

This is the entire text of the collective bargaining agreement between Verizon California Inc. and Verizon Select Services Inc. and CWA Dist. 9 effective March 20, 2005, through March 10, 2010.

This electronic document is for informational purposes only. The Agreement executed between the parties is the controlling document.

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**AGREEMENT
RECOGNITION AND DURATION**

This Agreement is made and entered into this 20th day of March, 2005, by and between Verizon California Inc., hereinafter referred to as "Company," and the Communications Workers of America, hereinafter referred to as "Union." It is agreed that:

1. The Company recognizes the Union as the collective bargaining agent for all hourly-paid employees, excluding all other employees (professional employees, managerial employees, guards, supervisors as defined in the Act, and confidential employees as agreed to by the parties), during the life of this Agreement for purposes of collective bargaining with respect to rates of pay, wages, hours of employment, and other terms and conditions of employment pursuant to National Labor Relations Board Certification, dated September 13, 1967.
 - 1.1 The Company agrees to provide in the contract of sale or assignment of its business or any portion thereof, should this occur, that the purchaser or assignee shall be bound by all of the contract rights under this collective bargaining Agreement.
2. Should any valid Federal or State law or final determination of any board or court of competent jurisdiction affect any provision of this Agreement, the provision or provisions so affected shall be made to conform to the law or determination and otherwise this Agreement shall continue in full force and effect.
3. This Agreement (hereafter referred to as "Primary Agreement"), wage schedules, and job classifications listed in Appendix A shall take effect on March 20, 2005, and shall remain in full force and effect until midnight, March 13, 2010, and shall automatically continue in full force and effect thereafter until terminated or amended, in accordance with the following procedures:

- 3.1 If this Agreement is to be terminated, a written notice must be sent by either party to the other not less than sixty (60) days prior to the termination date set forth above, or not less than sixty (60) days prior to any date thereafter on which such termination is to become effective.
- 3.2 This Agreement may be amended or modified by either party giving written notice to the other of such desire to so amend or modify sixty (60) days prior to the termination date set forth above, or sixty (60) days prior to the 1st or 16th day of any month thereafter.
- 3.3 Addendum One, Group Life Insurance, shall be made a part of this Agreement and shall have the same effective date and termination date as this Primary Agreement.
- 3.4 Addendum Two, Medical Plan, shall be made a part of this Agreement and shall have the same effective dates and termination dates as this Primary Agreement.
- 3.5 Addendum Three, Team Performance Award, shall be made a part of this Agreement and shall have the same effective dates and termination dates as this Primary Agreement.

ARTICLE 1 MANAGEMENT RIGHTS

1. Management, at its own discretion, shall have the right to select persons for employment, to retire employees in accordance with the provisions of the "Plan for Employees' Pensions," or to transfer employees from one occupation to another or from one location to another if their services are required in another location for a period of six (6) months or more, subject to the terms and conditions contained herein. Any employee who believes he is being prejudiced in the exercise of these rights by Management shall have the right

to proceed in accordance with Article 12 herein which deals with grievances.

2. It is agreed from time to time the Company will employ people who do not fully meet the Company's normal employment standards, and place such employees in jobs which they can perform, within their limitations. Nothing in the foregoing, however, will preclude Management assigning these employees to higher rated jobs at a later time if they are qualified to perform the higher rated jobs, provided that such assignment does not supersede a senior qualified employee with a bid on file for the job at that location.

ARTICLE 2 NONDISCRIMINATION CLAUSE

1. Management will not discriminate directly or indirectly against any employee because of his membership or non-membership in the Union or because of any Union activity in which he properly engages. Neither the Management nor the Union nor any employee in the bargaining unit will discriminate against or exert either mental or physical duress upon any employee of the Company because of his membership or non-membership in the Union or any other union; provided, however, that the Union will not be liable for the act of any employee who violates this Article and who is not a representative of the Union.
2. Neither the Company or the Union will discriminate against any employee designated as part of a special class protected by Federal and/or State law.
3. The use of the masculine or feminine gender in the language or in job titles within this Agreement shall be construed as including both genders.

ARTICLE 3
NO LOCKOUT - NO STRIKE CLAUSE

1. During the life of this Agreement, the Company will not conduct any lockout which will affect the Union or any employees subject to this Agreement.

2. During the life of this Agreement, the Union and its members will not engage in any strike, walkout or other work stoppage of any nature whatsoever in sympathy with any labor dispute not directly involving the Company or because of any dispute which is subject to arbitration hereunder, and in the event any such strike, walkout, or work stoppage or threat thereof should occur, the Union and its officers will do everything within their power to end or avert the same. Nothing contained in this Section 2 shall be so construed so as to require any member of the bargaining unit to go through any legal picket line but it is agreed that the failure of members of the bargaining unit to go through a picket line established by any labor organization contesting the right or jurisdiction of the Union or the members of the bargaining unit to perform the Company's normal work is a work stoppage within the meaning of this Section 2.

ARTICLE 4
DISTRIBUTION OF AGREEMENT

1. The Company and the Union will jointly have copies of this Agreement and the attached wage schedules printed and bound into pocket size pamphlets. The Company will deliver a copy of this pamphlet to each employee and sufficient additional copies will be printed to provide both the Union and the Company with sufficient copies to meet their administrative needs. The costs of printing the contract will be divided equally between the Union and the Company.

**ARTICLE 5
BENEFIT COMMITTEE**

1. The Company and the Union will mutually select one person who will be appointed as a representative of the Union to membership on the Benefit Committee as that Committee is provided for in the Plan for Employees' Pensions.

The term for the Union representative of the Benefit Committee will be for three (3) years unless ended by termination of status as a wage-earner or unless relieved by the Board of Directors of the Company at the request of the Union. During the life of this Agreement no change will be made in the benefits as provided for in the Plan for Employees' Pensions without its having been bargained between the parties hereto insofar as the plan affects employees who are covered by this Agreement.

**ARTICLE 6
DEFINITIONS**

1. Basic Rates, Wages, Pay -- The hourly rates of pay exclusive of all differentials, premiums, or other extra payments.
2. Calendar Week - A consecutive period of seven (7) days, the first day of which is Sunday.
3. Credited Service - is the aggregate of years, months and days of active employment recognized by the Company subject to the provisions of this contract.
4. Emergency Call-Out - When an employee is called out for emergency work that needs immediate attention and is not foreseeable.
5. Employee - as used in this Agreement refers to any employee, male or female.

6. Normal Workweek - will consist of forty (40) hours of work or five (5) full tours during the calendar week beginning with Sunday.
7. Occasional Employee - is a person who performs work wherein there is no regular schedule of work and who places himself at the call of the Company for occasional work in meeting unusual service demands.
8. On-Call - Employees who hold themselves subject to call by Management during specific off-duty hours will be on-call.
9. Regular Employee - is an employee who has completed the six (6) months' probationary period and has been accepted by the Company for continued employment.
10. Regular Part-Time Employee - is an employee who has completed the equivalent hours of six (6) months' probationary period and whose normal assignment of work is less than the normal basic workweek, or equivalent thereof.
11. Session - shall mean either portion of a shift or tour that is not interrupted by a break for lunch or termination of a workday.
12. Shift or Tour - shall mean any eight (8) hour work period or full tour in any one twenty-four (24) hour day. Each shift or tour will be considered to have been worked in the calendar day on which it started.
13. Short Hour Tours - Operator Services - An assigned tour of duty of less than eight (8) hours for which eight (8) hours pay is paid.
14. Temporary Employee - is a person who is employed for a continuous work period, not to exceed six (6) months, when additional work of any nature requires a temporarily augmented force, or when replacements are required for regular employees who are absent.

15. Wage Earning Employees - shall mean all persons on the Company's payroll whose remuneration is expressed in the form of hourly wages.
16. Work Group - means a unit of employees whose job responsibilities are related and such unit comprises the employee group within which shift assignments and/or vacation schedule selections are determined.
17. Normal Work Location - means the street address and city where employees normally report for work. Employees may work at other locations and not physically report to their normal work location.
18. Temporary Part-Time Employee - is a person who is employed for a continuous work period not to exceed six (6) months and the normal assignment of work is less than the normal basic workweek.
19. Higher Wage-paying Classification – shall mean a classification in which the top wage step is a higher-wage than the top wage step of another classification.
20. Employee, Term – One whose employment is intended to last longer than six (6) months but no longer than thirty-six (36) months, has been reclassified from probationary employment as defined in Article 15, Section 3, accumulates net credited service, and is entitled to all benefits provided to regular full-time employees with the exception of the Income Security Plan (ISP) and Termination Allowance. Term employees are hired with the understanding that they will remain in the same occupational title for the duration of their term of employment and are not eligible for the provisions outlined in Articles 8 and 9. Term employees will be used for work requirements that are expected to last no longer than six (6) to thirty-six (36) months.

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**ARTICLE 7
CONTRACTING OF WORK**

1. The Company may enter into a contract or contracts for the performance of telephone work by persons not in the regular employment of the Company, except that the number of employees to be used at any one time by a contractor or contractors will not exceed an aggregate of five (5) percent of the total of the Company's wage-earning employees, and is not coincident with or will not result in any layoff of employees who could perform the contracted work. All such contracts will provide that all work to be performed thereunder which is of the same nature as work normally performed by the Company's employees shall be paid for at not less than the start rate which the Company pays its regular employees for similar work. Anything to the contrary herein notwithstanding, the provisions of this Article 7 shall not apply to the construction of buildings, underground telephone conduit, tree trimming or other work not normally performed by the Company's employees, nor shall it apply to contracts and/or arrangements with other public utilities and/or wire communication operators for the construction and/or maintenance of jointly-owned plant facilities or for the installation and maintenance of equipment and/or facilities by a connecting telephone company. In the event that it becomes necessary for the Company to adopt any program of layoffs which would affect men capable of doing tree trimming work, the provisions herein contained above regarding tree trimming shall be subject to reopening for further negotiations insofar as it relates to tree trimming.

**ARTICLE 8
FORCE REALIGNMENTS**

1. Whenever conditions in any geographic location are such that Management determines that it is necessary to reduce the force in one or more classifications, such reductions shall be made in accordance with the following except that if there are more surplus employees than existing

vacancies, the layoff provision in Article 9 will precede the force realignment:

1.1 Surplus employees will be declared by geographic area and will include all employees within that classification or classifications permanently located within the affected geographic area boundaries.

1.1.1. For the purposes of this section, Geographic area will be identified as follows:

Pomona	San Fernando
Ontario	Lancaster
Palm Springs--Indio	Downey
Yucca Valley	Bellflower--
San Bernardino	Norwalk
Redlands	Westminster--
Hemet--Murietta--Perris	Huntington
Monrovia	Beach
Covina	Laguna Beach
La Puente	Long Beach
Santa Monica	Lakewood
Malibu	South Bay
West Los Angeles	Whittier
Marina	Los Gatos--
Oxnard--Camarillo	Morgan Hill--
Newbury Park--	Gilroy
Thousand Oaks	Novato
Santa Barbara--	Lindsay--
Goleta	Reedley--
Lompoc--Santa	Fowler--
Maria--Buellton--	Exeter--
Santa Ynez	Sanger
Los Angeles	Sacramento
Corcoran	San Diego
McFarland	Victorville
Ridgecrest	Taft

(Referenced maps are on file at CWA Area Office – LA and Company Labor Relations Department.)

1.2 Surplus employees will be offered vacancies in the geographic locations as defined below:

Santa Maria--Lompoc--Buellton—
Santa Ynez-- Santa Barbara--Carpinteria
Oxnard--Thousand Oaks--Malibu
Santa Monica--West Los Angeles--
Redondo Beach—Marina – Los Angeles
Long Beach--Huntington Beach--
Westminster--Laguna Beach
Monrovia--Whittier--Pico Rivera—
La Habra--Covina--Baldwin Park—
La Puente--Downey--Bellflower--Norwalk
Pomona--Claremont—Ontario
Redlands--San Bernardino--Crestline--
Arrowhead
Lindsay--Reedley--Fowler--Exeter--
Sanger--Corcoran
Redding--Sacramento
San Fernando--Granada Hills--Lancaster
Hemet--Murietta--Perris
Palm Springs--Yucca Valley--Indio
Novato--Kenwood
Los Gatos--Morgan Hill--Gilroy
Victorville--Ridgecrest
San Diego
McFarland—Taft

(Referenced maps are on file at CWA Area Office - LA and Company Labor Relations Department.)

1.3 The employees affected in the surplus classification or classifications will be offered transfers as follows:

Step 1 - Employees will be offered identical classifications in order of seniority within their geographic locations as outlined in Section 1.2. If an employee chooses, he may waive acceptance of a job at this step and proceed to Step 2.

Step 2 - After Step 1 is completed, the affected employees will be offered, by seniority, any vacancy for which he can qualify within the affected

geographic location. If the employee chooses, he may waive acceptance of a job at this step and proceed to Step 3.

Step 3 - After Step 2 is completed within the geographic locations, the affected employee will be offered identical vacancies Company-wide in order of Company-wide seniority. If the employee chooses, he may waive acceptance of a job at this step and proceed to Step 4.

Step 4 - After Step 3 is completed, the affected employee will be offered any vacancy for which he can qualify Company-wide in order of Company-wide seniority. Included at this step are those employees who have waived acceptance of jobs at Steps 1, 2 and 3, thus placing themselves at this step of the realignment.

- 1.4 If an employee does not select a job as outlined above, the Company will consider that the employee has voluntarily resigned.
- 1.5 If there is no request for transfer based on illness as outlined in Article 34, Section 2, employees who have been realigned shall have first choice in order of their seniority for subsequent vacancies in the job classification and location from which they were realigned. The employee must submit a request for transfer within three (3) months after the date of realignment and move at his own expense.
- 1.6 If an employee affected in the surplus classification or classifications has a medical restriction or disability as designated by the Company's Medical Director, the employee will be required to select a classification in which he can perform.
2. It is agreed that the provisions of this Article 8 will not apply to any normal readjustments of forces within the Company which may be made under Article 1 or of Article 34.
3. Employees who are force realigned two or more wage

schedules lower, will have their wage rates adjusted as follows:

Less than ten years accredited service:

Effective with the date of reclassification the difference in wage rates will be reduced one-fourth. At each subsequent six-week interval, the difference in wage rates will be reduced in three equal amounts until the wage rate is reduced to the appropriate step of the new wage schedule.

Ten or more years of accredited service:

Effective with the date of reclassification the difference in wage rates will be reduced one-fourth. At each subsequent twelve-week interval, the difference in wage rates will be reduced in three equal amounts until the wage rate is reduced to the appropriate step of the new wage schedule.

ARTICLE 9 LAYOFFS

1. Whenever economic or force conditions are considered by the Company to warrant laying off regular employees, such force adjustments as it may deem necessary shall be made effective among employees covered by this contract who perform similar work, subject to the following conditions:
 - 1.1 Temporary, occasional, and part-time employees shall be laid off first, provided, however, that such employees may be retained or employed temporarily to meet emergencies or peak load situations.
 - 1.2 Employees shall be laid off in inverse order of total Company seniority, to the extent deemed by the Company to be necessary. The Company may retain not more than five (5) percent of the employees subject to layoff in each service year involved.
 - 1.3 The provisions of this Section shall be administered on a Company-wide basis.
 - 1.4 Once a layoff condition has been announced by the

Company, employees within a surplus title that have not been declared surplus may volunteer by seniority to replace employees identified for layoff within the title. If the employee identified for layoff agrees to remain employed, the senior employee will be laid off and become eligible to receive the layoff allowance of the junior employee identified for layoff as outlined in Section 2. At the discretion of the Company, it may retain volunteers based upon their job knowledge and skills. Volunteers shall indicate at the time of separation whether or not they wish to be considered for rehire.

2. Regular employees who are laid off due to lack of work shall be paid a layoff allowance determined as to amount by their net credited service and basic weekly wage rate at the time of leaving the service, in accordance with the following table:

Years of Net Credited Service	Number of Weeks Current Basic Wage Rate (Excludes All Differentials)
Less than 6 months	0
6 mos. but less than 2 years	1
2 years but less than 3 years	2
3 years but less than 4 years	3
4 years but less than 5 years	4
5 years but less than 6 years	6
6 years but less than 7 years	8
7 years but less than 8 years	10
8 years but less than 9 years	12
9 years but less than 10 years	16
10 years but less than 11 years	20
11 years but less than 12 years	24
12 years but less than 13 years	28
13 years but less than 14 years	32
14 years but less than 15 years	36
15 years but less than 16 years	40
16 years but less than 17 years	44
17 years but less than 18 years	48
18 years but less than 19 years	52
19 years but less than 20 years	56
20 years but less than 21 years	60

For employees with twenty-one (21) or more years of net credited service, an additional four (4) weeks pay at current wage rate will be made for each additional completed year of service.

3. Any vacation payment for which the employee is eligible will be made in addition to the layoff allowance.
4. If an employee who has received a layoff allowance is reengaged, and the number of weeks since the effective date of leaving is less than the number of weeks pay upon which the layoff allowance was based, exclusive of any payment in lieu of vacation, the amount paid to the employee for the excess number of weeks shall be considered as an advance to the employee by the Company and repayment of this amount shall be made at the time of reemployment, or through payroll deductions each payroll period at the rate of at least ten (10) percent of the employee's basic wage rate until the amount is fully repaid.
5. If an employee who has been laid off and given a layoff allowance is subsequently reemployed and again laid off, the layoff allowance in the case of the second layoff or of any subsequent layoff shall be based upon the length of continuous service since the date of last reemployment, plus any portion of the prior layoff allowance which has been refunded to the Company.
6. In rehiring former regular employees laid off under the provisions of Section 1 above, the Company shall offer reemployment in the order of net credited service to such former employees who at the time of layoff were performing service essentially the same as required for the vacancy; provided, however, that the period of layoff of such former employee does not exceed three (3) years, and that his net credited service is in excess of one (1) year.

When the Company elects to rehire former employees laid off under the provisions of Article 9, Section 1, outside of the process identified above, seniority for such former

employees shall be bridged upon reemployment and will not be adjusted for the period of layoff provided that the period of layoff of such former employee does not exceed three (3) years, his/her net credited service is in excess of one (1) year and he/she is rehired to a classification where he/she is performing service essentially the same as was required in the classification he/she held at the time of layoff.

Such rehiring shall be subject to the following conditions:

- 6.1 Such former employee must meet the requirements of the available job, as determined by the Company.
 - 6.2 Such former employee must keep the Company informed of the address at which he can be reached, and any offer of such reemployment shall be made in person, or by registered mail addressed to the latest address so furnished by the former employee. When an offer of employment has been so made, the former employee shall inform the Company of his acceptance within a period not to exceed two (2) days and shall report for duty within two (2) weeks from the date such reemployment was offered unless extended at management's discretion.
 - 6.3 If such former employee, upon reemployment, is assigned to essentially the same type of work as at the time he was laid off, he shall be paid at the rate currently in effect for that assignment, and for the period of service which would have been credited to him for wage purposes had he not been laid off.
 - 6.4 Seniority for such former employees shall be bridged upon reemployment and will not be adjusted for the period of his layoff.
7. Nothing in Section 6 above shall limit the temporary employment of former employees in the event of an emergency or to meet peak load situations.

**ARTICLE 10
DISCHARGES AND SUSPENSIONS**

1. Employees covered by the Agreement shall not be suspended or discharged except for just cause, except as outlined in Article 15, Section 3.
2. Any suspension or discharge requires notification of such act be given to the Chief Steward or higher level representative of the Union. Any grievance over a suspension or discharge must be presented by the Union within four (4) workdays from receipt of Company's notice.

**ARTICLE 11
BARGAINING AND GRIEVANCE MEETINGS**

1. Collective bargaining meetings shall be attended by not more than six (6) representatives of the Union and not more than an equal number of Management representatives. Such meetings shall be held at the request of either party and the subject matters to be taken up in such meetings by either party shall be outlined in a written notice given to the other party at least fourteen (14) days prior to such meeting; provided, however, that said fourteen (14) days written notice may be waived by mutual consent of the parties. Insofar as the negotiation of grievances is concerned, the Union shall have not more than three (3) employee representatives and Management shall have not more than three (3) representatives at Step 1. Both parties shall have the right to such technical assistance as they deem necessary to advise them during the negotiation of any specific grievance. In the event that any initial meeting, which has been arranged for in accordance with the foregoing, does not reach a satisfactory conclusion, by mutual consent, future meetings shall be scheduled immediately and without further written

notice. The grievance representatives of the Union and Management shall meet together as required by the grievance procedure outlined hereinbelow in Article 12.

2. Representatives of the Union covered by this contact may attend grievance conferences with representatives of Management in accordance with the following provisions of this section without loss of pay at straight time subject to the following conditions:

2.1 Pay shall be allowed only if such meetings are held during such employee's scheduled working hours and only if such employees would have worked had they not attended such meetings.

2.2 The time paid for shall be limited to actual meeting time plus necessary time, if any, spent during scheduled working hours in traveling between the employee's work location and the grievance conference.

2.3 Pay shall be allowed for grievance meetings for not more than three (3) employees at the first level.

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2.4 Such time paid for in accordance with the above shall be considered as time worked.

2.5 No deductions from credited service will be made for representatives of the Union covered by this contract for attendance at collective bargaining meetings.

3. The Company will pay for three (3) Company employees of the Union Negotiating Committee during actual contract negotiations for up to six (6) weeks.

**ARTICLE 12
GRIEVANCE PROCEDURE****

1. The term "grievance" as used in this contract shall mean any grievance made either by an individual employee or group of employees contending that he or they are being prejudiced as a result of misinterpretation or misapplication of any of the terms of this contract or wage schedules from time to time in effect. The above definition shall be grievances subject to arbitration provided the procedures as set forth within this Article are followed.
2. Nothing shall prevent the presentation of grievances not falling within the above said definition except grievances of this nature shall not be subject to arbitration.
3. Grievances of any employee or group of employees shall receive fair, just and speedy consideration and shall be handled without prejudice.
4. A grievance that is to be recognized by either the Company or the Union must be presented within thirty (30) days after the alleged violation occurs except as provided under Article 10, Section 2.
5. Prior to the first step grievance meeting, an informal resolution meeting between the supervisor and the union representative will take place. However, the informal resolution step will be waived for grievances which fall under Article 10, Discharges and Suspensions. If applicable, the aggrieved employee may attend the meeting at the Union's request. Pay shall be allowed for the Union representative and the aggrieved employee, if present. If the issue is not resolved at the informal meeting and the Union chooses to proceed to file a formal grievance, the grievance(s) shall be presented and processed only in the following manner, except as outlined in Article 27, Section 3
 - 5.1 Step 1
 - A. The grievance shall be presented in writing, on Form 90005674, to the aggrieved employee's immediate supervisor.
 - B. The form shall be prepared and submitted in duplicate.

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The supervisor will assign a grievance report number, and return one (1) copy to the Union by 5:00 p.m. of the next normal workday.

- C. The grievance shall contain a statement of facts in sufficient detail to set forth the nature of the grievance, date or dates involved, times, occurrences, circumstances, and a reference to the applicable Contract Article and Section or company practice.
- D. The Company and the Union agree to meet within (10) working days after the return of the grievance form to the Union to explore solutions to the problems.
- E. The Company will be represented by first and second level management. Second level managers that are located outside of the area can exercise their right to attend the meeting via phone or video conference. The Union will provide a committee of local Union representatives, including the grievant if desired. The Step 1 grievance meeting shall be attended by not more than three (3) representatives by either party, as noted in Article 11, Section 1, unless mutually agreed to when the Step 1 meeting is scheduled. Pay shall be allowed for not more than three (3) employees including the grievant.
- F. All issues resolved informally or at Step 1 will neither establish a precedent, nor be referred to in any future grievances, arbitrations, or litigation except on matters pertaining to the grievant in question.

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5.2 Step 2

In the event a grievance is not resolved at Step 1, the local may within ten (10) days submit the grievance to the National Union.

5.2.1 The parties will meet within fifteen (15) days in a final effort to resolve the grievance.

5.2.2 The Company will be represented by the Labor Relations Director or his designated representative. The Union will be represented by a Staff Representative.

5.2.3 If this fails, the Union may proceed to arbitration under the terms of Article 13 of the agreement.

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6. The parties involved in each step of the grievance procedure may, by mutual agreement, waive the time limits imposed in the specific step at which the grievance is being processed, or recess the grievance to obtain additional information. Any waiver agreed upon shall be either made in writing or confirmed in writing.
7. It is understood that every effort will be made by both parties to resolve the grievance in the meeting at the applicable Step. If unable to do so, the Company will give its answer in writing on the grievance form within three (3) days following the meeting.
8. If the employee, at his option, has the grievance presented by his local Union representatives, the Company shall not thereafter deal directly with the employee concerning the grievance, but shall deal only through appropriate Union representatives.
9. In the event that any individual employee or any group of employees chooses to present a grievance for themselves rather than through the Union, management representatives will advise the local Union representative in writing of the fact that such grievance is being presented, and will give such Union representatives opportunity to be present during the presentation of such grievance.
10. Representatives of the Union or of any local thereof may confer with representatives of Management during working hours without loss of pay, provided the conference has previously been agreed to by Management.
11. In the event any grievance involves a question of wage status, any wage adjustment which arises out of the final solution of the grievance shall be made retroactive to the date on which the grievance was first presented to the immediate supervisor of the employee or employees affected; provided, however, that if the proposed wage adjustment involves a question of judgment as to the

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application of appropriate wage in the case of a transfer from one occupation to another or where other circumstances make the determination of an appropriate wage a matter of judgment, retroactive adjustment shall not be for more than three (3) months prior to the initial presentation of the grievance under Section 5, Step 1, of this Article and provided further, that if the wage adjustment involved has resulted from the correction of a mechanical or clerical error, the adjustment shall be made retroactive to the time the error commenced.

12. In the event any grievance involves a question of reinstatement of a released or discharged employee and it is determined that said employee is to be reinstated, the amount of back pay which can be awarded shall be determined by the Union and the Management grievance representatives, subject to the limitation that back pay will not be awarded for a period starting more than four (4) days before the initial presentation under Section 5, Step 1, of this Article.
13. The time periods referred to in this Article exclude Saturdays, Sundays and holidays recognized in the Contract.

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ARTICLE 13 ARBITRATION

1. In the event any grievance arising hereunder cannot be resolved through negotiations between the parties hereto under the procedures hereinabove set forth, the matter shall be submitted to arbitration by the Union to the Company and in accordance with the following procedures. The Union will notify the Company of its intention to arbitrate within a reasonable time, not to exceed forty-five (45) days following the date of the final meeting of the grievance procedure. Such notice to the Company may be made orally and confirmed in writing within seven (7) days.
2. As soon as possible but not later than ten (10) days after the Company receives a request, made pursuant to Section 1 above, the Union will initiate a request to proceed with the selection of an arbitrator in the manner as mutually agreed to by the parties. Failure to comply with the time frames agreed to in Sections 1 and 2 of this Article will result in the arbitration request being declared untimely.

The arbitrator shall be selected by alternate striking of names. The person whose name is not stricken from the panel shall be the arbitrator. The party who strikes the first name from the panel shall be determined by lot.

The Company shall thereupon notify the arbitrator of his selection and seek his agreement to serve, and determine his available dates for hearing. The Company and the Union will then agree upon the date, time, and place of the hearing, and the Company shall so notify the arbitrator.

If the arbitrator is not available or is unable to meet the contractual time limits, another arbitrator from the remaining members of the panel will be selected and notified in the same manner as described above.

3. Within thirty (30) days from the date of the arbitrator selection in Section 2 above, the arbitrator will hold a hearing on the question to be arbitrated, at which time each party to the Agreement may submit to him such evidence and/or arguments as it desires relative to the question being arbitrated. The arbitrator will receive and consider any evidence which is relevant to the dispute being arbitrated. At the request of either the Company or the Union, a stenographic transcript of hearings may be made, or written posthearing briefs may be filed, or both, except in cases which involve the discharge or suspension of employees. In discharge and suspension cases, the parties will argue orally such dispute before the arbitrator, and no written briefs will be presented. In any case where written posthearing briefs will be filed, such briefs will be submitted to the arbitrator with a copy to the other side within thirty (30) days from the conclusion of the hearings or the receipt of a transcript, whichever is later. Within thirty (30) days after the conclusion of such hearing, or when applicable after the submission of written briefs, whichever date is later, the arbitrator shall send his written award to each of the parties hereto.
4. In cases involving suspension or discharge, the arbitrator will render an immediate decision and will within fifteen (15) days after the conclusion of the hearing send his written award to each of the parties thereto.
5. The arbitrator shall have no authority to change, add to, or subtract from this Agreement, or to designate monetary award(s) beyond that to make the employee whole with respect to basic (lost) wages.
6. The time periods referred to in this Article exclude Saturdays, Sundays, and Holidays recognized in this contract.

**ARTICLE 14
SENIORITY**

1. Seniority, as used in this Article 14, shall mean the total elapsed time since the employee's date of last employment, plus any credited service which is bridged in accordance with Article 17 of this Agreement, or which is recognized in accordance with Section 3, Article 17, of this Agreement. Seniority, as used in this Article 14 for part-time employees, will include only that time for which they actually receive wages.
2. Seniority of regular part-time employees shall follow that of regular full-time employees for all purposes of this Article except employee-initiated transfers under Article 34 which will be integrated.
3. The seniority of all term and temporary employees shall follow that of regular employees. The seniority of all temporary employees shall follow that of term employees. Seniority within the group of term employees shall mean the total elapsed time since the employee's date of last employment. Seniority within the group of temporary employees shall mean the total elapsed time since the employee's date of last employment.
4. Occasional employees shall not accumulate seniority while working as an occasional employee. In the event a regular or temporary employee transfers to occasional and subsequently transfers back to regular or temporary, the employee will be credited for seniority purposes for the amount of seniority accumulated in the regular or temporary status before having transferred to occasional.
5. Seniority shall be determined on the basis of Company-wide seniority.
6. Shift assignments and vacation schedules, subject to the needs of the service, shall be determined on the basis of seniority.
 - 6.1 When an employee transfers into the job classification of Equipment Installer or Equipment

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Maintainer wherein on-the-job training is required, and where such training opportunity is available on a particular shift, the employee will be assigned to that shift until all necessary training has been completed. Such on-the-job training will be completed within one (1) year.

7. All service by an employee excluded from the bargaining unit shall be counted in determining his seniority under any of the provisions of this Article 14 in the event that such employee transfers to a job classification covered by this agreement.
8. An employee with recognized credited service previously obtained in another General System Company shall have his credited service bridged for seniority purposes upon employee's written request.

ARTICLE 15 EMPLOYEES

1. The Company will not employ temporary or occasional employees to avoid the employment of regular full-time employees.
2. The Company may employ and use part-time employees in order to meet service requirements under the following conditions:
 - 2.1 To fully staff a work force to cover schedules of less than the normal basic workweek because of odd shift coverage, fluctuating or peak load forcing conditions;
 - 2.2 To afford employees an opportunity to further their formal education;
 - 2.3 When qualified regular full-time employees are not available in the labor market at the time of employment of part-time employees.

3. All new employees shall be considered probationary employees until completion of six (6) months of continuous service. Probationary employees may be terminated during this period at the discretion of Management.

ARTICLE 16 TEMPORARY ASSIGNMENTS

1. Where an employee is assigned to a higher wage classification on a temporary basis for a period of two (2) weeks, but no longer than six (6) months, the Company will originate the necessary forms to reflect in his personnel records his temporary experience in that job.
2. Periods of one (1) week (five (5) consecutive workdays) of such assignment to a higher wage-paying classification will also be reflected if within two (2) weeks of the completion of each two (2) separate one (1) week periods occurring within twelve (12) consecutive calendar months of assignment the employee requests the origination of appropriate forms.
3. Assignments to higher wage-paying classifications for temporary relief work will be made first from employees within the work group, and secondly from employees within the work location, who normally perform work related to the higher wage-paying classification, on the basis of seniority of those having the necessary qualifications and fitness, provided that there is sufficient time for filling the assignment to permit orderly scheduling.
4. Assignments to higher wage-paying classifications for training will be made first from employees within the work group, and secondly from employees within the work location, who normally perform work related to the higher wage-paying classification, on the basis of seniority of those having the necessary qualifications and fitness, provided that there is sufficient time for filling the assignment to permit orderly scheduling.
5. Nothing in this Agreement shall prevent the assignment of

temporarily disabled employees to jobs which they can handle.

ARTICLE 17 CREDITED SERVICE

1. The term "credited service" shall mean the aggregate of the years, months, and days of active employment with the Company, its predecessors or affiliates of the General System which will be recognized by the Company with respect to each employee.
2. Active employment for purposes of calculating credited service shall include:
 - 2.1 Time for which the employee actually receives wages.
 - 2.2 Workers' Compensation benefits.
 - 2.3 Sick Benefits.
 - 2.4 Military leave of absence as provided under Article 35.
 - 2.5 Union leave of absence approved under Article 43.
 - 2.6 Approved absence excused time provided under Article 24, Section 5.
3. Credited service shall not include time for which the employee is laid off or is on leave of absence for personal reasons under Article 24 of this Agreement.
4. An employee with prior credited service who has been absent from the Company's employ and who is reemployed shall have, by request of the employee, the accredited service formerly acquired bridged after being reemployed continuously for a period of six (6) months.
 - 4.1 Such credited service to be bridged shall include each period of prior active employment of six (6)

months or more.

5. If an employee is laid off due to force reduction pursuant to Section 1, Article 9, and he is reemployed as a result of an offer of reemployment made pursuant to said Section, he will be given full recognition, upon date of reemployment, for such credited service as existed with respect to him on the date of his layoff.
6. Credited service is not recognized for employees while they are classified as temporary or occasional; however, credited service will include all active employment for such employees previously in temporary or occasional status when they become regular employees without interruption in their employment.

ARTICLE 18 REGULAR HOURS

1. The normal workday will consist of eight (8) hours. Regularly assigned shifts may be any eight (8) hours that the demands of the service may require and may be divided into such sessions that service demands require. With respect to vacations, sick leave and leaves of absence, normal workdays will be considered to be the five (5) days, Monday to Friday, inclusive. For all purposes each shift will be considered to have been worked on the calendar day when it was started.
 - 1.1 Employees may be permitted to have days off without pay as determined permissible by Management, depending upon service demands. Such excused absence days may be granted because of light or fluctuating work loads, or for the purpose of permitting employees to observe religious holidays or other days of personal significance. Such excused time will not be counted towards the two (2) months excused time provision covered under Article 24, Section 5.
2. The normal workweek will consist of forty (40) hours of work and may be any forty (40) hours during the calendar

week beginning with Sunday.

In LiveSource and Repair Resolution Centers the prescribed eight (8) hours or tours may be broken into any two (2) sessions when necessary to meet service conditions as determined by management. In all other departments the prescribed eight (8) hours or tours may be broken into any two (2) sessions when necessary to meet service conditions as determined by management provided that such utilization will be strictly voluntary on the part of the hourly employees. A car fare payment of \$1.00 shall be made to an employee (irrespective of mode of transportation) for each day on which he works at least part of both sessions of a morning and evening tour (split tour).

- 2.1 Hours worked on Sundays or holidays as part of a regularly assigned shift will be considered as a part of the normal workweek.
- 2.2 Hours worked in excess of eight (8) in any day or shift by reason of emergency call-out, shift extension, rescheduling, and time worked on Sundays by reason of call-out or emergency will not be included in the computation of hours that make up the normal workweek, provided however employees must work a minimum of four (4) hours in any one (1) day or shift, which is scheduled in advance, for that time to be counted as a part of the normal workweek.
- 2.3 Holidays not worked, excluding Saturday holidays, for which wages are paid will be considered as a part of the normal workweek for all purposes.
- 2.4 In a week in which payment is made under the classification "ABW" (bad weather) as provided in Article 20, only the hours between the time of reporting for work and the time of release from work will be considered as a part of the normal workweek.

3. Subject to such changes as the needs of the service require as determined by Management, work schedules in all Customer Call Centers shall be posted in advance, and in general on a one (1) to four (4) calendar-week basis, one (1) week in advance. In all other work groups work schedules shall be posted in advance, and in general on a four (4) to twelve (12) calendar week basis, one (1) week in advance. In the event such changes are necessary, Management will make every effort to note in writing on the posted schedules such changes, but there will be no penalty for failure to do so in the form of payment of premium overtime or in any other pay provisions, provided that notice of such change of schedule is otherwise properly given to the employee affected.
4. An employee's schedule of hours of work and days off may be changed at the initiative of the employee for personal reasons without twenty-four (24) hours notice, providing proper arrangements satisfactory to the local supervisor are made.
5. When employees are working the normal forty (40) hour workweek, every effort consistent with the needs of the service will be made to schedule them so that their days off will be consecutive.
6. Operators who are changed from night shifts (beginning at or after 10 p.m.) to day shifts will not be required to report for work on the day following the last night worked prior to such change of hours but will receive eight (8) hours' pay at straight time for such day. This day will be known as a "sleep day" and will not be considered as one (1) of the two (2) regularly scheduled days off each week, and will not be included as part of the normal workweek. Pay for a "sleep day" will not be granted when such sleep day coincides with a holiday or vacation.

ARTICLE 19
OVERTIME HOURS

1. Overtime hours will include:
 - 1.1 Hours actually worked in excess of eight (8) in any one (1) day or in any one (1) shift.
 - 1.2 All hours worked as part of Sunday shifts whether regularly assigned or by reason of emergency.
 - 1.3 Hours actually worked between 9:00 p.m. and 1:00 a.m. the following day on Christmas Eve and New Year's Eve by employees not otherwise entitled to overtime pay for those hours.
 - 1.4 Hours actually worked in excess of the normal workweek in any one (1) calendar week. (See Article 18.)
 - 1.4.1 Each overtime hour over forty (40) through fifty-five (55) hours as defined above will be paid for on the basis of one (1) and one-half ($\frac{1}{2}$) times the normal hourly rate of pay.
 - 1.4.2 Each overtime hour worked in excess of fifty-five (55) as defined above will be paid for on the basis of two (2) times the normal hourly rate of pay.
 - 1.4.3 Employees will not be required to take equivalent straight time off to compensate for overtime.
 - 1.4.4 Hours actually worked on emergency call-outs (ECO's) in any one calendar week will be included in the computation of hours actually worked in excess of 55, which are paid for at two times the normal hourly rate of pay.

- 1.4.5 It is agreed that there shall be no pyramiding of the accumulation of hours for pay purposes either at the base rate, straight-time rate and/or overtime rates of pay (Article 18, Section 1) and normal workweek hours (Article 18, Section 2).
2. For the purpose of this article, an emergency call-out is defined as follows: When an employee is called to work immediately to meet any emergency that needs immediate attention and is not foreseeable. When an employee is called out for emergency work without previous notice during hours when he is not on duty, overtime will be measured from the hour he leaves until he returns home, subject to the following provisions:
 - 2.1 If the employee is called out for emergency work and he leaves his home as a result of the call less than four (4) hours prior to the beginning of his next regularly assigned shift, overtime pay will cease at the beginning of his next regularly assigned shift.
 - 2.2 If the employee is called out for emergency work and he leaves his home as a result of the call four (4) hours or more prior to his next regularly assigned shift, he will receive the overtime rate of pay for all hours actually worked, until he has been relieved from duty for four (4) consecutive hours.
 - 2.3 A minimum of two (2) hours overtime paid at the overtime rate (three (3) hours pay) will apply except that such minimum will not apply where the emergency work constitutes a continuation of the employee's regularly assigned shift or where such emergency work continues into the employee's next regularly assigned shift in accordance with Subsection 2.1 above.

3. Employees who are given less than twenty-four (24) hours previous notice that they will be rescheduled to work on a holiday or a day when they are scheduled to be off will be paid overtime for such day. Scheduled days off may be changed on notice of at least twenty-four (24) hours, or employees may be called in to work on their scheduled days off without the payment of overtime, provided at least twenty-four (24) hours previous notice is given. The words "previous notice" in this section shall mean notice given not less than twenty-four (24) hours prior to the hour at which the employee is to report for work in accordance with such notice.
4. Employees who are given less than twenty-four (24) hours notice that their shift is changed on a day which they are normally scheduled to work will be paid overtime for the hours worked in their rescheduled shift which fall prior to or after their previously scheduled shift. Employees may have their hours of work changed on a scheduled workday without the payment of overtime, provided at least twenty-four (24) hours previous notice is given. The words "previous notice" as used in this section shall mean notice given not less than twenty-four (24) hours prior to the hour at which the employee is rescheduled to report for work or the hour at which his previously scheduled shift would have commenced, whichever is earlier.
5. LiveSource employees working short hour tours shall be paid at their regular hourly rate of pay for time worked beyond their normal tour except that when such extra work time falls on a Sunday, holiday, sixth day worked in the week, or is in excess of forty (40) hours in the workweek, the authorized premium rate of pay shall be paid. Time worked in excess of forty (40) hours in the workweek, and time worked on the sixth day of the week after five (5) full tours, or the equivalent thereof, have been worked, shall be paid for at the rate of one (1) and one-half ($\frac{1}{2}$) hours pay for each such hour worked.

Only grievance time, time on jury duty, and holidays not worked (except Saturday holidays) will be included when determining these amounts of overtime to be paid for.

**ARTICLE 20
INCLEMENT WEATHER**

1. When employees are unable to perform their work because of inclement weather they will be paid in accordance with the following:
 - 1.1 If an employee reports in person at his place of work but because of weather conditions is not sent out on the job, he will be paid for two (2) hours and will be released within one (1) hour.
 - 1.2 If an employee is sent out on the job and is forced to discontinue his work at any time during the first four (4) hours of his assigned shift because of weather conditions, he will be paid for one-half (½) day.
 - 1.3 If any employee works more than four (4) hours and is then forced to discontinue work because of weather conditions, he will be paid for a full day.
 - 1.4 To the greatest extent feasible, time during which employees are not able to perform their normal work because of inclement weather will be used for regularly scheduled instruction and for the maintenance of equipment and tools and warehouses.

**ARTICLE 21
TIME ABSENT FOR ELECTIONS**

1. Employees who are registered and entitled to vote in any election will be granted time off with pay if necessary to vote. Time off with pay for voting is granted only when the employee is unable to travel to the polls during non-working hours due to the distance involved and in no case will paid time off exceed two (2) hours. Permission for such absence will be granted only on specific request presented to the employee's immediate supervisor, who will designate the period of such absence.

**ARTICLE 22
VACATIONS****

****NOTE: REFER TO NATIONAL MOA ON BANKED VACATION – SEE PAGES 188, 189**

1. A regular employee will be entitled to vacation as follows:
 - A. Employees newly hired at any time during the year will be eligible for ten (10) normal workdays of vacation after January 1 following their date of employment and after completion of their probationary period.
 - B. Ten (10) normal workdays of vacation with pay after he has completed each successive twelve (12) months of credited service until such employee has completed five (5) years of service. (Effective January 1, 2000.)
 - C. Fifteen (15) normal workdays of vacation with pay after he has completed five (5) years of service. (Effective January 1, 2000.)
 - D. Twenty (20) normal workdays of vacation with pay after he has completed fifteen (15) years of service.
 - E. Twenty-five (25) normal workdays of vacation with pay after he has completed twenty-five (25) years of service.

Vacations must be taken within the twelve (12) months following the date on which the right thereto has accrued.

- 1.1 Effective January 1, 1974, for vacation purposes only, all current employees will have a vacation eligibility date of January 1. In the future, all newly hired employees will have a January 1 vacation accrual date effective the first January following their date of employment. Whenever there is any adjustment in credited service, the vacation accrual date will be changed to January 1 of the adjusted service year.

2. Effective January 1, 1993 for vacation purposes only, all current part-time employees will have a vacation eligibility date of January 1. In the future, all newly hired part-time employees will have a January 1 vacation accrual date effective the first January following their date of employment. Whenever there is any adjustment in credited service, the vacation accrual date will be changed to January 1 of the adjusted service year.
 - 2.1 Part-time employees vacations will be based on hours worked within the previous calendar year.
3. Vacations will comprise consecutive days except that an employee who is entitled to more than one (1) normal workweek will be permitted to split his vacation into units of weeks subject to the demands of the service.
4. Within the limits of service requirements, vacations will be scheduled during the more desirable vacation period and on the basis of employees' seniority.
 - 4.1 When an employee transfers to a new work group and vacations have been scheduled for the group, the supervisor will, if work requirements permit, approve the employee's first selection for vacation. However, if, because of work requirements, the employee is unable to take the first selection, the supervisor will provide an alternate vacation schedule from which selection will be made.
5. On his own request any employee shall be granted an excused absence without pay of not more than fifteen (15) days immediately preceding or following his vacation, provided that such excused absence does not interfere with the needs of the service and does not affect the scheduling of vacation of any other employee or employees. Management reserves the right to respond to each request at whatever point in time it can best determine it's effect on the needs of the service, but not less than ten (10) days from the time off which was requested.
 - 5.1 This excused time cannot be scheduled prior to scheduling all eligible vacation and holiday time.

6. Each employee is entitled to take ten (10) days of accrued vacation time in any one calendar year in day or days-at-a-time increments. In the selection of vacations, week vacations shall have precedence over day-at-a-time vacations.
 - 6.1 Whenever possible, day-at-a-time vacation should be chosen along with vacation weeks and should also be shown on Vacation Request form (605329). If an employee does not choose vacation days to be taken a day-at-a-time when he/she chooses week vacation, he/she will give at least ten (10) working days' notice to the supervisor of the day or days he/she desires to take as vacation days. Such time limit may be waived by supervisory approval.
 - 6.2 If the employee has not chosen and/or taken all day-at-a-time vacation by November 1 of each calendar year, management will designate the day or days to be taken.
 - 6.3 If an employee has chosen a vacation day (or days) and later decides to cancel, he/she must notify management of this decision ten (10) work days prior to that day. If the minimum notification is not met, the employee may be required to take the day (or days) selected at the option of management.
 - 6.4 When a day that was originally chosen as a day-at-a-time vacation day is cancelled in accordance with Section 6.3, the supervisor will notify his/her work group of the available day or days and make the days available to the senior employee(s) who request it.
7. Each employee who is eligible for two (2) or three (3) weeks vacation may carry over five (5) days or less of his/her accrued vacation into the next calendar year. Each employee who is eligible for four (4) or five (5) weeks' vacation may carry over ten (10) days or less into the next calendar year.

- 7.1 The employee will exercise the option to carry over vacation time at the time of initial selection of his/her vacation for the current calendar year. The dates for the carryover vacation will be designated on the Vacation Request form and approved by the employee's supervisor. Carryover vacation time is chosen, by seniority, at the same time the employee chooses vacation for the current year. Once carryover vacation has been requested and approved, that vacation period cannot be superseded by a more senior employee, except that employees who transfer to a new work group after having been scheduled for carryover vacation will be granted such vacation time in accordance with Article 22, Section 4.1.
- 7.2 Carryover vacation time must be taken no later than June 30 of the year after it is accrued, unless otherwise designated by management.

**ARTICLE 23
HOLIDAYS**

- 1. Subject to the following provisions the legal holidays listed below or the day which they are observed locally will be recognized by the Company:

New Year's Day
 Memorial Day
 Independence Day
 Labor Day
 Thanksgiving Day
 Day After Thanksgiving
 Christmas Day
 Six (6) Personal Holidays*

*(A seventh Personal Holiday will be added effective R
 1/1/2008)

2. Unless otherwise provided herein, a regular or temporary employee not working on a holiday will receive one (1) day's pay at his normal straight time rate, exclusive of shift or temporary or relief supervisory differentials, if he works his last unexcused scheduled session preceding the holiday and his first unexcused scheduled session following the holiday.

3. An employee may select any days within the calendar year except Sunday to observe the six (6) Personal Holidays. The Holidays in this Section 3 are subject to the following selection procedures.
 - 3.1 The employee will give at least thirty (30) days notice to his supervisor of the day or days on which he intends to observe the holiday. Such time limit may be waived by supervisory approval.

 - 3.2 If an employee selects a day or days to observe as the holiday which, because of work requirements, would not be available, or if two (2) or more employees in the same work group select the same day or days, the employees will choose alternate available day or days in order of seniority.

 - 3.3 If any holiday for which an employee is eligible to take under this Section 3 provision is not selected by October 15 of each calendar year, Management will designate the day or days to be observed.

 - 3.4 An employee will be eligible for up to six (6) Personal Holidays following the completion of three (3) months of employment. Effective 1/1/2006 the number of Personal Holidays a new hire will be eligible for will be based on the following schedule:

First Quarter Hire Date - 6	R
Second Quarter Hire Date - 4	
Third Quarter Hire Date - 2	
Fourth Quarter Hire Date - 0	

 - 3.5 These six (6) Personal Holidays can be taken in two

(2) hour increments for a total of forty-eight (48) hours per year.

4. Unless otherwise provided herein, a regular part-time employee, not working on a holiday, will receive pay for the number of hours for which he would have been scheduled to work had the day not been a holiday, if he works the last unexcused scheduled shift preceding the holiday and works his first unexcused scheduled shift following the holiday.
5. An employee who is scheduled to work on a holiday but fails to report for work and is unexcused will not receive payment for the holiday.
6. If a holiday falls on a normal workday which is a vacation day, the employee will be given an additional day of vacation at the beginning or end of his vacation or a day's pay in lieu thereof at his option. Holidays which fall on normal working days within a leave of absence will be counted as workdays and will not be recognized for pay purposes. (See Article 24 for maximum excused absences.)
7. When a Sleep Day and a holiday coincide, only holiday pay will apply.
8. Employees who work on holidays will receive, in addition to the holiday pay provided for in this Article 23, time and one-half at the basic rate for hours worked.
9. Phone Mart employees will receive an additional Floating Holiday or straight-time pay in lieu of the day after Thanksgiving Holiday unless scheduled off on the day after Thanksgiving Holiday. The additional Floating Holiday is to be scheduled following Thanksgiving Day up to and including December 31st of the calendar year. The additional Floating Holiday is subject to the eligibility requirements set forth in Section 3 of this Article.

ARTICLE 24
LEAVES OF ABSENCES FOR PERSONAL/MEDICAL
REASONS

1. Regular employees who have completed twelve (12) months of credited service may be permitted to take leaves of absence from active employment for personal/medical reasons, but a leave of absence is a provision which may be granted to employees and not a right to which they are entitled. Regular employees with less than twelve (12) months of credited service who are pregnant will be permitted to take a leave of absence in accordance with the terms and provisions of this article.

1.1 A leave of absence in no way guarantees reinstatement to active employment; however, if the employee on leave of absence notifies the designated Company representative in writing that he is ready to return to work in his previous work location and classification, no additional help will be placed in that classification at that location until that employee has been offered reemployment.

The employee will keep the designated Company representative notified of his current mailing address at all times. In the event an employee fails to request to return, refuses an offer or fails to respond within fourteen (14) days of mailing the offer, the Company will have no further reemployment obligations to the employee.

1.2 Regular employees will be granted a leave of absence without pay, service requirements permitting, for a period up to twelve (12) calendar months for personal reasons and up to eighteen (18) calendar months for medical reasons.

1.2.1 Regular employees who are pregnant will be granted maternity leaves of absences in accordance with all other terms and conditions of this Article.

1.3 If an employee who qualifies for a leave of absence

for personal medical reasons notifies the designated Company representative in writing that he is ready and able to return to work, he may, if there is no vacancy in his previous work location and classification, accept employment with another employer or engage in a business for profit or apply for unemployment insurance benefits for the remainder of his approved leave of absence period without terminating his employment. Should such an employee decline an offer of reinstatement during this period he will be terminated.

- 1.4 An employee on medical leave of absence that is unable to return to his previous classification due to permanent physical disability or by reason of superannuation will be permitted to submit applications for transfer in accordance with Article 34, Section 1, 3, and 4 of the Agreement.
2. An employee on leave of absence will be considered to have terminated his employment under the following conditions, except as provided for under 1.3 above:
 - 2.1 If he accepts employment with another employer or engages in a business for profit during his leave of absence period.
 - 2.2 If he has not notified the designated Company representative in writing by the end of his leave period that he is ready to return to work.
 - 2.3 If he applies for unemployment insurance benefits while on leave of absence.
3. The Company will pay to the employee at the beginning of his leave of absence the computed pay for any accrued vacation for which he is eligible.
4. No vacation or sick benefits shall be paid for such leave of absence and such employees shall not be entitled to any vacation until after he has met the requirements of Article 22.

5. An employee may be excused for personal reasons without pay up to a maximum of two (2) months and such absence will not be deemed a leave of absence. However, an employee may not be excused under this provision immediately following a leave of absence as provided for under Section 1 in this Article.
6. The Company will periodically perform a written inquiry of those employees who have been terminated with return rights, pursuant to this article, to determine if they are still interested in retaining their return rights. Employees who indicate in writing that they are no longer interested will relinquish their return rights under this article. Employees who fail to respond in writing to the Company's inquiry within fourteen (14) calendar days of mailing the offer will also relinquish their return rights under this article.

**ARTICLE 25
LODGING, MEALS, AND TRAVEL
EXPENSE ALLOWANCE**

1. Employees will be, from time to time, temporarily assigned by the Company to another work location, either to perform work or to attend school. Temporary assignment means any assignment which is for a period of six (6) months or less.
 - 1.1 Employees may elect to stay at the temporary work location and be provided reasonable lodging designated and paid for by the Company for each day worked and/or night spent at the temporary work location if the one-way mileage is greater than forty (40) miles from the employee's normal work location and the temporary assignment is not closer to his residence than his normal location. Employees electing this option will be eligible to receive the applicable meal allowance as covered under Section 5 of this Article.
 - 1.1.1 Whenever an employee's temporary assignment is sixty (60) miles or less from his residence, management may approve

lodging and meals for the weekend. Whenever an employee's temporary assignment is greater than sixty (60) miles from his residence, an employee may elect lodging and meals for the weekend unless he is scheduled off for more than two (2) consecutive days. If weekend lodging is not approved, an employee will receive round trip mileage between the temporary work location and his residence.

- 1.2 In lieu of Subsection 1.1 above, an employee may elect to receive round trip mileage payment for each mile that exceeds the mileage he normally would have traveled round trip from his residence to his normal work location.
- 1.3 Employees receiving mileage payment under Article 25 will be compensated at the Verizon Company policy rate. This rate shall not be less than thirty-two and a half cents (\$.325) per mile for this contract period.

2. Employees may elect in lieu of Subsection 1.1 or 1.2 above, the daily allowance as per schedule under 2.1 below will be paid for temporary assignments for periods of at least one (1) shift. However, in cases where a temporary assignment continues for two (2) or more consecutive shifts, and the employee has worked a part of his first shift at his normal work location, the employee is eligible for the applicable daily allowance on the first day of the assignment and for the applicable mileage and meal allowance on the last day.

2.1 One-way highway distance by direct and reasonable route that exceeds an employee's normal commute to his normal work location:

Distance	Daily Allowance
Over 0 and up to 20	\$ 5.75
Over 20 and up to 40	\$18.40
Over 40 and up to 60	\$28.75

Greater than 60

\$36.50

3. Employees will be, from time to time, assigned to work assignments designated by management as Project Assignments. Project Assignments are defined as work assignments expected to exceed six (6) months but lasting no longer than three (3) years. Such employees will be offered one (1) of the following:

3.1 Employees may elect to receive round trip mileage at the Verizon Company policy rate for each mile that exceeds the mileage he normally would have traveled round trip from his residence to his normal work location.

3.2 Employees may elect to stay at the project assignment and be provided reasonable lodging designated and paid for by the Company for each day worked and/or night spent at the project work location if the one-way mileage is greater than forty (40) miles from the employee's normal work location and the temporary assignment is not closer to his residence than his normal work location. Employees electing this option will be eligible to receive the applicable meal allowance as covered under Section 5 of this Article.

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3.2.1 Whenever an employee's project location is sixty (60) miles or less from his residence, management may approve lodging and meals for the weekend. Whenever an employee's project location is greater than sixty (60) miles from his residence, an employee may elect lodging and meals for the weekend unless he is scheduled off for more than two (2) consecutive days. If weekend lodging is not approved, an employee will receive round trip mileage between the project location and his residence.

3.3 Daily allowance per Subsection 2.1.

4. An employee who is assigned to a temporary work location under this provision will be paid travel time on the first and last day of the temporary assignment. Travel time will be based on the time that exceeds an employee's normal commute time from his residence to the normal work location. The Company reserves the right to specify the means of transportation; however, employees will not be required to use their personal car. If an employee requests and receives permission to use his personal car, he will be reimbursed for mileage as stated in Section 1.3.
5. If it is necessary because of a work or school assignment for an employee to purchase an incidental meal, the employee will be reimbursed as follows:

	9/1/96
Breakfast	\$ 5.75
Lunch	6.90
Dinner	14.40

- 5.1 Meals which are paid by the Company will be eaten on the employee's own time.
- 5.2 When an employee is assigned away from his normal work location and he normally eats his meal at home but he is unable to go home for the meal because of his temporary assignment, he is entitled to reimbursement for the incidental meal. If he normally purchases his meal in a restaurant or if he normally carries his meal, he would not be eligible for a meal reimbursement except in cases where the temporary assignment has prevented him from carrying his lunch.
6. When an employee works three (3) hours or more beyond his eight (8) hour shift as a result of scheduled overtime, he will receive a meal allowance of \$6.90. When an employee works two (2) hours or more beyond his eight (8) hour shift as a result of a shift extension, he will receive a meal allowance of \$6.90.
7. Extension of shift meal allowance as outlined in Section 6 will not apply to those employees receiving dinner meal

allowances under Section 5 of this Article.

8. When the Company elects to furnish transportation and employees travel to and from a temporary work location within the assigned shift, or extension thereof, no expense allowances will be paid as set forth in Subsection 2.1 above. Such employees may be eligible for incidental meal reimbursement if they meet the requirements for such payments as provided for under Subsection 5.2 and Section 6 of this Article.
9. Highway distances as used in this Article mean the most direct and reasonable route which the Company will determine and use for computing expense allowances and mileage reimbursements. If the highway distance is disputed, the mileage will be verified jointly by a representative of the Union and the Company.
10. An employee will not receive lodging as provided for under Subsection 1.1 or 3.2 and daily allowance as provided for under 2.1 for the same day.
11. Employees will not receive both daily allowances, as set forth in Subsection 2.1 above, and meal reimbursement, as set forth in Sections 5 and 6 above, for the same day.
12. Employees electing to receive round trip mileage as set forth in Subsections 1.2 and 3.1 of this Article will not be eligible for daily allowance as provided for in Subsection 2.1 or meal allowance as set forth in Section 5 above for the same day.

ARTICLE 26 TRANSFER ALLOWANCES

1. When an employee is transferred at Company request from one work location to another thirty-five (35) miles or more distant, and such assignment is to be for a period in excess of six (6) months and if the employee moves his residence closer to the new location as a result of such transfer, he will be entitled to the following transfer allowances:

- 1.1 Five (5) days excused absence with pay to make necessary arrangements of personal affairs. Transferred employees may elect to receive pay in lieu of time off at their own option. Pay for hours paid but not worked under this Section will not be considered part of the normal workweek.
 - 1.2 A relocation allowance of \$150.00.
 - 1.3 An allowance of \$150.00 for packing household goods.
 - 1.4 Actual cost of moving furniture and personal belongings.
 - 1.5 Travel on Company time and at Company expense for personal transportation of the employee and his family to travel to the new residence.
2. In every case, however, the Company will reserve the right to name the agency which will be used to move the employee's furniture and personal belongings, and to prescribe the form of transportation which shall be used for the employee and his family, if the Company is expected to pay such costs.
 3. The Company will not pay any expenses incident to the transfer of employees who have requested such transfer under the job bidding and transfer provision as covered under Article 34.
 4. Employees who have been released or laid off, or who have been notified that they are to be released or to be laid off, will not be entitled to receive any transfer allowance if they are selected to fill a vacancy at another headquarters later, but will be considered as new employees for the purpose of this Article when they report at the new location. The provision, however, will not be used to discriminate against employees by laying them off in contemplation of their transfers.
 5. The provisions of this Article do not apply if the employee fails to complete their move within eighteen (18) calendar

months from the date of transfer.

6. The provisions of this Article do not apply if the employee's residential move does not decrease their travel time by at least one (1) hour per day, round trip.

ARTICLE 27 RESPONSIBLE UNION – COMPANY RELATIONSHIP

1. The Company and the Union recognize that it is in the best interests of both parties, the employees, and the public that all relationships 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 contract fairly in accord with its intent and meaning.
2. With sincere effort by both parties to resolve any disputes or misunderstandings, or at least to clearly understand the position of the other, both the Union and the Company can look forward to a mutually beneficial association, with increasing responsiveness from both parties to the needs of the employees.
3. In the event that a representative of the Union feels that meetings and/or discussions with Management are not characterized by a sincere effort by both parties to resolve any disputes or misunderstandings, or at least to clearly understand the position of each other, the appropriate Union Local President will summarize the nature of the dispute in writing and submit the written summary to the second level manager within thirty (30) days of the alleged dispute.

The second level manager, upon receipt of said written summary, will respond within five (5) days to arrange an informal meeting with the Union Local President. Within five (5) days following such informal meeting, the second level manager will provide the Company's response.

- 3.1 If the Union is not satisfied with the second level manager's response, the Local President, within five (5) days after receipt of such response may request an informal meeting with the General Manager or Department Head. The General Manager or Department Head will respond within five (5) days to the Local President to establish a date mutually agreeable to both parties. Within five (5) days following the meeting the Company will give its response.
 - 3.2 If the Union is not satisfied with the Company's response, the Local President, within fifteen (15) days of the Company's response, may submit the grievance in writing on Form 90005674 as prescribed in Article 12, Section 5.1, except that Step 1 and Step 2 may be waived and the grievance submitted to the National Union.
 - 3.3 The parties may by mutual agreement waive the time limits set forth in this Article.
 - 3.4 The parties agree that the provisions contained herein do not modify or change the rights of the parties as set forth in Article 12 or Article 13.
4. The Company will advise all new employees, who are covered by this Agreement, that there is a collective bargaining agreement in existence and will furnish each such employee with a copy of the Agreement.

ARTICLE 28
WAGES

1. New employees, at the time of hire, will normally be placed on the start rate of the applicable schedule. However, management may at its discretion place a new employee at a higher step on the schedule when it determines it to be appropriate to do so.

2. Appropriate change in wages will be made with respect to employees who are transferred from one occupation to another in accordance with the following:
 - 2.1 Employees who are transferred to higher wage-paying classifications will be placed on the step of the new schedule which has the next higher rate to the employee's rate of pay at time of transfer. In no event will employees so transferred have their progression steps extended by more than twenty-four (24) months. The employee's progression date, if applicable, will not be affected by such transfer. Employees so transferred who have credit allowed for experience which is not directly applicable to the new job classification may have such credit taken away at the date of transfer. Management may at its discretion place a transferring employee at a higher step on the schedule when it determines it to be appropriate to do so.
 - 2.1.1 Employees who transfer back to their previous job classification within two (2) years will receive wage credit for time worked in the higher classification if the vacancy requires the same duties and skills as determined by management.

- 2.2 Employees, other than those specified in Subsection 2.3 below, who have transferred for reasons of health to a lower wage-paying classification will be carried across moneywise to the new schedule and held off-schedule until the new schedule catches up to them or they return to their normal job or for three (3) calendar months, whichever is sooner, except that where the employee who is being transferred is receiving wages above the top of the new schedule, his pay shall be reduced to the top of the new schedule. An employee who is unable to return to his normal job by the end of three (3) calendar months will be placed on the step of the new schedule which corresponds to his length of wage service and will remain on that new schedule until he is able to, and does, return to his normal job. Employees who are being transferred to lower wage-paying classifications for reasons other than health, permanent physical disability or superannuation will be placed on the step of the new schedule which corresponds to their length of wage service. Anything to the contrary herein notwithstanding, an employee temporarily disabled due to occupational injury will be compensated at his normal basic rate if placed in another job classification during the period of such disability.
- 2.3 If an employee by reason of superannuation or permanent physical disability, is transferred to an occupation for which there is provided a schedule of wages lower than the schedule under which his current occupation is carried, the initial decrease in his wage will be limited to a maximum of six (6) cents per hour and succeeding decreases will be limited to the same amount and will be made only at six (6) month intervals until the appropriate wage has been attained under the new schedule.

- 2.4 An employee on a relief basis who performs the duties of a higher wage-paying classification shall receive a differential equal to the difference between his step on his own wage schedule and the corresponding step on the higher wage schedule for actual time worked performing the duties of the higher wage-paying classification.
 - 2.5 Nothing in this Section 2 is to be construed as restricting Management's right to place temporarily disabled employees in jobs which they can handle during their temporary disability.
3. The progressive wage increases provided under the wage schedules will be awarded automatically to all employees except occasional employees upon completion of the periods of active employment specified in the wage schedules. The wage of occasional employees will be adjusted on an individual basis in recognition of their increased employment. Progressive wage increases will be effective on the Sunday nearest actual completion of periods of active employment specified in the wage schedules.

ARTICLE 29 DIFFERENTIALS

1. Hourly employees who are designated by management to be in-charge of other hourly employees or of a nonsupervisory managerial function will receive an in-charge differential of seventy-five cents (\$.75) per hour, provided such in-charge assignment is for one (1) hour or more.
 - 1.1 Such employees may, as required, perform productive work of the same type and nature as normally assigned to employees included within the collective bargaining unit while they are acting in an in-charge capacity.

2. Shift differentials will be paid to employees who are required to work specified hours as a part of scheduled shifts as set forth in the wage schedules. Shift differential will be included as a part of the employee's rate for the purpose of calculating overtime. Shift differential will not be prorated. Shift differentials will not be paid on holidays not worked, nor during vacations, nor during periods covered by sick benefits, nor will it be paid for work falling within the specified hours as a result of overtime which is a continuance of a regularly assigned shift or if it is a result of an emergency call-out.

The following shift differential schedule applies to Operators, Operator IIs, and Traffic Clerks.

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For Scheduled Work Periods Ending

	Hours Worked	Differential Amt.
6:30 P.M. and after to 8:00 P.M.	8	\$.75
8:01 P.M. and after to 9:29 P.M.	8	.95
9:30 P.M. and after to 10:59 P.M.	7	.65
11:00 P.M. and after, but not all night	6 ½	.55
All night tours	7	1.00
All night tours	8	1.75

OTHER DEPARTMENTS

For Regularly Scheduled Work Period Ending	Differential
6:30 P.M. and after to 8:00 P.M.	\$.75
8:01 P.M. and after to 9:30 P.M.	.95
9:31 P.M. and after, but not all night	1.90
All night (for regularly scheduled work periods beginning at or after 10:00 P.M. and before 6:00 A.M.)	\$2.35

3. Employees who hold themselves subject to call by Management during hours when they are off duty will be paid an on-call differential for the period during which they are subject to call. Employees who hold themselves subject to on-call schedules will do so at their own option. In the absence of qualified volunteers, Management will designate qualified employees to be on-call in inverse order of seniority. Management will attempt to equally distribute such designated on-call assignments among qualified employees.

3.1 The on-call differential will be paid as follows:

Scheduled Work Days -\$10.00.

Non-scheduled Work Days - \$15.00.

Work Week - \$75.00.

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ARTICLE 30 SAFETY

1. The Company will provide safe working conditions and will instruct its employees in safe methods and practices of performing their work through a definite safety program scheduled on Company time. Each Division shall have a Safety Committee. It shall be the responsibility of the Safety Committee to recommend the correction of any unsafe working conditions that may arise. Each Safety Committee will include one (1) member, for each local represented within the Division boundaries, appointed by the Union.

ARTICLE 31 TOOLS, EQUIPMENT AND GLOVES

1. The Company will furnish to new employees, and on a replacement basis to present employees, all tools, equipment and gloves necessary for the proper performance of the job. The Company will specify the quantity, kind, type and make of all such items to be furnished. No tools, equipment or gloves, other than those furnished by the Company, may be used unless specifically approved by the supervisor. Any such tool or equipment allowed will not be replaced by the Company or at Company expense.
 - 1.1 All tools, equipment and gloves furnished by the Company will be charged to the employee, and the employee will be held responsible.
 - 1.2 The Company will replace all tools, equipment and

gloves that are broken and/or worn out through normal wear, except those not specified as standard by the Company.

- 1.3 Tools, equipment and gloves that are lost or mistreated to the extent that they are no longer usable will be replaced by the Company, except those not specified as standard by the Company; however, the employee responsible for the items may be required, at the discretion of Management, to pay for them and will be billed accordingly. Employees will have the option to pay by cash, check, money order or payroll deduction.
- 1.4 Employees who are furnished tools, equipment and gloves will be held responsible for the proper use, care and maintenance of these items, and will be held to an accounting of all tools, equipment and gloves at the time of replacement thereof, or upon termination of employment with the Company.

ARTICLE 32 SICKNESS AND ACCIDENT BENEFITS

1. Active employees who, during their active employment, are forced to be absent from work because of their own illness or their own injury, or death in their immediate families, will receive the benefits described in the following paragraphs. Employees whose services with the Company are terminated for any reason whatsoever shall have no claim against the Company for any benefits provided in the following paragraphs and the accumulated sick leave described hereinafter shall not be considered to constitute any liability on the part of the Company, to such employees, provided, however, that this rule will not be used to discriminate against employees to the extent that they might be dismissed at a time when they might be eligible to apply for such benefits.
 - 1.1 The term "benefits" shall mean seventy-five (75) percent of the employee's stated wage in all cases where the employee does not receive compensation

as defined in Subsection 1.2 below and shall mean one-hundred (100) percent of the employee's net pay after application of taxes in all cases where he does receive compensation, as defined in said Subsection 1.2.

1.1.1 At such time an employee is eligible for State Disability Insurance benefits and sickness and accident benefits, his compensation for company provided benefits will be computed at seventy-five (75) percent of his stated wage after deducting his State Disability Insurance benefits from the gross wage payable had he worked.

In no event, after application of taxes and State Disability Insurance benefits, will an employee's combined benefits exceed or be less than the net amount payable had he worked.

1.1.2 In no event during an absence due to occupational injury will an employee's combined benefits be greater than the net amount which would have been payable had the employee worked. Additionally, if the employee is otherwise eligible, the net amount payable will not be less than the net amount payable had such employee worked.

1.2 "Compensation" shall mean the payments made to an employee from any source under the provisions of the Worker's Compensation Insurance and Safety Act, or any other Federal or State law or regulation now in effect or hereinafter enacted, provided, however, that if any such law or regulation shall require the collection of taxes or contributions from the employee and the Company, only that portion of such payments as is represented by the Company's tax or contribution will be considered as compensation.

- 1.3 "Injury" shall mean an injury not arising out of and during the course of an employee's occupation.
 - 1.4 "Occupational injury" shall mean an injury arising out of and during the course of an employee's occupation.
 - 1.5 In the event an employee shall experience an injury or an occupational injury on which the employee makes a recovery from a third party (other than the compensation insurance carrier of the Company) for damages resulting from the injury, it is agreed that the employee will reimburse the Company to the extent of the amount of such recovery for any sick benefit payments received from the Company in connection with such injury and an appropriate restoration of time shall be made to the employee's sick leave entitlement.
2. Employees will accumulate sick leave at the rate of one (1) and one-half (1/2) workdays for each month of credited service up to a maximum of two hundred seventy (270) workdays, provided, however, that after fifteen (15) years of credited service such portions of this sick leave as may have been expended by absences for which benefits have been paid, will be restored at the rate of one (1) and one-half (1/2) workdays for each additional month of credited service until the maximum of two hundred seventy (270) workdays is accumulated again.
 - 2.1 After they have completed twelve (12) months of credited service, regular employees will be eligible for sick leave with benefits as provided hereinafter if they are forced to be absent from work because of illness or injury, or death in their immediate families. Employees will be eligible for sick leave with benefits as provided in Subsection 3.1 of this Article 32 when they are forced to be absent from work because of occupational injury.
 - 2.2 Each workday for which benefits are paid because of absences due to illness or injury will be deducted from the accumulated sick leave; however,

absences because of occupational injury or death in the immediate family (in accordance with Subsection 3.2 of this Article) will not be deducted from their sick leave accumulation.

3. Regular employees who are eligible and apply for benefits due to illness or injury will be subject to a two (2) day waiting period. The two (2) day waiting period will be waived for:
 - A. Those regular employees with an accumulated balance of ninety (90) or less days of sick leave at the start of their absence who have received no benefits due to illness or injury during their last twelve (12) months of credited service.
 - B. Those regular employees with an accumulated balance of ninety-one (91) to one hundred seventy-nine (179) days of sick leave at the start of their absence who have received no benefits due to illness or injury during their last six (6) months of credited service.
 - C. Those regular employees who at the start of their absence have an accumulated balance of one hundred eighty (180) days of sick leave.

Lost time due to occupational injury will not be considered in determining a waiting period for subsequent absences due to illness. A second period of two (2) workdays absence will not be required if a regular employee is again forced because of illness or injury to leave work on or before his tenth normal workday following the end of a prior absence for which benefits were paid.

- 3.1 All regular employees will be eligible to receive the excess of benefits over compensation for each workday absent because of occupational injury, beginning with the first workday of absence, to the extent of their accumulated sick leave, or for the first five (5) workdays of absence, whichever is the greater. Temporary employees will be eligible to

receive the excess of benefits over compensation for only the first five (5) workdays of absence due to occupational injury.

3.2 Regular employees who are eligible for benefits and are required to be absent from work because of death in their immediate families will be eligible to receive benefits (without a waiting period) for three (3) days. The use of benefits will not affect the waiting period for any subsequent illness benefits. Employees who can justify such need to the satisfaction of Management, such as for travel, will be eligible to receive benefits for up to two (2) additional days.

3.2.1 "Immediate Family" for the purpose of this Section shall mean parents, stepparents, adoptive parents, children, stepchildren, adopted children, brothers, stepbrothers, sisters, stepsisters, husband, wife, step-grandparents, great grandparents, grandparents, grandchildren, mother-in-law, father-in-law.

3.2.2 Employees who can justify such need may be permitted to take vacation, personal holiday time or excused time for deaths of family members which are not stated in Subsection 3.2.1.

4. Employees who are required to be absent from work or who find it necessary to leave their work and who contemplate applying for sickness and accident benefits will be required to report to their immediate supervisors at the beginning of such absence. Benefits will not be granted to employees after they have commenced a vacation or a leave of absence and for this purpose a vacation or a leave of absence will be considered to have commenced immediately after the close of business on the last day actually worked, or immediately after the end of the last shift actually worked. An employee who has returned to active employment after a leave of absence or who has returned to work after a vacation will not be permitted to

apply for benefits for an illness or injury occurring during such leave of absence or during such vacation, except that an employee who is unable to return to work because of an illness or an injury suffered during his vacation will be eligible to apply for benefits beginning after his vacation, subject to the two (2) day waiting period described above.

- 4.1 If an employee, who is eligible to receive benefits and has worked all of the first session, is required to leave work because of illness or injury prior to completion of the greater portion of the employee's second session, he will be eligible to receive benefits after observance of the two (2) day waiting period described above. If an employee has worked the greater portion of his second session and is required to leave work because of illness or injury, he will receive the regular wage which he would have received had he worked his entire shift, and will be eligible to receive benefits after observance of the two (2) day waiting period described above. If an employee is required to leave work because of occupational injury, he will be paid the excess of benefits over compensation in accordance with the foregoing except that the two (2) day waiting period will be waived.
- 4.2 Employees will not be permitted to exchange days for which they would be eligible to receive benefits for days when they are scheduled to be absent from work.
- 4.3 Management will reserve the right to investigate any case of disability due to illness, injury or other cause, for which benefits are requested, and in its sole discretion may require an opinion from a physician other than the one in regular attendance, or a statement from the physician in regular attendance and the payment of benefits will be governed by such investigation and opinion. Benefits will not be paid in cases of absence caused by nervous disorders unless a physician, selected and paid by the Company, shall deliver to the Company a statement in writing to the effect that such nervous

disorder is sufficiently serious to make it essential that the employee be relieved from work for a definite period of time.

In any event the determination of the payment of benefits shall rest solely with Management which fairly shall consider, but shall not necessarily be bound by, doctor's reports and all other pertinent information.

5. Employees who are found to be guilty of abusing the foregoing provisions for sickness and accident benefits may be subject to dismissal or to forfeiture of any privileges relating thereto.

**ARTICLE 33
EMPLOYEE TRAINING**

1. Assignments to positions covered by this contract for pre-management training purposes shall be filled at the discretion of Management. The number of employees to be assigned at any one time will not exceed an aggregate of one (1) percent of the total bargaining unit.
 - 1.1 If, after an employee has been assigned to this training program, he is not selected for promotion to Management, he will be reassigned to the job or to a job on the same wage schedule as that which he held at the time of his selection for the program at the wage rate commensurate with the step on the wage schedule he would have had had he remained on the job class.
2. Within each work group, employees will be given opportunity to learn, in an orderly sequence, all phases of the work necessary for them to carry out their job. Selection of which employees receive training within a title classification is a matter of Management decision, except that it is agreed that seniority will be given first consideration by the Company in making such selection.

**ARTICLE 34
JOB BIDDING AND TRANSFERS**

1. Qualifications and requirements for jobs shall be established in the order of their importance by Management, and for jobs of identical content shall be uniform throughout the Company. At no time will the qualifications for any particular job be designed to fit any one particular individual, and in all cases qualifications and requirements shall be established prior to declaration of the vacancy. The Company may use tests to assist in the determination of the employee's qualifications. The form,

content, and administration of such tests shall be at the sole discretion of the Company and shall not be subject to the grievance or arbitration provisions hereof.

2. Requests for transfer based upon health reasons due to the employee's illness or illness in his immediate family shall take precedence over other applications on file.
 - 2.1 "Immediate family" for the purpose of this section shall mean parents, parents-in-law, wife, husband, children, brothers, sisters, or any other persons substantially dependent upon the employee either for financial aid or physical care, and "illness" as it relates to other than the employee himself shall be defined as meaning any condition of health requiring a substantial degree of financial aid for treatment or a substantial degree of physical care.
 - 2.2 Requests for transfers based upon health reasons must be accompanied by written medical evidence including diagnosis and prognosis from the attending physician and a specialist in that field. All required medical documentation and approvals must be received no later than the posting close date of the vacancy in order to be considered as a priority transfer request.
 - 2.3 All costs for such evidence shall be borne by the employee requesting such transfer.
 - 2.4 Employees may have a maximum of two health priority transfer applications on file that are not in response to posted vacancies. Additionally, an employee may submit health priority transfer applications in response to posted vacancies.
 - 2.5 Employees who transfer due to permanent medical restrictions or health reasons as specified in this article, will not be entitled to a subsequent transfer for health reasons if the new job classification fully accommodates their permanent medical restrictions or health reasons and there is no significant change to their medical condition. Any such change must

be certified by written medical evidence in accordance with this article.

3. Job vacancies will be posted in the manner designated by the Company. Employees may apply for an unlimited number of posted vacancies at any given time. Employees who desire to be considered for transfer will submit applications, to Staffing, on the form and in the manner designated by the Company, no later than the posting close date of the vacancy. An employee may submit applications only for posted vacancies with the exception of those requests noted in Sections 2.4, 3.1, and 5.1 of this article. In the event no applications of qualified employees are received, the Company may proceed to fill the vacancy at its discretion.
 - 3.1 Employees who have been force realigned may have a priority transfer application on file that is not in response to a posted vacancy. As outlined in Article 8, Section 1.5, the employee must submit the transfer application within three (3) months after the date of realignment and move at his own expense.
 - 3.2 The Company will notify the appropriate Union representative of any employee or employees of more seniority than the employee chosen and the reasons why such employee or employees were bypassed. Management will also notify the appropriate Union representative of all vacancies filled by request for transfer, showing when such a vacancy is filled, by whom, the seniority date of the selected employee, and wage schedule from which he has transferred.
4. Selection of employees for transfer to vacancies shall be determined as follows:
 - 4.1 An employee shall be entitled to any job vacancy if he has the necessary qualifications and fitness and the most seniority of all candidates for the job. The employee will pay his own moving expenses on an employee-initiated transfer.

- 4.2 An Equipment Maintainer's right of transfer which is on a lateral basis must be at a work location which is over ten (10) miles distant from the work location from which the employee is bidding. The provisions of this section may be selectively waived at Management discretion.
- 4.3 A newly hired or rehired employee may apply for, but shall not have a right to transfer until he has occupied his first position at the same location for a least twenty-four (24) months. All other employees in classifications in wage schedules A, 1, 1A, 1B, 2, 3, 4, 5, and 6, may apply for but shall not have a right to transfer until they have occupied their present position at the same location for at least eighteen (18) months. All other employees in classifications in wage schedules 7, 7A, 7B, 8, 9, 9A, 10, 11, 12, and 13 may apply for, but shall not have a right to transfer until they have occupied their present position at the same location for a least twenty-four (24) months. The above transfer hold dates may be waived at management's discretion.
5. Nothing contained in this Agreement shall be construed as restricting Management's right to make transfers of employees of identical job classification between work locations.
- 5.1 Employees who are transferred through this provision may have a priority transfer application on file to return to their prior job classification and work location. The employee must submit the transfer application within three (3) months after the effective date of the original Company initiated transfer.
6. Up to five (5) Union employees in each Union local shall not be transferred outside the geographical boundaries of the local unless their classifications are no longer required in that local's area. Such employees to be exempt from this transfer provision must be designated by name and position by the Union local president, and such exemption cannot be transferred to any other employee in that local during the term of this contract, unless the designated employee no

longer maintains status within the local.

ARTICLE 35 MILITARY LEAVE OF ABSENCE

1. MILITARY LEAVE OF ABSENCE

- 1.1 A military leave of absence will be granted by the Company to each regular employee who, prior to the termination of his employment with the Company, enters the U.S. Armed Forces, by voluntary enlistment or by draft, or who is a member of a reserve component of one of the armed forces or the National Guard or Air National Guard and is ordered to active duty. Such military leave of absence will commence on the day following the last day worked by the employee, or on the day following the last day of any vacation for which the employee may receive the commuted value as provided below, and will terminate on the ninety-first (91) day following his discharge from the armed forces or his relief from active duty. A military leave of absence will not be extended for the employee who reenlists or who volunteers for a continuation of his active duty beyond the time limits provided under veterans reemployment rights as described by the Federal Government Statutes.

2. REEMPLOYMENT

- 2.1 In conformity with the terms of the statutes pertaining to the restoration of a veteran to his former employment, employees who are granted military leaves of absence will be reinstated in their former positions with the Company or will be given positions of like seniority, status and pay. Full recognition for wage progression and for all other purposes will be given to the military leave of absence in the same manner that the period of time would be recognized had the employee remained continuously in the position he held at the beginning of his leave of absence, except as follows:

- A. The Company shall have the right to hold any employee employed on and after September 16, 1950, on the wage given him on the date of his return to employment, until his experience and proficiency justify the next higher wage, provided that the suspension of wage progression shall not exceed, whichever is the shorter length of time of (1) the length of the military leave of absence in any case, or (2) the length of time between the employee's place on the wage schedule at the time of the beginning of his military leave of absence and the four (4) year step on his wage schedule, or (3) two (2) years of credited service.
- B. Sick benefits will not be granted to employees until after they have returned to active employment with the Company.

3. GROUP LIFE INSURANCE

- 3.1 For employees who are granted military leaves of absence, the Company will continue the amount of group life insurance in effect on the last day worked for a maximum period of thirty (30) days at no cost to the employee. At the end of this thirty (30) days or at the termination of the military leave of absence, the group life insurance will terminate.
- 3.2 Employees who return to active employment with the Company will have their basic life insurance automatically reinstated but will be required to make application for reinstatement of their contributory supplemental group life insurance if they desire to reinstate it.

4. CONTINUANCE OF COMPANY PAY

- 4.1 If a regular employee, at the beginning of his military leave of absence, is:
 - A. In the age group subject to induction under

the Selective Service and Training Act of 1948, the Armed Forces Reserve Act of 1955, and the related regulations currently in effect, or

B. A member of the National Guard, Air National Guard, or of a reserve component, and he

(1) Is drafted or enlists voluntarily, or

(2) Is ordered to active duty or volunteers for active duty for six (6) months or more or active duty training (not to include training drills, voluntary specialized training or penalty active training duty), he will receive the difference between his military pay and his Company pay (if the latter is greater) less any deductions authorized by him or required by law, for three (3) days for each full month of completed credited service up to a maximum of difference in pay for three (3) months.

4.2 For this purpose, Company pay will be the product of the employee's daily wage in effect on the last day actually worked multiplied by 21.75 days. Military pay will be the basic pay shown in the pay tables in effect on the date when the employee enters military service for his grade or rank, giving effect to his length of military service, plus extra pay for special qualifications or duty, but exclusive of rental, subsistence, clothing, dependents, and other allowances. Daily military pay shall be the monthly pay divided by 21.75.

4.3 Regular employees will be paid the commuted value of any vacation to which they may be entitled at the beginning of the military leaves of absence.

5. SUBSTITUTES FOR EMPLOYEES ON MILITARY LEAVES OF ABSENCE

- 5.1 Persons transferred to positions formerly held by employees who are on military leaves of absence will be considered as temporary occupants of such positions and may be transferred back to their former or to equivalent positions when the employee for whom they are substituting returns from his military leave of absence.
- 5.2 Persons who are newly employed to fill vacancies which result directly or indirectly from the absence of employees on military leaves of absence may have their employment with the Company terminated unless there is other need for their services, when such employees return from their military leaves of absences.

6. MILITARY RESERVE TRAINING

- 6.1 If a regular employee is a member of the National Guard, Air National Guard, or of a reserve component and is subject to annual training duty, he will be paid the difference between his military pay (including all allowances) and Company base pay (if the latter is greater) for a period of not more than two (2) weeks in any one calendar year in which he performs such training duty. However, if an employee performs annual training duty and receives no military pay, he will be paid a maximum of one (1) weeks pay by the Company in any one calendar year.
- 6.2 An employee, to be eligible for payment as provided above, shall in writing request time off for annual training duty, and at the conclusion thereof, furnish the Company written evidence of the amount of military pay received.

ARTICLE 36
JURY DUTY AND WITNESS PAY

1. If an employee receives a Summons for Jury Duty, the Company will compensate the employee for the difference between the jury fee and his base pay for the time lost from work; not to exceed ten (10) work days (80) hours in any twelve (12) month period.
 - 1.1 When an employee receives a summons for jury duty, he must notify his supervisor as soon as possible in order for the Company to make necessary arrangements to meet the needs of service.
 - 1.2 If an employee is required to report for jury duty and he is temporarily excused from attendance, he must return to work as soon as reasonably possible and complete the shift he is assigned while on jury duty.
 - 1.3 An employee working a night shift who is required to report for a full day of jury duty will be excused from his assigned shift and will be compensated in accordance with Section 1 above.
 - 1.4 The employee must have completed by the Court a form to be provided by the Company showing days and hours worked on jury duty.

Subpoena as a Witness

2. If an employee becomes a witness to a crime of violence and is subsequently subpoenaed to be a witness during his regularly-scheduled hours, he will be compensated by the Company for the time off required in connection with the subpoena.
 - 2.1 The employee must notify his immediate supervisor as soon as possible to make necessary changes in work assignments. If the employee is temporarily excused from court attendance, he must return to work during his regularly-scheduled hours.

- 2.2 Witnesses are generally paid a fee for each day they are required to appear. The Company will compensate the employee the difference between the witness fee and his regular base pay for the time he is required to appear.
- 2.3 Employees who are subpoenaed to appear as witnesses in a civil proceeding will not be compensated by the Company.
3. The provisions of this Article will be considered as time worked for all purposes.

ARTICLE 37 LUNCH PERIOD

1. The duration of lunch periods (30, 45 or 60 minutes) will be established by local management based on their determination as to what best facilitates customer service requirements. The Company will take into consideration the preferences of employees when making these determinations.
2. When employees are scheduled for an on-duty meal period within their normal tour, the meal period shall be included as part of the employee's tour, and will be paid for as time worked.
3. Management reserves the right to reschedule lunch periods if necessary, from time to time, to meet the demands of the service.

ARTICLE 38 BULLETIN BOARDS

1. The Company permits the installation of, and the Union will place and install, its own bulletin boards in the Company's various offices, plants, warehouses, and other premises where space for the installation of the same is available. The type of each bulletin board and the manner of its being fastened to Company property shall be determined by

Management. The location of each such bulletin board will be determined by agreement between appropriate Company representatives and local Union representatives.

2. Where space is not available for such installations, the Company will permit the Union to use, not to exceed, one-third of the space on Company-owned bulletin boards. The amount of space on Company-owned bulletin boards and the location thereon to be used by the Union shall be determined by agreement between appropriate Company representatives and local union representatives.
3. All expenses, materials and equipment needed for the placement and installation of bulletin boards by the Union and designation and marking thereof shall be borne or furnished by the Union.

**ARTICLE 39
DEDUCTION FOR UNION DUES, SERVICE FEES,
AND INITIATION FEES**

1. The Company shall deduct from the wages and/or sick benefit payments of members and nonmembers of the Union any initiation fees, dues, and service fees for such payroll periods as it is authorized in writing to deduct by the individual employees covered by this Agreement.
2. Payroll deduction authorization cards in the forms attached hereto (marked Exhibit 1) shall be made a part of this Article. The Union shall furnish to the Company one-time deduction authorization cards in the form attached hereto (marked Exhibit 2) and made a part of this Article.
3. An employee's authorization for deduction of dues shall be canceled by the Company any time proper notice is received from an authorized representative of the Union. An employee's deduction authorization will automatically be canceled if the employee leaves the employ of the Company or is transferred out of the bargaining unit.
4. The Company will make twenty-four (24) biweekly Union deductions per year in either percentage or specified

amounts and will remit each month a check representing the aggregate amount of all such deductions to the Secretary-Treasurer of the Union, together with a list showing:

- (a) The name, employee number, address, and occupation code of each employee in the bargaining unit. Such list will be arranged by Union local, alphabetically, as accurately as possible to do so by being keyed to the employee number. The list will show amounts deducted for dues and service fees as applicable.
5. The Company shall incur no liability from acting as agent in the collection of dues.

ARTICLE 40 RELIEF BREAK

1. Employees will be permitted reasonable relief breaks as provided herein.
 - 1.1 These breaks will be limited to fifteen (15) minutes per session. As a relief break is considered to be a mid-session break, no break will commence prior to the end of the first hour of the employee's scheduled session, nor will the break end during the last hour of his session. In no case will an employee drive a Company vehicle which would deviate from his normal route for a relief break. In the event these rules are violated, disciplinary action can be taken.

ARTICLE 41 PRODUCTIVE WORK BY MANAGEMENT

1. The Company acknowledges a general policy that Management employees will not do productive work of the same type and nature as normally assigned to employees included within the collective bargaining unit. It is understood, however, that it is a normal function of Management employees to perform productive work under

conditions of operating emergencies, work incidental to training of employees, to give temporary lend-a-hand assistance, to training in or enforcement of safety practices, to inspection of work completed by productive employees, and operator-switchboard work as may be required to meet the demands of service. Also, when a qualified employee is not available or cannot be reached with reasonable dispatch for an assignment, productive work may be performed by Management employees.

2. Management trainees may perform productive work as a part of their training.

ARTICLE 42 UNION SECURITY

1. Under Federal labor laws, and obligations under this Agreement, the Union is required to represent all of the employees in the bargaining unit fairly and equally without regard to whether the employee is a member of the Union. In consideration thereof, Agency Shop provisions will prevail during the term of this Agreement.
2. Membership in the Union is not compulsory. Employees in job classifications within the collective bargaining unit are free to accept or to decline membership in the Union.
 - 2.1 Any employee who is a member of the Union may, upon proper notice, voluntarily withdraw from such membership but may not, thereby, be relieved of Agency Shop requirements herein.
3. Subject to conditions set forth within this Article 42, regular, part-time, and temporary employees within thirty (30) calendar days of hire shall as a condition of employment, and at their option, either: (1) apply for membership in the Union and, if accepted, maintain membership in good standing thereafter during the term of this Agreement, or (2) alternatively arrange to pay to the Union a service fee equal in amount to the membership dues uniformly required for all members of the same class.

4. For purposes of this Article 42, the following definitions will apply:
 - 4.1 In Good Standing - means that the employee pays, or tenders payment of, initiation fee, and periodic dues in amount and frequency regularly required by the Union as a condition of acquiring and retaining membership.
 - 4.2 Service Fee Employee - means a covered employee who elects not to become a member of the Union, or who withdraws membership from the Union, and is required in lieu of membership to pay the representation fee to the Union.
 - 4.3 Proper Notice - means that the employee will notify both the Company and the Union by registered mail return receipt requested. Notice to the Company will be directed to the Labor Relations Department, CA501HL, and notice to the Union will be to the applicable Union Local President.
5. These Agency Shop provisions apply to all newly hired regular, part-time, and temporary employees.
6. Service Fee employees are in no manner members of the Union, and possess no membership rights, privileges, or responsibilities that accrue to members of the Union.
7. No Service Fee employee shall be required to pay the representation fee during any period that, by Union rules or actions, dues payments are suspended or not enforced for regular members of the Union.
8. Nothing herein shall be construed to limit the Union's lawful rights to determine and enforce regulations regarding acquisition of, and retention of, membership in the Union. Any covered regular employee who is refused membership, or whose membership is involuntarily terminated by action of the Union body (other than for refusal to tender initiation fee and periodic dues) shall not be subject to discharge from employment, but, rather, shall take on the status of a Service Fee Employee.

9. The Company shall incur no liability in the enforcement of this Article.

ARTICLE 43
****LEAVE OF ABSENCE FOR OFFICIAL UNION BUSINESS**

****REFER TO NATIONAL MOA ON PAGES 186-188**

1. At the request of the Union, not more than twenty-six (26) employees will be granted leaves of absence at one time for official union business.

- 1.1 A Union leave of absence for Union business with the national CWA Union, or national, state, or local AFL-CIO bodies, or public service jobs shall be granted to such employees for up to twelve (12) years of active employment. Any employee who is granted a leave of absence under this provision 1.1 will be treated in the same manner as any other employee to whom a personal leave of absence is granted under Article 24 except that he shall have an absolute right to reemployment.

- 1.2 Elected Union officials who take full-time leaves of absence to serve their local Union shall be granted up to fifteen (15) years in any eighteen (18) years of active employment. Any employee who is granted a leave of absence under this provision 1.2 will be treated in the same manner as any other employee to whom a personal leave of absence is granted under Article 24, except that he shall have an absolute right to reemployment, and he shall continue to accrue net credited service for such periods of full-time leaves of one year or more up to the maximum of fifteen (15) years in any eighteen (18) years of active employment.

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Employees returning from full time Union leave(s) of absence will not accrue holidays while on Union leave(s) of absence. Upon return from full time

Union leave(s) of absence an employee must work the equivalent of ninety (90) days to be eligible for their six (6) Personal Holidays

For the purposes of this Article, the accrual of net credited service shall not count towards the accrual of vacation time pursuant to Article 22 and upon an employee's return from leave(s) of absence, his vacation and accrual date and eligibility will be adjusted accordingly.

- 1.2.1 An employee who commences a leave of absence under Section 1.2, will for wage progression purposes, remain in his then current classification and wage step during the period of his leave of absence. Changes in the basic hourly rate for his wage step will be recognized for the purpose of pension calculations.

- 1.3 No vacation or sick benefits shall be paid for such leave of absence and such employees shall not be entitled to any vacation until after he has met the requirements of Article 22.

- 1.4 The Company will pay to the employee at the beginning of his leave of absence the computed pay for any accrued vacation for which he is eligible.

- 2. An employee may be excused without pay for not more than a total of 140 days in any one (1) calendar year to conduct official Union business. The Company and Union agree that orderly scheduling of work and obtaining qualified replacements require full cooperation; thus, such excused absences under this provision will be granted with reasonable prior notice with Management's approval. |
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- 2.1 Union excused time without pay shall be included as time worked, not to exceed eight (8) hours per workday, for Family Medical Leave (FML) eligibility purposes. |
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UNION DUES OR SERVICE FEE DEDUCTION AUTHORIZATION
 FORM 90006094 (10/97)

EMPLOYEE NO.	DEDUCTION CODE	AMOUNT	SOURCE CODE	50	<input type="checkbox"/>	<input type="checkbox"/>	UNION DUES DEDUCTION AUTHORIZATION
					<input type="checkbox"/>	<input type="checkbox"/>	SERVICE FEE DEDUCTION AUTHORIZATION

I hereby authorize Verizon California Inc. to deduct bi-weekly from my wages and/or Sick Benefit payments received from the company an amount equal to the regular Union Dues and/or Service fee then in effect as certified from time to time by the Secretary-Treasurer of the Communications Workers of America. This Authorization shall remain in effect as long as I am a bargaining unit employee of the company.

Union membership dues and agency fees are not deductible as charitable contributions for Federal Income tax purposes. Dues and agency fees, however, may be deductible in limited circumstances subject to various restrictions imposed by the Internal Revenue Code.

Return both copies to TXD1931J

MAIL CODE		LOCAL NUMBER	BLDG CODE	PRINT FULL NAME (Last)		(First)	(Middle)
EMPLOYEE SIGNATURE				SOCIAL SECURITY NUMBER		DEDUCTION START DATE	DATE EMPLOYED
HOME ADDRESS-STREET AND NUMBER			CITY	STATE	ZIP CODE		



EXHIBIT 1

Employee No.	Ded. Code	Amount	54 Source Code	UNION ONE-TIME DEDUCTION AUTHORIZATION
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I hereby authorize General Telephone company of California to deduct \$ _____ from my wages and/or sick benefit payments received from the Company, which amount is a one-time deduction as certified by the Communications Workers of America.

RC Number _____ Local Number _____ Employee Number / S.S. Number _____

Employee Signature _____ Date Signed _____

Employee Address _____ Street & Number _____ City _____ State _____ Zip Code _____

EXHIBIT 2

The parties hereto have caused this Agreement to be executed in their names by their duly authorized officers:

VERIZON CALIFORNIA INC.

/s/L. Mortensen
L. MORTENSEN

/s/D. Johnston
D. JOHNSTON

/s/M. Grignol
M. GRIGNOL

/s/B. Baird
B. BAIRD

/s/B. McCurdy
B. MCCURDY

/s/L. Pagels
L. PAGELS

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COMMUNICATIONS WORKERS OF AMERICA

/s/J. Weitkamp
J. WEITKAMP

/s/J. Dudley
J. DUDLEY

/s/V. Pallan
V. PALLAN

/s/G. Gibson
G. GIBSON

/s/ E. West
E. WEST

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**ADDENDUM ONE TO
COLLECTIVE BARGAINING AGREEMENT**

GROUP LIFE INSURANCE

1. It is hereby agreed between Verizon California Inc. (hereinafter referred to as the "Company") and Communications Workers of America (hereinafter referred to as the "Union"), through this Addendum to the collective bargaining agreement between the parties dated December 18, 1992, (hereinafter referred to as the "Primary Agreement"), that a Group Life Insurance Plan (hereinafter referred to as the "Group Life Plan") will be provided for employees of the Company represented by the Union. In addition, Verizon California Inc. and the Communications Workers of America agree to provide payroll deduction privileges for those employees who elect to participate in the Group Universal Life Insurance Plan. (Effective July 1, 2005, the Supplemental Term Life Insurance Plan.)

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"Employee" shall mean regular and part-time employees as defined in the Primary Agreement.

"Wages" for full-time employees shall mean the annualized basic hourly rate or basic salary (not including overtime, premium or differential pay) as computed annually by the Company.

"Wages" for other than full-time employees shall mean the annualized basic hourly rate or basic salary (not including overtime, premium or differential pay), adjusted in terms of the actual average work hours as related to the normal work hours of full-time employees, as computed annually by the Company.

2. Noncontributory Life Insurance Provided by the Company

Each employee will be insured for an amount equal to one year's wages adjusted to the next higher multiple of \$1,000, if not already a multiple of \$1,000.

An employee will be enrolled for Noncontributory Insurance

at the time he is employed, and the insurance will become effective ninety (90) days from the date of hire. If the employee is absent from work on that date, his insurance will not become effective until his return to work.

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The amount of Noncontributory Insurance will be revised when the employee's wage changes. However, no increase in the amount of insurance will become effective unless or until the employee is actually at work. The Company will maintain an active employee's Noncontributory Life Insurance amount until retirement.

3. Information to Union

The Company shall furnish the Union such pertinent information as the Company may have in its possession upon reasonable request by the Union, from time to time, concerning the operation, administration, and cost of the Group Insurance Program.

4. Grievance

In the event any dispute shall arise as to whether the Company has provided the insurance described herein, or a complaint that any employee or any individual covered by this Agreement has not in any manner been treated in accordance with this contract, improperly denied any such insurance, or a complaint by the Union that the Company has improperly or unfairly applied the provisions of this Agreement, such dispute or complaint may be treated as a grievance by the Union and presented to the bargaining agent of the Company for disposition.

In the event a satisfactory settlement is not reached, such grievance shall be subject to arbitration, using the procedures for selecting an arbitrator as set forth in the collective bargaining contract in effect on the date of this Agreement. The authority of the arbitrator shall be limited to determining whether the Company has provided the insurance described herein or improperly or unfairly interpreted or applied the provisions of this Agreement, and to directing the employer to provide appropriate remedies.

It is understood that contractual or policy relationships between the employer and the insurance carriers or claims made by any employee or his beneficiary pursuant to said Group Life Insurance Policy is not herein made subject to arbitration between the employer and the Union.

5. Effective Date and Termination Date

This Addendum shall have the same effective date as the effective date set forth in the Primary Agreement between the parties and shall terminate on the termination date thereof.

VERIZON CALIFORNIA INC.

/s/L. Mortensen

L. MORTENSEN

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COMMUNICATIONS WORKERS OF AMERICA

/s/J. Weitkamp

J. WEITKAMP

**ADDENDUM TWO TO
COLLECTIVE BARGAINING AGREEMENT**

1. MEDICAL PLAN

It is hereby agreed between Verizon California Inc. (hereinafter referred to as the "Company") and the Communications Workers of America (hereinafter referred to as the "Union"), through this Addendum to the Collective Bargaining Agreement between the parties dated March 20, 2005 (hereinafter referred to as the "Primary Agreement"), that the current Basic Hospital-Medical-Surgical Plan remains in effect up to and including June 30, 2005, and is replaced for all eligible employees effective July 1, 2005, by the Medical Plan as agreed to on March 20, 2005.

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1. The regular full-time and regular part-time employees (as defined in Sections 9 and 10, Article 6, of the Primary Agreement) and their eligible dependents are insured under the Medical Plan ninety (90) days from the date of hire or the date the employee enrolls, whichever is later.
2. Medical Plan benefits will be provided in accordance with the provisions set forth as agreed to by the parties, which is made a part of this Agreement, to the extent that such provisions are in conformity with applicable Federal and State laws. If any such provisions require modification, such modification will be made by the Company.
3. The selection of the insurance carrier shall rest solely with the Company, and the Company will continue to provide benefits of not less than those agreed upon.
4. The Medical Plan will be administered solely by the Company.
5. The insurance carrier will make any supplementary provisions necessary to conform with insurance laws or codes, or at the direction of the Company to improve benefits or administrative procedures.

6. The Company will pay the premium cost for active employees and their dependents who are covered under the Medical Plan. (Refer to Memorandum of Agreement dated July 10, 1989)
7. In the event of any dispute involving an employee's eligibility for Medical Plan coverage, the dispute, at the request of the Union, may be subject for grievance and/or arbitration under the procedure set forth for grievance and arbitration in the Primary Agreement. No other matters concerning the Medical Plan shall be subject to the grievance or arbitration procedure.
8. This Medical Plan shall not be reopened for negotiations during the period set forth in this Addendum.

2. ARTICLE 1 NATURE OF AGREEMENT

Section 1 Undertaking by the Company

- 1.1 This Medical Plan shall extend insurance at Company expense which, in accordance with terms set forth hereinafter, will provide coverage for certain medical expenses incurred by eligible employees and their eligible dependents.

Section 2 Group Insurance Policy

- 2.1 Insurance will be provided, and benefits determined, solely by a group insurance policy.
- 2.2 The policy shall include the substance of the specifications set forth hereinafter to the extent that such specifications are in conformity to applicable Federal and State laws. If any such specifications require modification for inclusion in the policy, such modifications will be made by the Company in concert with the Insurance Company.

- 2.3 The selection of the Insurance Company, and the determination of supplementary provisions and/or insurance requirements, shall rest solely upon the Company.
- 2.4 This Medical Plan will be administered solely by the Company. No matter concerning this group insurance benefit plan or any difference arising thereunder shall be subject to the grievance or arbitration procedure, but rather shall be governed by the terms and conditions of the contracts issued by the Insurance Company to provide this coverage, except as to an employee's net credited service or basic rates of pay.

3. ARTICLE 2 GENERAL CONSIDERATIONS

Section 1 Nothing within this Agreement shall be construed as a guarantee of employment, nor of continuity of employment. Employees shall remain subject to the same considerations for employment or discontinuance of employment in the same manner as though this Agreement did not exist.

Section 2 This Agreement, and the fact of its existence, shall not stand to deter any changes in the Medical Plan with respect to coverage, or other related matter as initiated by the Insurance Company and/or organization furnishing benefits, as the case may be, in the usual or customary manner.

- 2.1 Nothing within this Agreement shall be construed to extend coverage within this Medical Plan to include any circumstance of accident, sickness, or medical condition for which coverage is not included in the Medical Plan.

Section 3 If an employee or his eligible dependent entitled to benefits under this Medical Plan for himself or his eligible dependent is disabled by injury caused by the negligence of a third party, such employee need not elect whether to

take such benefits or to pursue his remedy against such third party.

- 3.1 Such employee may take his benefits under this Medical Plan and the Insurance Company then shall have a lien on the proceeds of any recovery for such third party whether by judgment, settlement, or otherwise after the deduction of reasonable and necessary expenditures, including attorney's fees, incurred in effecting such recovery, to the extent of the total amount of benefits provided by this Medical Plan and paid.
- 3.2 Notice of such action by the employee against the third party shall be given within ninety (90) days thereafter, either to the Company or to the Insurance Company.
- 3.3 No compromise of any such course of action by the employee in an amount less than the benefits provided by the Medical Plan shall be made without the written consent of the Insurance Company.

Section 4 Any employee eligible for benefits under this Medical Plan who willfully or knowingly enters false or unfounded claims for benefits shall be subject to Company disciplinary action, including discharge, irrespective of any action that the Insurance Company may elect to take.

4. ARTICLE 3 SEPARABILITY AND INDEPENDENCE OF PROVISION

Section 1 Independence of Agreement

- 1.1 This Agreement stands separate and apart from all other Agreements that now exist, and that may come into existence, except as may be specifically set forth therein or herein with respect to any individual parts thereof.

Section 2 Separability of Provisions

- 2.1 No provision, application, nor practice arising from this Agreement, nor from the Group Policy for the Insurance, shall be construed as to alter, change, or modify the meaning, application, or the interpretation of any provision of any other Agreement between the parties except as may be specifically set forth in acknowledgment thereof.
- 2.2 The construction of the provisions of this Agreement shall be separate from the provisions of any other Agreement between the parties except where otherwise provided within this Agreement.

Section 3 Agreement is Complete

- 3.1 This Agreement contains the entire agreement between the parties. No changes shall be effective unless reduced to writing and executed by an authorized representative of each party in witness thereof.

5. ARTICLE 4 EFFECTIVE DATE AND TERMINATION DATE

This Addendum shall have the same effective date as the effective date set forth in the Primary Agreement between the parties and shall terminate on the termination date thereof.

Eligibility qualifications and specific benefits under the Medical Plan are set forth as agreed to by the parties which is made a part of this Agreement.

MEMORANDUM OF AGREEMENT
ADOPTION ASSISTANCE

Verizon agrees to make available the opportunity for regular full or part-time employees of the Company who are covered by the collective bargaining agreement to participate in the Adoption Assistance Plan which allows employees to claim reimbursement of expenses, up to \$10,000 per adopted child in accordance with existing Plan provisions.

The selection of the administrator, the administration of the Plan and all the terms and conditions relating thereto, and the resolution of any disputes involving the terms, conditions, interpretation, administration, or benefits payable shall be determined by and at the sole discretion of the Company. No matter concerning the Adoption Assistance Plan or any difference thereunder shall be subject to the grievance or arbitration procedure of the Collective Bargaining Agreement.

This Memorandum of Agreement is effective March 20, 2005 and shall expire on March 13, 2010. The parties specifically agree that the terms and conditions set forth in this Memorandum of Agreement shall also terminate on March 13, 2010 and shall not survive the expiration of this Memorandum of Agreement unless agreed to by the parties in writing.

ADOPTION ASSISTANCE PLAN

- Regular active status full and part-time employees are eligible for this benefit
- Available from the first day of active employment
- Adopted child must be:
 - Under 18 years of age
 - Over 18 years of age and physically or mentally incapable of caring for him/herself
- Includes adoption of a step child
- Reimbursement must be submitted within 90 days of adoption finalization
- Only expenses incurred during active service are eligible for reimbursement
- Covered expenses:
 - Legal fees and court costs

- Temporary childcare expenses prior to placement
- Necessary medical expenses for child being adopted
- Private or public adoption agency fees
- Medical expenses for biological mother
- Adoption-related transportation/travel expenses
- Expenses not covered:
 - Expenses for biological parents other than medical expenses related to the birth of child
 - Voluntary donations/contributions to the agency
 - Guardianship or custody expenses unrelated to adoption
- Maximum Expenses
 - \$10,000 for each eligible employee (no duplicate of expenses for employees who are both employed by Verizon)

**MEMORANDUM OF AGREEMENT
BUSINESS ATTIRE**

Verizon California Incorporated and Communications Workers of America (hereinafter “CWA” or “Union”) recognize the necessity to enhance and promote a professional businesslike image in the highly competitive telecommunications workplace. Therefore, standard business attire may be required of employees who perform installation and repair work, including customer premise work, associated with Fiber to the Premise (FTTP).

Other employees in job classifications with face-to-face customer contact may be offered to participate in this program on a voluntary basis at any time. Additional employees in job classifications who may be required to wear Business Attire under this program may be included by mutual agreement.

The Business Attire Program includes the following features:

- An annual allowance toward the purchase of Business Attire for the employee of up to \$240 the first year and up to \$180 per year thereafter.
- An approved catalog (hard copy or on-line) will be made available for the purchase of Business Attire.
- Purchases in excess of the allowances identified above

- will be borne by the employee.
- Additional Business Attire items may be purchased from the catalog at the employee's expense.
 - Employees who are required to participate in the Business Attire Program will wear approved Business Attire each day the employee is assigned to work.
 - Shirts may be ordered with or without the Union logo on the sleeve.
 - The employee will be responsible for the cleaning and continued upkeep of the Business Attire items, subject to applicable state regulations.
 - Baseball-style Verizon caps or other approved head wear must be worn if employees desire to wear a hat at work (except for required hard hats).
 - The Company may modify the features of this plan at any time, provided the costs of any changes are not borne by the employee. These modifications could include, but are not limited to, change from annual stipend to company provided or rental, vendors and catalog options. The provisions of the MOA have been entered into in good faith and it is not the Company's intent to arbitrarily modify or eliminate any features of the plan during the term of this agreement. The Company will discuss any modifications to this Program or change of vendor with the Union prior to implementation. These discussions will be designed to provide the rationale and receive input from the union of the modifications being contemplated.
 - It is further expected that all employees will exercise good judgment and common sense in projecting the proper professional image appropriate for their assignment and be neat, clean and well groomed.

Within California only, the Company and the Union will jointly identify a law enforcement agency which specializes in "gang activity". The parties will seek advice as to within which communities in our service territories, if any, it would be unsafe for our FiOS technicians to wear red branded shirts. Technicians assigned to a reporting location which services these communities will not be required to wear standard FiOS business attire nor will they receive a related stipend.

This Memorandum of Agreement will become effective March 20, 2005. The Company may terminate this MOA with 30 days notice to the Union should it decide to no longer require business attire to be worn by employees assigned to FTTP.

MEMORANDUM OF AGREEMENT
CUSTOMER ENGINEER DATA APPLICATION
TRANSPORTATION AGREEMENT

The parties agree that the Company will determine specific guidelines consistent with the following provisions:

1. Customer Engineer Data Application employees will be permitted to take a Company vehicle home at management's discretion.
2. An employee will be paid for all driving time that is in excess of either 50 miles or one hour, whichever occurs first, from the employee's residence.

Such time shall be paid at the employee's normal rate of pay and shall be considered as time worked for all purposes.

3. The Company will implement this transportation agreement on a voluntary basis.
4. The Company or Union may rescind this Memorandum of Agreement by written notice effective 30 days from receipt of such notice by the party of their intent to terminate.

MEMORANDUM OF AGREEMENT
CWA-COPE

The Company hereby agrees to honor contribution deduction authorization from its employees upon receipt of a properly-executed payroll deduction authorization, providing as follows:

"I hereby authorize General Telephone Company of California to deduct a minimum of fifty cents (\$.50) from my regular wages or the amount specified (\$____) each month and to

forward that amount to the CWA-COPE Political Contributions Committee. This authorization is voluntarily made on the specific understanding that the signing of this authorization, and the making of payments to the CWA-COPE Political Contributions Committee, are not conditions of membership in the Union or of employment with the Company, and that the CWA-COPE Political Contributions Committee will use the money it receives to make political contributions and expenditures in connection with federal, state and local elections.

It is understood that deductions I have authorized will be effective no later than the second payday following the receipt of my authorization card and the deductions will be made the second payday of the month. It is further understood that deductions suspended by reason of absence, such as during leave of absence or layoff, will be resumed automatically upon my reinstatement, except in instances of military leave.

I agree and understand that the deductions authorized shall continue until cancelled by me, by written notice, to the Company and Union."

The Union agrees to allow the Company to withhold from each deduction a service charge of three cents (\$.03) per contributor, per month.

It is understood and agreed by the Union that the Company assumes no responsibility in connection with the above deduction, except that of forwarding monies due to the CWA-COPE PCC.

MEMORANDUM OF AGREEMENT
DENTAL PLAN

Verizon California Inc. and Communications Workers of America agree to the provisions of the Dental Plan set forth in this Memorandum of Agreement.

For a summary of details refer to the appropriate Dental Benefits Summary Plan Description (SPD).

The annual deductible will be \$25.00 per individual for all regular full time and part time employees. The annual \$25.00 per individual deductible will be waived when an employee and/or his/her enrolled dependents use a Preferred Dental Provider (PDP).

Coverage under the Plan begins ninety (90) days from date of hire or the date which the employee enrolls, whichever is later. Effective July 1, 2005, this provision will also apply to part time employees.

Maintenance of Benefits (MOB) permitted to the level of benefits provided in the Dental Plan.

The monthly employee contribution shall be 0% of the premium for single coverage and 20% of the premium for employee-plus-one and family coverage.

The Plan will be administered solely in accordance with its provisions and no matter concerning the Plan or any difference arising thereunder shall be subject to the grievance or arbitration procedure of the Collective Bargaining Agreement. The selection of the Plan Administrator, the administration of the Plan and all the terms and conditions relating thereto, and the resolution of any disputes involving the terms, conditions, interpretation, administration, or benefits payable shall be determined by and at the sole discretion of the Company.

This Memorandum of Agreement is effective on March 20, 2005, and shall expire on March 13, 2010. The parties specifically agree that the terms and conditions set forth in this Memorandum of Agreement, including the Dental Plan, shall also terminate on March 13, 2010 and shall not survive the expiration of this Memorandum of Agreement unless agreed to by the parties in writing.

MEMORANDUM OF AGREEMENT
DEPARTMENTAL ORIENTATION

Verizon California Inc. and the Communications Workers of America agree that the Union will be given up to 30 minutes with each employee either during new hire orientation or at the

departmental orientation to discuss the following issues if they so choose:

1. Charitable Giving.
2. The structure of the CWA, the names and titles of the officers, local contact name(s) and telephone number(s) and available hours. Additional Union related information will be provided to new employees by the local CWA separate from the new employee orientation process and on the employees' own time.

Additionally, a brochure defining the roles and responsibilities of the National CWA may be distributed during the orientation.

The Company will determine the location of the above access and if the access will be group or individual presentations. Under normal conditions the Union local president or the steward assigned closest to the location of the orientation will conduct the meeting. If the Union representative is a Company employee and conducts the meeting during their scheduled work time, it will be paid as Union Business with pay.

The parties agree that this Memorandum of Agreement will remain in effect up to and including March 13, 2010 unless cancelled by either party with 30 days notice.

MEMORANDUM OF AGREEMENT **DRESS CODE**

GTE California Incorporated and the Communications Workers of America agree that the Company's public image is of vital importance both to the Company and its' employees and is to a large degree based upon the appearance of the Company's employees.

In meeting their responsibility for maintaining proper personal appearance, hygiene, and dress, employees will at all times be neat, clean, and well-groomed and exhibit a business-like appearance appropriate for their job assignments. A business-

like appearance may include, but is not limited to, company provided clothing and/or uniforms.

**MEMORANDUM OF AGREEMENT
EXCUSED ABSENCE (FAMILY LEAVE)**

Verizon California Inc. and the Communications Workers of America agree that employees who have exhausted their allowable time off as permitted by the FMLA who still need additional time off related to the serious health condition of an immediate family member may request such additional time through the HR Services Director or their designee. The Company will grant additional time off consistent with Article 24, Section 5 when such absence is supported by appropriate medical documentation.

This agreement is effective on March 20, 2005 and will expire on March 13, 2010 unless extended by mutual agreement of the parties.

**MEMORANDUM OF AGREEMENT
EXPENSE TREATMENT WITHIN
GEOGRAPHICAL BOUNDARIES**

Verizon California Inc. and the Communications Workers of America agree to the following lodging, meals and travel expense allowance interpretations, and administration within the geographical boundaries of the Company's operating territory:

1. Under Section 3, where "The Company reserves the right to specify the means of transportation," and where airplane transportation is specified by the Company, and the employee travels by airplane, the Company will provide the employee with ground transportation from the airport to their hotel/motel. Reasonable and appropriate transportation will also be provided as necessary for the employee to go back and forth from the motel to the work location or school and to obtain meals; however, this provision does not include furnishing a Company car to

each employee or employees.

- 1.1 If the employee who is traveling by airplane is on a temporary assignment for a period of two weeks or more and the employee elects to return home on weekends, he will be furnished roundtrip airfare at Company expense and he will travel on his own time, and furnish his own ground transportation.
2. Under Section 3, the employee will travel to the job and, when the job is complete, will return to his normal place of work on Company time and at Company expense. If the employee has received permission to use his own car and also elected expense allowance under board and lodging (Section 1.1) or daily allowance (Section 2), he will receive mileage for the first and last day for the total miles driven, and not be restricted to the 60 miles one-way limit provision which will apply if he elects to commute (Section 1.2). He will be allowed actual travel time up to a maximum of six (6) hours each way.
 - 2.1 If the employee who is using his own car to travel to and from the temporary assignment (under paragraph 2 above), and the period of the assignment is two (2) weeks or more, he may choose to return home on weekends on his own time and receive mileage not to exceed sixty (60) miles, one way.

This interpretation (2 and 2.1 above) will also apply to an employee who uses his own car in lieu of traveling by air.

For the purpose of supervisory approvals, accuracy of reporting, and administration of expense allowances, the full responsibility rests with the supervisor who is in charge of the work activity or school where the employee is temporarily assigned.

Prior to the temporary assignment, the employee's supervisor will discuss the three (3) options of expense allowances with the employee. In the event the employee elects the Company-paid lodging and applicable meal allowance, the employee's supervisor will be responsible for making the lodging

reservations from a prepared list of selected hotels or motels meeting Company approved arrangements, and arranging for reasonable and appropriate transportation. Employees will be required to use their Company Corporate Card for reimbursement of all expenses incurred on behalf of Verizon.

MEMORANDUM OF AGREEMENT
FAMILY RELATED SHIFT TRADES

The Company and the Union agree that when necessitated by emergencies related to work and family conflicts, employees may temporarily trade shifts when such trades facilitate resolutions to such conflicts. These trades are subject to the following conditions:

1. The involved employees must be fully capable of performing the temporary duties.
2. Such trades must be mutually voluntary.
3. Temporary is defined as two weeks or less.
4. Supervision reserves the right to verify such emergencies when deemed appropriate.
5. Trades may be made between part-time and full-time employees.
6. Trades must be pre-approved by supervision.
7. For the purposes of this Memorandum of Agreement "family" shall be defined as it is in Article 32, Section 3.2.1.

The parties agree that this Memorandum of Agreement is effective March 20, 2005 and will remain in effect up to and including March 13, 2010 unless mutually extended by the parties or cancelled by either party with proper notice.

MEMORANDUM OF AGREEMENT
FINGERPRINTING

Verizon California Inc. and the Communications Workers of America agree to the following process regarding the implementation of Assembly Bill 1610, Section 45125.1 of the California Education Code.

All current employees in the following classifications will be required to be fingerprinted for screening purposes:

Cable Splicer	Equipment Maintainer (where applicable)
Collector Maintainer	Equipment Specialist
Communications Specialist	Line Worker
Customer Engineer – Data Application	Network Assistant
Customer Service Technician I	Public Access Sales Technician
Customer Service Technician II	Sr. Communications Specialist
Customer Service Technician III	Special Equipment Installer
Equipment Installer Assistant	Sr. Special Services Provisioning Tech

Employees in the following classifications will be given the opportunity to volunteer for the fingerprinting screening:

Engineering Fielder
Equipment Installer
Facility Surveyor

This volunteer process will be used as long as there are enough volunteers to meet the demands of the service. If there are not sufficient volunteers, mandatory screening will be implemented.

If there are employees who do not successfully pass the fingerprint screening process, the Company will investigate the specifics with the employee with the Union present. Employees who fail the screening process and have not falsified any document regarding their conviction (i.e. employment application) will not be disciplined or terminated. Such employees will, however be restricted from going on school property at any time. While this will usually be accomplished with the employee remaining in their current

classification, the Company reserves the right to temporarily reassign them to another classification if necessary to meet the service demands. In these instances, pay will be handled per the provisions of the Collective Bargaining Agreement.

If there are employees who fail the screening process and falsified Company documents regarding their past conviction, the Region President and the Communications Workers of America District 9 Vice President or their designees agree to meet to discuss the appropriate manner to address these issues. If agreement can't be reached, the parties agree to obtain a mutually agreed upon 3rd party advisory opinion. If this is unsuccessful, the Company reserves the right to take disciplinary action, up to and including termination. If the Union disagrees with the Company's decision, they can file a grievance and request in writing to proceed immediately to arbitration as outlined in the Collective Bargaining Agreement.

All potential new hires, rehires and transfers into any of the above-mentioned classifications must successfully pass the fingerprint screening to be considered qualified for the position. All employees returning from a leave of absence to one of the above-mentioned classifications will be handled in the identical manner as current employees in the same classifications.

If the above-mentioned law is revised, the parties agree to revise this Memorandum of Agreement as is necessary.

If the above-mentioned process does not enable the Company to meet customer service demands, the Company reserves the right to revise the process after discussing the necessity of doing so with the Union.

The parties agree that this agreement will not set a precedent, nor will it be referred to in the future in any way except as it pertains to employee's covered by this agreement. Furthermore, it does not affect either parties rights under the Collective Bargaining Agreement on future matters.

MEMORANDUM OF AGREEMENT
FIOS JOBS OF THE FUTURE

Verizon California Inc. and Communications Workers of America, recognizing the extreme importance of Verizon FiOS to the future of Verizon, and where both parties are equally committed to ensuring the continued growth and prosperity of Verizon and its employees, and in furtherance of the positive working relationship between the parties, agree to the following:

Article 7, Use of Contracting of Work, shall not apply to any work-related activities associated with FiOS work. FiOS work-related activities may include using contractors to backfill regular wireline employees who are in FiOS training or performing FiOS work. Nonetheless, the use of contract labor to perform FiOS work-related activities shall not result in the lay off or part-timing of any regular employees who perform the same work-related activities associated with FiOS work.

The Company and Union agree to meet and confer monthly to review the progress of the FiOS build-out and related matters at a time and place mutually agreed to by both parties.

It is the intent of the Company and Union to conduct these meetings in the spirit of the ongoing California Company/Labor Partnership in all matters of communication, involvement, adaptability, integrity, trust and respect, realizing that both parties are responsible for promoting in a positive way the legacy of a viable and competitive future Verizon.

These meetings may be discontinued by mutual agreement between both parties.

This Memorandum of Agreement is effective on March 20, 2005, and shall expire on March 13, 2010.

MEMORANDUM OF AGREEMENT
FLEXIBLE WORKWEEK

Verizon California Inc. and the Communications Workers of America agree to permit the scheduling of a Flexible Workweek subject to the provisions stated below.

1. A Flexible Workweek is defined as a calendar week when an employee requests to work fewer than their scheduled hours on one day (i.e., 6 hours worked on a scheduled 8 hour day) and agrees to make up the hours on a different day or days in the same workweek (i.e., works 10 hours rather than 8 hours).
2. A Flexible Workweek can only be initiated by the employee, not the Company. It is not intended to be used by the Company to force time off in lieu of paying overtime. The employee must request both the time they wish to take off from their scheduled workweek and the day or days they are able to makeup the time.
3. Management will review each request and either approve or deny it based on service needs. This approval/denial will be done in an expeditious manner.
4. Beginning with posting of the schedule, requests will be approved/denied on a first come, first served basis. Requests submitted simultaneously will be addressed in seniority order.
5. Time worked in excess of eight hours on any day to make up time voluntarily taken off in accordance with this agreement will be paid at straight time and not at the overtime rate.
6. The use of the Flexible Workweek within any department/work group is subject to agreement between local management and the local Union leadership.
7. An agreed upon Flexible Workweek arrangement may be cancelled either by local management or the local Union leadership with 30 days notice.

This agreement will be effective until March 13, 2010.

MEMORANDUM OF AGREEMENT
FLEXTIME

GTE California Incorporated and the Communications Workers of America agree to the concept of flextime. At the request of either party, the feasibility of flextime will be explored. Design and implementation of a flextime plan for a work group must be mutually agreed to by the Company's departmental supervisor and the local union. The flextime plan will consist of:

Bandwidth - That time during which the office is open.

Core Time - That part of the day when all employees must be on the job.

Standard Work Day - Scheduled shifts.

Flextime - Flextime available before scheduled shift or after scheduled shift.

Flexible Lunch Break -

Attachment "A" (Flextime Guidelines) will be used by the parties as a guideline to design a flextime plan.

Once a flextime plan has been established, modifications to the plan must be mutually agreed to by department supervision and the local union. If an agreement to modify cannot be reached by the parties or either party wishes to discontinue the plan, the Company's department supervision or union may cancel the plan with ten (10) work days notice to the other party.

FLEXTIME GUIDELINES

Flexitime is a concept which allows redistribution of work hours. It does not change the number of hours worked, but merely allows for flexitime within a work week.

The goal is to allow flexibility in scheduling with the four basic constraints of:

1. Accumulating the necessary hours during the accounting period.
2. Being on the job during core time.
3. Being on the job when necessary to get the job done.
4. Working within the established bandwidth.

The bandwidth of the day, that time during which the office is open to employees, is enlarged, giving more latitude in the time span over which working hours can be chosen.

The criteria for operation under flexitime rules is as follows:

Accumulated Hours: 40 hours per normal week must still be worked.

Normal Work Day: 8:00 a.m. to 5:00 p.m. or normal service hours to the public or other GTE offices.

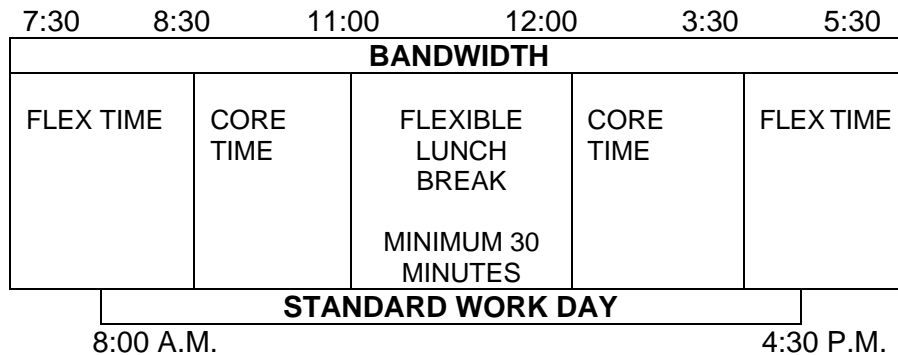
Minimum Service Coverage: Scheduling of functions during the day outside of core time will be determined on a department and/or unit level to reflect actual operating needs. Normally critical functions need to be covered only during the "normal work day" of 8:00 a.m. to 5:00 p.m. This is one of the important elements of flexitime and must be maintained for maximum flexibility.

- 1) Normal work week will consist of a 40 hour work week, unless authorized to work overtime.
 - A) Relief breaks are to remain the same as at present - 15 minutes duration.
 - B) Lunch breaks will be a minimum of 30 minutes and a maximum of one hour, providing the employee meets total hours requirements. A lunch period of longer than one hour may be arranged with supervisor approval.
- 2) While the basic goal is to provide flexible work hours, occasionally it may be necessary for the supervisor to adjust

flextime schedules in order to meet the requirements of the job or due to misuse of the program.

- 3) Time off during the core period must be approved by your immediate supervisor.
- 4) If you are off sick, you must notify your supervisor as soon as possible.
- 5) Bandwidth: That time during which the office is open.
 Core Time: That part of the day when all employees must be on the job.
 Standard Work Day: Scheduled shifts.
 Day:
 Flextime: Flextime available before scheduled shift or after scheduled shift.
 Flexible Lunch Break:

Example of flextime guidelines:



- 6) The above is intended to be a guideline. Flextime will vary in departments and workgroups based on what is feasible and agreed upon between the department and the Union.

Each employee should strive to arrive at their work location at their scheduled time. When this is not possible, flextime may be used, provided that it is within the departments' guidelines. Should an employee require time that deviates from the department guidelines, it must be with supervisor approval.

MEMORANDUM OF AGREEMENT
4/10 WORK SCHEDULE

GTE California Incorporated (hereinafter referred to as Company) and the Communications Workers of America (hereinafter referred to as Union) agree to implement a four (4) day workweek, ten (10) hours a day, forty (40) hours per week (hereinafter referred to as the 4/10 Plan). This Plan will be implemented pursuant to the provisions outlined below:

- I. The Company reserves the right to select the number of employees, classification(s), location(s) and work group(s) within the classifications in which the 4/10 Plan will be implemented. Also, the Company will reserve the right to determine when the Plan will or will not be utilized.

The Company will provide a copy of this Plan to each employee approved for the 4/10 work schedule.

If two-thirds of the affected employees in a workgroup present a petition to withdraw from the Plan, it shall be discontinued as agreed by the parties within forty-five (45) calendar days.

In order for the Company to reimplement the 4/10 Plan in a workgroup that has voted to discontinue the Plan, it will require a vote of a majority of the affected workgroup or an elapsed period of twelve (12) months.

- II. The Company or the Union will have the right to terminate this Memorandum of Agreement on the thirtieth (30th) calendar day following receipt by the other party of the written notice to terminate.
- III. Nothing relative to Section I of this Agreement shall be subject to the grievance and arbitration procedures. However, alleged violations relating to the remaining sections shall first be submitted in writing by the National Union to the Labor Relations Department. If the parties cannot reach an agreement within forty-five (45) calendar days from the date the alleged violations occurred, the provisions of Article 12 and 13 of the Labor Agreement shall apply.

- IV. Session: First and Second Sessions will be separated by the lunch period. The First Session will not exceed five hours.
- V. Relief Breaks: No additional relief breaks. The current relief break provisions will apply.
- VI. Sickness and Accident Benefits: Employees absent sick while working on the 4/10 schedule will be compensated at 75% of their normal base wage up to ten hours.
 - A. Benefits eligibility and applications will be in accordance with the provisions in Article 32 of the Labor Agreement.
 - B. Employees will have up to ten (10) hours deducted from their total accumulated hours for each absent day.
- VII. Absent Death Benefits: Eligible employees will be compensated up to ten (10) hours per day at 75% of their normal base wage up to three (3) days. An additional day can be taken with supervisors approval.
- VIII. Overtime: All contractual provisions relative to regular or overtime compensation will apply except the time and one-half rate does not apply until the employee has worked beyond ten (10) hours in a day.
- IX. Premium Pay (Sunday or Holiday): Employees scheduled to work on Sunday and/or Holiday will be compensated at the rate of one and one-half times their base pay up to ten (10) hours.
- X. Holidays.
 - A. Legal Holidays

Whenever a legal holiday occurs during the week, management, at their discretion, can change the 4/10 schedule to a 5/8 schedule. Employees whose

schedules are not changed to a 5/8 schedule will receive ten (10) hours holiday pay.

B. Personal Holidays

Personal holidays will be converted to hours up to a maximum of forty (40) hours. An employee scheduled off for a personal holiday will be compensated for up to ten (10) hours. The compensated hours will be deducted from the employee's total holiday hours.

Holidays must be scheduled in increments of ten (10) hours, unless the remaining total hours are less than ten (10) hours.

Personal holidays scheduled on days off will not count toward the workweek for overtime purposes.

Holidays not scheduled by October 15 of each calendar year will be scheduled pursuant to Article 23, Section 3.3.

Example:

S	M	T	W	TH	F	S
	PHT	PHT	PHT	10	2 (HT)	Day off

This employee would receive forty-two (42) hours of straight time wages; thirty-two (32) for holiday time and ten (10) hours for productive time.

All holiday eligibilities and applications will be pursuant to the provisions in the Labor Agreement.

XI. Jury Duty and Witness Pay: The supervisor at his discretion can convert the employee's schedule to 5/8.

XII. Vacation: Full week (four days) - Employee's 4/10 schedule will be changed to 5/8.

Vacation: Day-at-a-time (less than four days) - Employee will be paid up to ten (10) hours for each day-at-a-time

vacation. The employee will have up to ten (10) hours deducted from his accumulated vacation hours for each day-at-a-time vacation taken.

XIII. Meal Differential:

- A. Normal workweek (4/10 schedule) - Paid after working two hours or more beyond the end of his ten-hour shift.
- B. Scheduled days exceeding the Normal Workweek - Paid after working two hours or more beyond the end of his eight-hour shift.

Example:

S	M	T	W	TH	F	S
	12	12	12	12	10	10

Item A

Item B

XIV. Flextime: At management's discretion, the flextime program may be discontinued for employees on the 4/10 Plan.

XV. Inclement Weather: Each day an employee is unable to perform his job function because of inclement weather, he will be treated as if his schedule was for a ten (10) hour day. Provisions of Article 20 will be implemented as follows:

Section 1.1 - As written

Section 1.2 - Four hours will be changed to five hours

Section 1.3 - Four hours will be changed to five hours

Except as expressly modified in the Agreement, all rights and provisions contained in the Labor Agreement remain in effect. This Agreement will continue in effect until one of the parties exercises the option provided under Section II.

MEMORANDUM OF AGREEMENT
GLOBAL POSITIONING SYSTEM (GPS)

Verizon California Incorporated and Communications Workers of America (hereinafter "CWA" or "Union") agree that the GPS is designed to facilitate work efficiencies and employee safety through vehicle tracking.

If the Company identifies through GPS reports a possible work rule infraction, supervision will discuss the possible infraction with the involved employee and, if the work rule infraction did in fact occur, supervision will offer coaching to correct the identified behavior. If the Company identifies future work rule infractions through GPS, the Company and the Union will meet with the employee to discuss the nature of the infraction and Company performance expectations. If there are future infractions which are identified through GPS, disciplinary action may be taken. The Union reserves the right to challenge any disciplinary action through the applicable provisions of the CBA.

This Memorandum of Agreement will become effective March 20, 2005 and shall expire on March 13, 2010. The parties specifically agree that all the terms and conditions set forth in this Memorandum of Agreement shall also expire on March 13, 2010 and shall not survive the expiration of this Memorandum of Agreement, unless agreed to by the parties in writing.

MEMORANDUM OF AGREEMENT
HEARING AID BENEFIT

Verizon California Inc. and the Communications Workers of America agree to implement a Hearing Aid Benefit as set forth in this Memorandum of Agreement.

Employees are automatically eligible for the Hearing Aid Benefit after enrollment in any Verizon medical option. If an employee should waive Verizon medical coverage the employee will not be eligible for the Hearing Aid Benefit.

This benefit provides reimbursement of expenses for the actual

cost of single or bilateral hearing aid devices, molds, and adjustments, when prescribed by a licensed primary care physician, specialist or audiologist. Repair and replacement costs are covered unless due to loss or misuse. The cost of one HMO office visit co-payment, or one hearing examination by a licensed physician or audiologist is included and reimbursable if such cost is actually incurred in connection with the diagnosis and prescription of a hearing aid device.

The benefit is not subject to any deductible, co-payment, reasonable and customary limitations, or network/participating provider requirements. There are no limitations or exclusions based on how the hearing impairment was caused or occurred.

The maximum reimbursement under this benefit is \$1000 per covered individual every 24 months. The benefit will not coordinate with any hearing aid benefit of any other health plan.

Reimbursement under the benefit is contingent upon the claimant's timely submission of a completed claim form, along with copies of the relevant receipts and prescription. A timely submission is one that is made during the two-year benefit period, or within 90 days of the earlier of: the last day of the two-year period, or the last day of active Verizon employment. Verizon, in its sole discretion will determine the claims administrator, and the benefit funding method to be used.

This Memorandum of Agreement shall be effective March 20, 2005 and shall expire on March 13, 2010. The parties specifically agree that the terms and conditions set forth in this Memorandum of Agreement shall also terminate on March 13, 2010 and shall not survive the expiration of this Memorandum of Agreement unless agreed to by the parties in writing.

MEMORANDUM OF AGREEMENT
HMO ENROLLMENT AND PART-TIME CONTRIBUTIONS

Employees hired on or after July 1, 1989, may elect to join an approved Health Maintenance Organization (HMO). Such employees may not elect to join the Medical Plan.

Participation in the Medical Plan may be permitted for such employees in the event an approved HMO is not located within 25 miles of the employee's normal work location.

Employees electing coverage in an HMO or the Medical Plan will be eligible for coverage upon completion of three (3) months of credited service. Effective July 1, 2005, regular full-time and part-time employees electing coverage in an HMO or Medical Plan will be eligible for coverage ninety (90) days from date of hire or the date the employee enrolls, whichever is later.

Part Time Contributions

Part-time employees hired on or after July 1, 1989 will be eligible for medical coverage subject to the following schedule through June 30, 2005:

<u>Average Hours Worked Per Week</u>	<u>Company Contribution</u>
0 – less than 17.5 hours	0%
17.5 - less than 22.5 hours	50%
22.5 – less than 30 hours	75%
30 + hours	100%

Effective July 1, 2005, part-time employees hired on or after July 1, 1989 will be eligible for medical and dental coverage subject to the following schedules:

Medical		Dental		
Hours Scheduled per Week	Company Contribution	Hours Scheduled per Week	Company Contribution	
			EE	EE+ 1/Family
0 - less than 17 hours	0%	0 – less than 17 hours	0%	0%
17 – less than 25 hours	50%	17 – less than 25 hours	50%	50%
25 + hours	100%	25 + hours	100%	80%

**MEMORANDUM OF AGREEMENT
HOME DISPATCH**

The parties agree that the Company may establish "Home Dispatch" in those locations and among those classifications where it is determined by the Company to be economically and

operationally feasible. The Company will develop specific guidelines consistent with the following provisions:

- I. While the Company will determine eligible groups, in general it will be those employees whose normal work assignment makes it possible to start and/or end the tour at a location other than the official reporting location. Home Dispatch will be offered by classification within a work group, as defined in Article 6, Section 16 of the Labor Agreement.
- II. Participating employees will obtain their job assignment and report directly to the location of the assignment by the normal start of the tour in a Company vehicle instead of to a reporting center in their personal vehicle. At the end of the tour, employees will take the Company vehicle home. Travel time to the first assignment and from the last assignment is not paid time.
 - A. An employee whose first assignment of the day is to a job site outside of the area serviced by his normal work location shall be paid for all driving time in excess of thirty (30) minutes.

An employee whose last assignment of the day is outside of the area serviced by his normal work location shall be paid for all driving time in excess of thirty (30) minutes.

Such time shall be paid at the employee's normal rate of pay and shall be considered as time worked for all purposes.
- III. The Company will implement the Home Dispatch program on a voluntary basis.
- IV. Employees will not be required to use personal time to maintain Company vehicles; however, they will be expected to oversee the condition of the vehicle in accordance with the Company's preventative maintenance program and exercise care in the parking and storing of the vehicle.

- V. Should the Company decide to discontinue the program, a 30-day notice will be given to the local union and employees who are participating. Employees desiring to discontinue participation may be required to provide a 30-day notice. Employees who deviate from the provisions of the program may be removed from participation at management's discretion.

- VI. The participating employee is expected to do the following:
 - A. To insure the vehicle is properly stored, operated, and maintained. It is management's discretion, if required, to designate an alternate Company owned or leased parking site to keep vehicles free from vandalism.

 - B. To use the vehicle only in performing work and traveling between work locations and the employee's residence or other designated parking location. While the vehicle is at the employee's residence, the vehicle is to be locked and parked in a safe and legal location. The safety cone behind the vehicle is not required; however, a safety check is to be performed before the vehicle is moved. Back-in parking is recommended, where applicable, to avoid backing accidents when leaving for work.

 - C. Vehicles are to be used only for official Company business. No personal use shall be authorized. A brief (5-10 minute) stop, while in direct route to first assignment or after last assignment while in direct route home, is not considered personal use.

 - D. Passengers, other than those authorized for business purposes, will not be allowed in Home Dispatch vehicles.

- VII. Maintenance and Operational Responsibilities.

Operation and maintenance of vehicles involved with the program are an expense of the business. Therefore, tolls, fees, and other motor vehicle usage costs (except for those tolls normally incurred by the employee between their residence and work location) will be paid by the Company under established voucher provisions.

The employee assumes certain responsibilities associated with an assigned vehicle. These responsibilities include:

- A. Adhere to vehicle maintenance schedules as required by Fleet Operations.
- B. Perform vehicle inspections during fuel stops such as: checking tire pressure, water levels, oil levels, etc. It is the employee's responsibility to notify their supervisor of other repair needs such as engine running rough, need for new tires, etc. It is the employee's responsibility to report safety related defects. Any vehicle in need of repair should be brought to the nearest authorized repair facility if safe to do so. The employee should contact their supervisor so the supervisor can coordinate these repairs with Fleet Operations.
- C. The Primary fueling location is the fuel facility on Company property. Alternate fueling locations may be designated service stations within the community.
- D. The Company accepts the responsibility to provide vehicle washing based on the availability in the area.
- E. The employee will account for out-of-pocket expenses for tolls, ice, parking fees, etc. The supervisor will be responsible for advising the employee of the procedures to be followed for both incurring these costs and being reimbursed.
- F. The supervisor will coordinate both scheduled and

unscheduled vehicle maintenance. The employee will deliver the vehicle to a designated location during work time and be provided a traveling vehicle by their supervisor, or the vehicle maintenance will be performed while the employee is on vacation. Should it become necessary to perform unscheduled maintenance during working hours, the employee will be provided an alternate vehicle.

- G. If the vehicle should break down while the employee is traveling to his first assignment, the employee's pay commences at the start of their tour. If the vehicle breaks down after the tour ends, the employee will be paid until the vehicle is repaired or provided with appropriate transportation.
- H. While the employee is on vacation, the Company vehicle will be returned, if necessary, to the employee's current reporting location, so routine or schedule maintenance can be performed on the vehicle. Unless the employee's supervisor makes other arrangements, it will be the employee's responsibility to return the Company vehicle prior to vacation and retrieve the vehicle within a time frame to perform their first dispatch assignment after returning from vacation.

VIII. Meetings.

The Company recognizes the necessity to assemble employees participating in the Home Dispatch Program for meetings at Company designated locations. Meetings may be called by supervisors whenever necessary for: safety meetings, tour schedule bidding, procedural changes, general announcements, paycheck distribution, training, etc. The local union will be notified of the time and location of safety meetings and will have the opportunity to be present. Notification will normally be at least 48 hours prior to such meetings.

IX. Tours.

It will be the employee's responsibility to be at their first dispatch location at the start of their tour. The employee will work until the end of the tour. Travel time to the first assignment and from the last assignment will not be paid.

- X. In the event an employee is required to manually call the Company to receive his first assignment, the employee will have such time for this call considered as work time and part of his scheduled work day. Employees who live outside the calling area will be issued and use a Company calling card or will call an established 800 number if necessary to obtain his first assignment. If an employee's assignment is not available when the Company is contacted, the employee will contact his supervisor or report to a designated work location.
- XI. This Memorandum of Agreement is effective March 20, 2005 and shall expire March 13, 2010 unless extended by mutual agreement of the parties.

**MEMORANDUM OF AGREEMENT
INCOME SECURITY PLAN (ISP)**

1. Verizon California Inc. and Communications Workers of America recognize the need for technological change in the business and hereby enter into this Memorandum of Agreement (hereinafter referred to as the Agreement). In order to lessen the economic impact upon regular employees who become surplus due to technological change, the Company and the Union agree to establish the INCOME SECURITY PLAN (the Plan). "Technological change" shall be defined as a change in plant or equipment, or a change in a method of operation, diminishing the total number of regular employees required to supply the same services to the Company or its subscribers. "Technological change" shall not include layoffs or force realignments caused by business conditions, variations in subscribers' requirements, or

temporary or seasonal interruptions of work.

When technological change brings about any of the following conditions, the Plan shall apply:

- A A need to layoff and/or force realign employees in any job title.
- B Reassignment of regular employees to permanent headquarters fifty (50) miles or more from the employee's permanent headquarters.

2. During the term of this Agreement, if the Company notifies the Union in writing that a technological change has created, or will create a surplus in any job title in any work group and/or work location, regular employees meeting the following qualifications shall be eligible for Plan participation:

- A Accredited service of one year or more.
- B No comparable assignment available within fifty (50) miles of the former permanent headquarters and/or refusal of reassignment to a new permanent headquarters fifty (50) miles or more from the former permanent headquarters.

However, the Company reserves the right to apply this Plan to any surplus in force, whether or not it is brought about by technological change that the Company deems appropriate.

All elections shall be voluntary and acceptance by the Company will be in order of seniority.

3. The Company reserves the right to determine the job titles and work group(s) and/or work location(s) in which a surplus exists, the number of work groups and/or work locations in which a surplus exists, the number of employees in such titles and locations which are considered to be surplus, and the period during which the employee may, if he or she so elects, leave the service of the Company pursuant to this Plan. In no event shall the number of employee elections accepted under the terms of the Plan exceed the number of employees determined by the Company to be surplus.

4. For those employees who are eligible in accordance with Sections 1 and 2, the Company will provide the following

ISP Termination pay benefits:

- A. ISP Termination Allowance of \$1,100, less withholding taxes, for each completed year of accredited service up to and including thirty (30) years for a maximum of \$33,000 prior to withholding taxes. The ISP Termination Allowance is not prorated for any partial year of service.
- B. In addition to the ISP Termination Allowance, the Company shall pay an employee who has left the service of the Company with ISP benefits an ISP Expense Allowance not to exceed \$750, less withholding taxes, for each completed year of accredited service for a maximum of \$3,750 prior to withholding taxes. The ISP Expense Allowance is not prorated for any partial year of service.

The combined maximum ISP Termination pay benefit payable as set forth in Paragraphs A and B of this Section 4 shall in no event exceed a total of \$36,750.

The dollar amounts set forth in this Agreement shall be prorated for regular part-time employees based on the average hours worked during the last twenty-six (26) pay periods; i.e., average of thirty (30) hours worked per week would result in termination benefits paid at 75% of those set forth in Paragraphs A and B of this Section 4.

5. Employees eligible for ISP Termination Allowance in accordance with Section 2 will receive a lump sum payment for the entire amount of the ISP Termination Allowance paid in the month following the month in which the employee leaves the service of the Company.
6. Reemployed employees must complete one (1) full year of accredited service with the Company before becoming eligible again for termination benefits. Those employees who have previously received termination benefits of any kind shall be eligible for ISP Termination Pay benefits based on their most recent date of hire in lieu of their accredited service date as outlined in paragraphs 4 A and B above.

7. All benefits payable under the Plan are subject to legally required deductions.
8. Termination benefits shall not be made if the termination is the result of any sale or disposition by the Company, of the exchange or office at which the employee is working, or from which the employee is assigned to work, when the employee is continued in the employment of the new management of the exchange or office.
9. An employee's election to leave the service of the Company and receive termination pay benefits must be in writing and transmitted to the Company within fourteen (14) calendar days from the date of the Company's offer in order to be effective, and it may not be revoked after such fourteen (14) calendar day period.
10. This Agreement will be implemented prior to invoking the provisions of Article 8 (Force Realignment) of the Collective Bargaining Agreement, when conditions set forth in Section 1 of this Agreement exist as determined by the Company.
11. Neither the right to effect a technological change, the determination of a surplus condition, eligibility for participation in the Plan, nor any part of this Plan or Agreement shall be subject to the arbitration procedure of the Collective Bargaining Agreement.
12. This Memorandum of Agreement is effective on March 20, 2005 and shall expire on March 13, 2010. The parties specifically agree that the terms and conditions set forth in this Memorandum of Agreement shall also terminate on March 13, 2010 and shall not survive the expiration of this Memorandum of Agreement unless agreed to by the parties in writing.

MEMORANDUM OF AGREEMENT JURISDICTIONAL BOUNDARIES

Verizon California Inc. and the Communications Workers of America agree to the following relative to permitting CWA members to cross jurisdictional lines:

1. This agreement is not intended to supplant workers in either bargaining unit. It is intended to maximize the use of regular employees and lessen the use of contractors.

2. When a work group is facing a force reduction of employees due to lack of work, the Company may temporarily assign such employees across jurisdictional boundaries to avoid a layoff. The Company will notify the Union in advance of the temporary assignment. The normal duration of these assignments will not exceed 90 days unless agreed upon by all parties.

3. Employees may cross jurisdictional boundaries when necessitated by natural disasters, severe weather conditions, civil unrest or excessive workload. The Company will notify the Union in advance of these instances. Listed below are a few examples of "excessive workload":
 - A. When sufficient manpower is not available locally to complete a work order(s) in Infrastructure Provisioning, the Company may utilize employees across jurisdictional lines to complete the required work (COEI and/or Outside Plant).

 - B. When service order installation and/or repair work is too excessive within one Union's jurisdiction to meet customer demand given current manpower levels, the Company may utilize employees represented by the other Union to complete the work in a timely manner.

4. If represented employees of one union possess a skill or have training required to complete a job assignment which is not possessed by represented

employees of the other union, such trained/skilled employees may cross jurisdictional boundaries to complete the assignment. Management will take the necessary steps to train a member of the affected location as soon as possible to minimize future similar occurrences.

5. When bargaining unit employees are assigned work within the jurisdiction of the other collective bargaining agreement in which there exists a higher rate of pay for the same work, a wage differential will be paid. The wage differential shall apply for the entire time of the assignment. This differential will be paid step to step.

If other circumstances dictate the assignment of Union represented employees across jurisdictional boundaries, the Company agrees not to make such assignments without notifying the Unions and seeking approval. Should consent by all parties not be possible, the Company shall determine the alternatives available, based on legitimate business needs, and make a decision to proceed or not proceed with the assignment. The Company recognizes both Unions' right to file a grievance in such cases.

This agreement is effective on March 20, 2005 and shall expire on March 13, 2010, unless agreed to by both the parties in writing.

MEMORANDUM OF AGREEMENT
LEAVE OF ABSENCE – VACATION ELIGIBILITY

An employee who returns from a leave of absence, for which credited service is not granted, will be eligible to take an accrued vacation when he has completed twelve months of credited service, computed from the date he was last eligible for vacation, prior to going on leave.

The required completion of 12 months of service is computed by adding the two periods (1) amount of service accrued between date of last vacation eligibility and the start date of the leave, plus (2) date returned from leave up to the accumulation of 12 months of credited service.

Under the provisions stipulated herein, such employee's vacation eligibility date will return to January 1 of the year following the accrual of twelve months of credited service.

For example:

An employee begins a six-month leave of absence, for which credited service is not granted, on 10/1/77. This employee has five years of service and was eligible for two weeks' vacation on 1/1/77. (Note: He would have either taken his 1977 vacation prior to 10/1/77 or have been paid for it at the time he went on leave.) The employee returns to work on 4/1/78.

To be eligible for a vacation in 1978 the employee will have to work three months. When combining the three months worked in 1978 with the nine months worked in 1977, the employee would meet the requirement of accruing twelve months of credited service.

To summarize the example:

<u>Action</u>	<u>Date</u>	<u>Computation</u>
Leave begins	10/1/77	Employee accrued nine months' vacation eligibility in 1977 (1/1/77 to 9/30/77)
Returns from Leave	4/1/78	
Accrues 12 months' service	7/1/78	4/1/78 to 6/30/78
Eligible for 1978 Vacation	7/1/78	Nine months in 1977 and three months in 1978
Eligible for 1979 Vacation	1/1/79	

MEMORANDUM OF AGREEMENT
LONG TERM DISABILITY (LTD)

In recognition of the impact a prolonged disability can have on income security and as a valuable supplement to the short-term disability benefits currently provided by the Company, Verizon California Inc. and the Communications Workers of America agree to continue a Long-Term Disability (hereinafter referred to as LTD) plan subject to the following provisions.

1. Regular full-time employees are eligible to participate in the LTD plan, subject to the following requirements:
 - Coverage under the Plan begins ninety (90) days from date of hire or the date which the employee enrolls, whichever is later.
 - Enrollment during the first ninety (90) days of employment (new hires).
 - Enrollment during the initial Company-designated enrollment period (incumbents with ninety (90) days of continuous employment).
 - Enrollment during periods not mentioned and/or when opting up or increasing the LTD benefit level additionally require regular full-time employees to submit evidence of good health at their expense and approval by the Plan Administrator
 - The disability is not caused by participation in an assault, crime or illegal occupation, an intentionally self-inflicted injury, war or act of war.
 - The disability does not result from Pre-existing Conditions that existed within ninety (90) days before the date LTD coverage began. Coverage for Pre-existing Conditions begins twelve (12) months after the coverage effective date.
 - The contributions are continuously paid following

enrollment.

2. The cost of the LTD plan coverage will be paid by the employee. Contributions for coverage may change from time to time. Should this occur, the Company agrees to notify the Union in writing, within fifteen (15) calendar days prior to the date of modification, specifying the cause for any change in the contribution rate.
3. The LTD plan shall pay monthly benefits as follows:
 - Up to 50% of the employee's basic monthly earnings, up to a maximum of \$3,000 per month, or
 - Up to 60% of the employee's basic monthly earnings, up to a maximum of \$5,000 per month

Monthly benefits shall be coordinated and reduced by any amount received by Worker's Compensation (or its equivalent), primary and dependent disability or retirement benefits from Social Security, payments under any other State or Federal disability benefits law, GTE pension plan (if applicable), Company-provided salary continuation plan (ISP, layoff allowances) or any other plan which provides income benefits.

- A. The employee must apply for primary and dependent (if applicable) Social Security disability benefits.
 - B. Plan benefits are not payable for any period of disability during which the employee refuses or fails to apply for Social Security disability benefits or to appeal any denied claim for Social Security benefits.
4. Benefits will be paid, provided the Plan is in force, if eligible employees have been continuously and totally disabled, under the care of a physician and absent

from work for twenty-six (26) weeks or if the disability has resulted in twenty-six (26) weeks of absence during a period of fifty-two (52) consecutive weeks and the eligible employees have been under the care of a physician.

- Monthly benefits will be paid for twelve (12) months, if the disability prevents eligible employees from performing their regular work or an alternative occupation with similar earning potential.
- Monthly benefits will be paid following this twelve (12) month period, if the disability prevents eligible employees from performing any work for which they are otherwise qualified to perform.
- If eligible employees become disabled prior to age sixty (60), benefits will be paid up to their 65th birthday.
-
- If eligible employees become disabled on or after age sixty (60), benefits will be paid according to the following schedule:

<u>Age of Disability</u>	<u>Benefits Paid to Age</u>
60	65
61	66
62	67
63	68
64	69
65	70
66	70
67	70
68	71
69	72
70	72
71	72.5
72	73.5
73	74.5
74	75.5
75+	For 1 year

- Disabilities as a result of a mental health disorder, alcoholism or drug addiction will generally result in monthly LTD benefits for no longer than twelve (12) months.
5. During the period LTD benefits are paid, eligible employees will continue to receive life, medical and dental insurance coverage in accordance with the Collective Bargaining Agreement between Verizon California Inc. and the Communications Workers of America. Accredited Service will be applied toward eligible employees' pension calculations until the disability benefits end or the eligible employee retires, quits or dies.
 6. The amount and availability of benefits under the LTD Plan are governed by the provisions of the Plan and the insurance contract. Any benefits received will be determined under the terms of the Plan in effect at the time eligible employees receive the benefits in question. The operation and administration of the LTD Plan, selection of the insurance carrier, eligibility for the benefits, cost of coverage, eligibility requirements, all terms and conditions related thereto and the resolution of any disputes involving the terms, conditions, interpretation, administration or benefits payable shall rest with the Company and shall not be subject to the grievance or arbitration procedures set forth in the Collective Bargaining Agreement.
 7. This Memorandum of Agreement is effective on March 20, 2005 and shall expire on March 13, 2010. The parties specifically agree that the terms and conditions set forth in this Memorandum of Agreement, relating to the Long-Term Disability Plan, shall terminate on March 13, 2010 and shall not survive the expiration of this Memorandum of Agreement, unless agreed to by the parties in writing.

MEMORANDUM OF AGREEMENT
LUMP SUM PAYMENT OPTION

Verizon California Inc. and Communications Workers of America agree to continue the lump sum payment option under the Plan for Hourly Employees' Pensions (hereinafter referred to as the Plan).

Regular employees, who are eligible to receive a single life annuity from the Plan, will be provided a lump sum payment option, which will be based on the present value of their single life annuity.

The amount and availability of benefits under the Plan are governed by the provisions of the Plan and subject to the Internal Revenue Code and related regulations. Any payments received will be determined under the terms of the Plan in effect at the time regular employees receive the payments in question. The operation and administration of the Plan, the calculation of the lump sum benefit, eligibility requirements, all terms and conditions related thereto and the resolution of any disputes involving the terms, conditions, interpretation, and administration of the Plan shall rest with the Company and shall not be subject to the grievance or arbitration procedure set forth in the Collective Bargaining Agreement.

This Memorandum of Agreement is effective on March 20, 2005, and shall expire on March 13, 2010. The parties specifically agree that the terms and conditions set forth in this Memorandum of Agreement, relating to the lump sum payment option, shall terminate on March 13, 2010, and shall not survive the expiration of this Memorandum of Agreement, unless agreed to by the parties in writing.

MEMORANDUM OF AGREEMENT
MEDICAL BENEFITS 'OPT-OUT' CREDIT AND
SPOUSAL SURCHARGE

Effective July 1, 2005, the following options are available to employees and their eligible dependents pertaining to enrollment in a Company-sponsored medical plan or HMO:

1. In situations where employees elect to cover their spouse where the spouse is eligible for medical coverage from another employer, the spouse's medical plan is considered primary and the employee's plan is considered secondary. In this situation no additional employee contribution is applicable.

2. In situations where employees elect not to enroll themselves and their eligible dependents in a Verizon Company-sponsored medical plan or HMO, the employee is eligible for an annual "opt-out" credit of seven hundred dollars (\$700).

3. In situations where employees elect not to enroll their spouse in a Verizon Company-sponsored medical plan or HMO, the employee is eligible for an annual opt-out credit of three hundred fifty dollars (\$350).

Note: The credits described in paragraphs 2 and 3 may be prorated and will be given to the employee over twelve (12) months on his/her bi-weekly paycheck. In order to be eligible for this credit, the employee may be required to provide satisfactory evidence of medical coverage upon request.

4. In situations where employees elect to cover their spouse where the spouse is also eligible for medical coverage from his/her employer and does not enroll in that medical plan, a 'spousal surcharge' shall apply.

- a. The spousal surcharge shall apply to all medical plan options.
- b. The spousal surcharge of \$40 per month will be deducted from the employee's bi-weekly paycheck.
- c. The spousal surcharge shall not apply:
 - In a plan year in which the spouse's gross base wage rate on an annualized basis of the previous July 1 from his/her employer who provides medical coverage is \$25,000 or less, or
 - If the spouse's annual individual

- premium contributions would be \$900 or more under his/her employer's plan.
- d. In situations where both the employee and the spouse are eligible for enrollment in a Verizon medical plan based upon their employment status:
- The spousal surcharge shall not apply if both spouses are Verizon associates.
 - The spousal surcharge shall apply if one spouse is an associate and one spouse is eligible for Verizon management medical options and coverage under the associate medical option is elected for the spouse who is eligible for Verizon management medical options.

This Memorandum of Agreement is effective on March 20, 2005 and shall expire on March 13, 2010. The parties specifically agree that the terms and conditions set forth in this Memorandum of Agreement shall terminate on March 13, 2010 and shall not survive the expiration of this Memorandum of Agreement, unless agreed to by the parties in writing.

MEMORANDUM OF AGREEMENT MEDICAL PLAN

Verizon California Inc. and Communications Workers of America agree to the Medical Plan benefits set forth in this Memorandum of Agreement. Current benefits will remain in effect. New benefits as identified in the attachment will be effective July 1, 2005, unless indicated differently.

The provisions set forth in Addendum Two to the Collective Bargaining Agreement will apply to the Medical Plan and will remain in effect up to and including March 13, 2010. This Memorandum of Agreement and the terms and conditions set forth within shall terminate at midnight on March 13, 2010, unless extended by mutual agreement of the parties.

POINT OF SERVICE PLAN

<u>COVERAGE ITEM</u>	<u>IN NETWORK</u>	<u>OUT-OF-NETWORK</u>	<u>OUT-OF-AREA</u>
Deductible	\$0	\$350 Individual \$700 Individual + one \$1050 Family	\$150 Individual \$300 Individual + one \$450 Family
Annual Out-of-Pocket Maximum	\$0	\$2000 Individual \$4000 Individual + one \$6000 Family	\$1500 Individual \$3000 Individual + one \$4500 Family
Maximum Lifetime Benefit	\$2,000,000	\$2,000,000	\$2,000,000
Office Visit Co-Pay	\$15 per visit	75% of R&C after deductible	80% of R&C after deductible
Chiropractic Care	\$15 per visit	50% of R&C after deductible \$10,000 annual limit	80% of R&C for covered services after deductible
Podiatry	\$15 per visit	75% of R&C after deductible	80% of R&C for covered services after deductible
Surgeon & Asst. Surgeon	No Charge	75% of R&C for covered procedures after deductible	80% of R&C for covered procedures after deductible
Anesthetist, Physicians, Hospital Visit	No Charge	75% of R&C for covered procedures after deductible	80% of R&C for covered procedures after deductible

Physician Home or Office Visits	\$15 per visit	75% of R&C for covered procedures after deductible	80% of R&C for covered procedures after deductible
Radiology & Laboratory	No Charge	75% of R&C for covered procedures after deductible	80% of R&C for covered procedures after deductible
Physiotherapist	No Charge	75% of R&C for covered procedures after deductible	80% of R&C for covered procedures after deductible
Acute Semi-private room, ICU etc.	No Charge	75% of R&C for covered procedures after deductible	80% of R&C for covered procedures after deductible
Emergency Room	\$50 (waived if admitted) Effective 7/1/05 - \$75	75% of R&C for covered procedures after deductible	80% of R&C for covered procedures after deductible
Urgent Care	\$50 (waived if admitted)	75% of R&C for covered procedures after deductible	80% of R&C for covered procedures after deductible
Ambulance	No Charge if medically necessary	75% of R&C if medically necessary after deductible	80% of R&C if medically necessary after deductible
Blood	No Charge	75% of R&C for covered procedures after deductible	80% of R&C for covered procedures after deductible
Prosthetics & Durable Medical Equipment	No Charge	75% of R&C for covered products after deductible	80% of R&C after deductible

Private Duty Nursing	No Charge if medically necessary	75% of R&C if medically necessary after deductible \$10,000 annual limit	80% of R&C if medically necessary after deductible
Outpatient Surgery	No Charge	75% of R&C for covered procedures after deductible	80% of R&C for covered procedures after deductible
Home Health Care	No Charge	75% of R&C for covered services	80% of R&C after deductible for covered services. Max 52 visits per year if commenced within 14 days of discharge.
Hospice Care	No Charge if authorized	75% of R&C for covered services after deductible	80% of R&C for covered services after deductible
Skilled Nursing Facility	No Charge 100 day annual limit	75% of R&C for covered services after deductible. For up to 60 days per year	80% of R&C for covered services after deductible. Maximum of 120 days per year if commenced within 14 days of discharge.
Birthing Center	No Charge if authorized	75% of R&C for covered services after deductible	80% of R&C after deductible
Newborn Exam	No Charge in hospital	75% of R&C after deductible. For one inpatient pediatric exam.	80% of R&C after deductible In hospital only.

Well Child Care	\$15 per visit	Not covered	Not Covered Effective 7/1/05 80% of R&C after deductible
Immunizations (Routine Childhood)	\$15 per visit	Not covered	100% of R&C for covered services
Routine Health Assessment (Routine Preventive only)	\$15 per visit	Not covered	Not Covered Effective 7/1/05 100% of R&C for preventative healthcare routine assessment
Routine Mammogram (Bi-annual over age 40)	\$15 per visit	75% of R&C for covered services	100% of R&C for covered services
Routine Pap Test – Annual	\$15 per visit	75% of R&C for covered services	100% of R&C for covered services
Second Surgical Opinion	\$15 per visit	75% of R&C for covered services	100% of R&C for covered services
High Risk Maternity - Outpatient	\$15 per visit	75% of R&C for covered services	100% of R&C for covered services
X-Ray & Lab Exams to Diagnose or Treat Illness or Injury	No Charge	75% of R&C for necessary services after deductible	80% of R&C for necessary services after deductible
Medical & Surgical Supplies Needed to Treat Illness or Injury	No Charge	75% of R&C for necessary supplies after deductible	80% of R&C for necessary supplies after deductible

Pre-admission	No Charge	75% of R&C for covered procedures after deductible (see note)	80% of R&C for covered procedures after deductible (see note)
Non-Duplication of Benefits	Yes	Yes	Yes
Artificial Insemination Effective 7/1/2005	50% covered	50% with lifetime maximum of up to \$1,000	50% with lifetime maximum of up to \$1,000
In Vitro Fertilization Effective 7/1/2005	50% with lifetime maximum of \$10,000	50% with lifetime maximum of \$10,000	50% with lifetime maximum of \$10,000
Treatment Review Pre-certification	NA	See Note	See Note
Note:	All out-of-network and out-of-area inpatient admissions, surgeries and specific outpatient diagnostics require treatment review pre-certification, or an additional deductible of \$500 will apply to services that are not certified.		
<p>Employees whose principle residence is in "network areas", who elect to use out-of-network providers, will receive benefits as outlined in "out-of-network" benefits.</p> <p>Employees whose principle residence is outside any and all "network areas" will receive benefits as outlined in "out-of-area" benefits, unless they elect to enroll in an established "network area".</p> <p>All deductibles are "first dollar" unless otherwise specified.</p>			

Prescription Drug – <u>Coverage below will remain in effect up to and including June 30, 2005.</u>			
	<u>IN NETWORK</u>	<u>OUT-OF-NETWORK</u>	<u>OUT-OF-AREA</u>
Prescription Drugs	\$10 generic/\$20 brand name at network pharmacy	\$10 generic/\$20 brand name at network pharmacy	80% of R&C – no deductible
Mail Order Prescription Benefit for Maintenance Medications Up to 90 day Supply	Mail Order Program \$10 generic/\$20 brand name	Mail Order Program \$10 generic/\$20 brand name	Mail Order Program \$10 generic/\$20 brand name
<p><u>Effective July 1, 2005</u> Prescription Drug coverage above will be replaced by the Verizon standard Prescription Identification Card (PIC) and the Mail Order Prescription Plan (MOPP), see applicable Memorandum of Agreement.</p>			
MENTAL HEALTH/SUBSTANCE ABUSE BENEFITS			
<u>COVERAGE ITEM</u>	<u>IN NETWORK</u>	<u>OUT-OF-NETWORK</u>	<u>OUT-OF-AREA</u>
Inpatient	100% payment for up to 45 days/calendar year	Not Covered	100% payment for up to 45 days/calendar year
Partial Hospitalization	100% payment for up to 90 days per year for intensive outpatient therapy (2 days intensive outpatient in lieu of 1 day inpatient care)	Not Covered	100% payment for up to 90 days per year for intensive outpatient therapy (2 days intensive outpatient in lieu of 1 day inpatient care)

Outpatient	\$15 per visit for up to 50 visits per calendar year	Not Covered	\$15 per visit for up to 50 visits per calendar year.
Treatment is obtained through the providers determined most appropriate by the Company.			
Supplemental Benefit – If you reach an annual maximum, a supplemental benefit of 50% of covered charges up to a lifetime maximum of \$2,000,000 is provided.			

CERTIFICATION FOR SERVICES

Some services require certification before being rendered or received. If you do not contact Treatment Review indicated on your identification card prior to receiving such services, an additional \$500 deductible will apply to services that are not certified.

The following services require prior certification:

- A) All inpatient admissions to any facility type
- B) All surgeries, regardless of setting
- C) All Home Health and Hospice services
- D) All conditions of pregnancy (excluding elective abortions)
- E) Specified outpatient tests and procedures:

- Thallium Treadmill - heart
- Esophagastroduodenoscopy
- Fiberoptic Colonoscopy
- Cardiac Catheterizations
- Venous Thrombosis Study
- MUGA - Grated Cardiac Scan
- Nuclear Medicine Studies - Thyroid Scan
- Bone Scan
- Liver Scan
- Kidney Scan
- Gallium Scan
- CAT Scan
- Echocardiography
- Arteriography
- PET
- ERCP
- MRI
- Cystoscopy
- Hysteroscopy
- Laparoscopy
- Bronchoscopy

**MEMORANDUM OF AGREEMENT
NETWORK SERVICES - OVERTIME
(CUSTOMER OPERATIONS AND CONSTRUCTION)**

Verizon California Incorporated and Communications Workers of America (hereinafter "CWA" or "Union") agree that due to occasional weather-related challenges and the fluctuating nature of our customers' service needs, there are times when all necessary work can not be completed during the normal work day and overtime becomes necessary.

The Company and the Union agree that whenever possible qualified volunteers should be used to perform such overtime work as long as there is no negative impact on customer service, there is no increased cost to manage the business and an unsafe working condition will not be created.

Local Union and management representatives will jointly develop local processes designed to identify and utilize volunteers. These processes can vary by work location to fit local needs. They will be utilized whenever the use of volunteers will meet the needs of our service.

When the workload is so significant that the use of volunteers alone will not meet service needs, it is understood that employees and their supervisors will work together to ensure that the employee's need for time off and the Company's need to have all employees work a share of overtime will both be accommodated. During such times, employees who need to be excused from working overtime for either all or part of a given day for important personal reasons should inform their supervisor of the need as soon as possible. Examples include doctor or dental visits for themselves or a family member, weddings or other similar significant family events or occasional child or elder care responsibilities.

The Company or the Union may rescind this Memorandum of Agreement by written notice effective thirty (30) days from receipt of such notice by the party of their intent to terminate.

MEMORANDUM OF AGREEMENT
NETWORK SERVICES - STAFFING
(CUSTOMER OPERATIONS & CONSTRUCTION)

When the Company identifies the need to fill twenty (20) vacancies or more within the Network Services (Customer Operations and Construction) department simultaneously, the following staffing provisions will be utilized:

1. The Company will identify all such vacancies by classification and work location.
2. The Company will post these vacancies and will not restrict any of them to "priority one only" unless the vacancy is in a remote area where the Company must have a trained person because of small team size.
3. All such vacancies will be posted on the same day and will be filled in the usual order, i.e. priority one, followed by priority two, etc., and in accordance with the usual staffing/contractual guidelines.
4. If any of these vacancies do not have any qualified bidders they will be staffed externally as is the usual right and custom.
5. If a Network Services (Customer Operations and Construction) employee is bypassed for one of these vacancies due to the employee being on discipline, Labor Relations and a District 9 representative will discuss the situation prior to an external offer being extended.
6. Vacancies which are filled from within the Network Services (Customer Operations and Construction) group will be handled in the following manner:
 - a. Management will have the right to determine the appropriate effective date for the transfer for each individual. This may be immediate or it may be as long as three (3) months after being awarded the job. At the time the position is committed to the employee, the Company will give them their best estimate as to the effective date.

b. Management may backfill the resulting vacancies in any manner deemed appropriate, internal or external or a combination of the two. In essence, the vacancy will be treated as if it had gone “no bid” without posting it. The Union may not grieve the manner in which management has chosen to fill the vacancies.

c. At the end of this three (3) month time frame all employees must be transferred to the new job.

7. Any vacancy posted after this initial posting (section 2 or 3 above) will be filled under the provisions of the collective bargaining agreement and the above modifications will not apply.

This Memorandum of Agreement is effective on March 20, 2005, and shall expire on March 13, 2010. The parties specifically agree that the terms and conditions set forth in this Memorandum of Agreement, shall also terminate March 13, 2010, and shall not survive the expiration of this Memorandum of Agreement unless agreed to by the parties in writing.

MEMORANDUM OF AGREEMENT
9/80 WORK SCHEDULE

GTE California Incorporated (hereinafter referred to as Company) and the Communications Workers of America (hereinafter referred to as Union) agree to implement a nine (9) day, eighty (80) hour work schedule (hereinafter referred to as the 9/80 work schedule). This plan will be implemented pursuant to the provisions outlined below:

I. The Company reserves the right to select the number of employees, classification(s), location(s), and work group(s) within the classification(s) in which the 9/80 work schedule will be implemented. Also, the Company will reserve the right to determine when the 9/80 work schedule will or will not be utilized.

The Company will provide a copy of the plan to each employee approved for the 9/80 work schedule.

II. Employees scheduled to work the 9/80 work schedule will be only on a voluntary basis.

III. Nothing relative to Section I of this Agreement shall be subject to the grievance and/or arbitration procedures. However, alleged violations relating to the remaining sections shall first be submitted in writing by the National Union to the Labor Relations Department. If the parties cannot reach a resolution within forty-five (45) calendar days from the date the alleged violation occurred, the provision of Articles 12 and 13 of the Labor Agreement shall apply.

IV. Session: First and Second Sessions will be separated by the lunch period. The First Session will not exceed five hours.

V. Relief Break: No additional relief breaks. The current relief break provisions will apply.

VI. Sickness and Accident Benefits: Employees absent sick while working on the 9/80 work schedule will be compensated at seventy-five percent (75%) of their normal base wage up to nine (9) hours.

A. Benefits eligibility and applications will be in accordance with the provisions in Article 32 of the Labor Agreement.

B. Employees will have up to nine (9) hours deducted from their total accumulated hours for each absent day.

VII. Absent Death Benefits: Eligible employees will be compensated up to nine (9) hours per day at seventy-five percent (75%) of their normal base wage. The number of days off will be the same as for those employees on the 5/8 work schedule.

VIII. Overtime: All contractual provisions related to overtime compensation will apply except the time and one-half rate does not apply until the employee works beyond nine (9) hours in a day. An exception would apply to this provision when an employee works beyond eight (8) hours on the day he/she would have been scheduled eight (8) hours as a part of the

9/80 work schedule.

IX. Premium Pay (Sunday or Holiday): Employees scheduled to work on Sunday and/or holiday will be compensated at the rate of one and one-half (1½) times their base pay up to nine (9) hours.

X. Employees working the 9/80 work schedule will have their workweeks scheduled as follows:

Normal workweek will consist of forty (40) hours of work commencing at 12:01 P.M. Friday.

Example of a 9/80 work schedule:

S	M	T	W	TH	F	S	Total
0	9	9	9	9	4/4	0	40 hrs.
0	9	9	9	9	0	0	40 hrs.
0	9	9	9	9	4/4	0	40 hrs.
0	9	9	9	9	0	0	40 hrs.

XI. Holidays:

A. Legal Holidays

Whenever a legal holiday occurs during the week, management, at their discretion, can change the 9/80 work schedule to a 5/8 work schedule. Employees whose schedules are not changed to a 5/8 schedule will receive nine (9) hours holiday pay unless the holiday falls on a day in which they would have been scheduled eight (8) hours as part of the 9/80 work schedule.

B. Personal Holidays

Personal holidays will be converted to hours up to a maximum of thirty-two (32) hours. An employee scheduled off for a personal holiday will be compensated for up to nine (9) hours. The compensation hours will be deducted from the employee's total holiday hours.

Personal holidays scheduled on days off will not count towards the work week for overtime purposes.

All holiday eligibilities and applications will be in accordance to the provisions of the Labor Agreement.

XII. Jury Duty and Witness Pay: The supervisor at his/her discretion can convert the employee's schedule to 5/8.

XIII. Vacation:

A. Day-at-a-Time:

Employees will be paid up to nine (9) hours for each day-at-a-time vacation.

B. Full week vacation:

With supervisor's approval, employees may convert 9/80 work schedule to a 5/8 work schedule.

XIV. Flextime: At management's discretion, the flextime program may be discontinued for the 9/80 work schedule.

Except as expressly modified in this Agreement, all rights and provisions contained in the Labor Agreement remain in effect.

Additionally, it is understood between the below signatures that the before mentioned provisions can only be implemented subsequent to the Payroll Department becoming "system capable".

The Company or the Union will have the right to terminate this Memorandum of Agreement on the thirtieth (30) calendar day following receipt by the other party of their intent to terminate.

MEMORANDUM OF AGREEMENT
NOTIFICATION TO UNION OF SURPLUS CONDITION

Whenever possible the Company will give a seventy-five (75) day notice to the Union bargaining committee of any pending surplus. The Union bargaining committee agrees to keep this information completely confidential until the Company approves its dissemination.

The Company will meet with the Union bargaining committee to discuss declared surpluses that may require the application of Article 8 and/or Article 9 of the Agreement. These discussions are intended to provide a better understanding of the need to relocate and/or reduce the workforce and address any unique circumstances.

MEMORANDUM OF AGREEMENT
OUT OF STATE/OUT OF FRANCHISE EXPENSE

Verizon California Inc. and the Communications Workers of America agree to the following lodging, meals and travel expense allowance for bargaining unit employees who are assigned to other Verizon affiliated companies or assigned outside of Verizon California Inc. to attend school:

1. Employee assignments will be made on a voluntary basis.
2. Employees will remain on Verizon California Inc. payroll and will be paid wages and all other employee benefits as provided for under the current Labor Agreement.
3. Employees will receive an airline ticket from the Company prior to departure.
4. For assignments of three (3) months or more, employees will be allowed to return home every fourth weekend during this assignment, and the Company will pay for round trip airfare. The employee will be allowed one (1) day each way at

Company expense for travel.

5. Employees will be allowed two (2) toll calls per week to call their families, which must be charged to their hotel bills, and such calls will be limited to a reasonable length of time, not to exceed then (10) minutes.
6. The Company will pay for the employee's laundry and cleaning if charged to the employee's hotel bill.
7. Employees, who are assigned to locations where special winter clothing is necessary, which is not required at their home locations, will be eligible for a clothing allowance of up to \$250. Specific approval to purchase clothing must be granted by Management prior to the actual purchase.
8. The Company will select the lodging accommodations and will make payment directly to the hotel/motel. Employees will be furnished a single room with bath and would be expected to be housed in adequate but not deluxe accommodations.
9. Employees will be reimbursed for meals as provided for in Article 25, Section 5 of the Labor Agreement.
10. Employees will be provided at Company expense round trip transportation to return home to take their vacation if it is scheduled during the extended assignment; however, employees will not receive expense reimbursements while on vacation. Expenses will be paid for holidays occurring during their extended assignment.
11. The Company will provide Company or rental vehicles for business-related transportation at the rate of one vehicle for each three (3) students, who do not have personal transportation.
12. Depending upon the employee's family circumstances and desires, the Company may make

arrangements with the employee to permit the employee's family to accompany him on the training assignment, provided the total reimbursement do not exceed the total amounts set forth above.

13. Employees will be required to use their Company Corporate Card for reimbursement of all expenses incurred on behalf of Verizon.

MEMORANDUM OF AGREEMENT OUTPLACEMENT SERVICES

Verizon California Inc. and the Communications Workers of America agree to a career transitioning service to assist employees who have been displaced.

Following a workforce reduction, affected employees will be offered career transitioning services. The Company will facilitate outplacement services available through the California State Employee Development Department.

The career transition assistance shall include services such as:

- Identifying transferable job skills
- Assisting in resume preparation
- Assisting with researching the job market
- Training in interviewing skills and telephone etiquette
- Identifying vocational training institutions

This Agreement is effective March 20, 2005, and shall remain in effect up to and including March 13, 2010.

MEMORANDUM OF AGREEMENT
PENSION PLAN SURVIVOR BENEFITS

1. Verizon California Inc. and the Communication Workers of America agree to modify the Plan for Hourly Employees' Pensions. Such modifications will be effective July 1, 2005 and are subject to applicable law.
2. The existing pre-retirement survivor pension benefit provisions of the Pension Plan shall be amended to provide a pre-retirement survivor pension benefit for an employee who dies, either during active service or prior to commencing a pension benefit, at a time when he or she is unmarried and has accrued at least five years of vesting service.
3. An unmarried employee may, at any time prior to commencing a pension benefit or dying, designate any living person as the designated beneficiary for the pre-retirement survivor pension benefit. The employee may likewise revise the beneficiary designation at any one or more times prior to commencing a pension benefit or dying. A valid beneficiary designation must be on file for the pre-retirement survivor benefit to be paid.
4. For married employees, the spouse will automatically be considered the beneficiary. However, subject to the requirements regarding non-spouse beneficiaries and with spousal consent, a married employee may name a beneficiary other than the spouse. A single individual must be named as beneficiary; an estate or trust may not be named, nor may multiple individuals.
5. Subject to the provisions of the Plan regarding when the benefit is payable, the pre-retirement survivor pension may be distributed as a 65% survivor annuity, or the lump sum equivalent, based upon the beneficiary's election. However, if the beneficiary is not the participant's spouse and is more than 25 years younger than the participant, the survivor benefit will be the 50% survivor annuity or the lump sum equivalent.
6. If a vested employee terminates employment on or after

the effective date, the named survivor will be eligible for the survivor pension payable on the date the employee would have reached the age 65. An actuarially reduced benefit may be payable before age 65 if the vested employee would have been eligible for an earlier commencement.

7. In addition, the Pension Plan shall be amended to allow an employee, at the time of commencing a pension benefit, to designate any living person as the beneficiary for any of the forms of joint and survivor annuity offered under the Pension Plan or any of the term-certain forms of benefit. In the case of an employee who is married at the time of commencing a pension, the employee may not designate any beneficiary other than the spouse without complying with the spousal consent rules of the Plan.
8. This Memorandum of Agreement is effective on March 20, 2005, and shall expire on March 13, 2010. The parties specifically agree that all the terms and conditions set forth in this Memorandum of Agreement shall also expire on March 13, 2010, and shall not survive the expiration of this Memorandum of Agreement, unless agreed to by the parties in writing.

**MEMORANDUM OF AGREEMENT
PRESCRIPTION PLAN:
MAIL ORDER PRESCRIPTION PLAN (MOPP)**

1. Effective July 1, 2005, Verizon California Inc. and Communications Workers of America agree to extend the provisions of the Mail Order Prescription Plan (MOPP) to employees and their eligible dependents enrolled in the sponsored Medical Plan.
2. Employees and dependents currently covered under the sponsored medical plan will be eligible to participate in the Mail Order Prescription Plan. Once employees (who are covered under the sponsored medical plan) retire, they and their eligible dependents may continue to participate in this Mail Order Prescription Plan on the

same basis as active employees. MOPP is not available to participants in Health Maintenance Organizations (HMO's).

3. MOPP will be administered solely in accordance with its provisions, and no matter concerning MOPP or any difference arising thereunder shall be subject to the grievance or arbitration procedure of the Collective Bargaining Agreement. The selection of the MOPP Carrier, the administration of MOPP and all of the terms and conditions relating thereto, and the resolution of any disputes involving the terms, conditions, interpretation, or administration shall be determined by and at the sole discretion of the Company.
4. The Company shall have the right to amend MOPP in any way, including the selection of the MOPP Carrier. However, any amendment diminishing the level of benefits contained in this Memorandum of Agreement or increasing the cost per prescription to the employee/dependent will be limited to those changes applicable to salaried employees.
5. This Memorandum of Agreement is effective on March 20, 2005 and shall expire on March 13, 2010. The parties specifically agree that the terms and conditions set forth in this Memorandum of Agreement, including the Mail Order Prescription Plan, shall also terminate on March 13, 2010 and shall not survive the expiration of this Memorandum of Agreement unless agreed to by the parties in writing.

**MEMORANDUM OF AGREEMENT
PRESCRIPTION PLAN:
PRESCRIPTION IDENTIFICATION CARD (PIC)**

1. Verizon California Inc. and Communications Workers of America agree to offer the Prescription Identification Card, effective July 1, 2005, for employees and their eligible dependents enrolled in the sponsored medical plan.

2. Once employees who are covered by the sponsored medical plan retire, they and their eligible dependents may continue to participate in this PIC plan on the same basis as active employees. PIC is not available to participants in Health Maintenance Organizations (HMOs).
3. PIC will be administered solely in accordance with its provisions and no matter concerning PIC or any difference arising thereunder shall be subject to the grievance or arbitration procedure of the Collective Bargaining Agreement. The selection of the PIC carrier, the administration of PIC and all of the terms and conditions relating thereto, and the resolution of any disputes involving the terms, conditions, interpretation, or administration shall be determined by and at the sole discretion of the Company.
4. The Company shall have the right to amend PIC in any way, including the selection of the PIC carrier. However, any amendment diminishing the level of benefits contained in this Memorandum of Agreement or increasing the cost per prescription to the employee/dependent will be limited to those changes applicable to salaried employees.
5. This Memorandum of Agreement is effective on March 20, 2005 and shall expire on March 13, 2010. The parties specifically agree that the terms and conditions set forth in this Memorandum of Agreement, including the Prescription Identification Card, shall also terminate on March 13, 2010 and shall not survive the expiration of this Memorandum of Agreement unless agreed to by the parties in writing.

