International Brotherhood of Electrical Workers
System Council T-3

2016- Contract Overview
AT&T – DIRECTV
Call Center Employees
Article 1 – Agreement
Contract is between AT&T Services, Inc. and the IBEW SCT-3 System Council.

THIS AGREEMENT is made and entered into effective the _ day of , 2016 by and between AT&T Services, Inc. (hereinafter referred to as the "Company," the "Employer," or "Management") and International Brotherhood of Electrical Workers, System Council Telephone - 3 (SCT-3) - (hereinafter referred to as the Union).
IBEW is recognized, by the company, as the official bargaining unit for the purpose of wages, pay, hours and working conditions.

**Partial Language**

...The Company recognizes the Union as the sole collective bargaining agent for the purpose of collective bargaining with respect to rates of pay, wages, hours of employment and other conditions of employment...

...The Company shall have the right to create, define, expand, reduce, alter, combine, move, transfer, relocate or terminate any job, job content, job classification, job title, department, operation or service in the Bargaining Unit; to establish duties in connection with the creation of a job title/classification herewith as it shall deem appropriate; and to subcontract any work...

...However, it is the Company’s general policy that work will not be contracted out if it will currently and directly cause layoffs or part-timing of regular employees in the bargaining unit...

IBEW System Council T-3

AT&T /DIRECTV

2016 Contract Overview
Call Center Employees

Article 3 – Classification of Employees
- The difference between a full and part-time employee.
- Definition of a temporary employee.

Partial Language
…A full-time employee shall be deemed to be any employee regularly scheduled to work forty (40) hours per week. A regular employee is one whose employment is reasonably expected to continue for longer than twenty-four (24) months…
…A part-time employee shall be deemed to be any employee regularly scheduled to work less than forty (40) hours per week…
…The Company shall have the right to reduce employee classifications from full-time to part-time or to increase employee classifications from part-time to full-time…
Article 4—Agency Shop

Explains that as a condition of employment IBEW members have to pay union dues where the law permits.

Partial Language

…Effective thirty (30) days following the effective date of this Agreement, each employee employed on or before such effective date and covered by the terms and conditions of this Agreement shall, as a condition of employment, either become a member of the Union, or pay or tender to the Union amounts which are the equivalent of periodic Union dues…

…The foregoing shall be subject to any prohibitions or restrictions contained in the laws of the states covered by this agreement…
Call Center Employees

Article 5– Deduction Of Union Dues

- Explains how Union dues will be collected.
- Members have the option to make voluntarily donations to Committee of Political Education (COPE) which is a political fund through IBEW.

Partial Language

…The Company agrees to make collections of the standard Union dues and IBEW Committee on Political Education (COPE) through payroll deduction from the employee’s pay, upon receipt of a written authorization form signed by the employee and delivered by the Union to the Company. This authorization shall continue in effect until cancelled by written notice from either the Secretary-Treasurer of the Union or the employee as set forth in the Payroll Deduction Authorization for Union Dues card…
**Call Center Employees**

**Article 6– Management Rights**

The Company has rights in the decisions they make on how they wish to run the business.

**Partial Language**

…Subject to applicable law, all rights possessed by the Employer prior to recognition of the Union, which rights are not governed by the terms of this Agreement, are reserved and retained by the employer…

…Nothing in this Article diminishes the legal rights of the Union to engage in effects bargaining…
Call Center Employees

Article 7– Grievance Procedure

Describes the process for settling disputes.

Partial Language

..All complaints or prospective grievances by the union shall normally be taken up informally with the first level of Management in an effort to resolve the matter...

…A grievance is a complaint by the Union:

a. Alleging violation of the provisions or application of the provisions of this Agreement.
b. Alleging that an employee has been discharged, suspended, demoted or otherwise disciplined without just cause.
c. Alleging that an employee has suffered improper loss or reduction of any contractually established benefits arising out of the job or of employment with the Company…
Article 7– Grievance Procedure

This is your grievance and arbitration procedure, also talks about just cause discipline and Union-Management Review Boards.

Partial Language

… Any such grievance not addressed or resolved in Section 1. above, which is reduced to writing, setting forth, if applicable, specifically the substance of the grievance and the provision or provisions of the Agreement allegedly violated, delivered by a Union representative to the designated Company representative in accordance with Section 3. following, within fifteen (15) calendar days of the action complained of, shall be considered and handled as a formal grievance…
Article 7– Grievance Procedure

This is your grievance and arbitration procedure, also talks about just cause discipline and Union-Management Review Boards.

Partial Language

…STEP 1 The designated Company representative shall contact the Union representative within seven (7) workdays of receipt of written notice of the grievance for the purpose of setting a mutually agreeable meeting date and location. The designated Company representative will provide a decision in writing within ten (10) workdays after completion of the meeting(s) unless mutually agreed otherwise by the parties…

..STEP 2 If the answer or decision of the Company is unsatisfactory to the Union, the grievance shall be appealed to the designated Company representative, in writing, within fifteen (15) workdays after a decision has been rendered at the first step. The designated Company representative shall contact the Union representative within seven (7) workdays of receipt of the written appeal for the purpose of setting a mutually agreeable meeting date…
Article 7– Grievance Procedure

This is your grievance and arbitration procedure, also talks about just cause discipline and Union-Management Review Boards.

Partial Language

…The meeting will generally be conducted by phone. If not conducted by phone, the meeting will be held at a mutually agreed upon location. The designated Company representative will provide a decision in writing within fifteen (15) workdays, after completion of the meeting(s), unless mutually agreed otherwise by the parties.

The provisions for a Union-Management Review Board apply only after the Company gives notification of a contemplated dismissal for just cause of an employee with 12 (twelve) or more months of Net Credited Service, the Union may, within two (2) working days, request that a Union-Management Review Board be convened relative to the contemplated dismissal. Such a request by the Union must be made to the appropriate Labor Relations Designee…
Article 7– Grievance Procedure

This is your grievance and arbitration procedure, also talks about just cause discipline and Union-Management Review Boards.

Partial Language

…Failure to submit or pursue a grievance under the conditions and within the time and manner stated above shall be construed to be a waiver by the employee and the Union of the formal grievance. Any complaint of this type shall be handled by the Company as an informal grievance on an informal basis. Informal grievances are not subject to arbitration…
Call Center Employees

Article 8– Exchange Time
Allows employees to take time off during a scheduled workday and make up time during the week with approval from management.

Partial Language

Exchange Time allows an employee to request time off during a scheduled workday to be made up within the workweek (Sunday through Saturday). Granting of Exchange Time will be at the Company’s discretion and shall be based upon such factors as the Company, in its judgment, believes relevant, including the needs of the business. If the Company approves an employee’s request for such time off, it shall designate the time within the same workweek when the absence shall be made up.
Call Center Employees

Article 9 – Arbitration

-If a dispute cannot be settled through the grievance procedure as stated in Article 6, an arbitrator may be used to resolve the matter.
-With 24 months or more of service, an employee disciplined without just cause is a subject eligible for arbitration.

Partial Language

…If a controversy should arise regarding the true intent and meaning of any provisions of this Agreement, which the parties are unable to resolve by use of the grievance procedure, the matter may be arbitrated upon written request of either party to this Agreement…
Call Center Employees

Article 10 – No Strike -- No Lockout

We won’t go on strike while the contract is in place and they won’t lock us out.

Partial Language

…During the life of this Agreement, the Union and the employees covered under this Agreement, shall not cause, call, or sanction strikes of any kind, including sympathy strikes and strikes in protest of alleged unfair labor practices, boycotts, work stoppages or slowdowns which interfere with the Company’s production or business…

…The Company agrees that there will be no lockouts during the duration of this Agreement.
Call Center Employees

Article 11 - Seniority

Seniority is based on your Net Credited Service date. (NCS).

Partial Language

Section 1. Seniority, as used in this Agreement, is defined as Net Credited Service as determined by the Administrative Committee.

Section 2. If more than one (1) employee has the same Seniority date, the last four digits of the Social Security Number will be used to establish the ranking. The employee with the lowest number will be considered the most senior.
Call Center Employees

Article 12 – Hours Of Work

Scheduling language including priority to seniority.

Partial Language

…Full-time employees will normally be scheduled to work forty (40) hours per week which may be spread over any seven (7) days within the calendar week. The Company recognizes the desire of most employees to have consecutive days off...

…The Company, except as provided in b. and d. below, will assign work schedules on the basis of seniority...

…work schedule for an employee may be changed if the employee so requests and the Company approves such request...

…Employees who work in call centers will be able to select, in seniority order, from the available tours at least once every six (6) months...
Article 13 – Work Assignments

-AT&T will give first consideration to current, qualified, employees and seniority when filling open positions.
-Company will notify Union of names and title of those selected for vacancies.

Partial Language

…The Company shall determine whether to staff a position or fill a vacancy and the method or combination of methods it shall use for such purposes. In making this determination, the Company shall first give consideration to qualified internal candidates prior to off-street applicants…

…In selecting the employee to fill the position, the Company will first give due consideration to the candidates’ qualifications and past performance and where those factors are relatively equal, in the judgment of the Company, it shall consider seniority…
Call Center Employees

Article 14 – Force Adjustment

-In the event of a layoff, Union will be notified by Company.
-Temporary employees will be laid off first.
-Employees of the surplus, will be given the chance to place in available vacancies in the bargaining unit based on qualifications and seniority.
-Severance pay will be paid out based on seniority to employees who leave the company under a layoff.

Partial Language

…regular employees will be given preference, in accordance with their seniority, subject to their skills and experience, to perform the remaining work…

…Temporary employees will be laid off under these circumstances before applying this seniority policy to regular employees…

…If a surplus remains any remaining surplus regular employees will be offered laterals and downgrades for which they are qualified, by order of seniority, to fill any available job vacancies within the Bargaining Unit…

… If the Company determines that a surplus resulting in the layoff of a regular employee that employee shall be eligible for a $700 Severance Payment …up to a maximum of $16,000…
Call Center Employees

Article 15 – Non-Discrimination
There shall be no discrimination based on religion, sex, gender, color, marital status, age, national origin, physical status or your union involvement.

Partial Language
…The Company and the Union agree that they will not discriminate against any employee covered by this Agreement because of race, color, creed, sex, national origin, age, marital status, sexual orientation, or because of his/her position or membership/non membership in the Union or lawful activities on behalf of the Union…
Call Center Employees

Article 16 – SAFETY
The company will provide a safe work environment.

Partial Language
…Safety and health is a mutual concern of the Company and the Union. It benefits all parties to have employees work in safe and healthful environments and for employees to perform their work safely and in the interests of their own health. It is also necessary to promote a better understanding and acceptance of the principles of safety and health on the part of all employees, in order to provide for their own safety and health and that of their fellow employees, customers and the general public…
Article 17 – Company - Union Relationship

- It is in the best interest of both parties to respect the relationship with one another.

- Various language pertaining to union officers and representatives and the way time is coded.

Partial Language

…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 ensure 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 Bargaining Unit…

…At any meeting between a representative of the Company and an employee in which discipline (including warnings which are to be recorded as such in the personnel file, suspension, demotion, or discharge) is to be announced, one Union representative may be present…
Call Center Employees

Article 18 – Bulletin Boards

- Company agrees to furnish each location with a bulletin board for Union use.
- Boards will address matters of elections, meetings, reports and other Union business.

Partial Language

..the Company agrees to furnish space, without charge, to erect bulletin boards for the exclusive use of the Union..

…The Union agrees to post notices about the following matters only: elections, meetings, reports, other official Union business, and notices of Union social and recreational activities…

…The Union assumes responsibility for complete compliance with the spirit and intent of the provisions of this Article. If the Company believes that the posted material is not in the spirit and intent of the provisions of the Article, such material shall be brought to the attention of the Business Representative…

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Article 19 – Basis of Compensation

This article talks about wages, contract signing bonus, and other wage related issues.

Partial Language

…The rates of pay and progression wage scales for full time employees shall be that shown in Appendix A…

WAGE SCHEDULE EXAMPLE

Under the tentative agreement, effective September 2, 2016, employees will be slotted into the closest wage schedule that results in a wage increase, and then move up on the wage schedule every 6 months until the maximum wage rate is reached. Below is an example:

- Joe currently makes $620 per week ($15.50 per hour). He will be initially slotted at the weekly rate of $651.50.
- In 6 months (March 2017) his wage rate will increase to $692 per week ($17.30 per hour).
- In 12 months (Sep 2017) his wage rate will increase to $748 per week (18.70 per hour) because he will have gotten his 6 month progression increase AND the negotiated annual wage increase.
- In 18 months (March 2018) his wage rate will increase to $797 per week ($19.92 per hour).
- In 24 months (September 2018) his wage rate will increase to $864.50 ($21.61 per hour), again because he will have gotten his 6 month progression increase AND the negotiated annual wage increase.
- In 30 months, his wage rate will increase to $923 per week (23.07 per hour).
- In 36 months, his wage rate will increase to $985 per week ($24.62 per hour).
Article 19 – Basis of Compensation

This article talks about wages, contract signing bonus, and other wage related issues.

Partial Language

…Employees (except those exempt under the FLSA) shall receive one and one-half (11/2) times their regular rate of pay for all time worked in excess of eleven (11) consecutive hours within a workday or forty (40) hours within the workweek…

…Employees performing work on Sunday shall be paid a premium of ten (10) percent of their basic wage rate.

…A night differential shall be paid to employees for each scheduled hour, or fraction thereof, worked after 10:00 p.m. and before 6 a.m. in the amount of ten (10) percent of the employee’s basic hourly rate…

…qualified employee who is temporarily assigned and performs the duties of a job title with a higher top wage rate will be paid a temporary upgrade differential consisting of five (5) percent of the employee’s basic hourly wage rate for each hour such duties are performed if such assignment exceeds two (2) weeks.

…A differential consisting of five ($5.00) dollars per day, not to exceed twenty-five ($25.00) dollars per week, shall be paid to Call Center employees for each full day worked when assigned by management to speak in a foreign language.
Call Center Employees

Article 20 – Travel
- Employees will be assigned a regular work location.
- If you travel for the company it is considered time worked and you will be reimbursed for expenses.
- Any traveling while at Company request in personal vehicle, will be reimbursed at the current IRS allowable rate per mile.

Partial Language
…Time spent in local travel at the direction of the Company after reporting for duty and before release from duty shall be treated as work time…
…Employees directed by the Company to use their personal car for travel between work locations during the workday or for other authorized Company business shall be paid the IRS allowable rate per mile’…
…Employees will be assigned a regular work location but may also be assigned to work at a temporary location.
…An employee away from home on a Company assignment will receive reimbursement for all reasonable, necessary and ordinary business expenses incurred…

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2016 Contract Overview
Call Center Employees

Article 21 – Absences

This article talks about various forms of time off vacation, holidays, sick time, jury duty etc. How it is earned, scheduled etc.

Partial Language

Employees having twenty-four (24) or more months of Net Credited Service shall be paid at the basic wage rate for absence of at least one (1) session due to illness on scheduled workdays, for a period of time not to exceed seven (7) consecutive calendar days, in accordance with the following table:

<table>
<thead>
<tr>
<th>Employees with Net Credit Service of</th>
<th>To be Paid After Waiting Periods of Consecutive Scheduled Working Days</th>
</tr>
</thead>
<tbody>
<tr>
<td>2 years but less than 5 years</td>
<td>Of 2 days</td>
</tr>
<tr>
<td>5 years but less than 8</td>
<td>Of 1 day</td>
</tr>
<tr>
<td>8 years and over</td>
<td>No waiting period</td>
</tr>
</tbody>
</table>

The maximum amount of paid illness time for an employee covered by this Article shall be three (3) days or twenty-four (24) hours, prorated for part time, in a calendar year. Nothing in this Agreement shall be interpreted to provide for paid illness time in excess of this amount for such employees.

A day in the waiting period shall be considered as an absence of at least one (1) session from scheduled time.

For purposes of this Article, tours are the assignments for full days and sessions are the two (2) parts into which tours are divided.
Call Center Employees

Article 22 – Vacations

Vacation time based on your years of service scheduling is based on seniority.

Partial Language

…1 week of vacation upon completion of 6 months;
…2 weeks of vacation upon completion of 12 months. This provision cannot be combined with above, to result in more than 2 weeks of vacation entitlement in the same calendar year.
…Eligibility for vacation leave benefits to be taken in any calendar year shall be based on the NCS the employee has obtained, or could obtain within that calendar year.
…3 weeks of vacation to any such employee who could complete 5 years or more but less than 10 years of NCS within the vacation year;
…4 weeks of vacation to any such employee who could complete 10 years or more but less than 20 years of NCS within the vacation year;
…5 weeks of vacation to any such employee who could complete 20 years or more of NCS within the vacation year.
…If a fixed Holiday falls within a period of vacation, another day of vacation may be scheduled in the vacation year. Additional vacation days in lieu of the Christmas Holiday may be taken…
…Vacations shall be selected in a work group based on seniority…
Call Center Employees

Article 23 – Holidays

- Employees are eligible for (6) paid holidays.
- Employees will receive (1) designated holiday upon completion of (6) months Net Credited Service.
- Employees will receive (3) floater holidays.
  - (1) floater after (3) months of Net Credited Svc.
  - (1) floater after (6) months of Net Credited Svc.
  - (1) floater after (9) months of Net Credited Svc.
- Employees will be paid 8 hour of pay for the holidays and get 1 ½ times your pay if you work on the holiday.

Partial Language

…Each full-time employee shall receive eight (8) hours of pay at the employee’s basic straight-time rate of pay, unless otherwise provided for in this Agreement…

Employees who work on a Holiday shall be paid for such work at time and one-half for all work on such Holidays, together with the holiday pay provided…
Call Center Employees

Article 24 – Excused Days With Pay

- Employees will accrue (4) excused paid days off within the calendar year.
- Excused days may be carried over until March of following year and can be taken in (1) hour increments.
- Employees may substitute unforeseen time off with Excused paid days with Mgr. approval.

Partial Language

… Each regular employee will be eligible for one (1) Excused Day With Pay after each successive three (3) months of completed service with the Company, but not more than four (4) Excused Days With Pay in a calendar year …

… All days off as provided in this Article shall be selected in accordance with Section 6.c. of Article 20, Vacations. Employees may be permitted to take their Excused Days With Pay in one (1) hour increments. All pay for Excused Days With Pay shall be at the employee’s basic rate of pay …

… Upon an employee’s request and with management approval, unforeseen personal time off may be substituted with Excused Day(s) with Pay, subject to an employee’s eligibility …

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Article 25 – Waiver Of Further Bargaining

Language to explain this is a complete agreement and binding to both parties.

Partial Language

...The parties agree that this Agreement contains their full and complete understanding and that any prior practices, benefits, or oral agreements are superseded by the terms of this Agreement. The parties further agree that no practices, oral agreements or benefits will be recognized or regarded as binding unless committed to writing and signed by the parties as a supplement to this Agreement.

...the Company's right to plan, direct and control its operations, to extend, limit or curtail operations, to determine the number, location and operation of its facilities, to study, determine, and regulate the methods, quantity, and quality of work, and the sources and kinds of merchandise, materials, parts, facilities and equipment used
Call Center Employees

Article 26 – Duration Of Agreement
This is a 3 year agreement. The contract is in effect until August 24, 2019.

Partial Language
…This Agreement shall become effective as of ____, 2016 and shall remain in effect up to and including, ____, 20____ the “Expiration Date”, and thereafter from year to year unless one party or the other gives notice of the desire to terminate this Agreement or modify its terms, in writing, at least sixty (60) days prior to the Expiration Date of this Agreement. If notice to modify is given, the parties shall meet and negotiate at mutually agreeable times and places. This Agreement shall continue in full force and effect during such negotiations, except that, after the above stated Expiration Date, or any yearly extension thereof, this Agreement may be terminated by either party if written notice of the intention to so terminate is given, whereupon the Agreement shall terminate immediately after the giving of such notice…
Benefits
This section describes the many benefits, pension, and 401K you will now receive along with costs, coverages, and terms and conditions that may apply etc.

Partial Language

Subject to the Company receiving written notice by August 26, 2016 from an authorized representative of the Union that this Agreement has been duly ratified by the employees represented by the Union and/or approved by the IBEW International President. the Parties mutually agree as follows:

The means for fulfilling the terms of this Agreement may be the Company’s adoption of its own plans and associated plan documents or participation in equivalent plans having plan documents that include, for bargained-for employees, the benefits agreed to be provided pursuant to this Agreement and substantially the terms, provisions and conditions under which such benefits are to be provided. The sole remedy for issues with respect to the validity or amount of any claim for benefits is the claim and appeal process as defined in the individual benefits plans and programs.

The Parties agree to the plans and programs described below. Copies of the plan documents, Summary Plan Descriptions (“SPDs”) and Summary of Material Modifications (“SMMs”) of these plans, policies and programs have been and/or will be provided within a reasonable period of time to the Union upon reasonable request. If there is any difference between these SPDs and the ERISA plans or programs (including amendments thereto), the plan texts shall govern. No change shall be made in the terms of these plans, programs and policies, which would reduce or diminish the benefits or privileges provided thereunder as they apply to employees represented by the Union without the consent of the Union. Unless the Parties mutually agree, there shall be no negotiations concerning changes in the Plans during the period of this Agreement. Neither the Benefit Plans, nor their administration shall be subject to the grievance or arbitration procedures of this Agreement.
Call Center Employees Benefits

This section describes the many benefits, pension, and 401K you will now receive along with costs, coverages, and terms and conditions that may apply etc.

Partial Language

### HEALTH AND WELFARE BENEFIT PLANS

Effective January 1, 2017. Employees shall be eligible to participate in the benefit plans, programs and policies identified in the chart below, with the plan terms, conditions and provisions which were in effect on December 31, 2016, as described in the applicable SPDs and SMMs. except as noted in this Agreement and Exhibit 1.

<table>
<thead>
<tr>
<th>Type</th>
<th>Plan/Program/Policy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Medical</td>
<td>AT&amp;T Midwest Medical Program</td>
</tr>
<tr>
<td>Dental</td>
<td>AT&amp;T Dental Program (Bargained)</td>
</tr>
<tr>
<td>Vision</td>
<td>AT&amp;T Vision Program (Bargained)</td>
</tr>
<tr>
<td>Supplemental</td>
<td>AT&amp;T CarePlus – A Supplemental Benefit Program</td>
</tr>
<tr>
<td>Medical Life</td>
<td>AT&amp;T Group Life Insurance Program for Active Employees</td>
</tr>
<tr>
<td>FSA</td>
<td>AT&amp;T Flexible Spending Account Plan</td>
</tr>
<tr>
<td>Disability</td>
<td>AT&amp;T Disability Income Program</td>
</tr>
<tr>
<td>Leave of Absence</td>
<td>Midwest Leaves of Absence Policy</td>
</tr>
<tr>
<td>Commuter</td>
<td>AT&amp;T Commuter Benefit Policy</td>
</tr>
<tr>
<td>Adoption</td>
<td>AT&amp;T Adoption Reimbursement Policy</td>
</tr>
<tr>
<td>EAP</td>
<td>AT&amp;T Employee Assistance Program</td>
</tr>
<tr>
<td>Voluntary</td>
<td>AT&amp;T Voluntary Benefits Platform*</td>
</tr>
</tbody>
</table>

* The Voluntary Benefits Platform is available to all Active and Eligible Retired Employees. The Company may unilaterally modify the AT&T Voluntary Benefits Platform from time-to-time or discontinue without further discussions with the Union.
Call Center Employees

Benefits
This section describes the many benefits, pension, and 401K you will now receive along with costs, coverages, and terms and conditions that may apply etc.

Partial Language

PENSION AND SAVINGS BENEFIT PLANS
...Employees shall be eligible to participate in the benefit plans, programs and policies identified below with the plan terms, conditions and provisions which were in effect on December 31, 2016, as described in the applicable SPDs and SMMs, except as noted herein...

AT&T Retirement Savings Plan
Effective January 1, 2017. Employees will no longer be eligible to participate in the DIRECTV 401(k) Savings Plan, and Employees shall be eligible for the AT&T Retirement Savings Plan (ARSP) under the terms and conditions in effect as of December 31, 2016. Employees shall receive a Company Match equal to 80 percent of their Basic Contributions. Basic Contributions can equal up to 6 percent of Compensation as defined in the plan. The Company Match under ARSP will be made in AT&T Shares. Employee balances in the DIRECTV 401(k) Savings Plan will be transferred to an account for the Employee in the ARSP as soon as administratively feasible after the plan merger.
Call Center Employees

Benefits
This section describes the many benefits, pension, and 401K you will now receive along with costs, coverages, and terms and conditions that may apply etc.

Partial Language

Bargained Cash Balance Program #2 ("BCB#2 Program")

Effective January 1, 2017, Employees will not be credited with additional compensation or service under the DIRECTV Pension Plan and its applicable benefit formulas. Interest credits, where applicable, will continue to accrue.

Effective January 1, 2017, Employees shall be eligible to participate in the BCB#2 Program. Employees will receive Basic Benefit Credits as determined by the following:

<table>
<thead>
<tr>
<th>Age</th>
<th>Age Credit Factor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 30</td>
<td>1.77%</td>
</tr>
<tr>
<td>30-36</td>
<td>2.27%</td>
</tr>
<tr>
<td>37-43</td>
<td>2.78%</td>
</tr>
<tr>
<td>44-49</td>
<td>3.28%</td>
</tr>
<tr>
<td>50 and older</td>
<td>4.04%</td>
</tr>
</tbody>
</table>

Employees shall also receive Interest Credits at an annual rate of 4.5% and Supplemental Pay Credits, 2% of Pension Compensation, in excess of the Social Security Wage Base, if applicable.

Effective January 1, 2017, Employees’ Term of Employment (also known as Net Credited Service) shall be established as the Workday Continuous Service Date, and future adjustments shall be determined under the terms of the AT&T Pension Benefit Plan.
Wages

In accordance with the Memorandum of Agreement Transition of Newly Organized DIRECTV Customer Services, Inc. Employees, employees shall be placed into the attached Wage Schedules (Appendix A) effective September 3, 2016. Basic weekly wage rates will be increased by the percent shown in the chart below at the top rate (Step 13) and exponentialized with no change in the start rate:

<table>
<thead>
<tr>
<th>Effective Date</th>
<th>Top Rate - Step 13</th>
<th>Start Rate - Step 1</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017 Anniversary</td>
<td>3%</td>
<td>0%</td>
</tr>
<tr>
<td>2018 Anniversary</td>
<td>2.25%</td>
<td>0%</td>
</tr>
</tbody>
</table>

- Employees transferring into the unit will be slotted, based on their current weekly wage rate, into the nearest equal or higher step on the wage schedule that keeps their pay whole.
- All employees who are active on the payroll (not on disability or a leave of absence) on the effective date of wage increase will be eligible for a wage increase on the next increase date (NID).
- Employees slotted to steps within the wage schedule will be eligible to receive a step increase every six months from the date the employee is placed into the bargained job title until the employee reaches the top rate of the wage schedule (Step 13).
- Those employees whose current wages are above the maximum weekly rate in the wage schedule will be pay protected until their base pay is at or below the maximum weekly rate of the appropriate wage schedule or they voluntarily move to another job title or location. In lieu of a wage increase, they will be paid a lump sum payment based on the annual contractual increase effective on the contract anniversary date.
## Wage Tables Example

**Customer Service Representative**

<table>
<thead>
<tr>
<th>Step</th>
<th>Effective 9-3-16</th>
<th>Effective 9-3-17</th>
<th>Effective 9-2-18</th>
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**WAGE SCHEDULE EXAMPLE**

Customer Service Representative

Employees Rate of Pay on 9/3/2016 is $459.60 a week

- Employee would slot into Step 3 of the wage table at $475.50 per week
- 3/3/2017 Employee receives a 6 month step increase to Step 4 to $494.00 per week (Occurs on the 2016 wage rate column as NID is prior to Contract Anniversary Date)
- 9/3/2017 Employee receives 2017 General Increase for Step 4, moving to $498.00 per week
- 9/3/2017 Employee receives a 6 month step increase to Step 5 to $519.00 per week
- 3/3/2018 Employee receives a 6 month step increase to Step 6 to $540.50 per week (Occurs on the 2017 wage rate column as NID is prior to Contract Anniversary Date)
- 9/2/2018 Employee receives the 2018 General Increase for Step 6 to $545.50 per week
- 9/3/2018 Employee receives a 6 month step increase to Step 7 to $569.50 per week
- 3/3/2019 Employee receives a 6 month step increase to Step 8 to $594.50 per week
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## Call Center Employees

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Wage Tables
Call Center Employees

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Call Center Employees

Wages

The payment of wages to Unit Employees shall be made as follows:

a) Beginning on September 3, 2016, the wages of Unit Employees will change to those provided for the title to which they will transition as provided in Attachment 1.

b) Transition to the appropriate wage schedule of Attachment 1 shall be to the step of the corresponding wage schedule that is closest to but not less than the Unit Employee’s then-current weekly wage. September 3, 2016 will then become the anniversary date for Unit Employees transitioned in accordance with this Memorandum for purposes of pay progression. September 3, 2017 shall be the first anniversary date and September 2, 2018 shall be the second anniversary date for Unit Employees transitioned in accordance with this Memorandum.

c) Those Unit Employees whose current wages are above the maximum weekly rate of the appropriate wage schedule in Attachment 1 at the time of the transition will be pay protected until their base pay is at or below the maximum weekly rate of the appropriate wage schedule or they voluntarily move to another job title or location. “Pay protected” means that their base pay will remain the same.
**Call Center Employees**

**Wages**

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**Ratification Bonus**
Each active full-time employees on the payroll at the ratification date and the payout date will receive a one thousand dollar ($1000) lump sum ratification bonus. Each active part-time employee on the payroll at the ratification date and the payout date will receive a prorated ratification bonus based on their part-time classification on the ratification date.