed by and between International Brotherhood of Electrical Workers Union, System Council T-3 (“Union”) and AT&T Midwest and AT&T National (collectively “Company”) to address certain issues left unresolved as a result of the extension of the 2009 core Collective Bargaining Agreement (“2009 Agreement”) between the Company and the Union, referred to collectively herein as the “Parties.” In consideration of the mutual promises exchanged herein and contingent upon ratification of the Extension Agreement, the Parties agree as follows:

1. Surplus Moratorium

The Company agrees that during the period beginning with the execution of this Memorandum and ending on September 14, 2012, the Company will not make any surplus announcement to employees covered by the 2009 Agreement. The purpose of this provision is to hold the negotiations provided for in Section 2, below, prior to the announcement of additional surplus conditions.

2. Training and Employment Security Negotiations

The Parties wish to engage in negotiations concerning Article 30 – Training and Employment Security of the 2009 Agreement. Due to the Extension Agreement negotiated between the Parties, negotiations concerning the terms of Article 30 would be delayed until 2013. In order to give the Parties an opportunity to conduct such negotiations prior to the announcement of additional surplus conditions, the Parties agree to meet after ratification of the Extension Agreement to conduct such negotiations with the goal of coming to mutually

agreeable modifications to Article 30. Such discussions must be completed by September 10, 2012.

Provided that the Extension Agreement ratifies, the terms of this Memorandum shall remain in effect until the Parties reach and ratify an agreement to replace the 2009 Agreement, unless this Memorandum is mutually modified, extended or canceled by the Parties in writing.

FOR THE UNION:

FOR THE COMPANY:

Ronald E. Kastner
Chairman, System Council T-3, IBEW

Randall S. White
Vice-President – Labor Relations

Date

Date