

5.02 Holidays Falling on Sunday.

When an authorized holiday falls on Sunday, the following Monday shall be recognized and observed as the holiday.

5.03 Holidays Falling on Saturday.

When an authorized holiday falls on Saturday the preceding Friday will be observed.

5.04 Holidays within Vacation Period.

When an authorized holiday falls within an employee's vacation period, an additional day of vacation shall be provided and selected in accordance with 5.07B.

5.05 Flexible Excused Time.

A. The Company and the Union recognize that it is in the best interest of the employees to have the ability to take time off for short intervals because of personal reasons.

B. Eligibility. Each Temporary and Regular employee who has at least 6 months of seniority on January 1 of any given year shall be eligible for 30 hours with pay and 7-1/2 hours without pay during such year. This time shall be taken in increments of no less than 1 hour at any time during the calendar year provided the supervisor is notified as described in 5.07C.

C. *Employees not eligible to receive above Flexible Excused Time will be eligible for 7.5 hours of unpaid Flexible Excused Time upon completion of 12 months of service. Employees will not be eligible for time under both the provisions of 5.05B and 5.05C.*

D. Part-time employees, regardless of classification, shall be eligible for Flexible Excused Time on a prorata basis based upon the ratio of any such part-time employee's equivalent work week to the normal work week of a comparable full-time employee.

E. Employees returning from an authorized leave or recalled from lay-off who have not previously worked in the calendar year will be entitled to Flexible Excused Time in accordance with the following schedule:

Return Date	FET Equivalent
January thru February	5 days (4 paid & 1 unpaid)
March thru April	4 days (paid)
May thru June	3 days (paid)
July thru August	2 days (paid)
September thru October	1 day (paid)
November thru December	0

F. Flexible Excused Time (FET) will not be included on the vacation schedule. Flexible Excused Time may be used retroactively to erase incidental absences by notifying the supervisor within 7 days from the date of absence.

5.06 Vacations.

A. Eligibility. Employees shall be granted a vacation with pay during each calendar year as follows:

1. One week of vacation to employees after completion of 6 months of seniority.
2. Two weeks of vacation to employees after completion of 12 months of seniority. If seniority of 6 months and 12 months are both attained in the same calendar year only 2 weeks of vacation shall be granted with the first week to be taken anytime after completion of 6 months of service and the second week only after completion of 12 months of service.

In instances in which an employee becomes eligible for a vacation week under “1” or “2” on or after December 1, such vacation week may at the Company’s option be scheduled and taken in the following calendar year provided it is completed prior to April 1.

3. Two weeks vacation to employees who will complete 2 or more years of seniority within the calendar year in which the vacation is granted.

4. Three weeks vacation to employees who will complete 7 or more years of seniority within the calendar year in which the vacation is granted.
5. Four weeks vacation to employees who will complete 15 or more years of seniority within the calendar year in which the vacation is granted.
6. Five weeks vacation to employees who will complete 25 or more years of seniority within the calendar year in which the vacation is granted.

5.07 Scheduling Vacations, Optional Holidays, Days in lieu of Holidays which Occur During a Scheduled Vacation Week (see Appendix C, Part II).

- A. Insofar as business needs permit, vacations, Optional Holidays and days in lieu of holidays which occur during a scheduled vacation week may be taken at any time during the calendar year with as many vacation periods being made available during the desirable periods of the year as is consistent with business needs. Not later than October 15th of the preceding year, the Company shall post a statement showing the available periods within which these days may be taken for the following year.
- B. Not earlier than November 1st the Company will make a reasonable effort to contact employees, in the order of their seniority, so that they may choose a vacation period, Optional Holidays and days in lieu of holidays which occur during a scheduled vacation week from those available.
 1. Employees who will not be readily available between November 1st and December 15 may express their preference for choices in advance of being contacted and, if available, their choices will be assigned as chosen in accordance with seniority insofar as business needs permit.
 2. Employees shall select in the priority herein set forth in seniority order, and the selections will be granted to the extent practicable consistent with force requirements and the needs of the business.

3. Employees not making a selection at the time of contact, employees not expressing advance choices, employees whose advance choice is not available, and employees whom the Company was unable to contact after a reasonable effort to do so shall be passed over but shall have the right to make a selection from the remaining available vacation periods in accordance with their seniority at any subsequent time prior to December 15.
4. For an employee electing to take his/her vacation in segments, he/she shall be entitled to exercise preference for only one segment until all other employees who have expressed preference for his/her vacation or the first segment has been assigned or has been passed over because their preference was not available.
 - a. A segment of vacation is a continuous period of vacation (in full week increments beginning with Sunday of the first week and ending with Saturday of the last week) with no work time between the beginning and end of such vacation period.
 - b. The selection of the fifth week of vacation in accordance with "B" above shall be considered as a vacation segment and shall be selected in accordance with "B4" above.
 - c. If the last day of the year falls on any day other than a Sunday, the week in which it falls will be considered as if the entire week were in the calendar year under selection. All vacation days taken during this segment will be from among those vacation days to which the employee is entitled during the calendar year under selection. Furthermore, the vacation day to be selected in lieu of the New Year's Day holiday will be rescheduled under "5" below.
5. After all vacations have been selected, a canvass will be made in seniority order for the selection of Optional Holidays and days in lieu of holidays which occur during a scheduled vacation week. Such scheduling will

immediately follow the scheduling of vacation weeks and will be completed by December 15. This time will be chosen in seniority order within each vacation group with employees choosing all such time off at one time even though the days selected may not be consecutive.

- a. In the scheduling of Optional Holidays and days in lieu of holidays occurring during scheduled vacation weeks, the Company shall designate the days available and the number of employees to be off at any time during the calendar year under selection. These days will be designated in the same manner as the posting of vacation selection.
 - b. No restrictions will be imposed on the number of employees who may select any specific day as an Optional Holiday. However, if an employee selects a day on which no days are available on the lists, the provisions of 5.07D will not apply and the Company will honor these requests in seniority order as business needs permit. Employees who choose an “unavailable” day as an Optional Holiday and who subsequently must be scheduled to work due to business needs will be paid in accordance with 5.01B.
 - c. If an employee selects an Optional Holiday on a date which is still available on the schedule, the provisions of 5.07D will be applicable.
6. Employees who have not made a vacation selection by December 15th, subject to the needs of the business and force requirements of the work group, may select from the remaining available periods.
 7. During the selection period an employee who has made a selection will not be allowed to change that selection. Insofar as business needs permit, an employee shall be assigned the periods of his/her choice.
 8. The “order of seniority” as used in this section shall be determined by the employee’s seniority on January 1 of the vacation year.

9. After these time-off assignments have been completed a list of such assignments shall be prepared and posted or shall be otherwise available to employees throughout the calendar year.
 10. The Company will give consideration to a request of an employee, based upon his/her impelling reasons, for a period not included in the posting under "A" above.
 11. In scheduling vacations, weeks in which a holiday falls will be scheduled in the same manner as other weeks. Any additional days of vacation due in accordance with 5.04 shall be chosen by the employee as outlined in 5.07B.
- C. Vacations and other time off will be rescheduled during the unexpired portion of the vacation year upon the request of any employee.
1. Provided no replacement is required, vacation and other time off shall be rescheduled upon the request of an employee.
 2. Where a replacement is required and an agreeable change can be made with another employee, vacation periods and other time off shall be rescheduled upon the request of an employee.
 3. If an employee is ill on the first day of any full week of his/her vacation to the extent that he/she would be unable to take his/her vacation or return to work, such vacation shall be rescheduled upon his/her request in accordance with "a" or "b" below. Such illness, however, must be proven to the satisfaction of the Company and such proof may include adequate medical evidence. Likewise, if an employee experiences a death in his/her immediate family (as defined in 6.04C) on the first day of any full week of vacation, to include the preceding Saturday or Sunday, and reports the death no later than Monday of such week, it too shall be rescheduled at his/her request in accordance with "a" or "b" below.

- a. He/she may reschedule only the week in which he/she is ill or the death occurs; or
 - b. He/she may reschedule the week in which he/she is ill or the death occurs and all other full weeks that were scheduled to be taken consecutively with that week.
4. When an employee is ill and notifies the supervisor before his/her scheduled Optional Holiday, the day shall be rescheduled upon his/her request provided the illness is proven to the satisfaction of the Company. Such proof may include adequate medical evidence.
- D. Once vacations have been scheduled in accordance with "B2" above, and other Time Off in accordance with "B5" above, they shall not be changed at the initiative of the Company except as provided for in 5.09A, 5.11, and in cases where business needs demand such changes or such changes will obviate the layoff or separation of other employees.
- E. It is not the intent of this article to require a shift in a vacation schedule to accommodate an employee who is entering a work group. If business needs do not permit the employee to take his/her vacation as originally scheduled, such employee will select vacation from current available remaining periods. Employees entering a work group at the instance of the Company shall be permitted to take their originally scheduled vacation, except as provided in 5.07D.
- F. Subject to the needs of the business, time-off not scheduled under "B" above will be granted in accordance with 5.07C.
1. Requests for time off will be granted on the basis of the earliest request to the employee's immediate supervisor. When multiple requests for a future date are received in a 24-hour period (midnight to midnight), requests will be granted on a seniority basis from such requests.
 2. Requests for time off will be granted in the following order:
 - a. Vacations of a full segment.
 - b. All other periods of paid time.

- c. Unpaid Flexible Excused Time requests.
 - d. Compensatory Time Off.
 - e. Unpaid departmental time (excused time).
- G. A vacation shall not be changed to permit an employee to receive sickness pay, except as provided in 5.07C3, nor shall a vacation be changed to permit an employee to receive vacation pay during a period of sickness except as provided in 5.10.
- H. Employees who leave the service of the Company, either pension eligible who retire and/or under Article 7.01C, and who have a remaining Company designated optional holiday shall have the option to take the day off or be granted pay in lieu of such Company designated optional holiday as he/she was otherwise entitled to receive during the remainder of the current calendar year.

5.08 Vacation Pay.

Vacation pay is basic pay plus evening and night differentials and relieving differentials. Differentials, if any, to be included in vacation pay will be those received during the third week preceding the week any vacation period or segment begins but will not exceed 5 evening and night and 5 relieving differentials.

5.09 Vacation Treatment to Employees Leaving the Service.

- A. An employee who leaves the service before his/her vacation is completed shall be granted pay in lieu of such vacation as he/she was otherwise entitled to receive during the remainder of the current calendar year.
- 1. Except as provided in “a” and “b” below, an employee who is granted a leave of absence (other than a sickness leave of absence) before his/her vacation is completed shall be paid in lieu of such vacation.
 - a. An employee who is granted a Union leave of absence under 26.02 shall be paid in lieu of vacation only for such scheduled vacation which falls within the initial leave period (this does not apply to a period covered by an extension of leave). If such employee does not return

to work during the current calendar year, he/she will lose his/her vacation or any remaining vacation and pay, if any, for the year involved.

- b. Employees granted an Anticipated Disability Leave (ADL) will be given the option of:
 - 1) Taking unused vacation prior to the effective date of the ADL.
 - 2) Receiving pay in lieu of remaining vacation at the time of the commencement of the ADL.
 - 3) Rescheduling unused vacation upon return to work from the ADL, providing the originally scheduled vacation fell within the ADL and the return is within the calendar year in which the vacation was originally scheduled.
 - 4) Taking the vacation as originally scheduled upon return to work from the ADL.
2. An employee who leaves the service without completing 6 months of service, or any employee who is dismissed for misconduct as distinguished from inability or unadaptability to perform properly the duties of the job, is not entitled to vacation pay. An employee who leaves the service without completing 12 months of service is not entitled to vacation pay for the second week of vacation.
3. If an employee dies before his/her vacation is completed, payment under "A" above shall be made to the deceased employee's spouse, or if there is no spouse, to the employee's estate.
- B. An employee transferring to another BellSouth company before his/her vacation is scheduled to begin shall receive such vacation before transferring to the other company if such transfer is arranged upon that basis. If the transfer is made before the vacation is given, the company receiving the employee on transfer will be so advised.

5.10 Vacation Treatment for Employees Returning to the Service, Returning from Sickness, Transferring from Other Companies.

- A. An employee who resumes employment following a leave of absence (other than a sickness leave of absence or an Anticipated Disability Leave) and who has not previously received his/her vacation for the year in which he/she resumes employment shall be eligible to a vacation when he/she has worked for as much as 13 weeks following his/her last paid vacation or pay received in lieu of vacation.
- B. An employee returning to work following a sickness absence, a sickness leave of absence, an Anticipated Disability Leave of Absence, or an employee resuming employment following a pension status shall be eligible to any of his/her vacation not previously taken during the current calendar year.
- C. An employee transferring to this Company from another BellSouth company who has 6 months or more of seniority shall receive vacation, in accordance with 5.06, for the current year from this Company covering that portion of vacation which the employee did not receive from the other company.
- D. "A" and "B" above notwithstanding, any employee returning to service in a temporary position shall be eligible to receive vacation treatment to which entitled after having completed 3 months in the temporary assignment.

5.11 Vacation Treatment to Sick Employees.

- A. An employee with 6 months or more seniority who is granted a sickness leave of absence before his/her vacation is completed shall be granted pay in lieu of such vacation as he/she was otherwise entitled to receive during the remainder of the current calendar year, except that an employee who does not have 12 months of seniority is not entitled to the second week of such vacation until he/she has 12 months of seniority.
- B. An employee who returns to duty from sickness disability who has not received all vacation scheduled during the period of disability shall reschedule such vacation under the provision of 5.07C during the remainder of the calendar year in which the

vacation was originally scheduled, subject to the exceptions in 5.12.

5.12 Vacation and Other Time Off Limitations.

- A. Vacations and other time off may only be carried over to the following year as follows:
 - 1. As provided under 5.06A2.
 - 2. A maximum of 5 days of eligible time off (vacation, optional holidays, and paid Flexible Excused Day(s)) may be carried over and taken any time during the next calendar year as fixed days. Any Flexible Excused Time less than a complete day(s)) will not be carried over.
 - 3. Employees who have vacation scheduled during December and become ill (Incidental Illness) during such vacation may include the missed vacation days in the 5 days that may be carried over into the following year, provided such time can not be rescheduled during the remainder of December, provided the employee has returned to work status by December 31st of the vacation year.
- B. Any vacation and other time off carried over to the following year must be rescheduled in accordance with 5.07C after January 1 of that year.

ARTICLE 6

ABSENCES FROM DUTY

6.01 Personal Leaves of Absence.

- A. Leaves of absence without pay shall be granted for good cause and for reasonable lengths of time provided business needs permit and further provided there is nothing in the record of the employee requesting the leave which would prevent his/her re-employment.
 - 1. Notwithstanding "A" above, an employee of more than one month of service who is sick and unable to resume work after 7 calendar days of such sickness, or after the expiration of sickness benefit payments when such payments are made shall be granted a leave of absence for a reasonable length

of time, unless eligible for coverage under the Long Term Disability Plan.

2. Leaves of absence and reinstatements from anticipated disabilities shall be handled in accordance with the Anticipated Disability Program Agreement.
 3. Employees granted leaves after sickness benefits have been exhausted shall have none of the period of such leaves included in computing their seniority.
 4. Where leaves are granted to employees with less than 3 months seniority, none of the period of leave shall be included in computing seniority.
 5. Where leaves are granted to employees within 12 months after returning from former leaves, none of the period of such subsequent leave shall be included in computing seniority.
 6. In leaves granted under 26.01 and 26.02, subject to the restriction contained therein, and those granted to employees for training in the Armed Forces, the entire period of absence shall be included in computing seniority. In all other leaves, except those specified in "3", "4" and "5" above, the first month only will be included in computing seniority.
 7. Leaves of absence for temporary employees shall not be granted or extended beyond the period for which the temporary employee was hired or, in the case of employees hired under Article 7, beyond the date of the technological change.
- B. A complaint that a leave of absence or reinstatement thereafter was not granted in accordance with this section shall be subject to the grievance provisions contained in Article 21 but shall not be subject to arbitration.
- C. The reinstatement rights of an employee returning at the expiration of an authorized leave, other than from leaves granted under the Anticipated Disability Program Agreement, are as follows when such employee has experienced no

impairment which would render him/her unqualified to do the work and has not been guilty of misconduct during the leave which would have been proper cause for discharge.

1. The employee shall be reinstated on the same or an equal job at which he/she was working prior to the leave if work is available and on such job; or
 2. In the event work is not available as described under "1" above, the employee shall, upon his/her request, be granted an extension of leave and during such extension shall retain his/her reinstatement rights under this section or until he/she is offered reinstatement under "1" above, provided that the total time from the beginning of the leave period to the end of the last extension shall not exceed 2 years; or
 3. In the event work is not available in "1" above, or in the event the employee does not elect to request an extension of leave under "2" above, the employee shall be reinstated on a lower-rated job than the one on which he/she was working prior to the leave if work is available on such lower-rated job.
- D. The reinstatement rights of an employee who desires to return from a leave before the expiration date of such leave shall be as follows: If work is available on the same, an equal or a lower-rated job and he/she has experienced no impairment which would render him/her unable to perform the essential functions of the job with or without a reasonable accommodation and has not been guilty of misconduct during the leave which would have been proper cause for discharge, he/she will be reinstated. Consideration will be given his/her request for such reinstatement before any new employees are hired or temporary employees are reclassified to regular.
- E. When an employee on an authorized leave is offered work for a limited period and such work is accepted, the authorized leave will be suspended. Such work shall not affect the expiration date of the leave and does not affect the reinstatement rights of the employee thus working nor any other employee on leave.

1. Such a limited period shall not exceed 6 weeks for any employee unless a longer period is agreed upon for any particular situation by the Company and the Union at the Executive Level.
2. The employee will again be on his/her authorized leave at the termination of such assignment.
 - a. An employee who is working for a limited period under a suspended leave shall, prior to its expiration and upon his/her request, be granted any extension of leave to which he/she is entitled upon the completion of the period previously authorized.
 - b. If work during a suspension extends beyond the expiration of the total leave limits and permanent employment is not available, the employee will be entitled to such termination pay as he/she would otherwise receive at the expiration of the leave limits.
3. Prior agreement between the Company and the Union at the Executive Level is required to suspend a leave for an employee who went on leave from a title which is to be affected by a technological displacement.

F. Employees re-employed after authorized leaves shall exercise their seniority in accordance with Article 13.

6.02 Sickness Payments Prior to Eligibility Under Short Term Disability Plan.

A. The following unpaid waiting periods shall apply to persons absent from scheduled work because of being sick prior to eligibility for payments under the Short Term Disability Plan:

Completed Seniority	Unpaid Waiting Period
Prior to 2 years.....	All
2 years but less than 5 years	2 Days
5 years but less than 8 years	1 Day
8 years & over.....	None

1. Employees shall receive pay at the regular rate for scheduled time not worked on the day they become sick or return to

work, except that employees with less than 8 years of seniority shall receive pay at the regular rate only for scheduled time not worked during the session they become sick or return to work.

2. Only one waiting period, as specified in "A" above shall apply to absences on account of the same case of sickness which begin in any 14 day period. Each such period shall consist of 14 consecutive full calendar days and shall begin with the day having the first unpaid session.
- B. A part-time employee shall not be paid for absence due to sickness not under the "Short Term Disability Plan" unless such absence due to sickness occurs on a day of the week on which the employee is normally scheduled to work.

6.03 Extended Absence Due to Illness.

Payments for absence due to illness beyond the first 7 consecutive days are made in accordance with the Short Term Disability Plan or the Long Term Disability Plan, whichever is appropriate.

6.04 Absences Excused with Pay.

- A. In addition to other provisions of this Agreement calling for absences with pay, employees shall be excused without loss of regular pay for absences due to, and in conformity with, any of the following:
1. Jury or witness duty. If reasonable notice is given to his/her supervisor, an employee shall suffer no loss of regular pay for the time necessarily consumed in the performance of jury or witness duty, and no deduction shall be made for any amount of monies received from civil authorities.
 2. Quarantine. Absence due to unavoidable quarantine by the health authorities or a physician designated by the Company shall be subject to the same treatment as absence due to personal illness provided under 6.02.
 3. Deaths. If reasonable notice is given to his/her supervisor, an employee shall suffer no loss of regular pay for a reasonable amount of scheduled time lost on account of

death in the immediate family or household of such employee.

4. Elections. If reasonable notice is given to his/her supervisor, an employee shall suffer no loss of regular pay for a reasonable amount of scheduled time lost on account of service at the polls in connection with Federal, State, Municipal, County or Parish elections.
5. Voting. If reasonable notice is given to his/her supervisor, an employee shall suffer no loss of regular pay for time necessarily consumed in voting in any Federal, State, Municipal, County or Parish elections.

B. Absences excused with pay other than those provided for in 6.04A may be permitted at the discretion of the employee's immediate supervisor.

C. Immediate family within the meaning of 6.04 shall be defined as consisting of wife, husband, daughter, son, mother, father, brother, sister, grandmother, grandfather, mother-in-law, father-in-law, son-in-law, daughter-in-law, sister-in-law, brother-in-law, grandchildren and stepparents.

D. Household of employee means persons who regularly make their home with the employee as a part of the family.

6.05 Absence Payment Limitation.

No payment beyond 5 full days regular pay shall be made during any calendar week because of absences from duty.

6.06 Military Service.

A. The provisions of the Uniformed Services Employment and Re-Employment Act of 1994 shall govern as to the obligations of the Company to grant employees leaves of absence for military service.

Employees ordered as members of a Component or Unit to attend a training period, normally not to exceed 2 weeks, or to active emergency service for a period not to exceed 30 days, shall be paid the amount, if any, by which their regular Company pay exceed Government pay. It is not the intent to

provide such payments for more than 10 work days in any one 12 month period unless approved by the Assistant Vice President – Human Resources Operations.

Employees who enlist for the minimum period of the Armed Forces, or are members of a Component and are involuntarily ordered into active duty shall be paid in accordance with the policy established by the Company at this time.

B. Concession Telephone Service.

When an employee is granted a Military Leave, concession telephone service may be continued during the period the employee is on leave, provided the service is being furnished within the Company to the employees or a member of his family to whose support he contributes.

ARTICLE 7

FORCE ADJUSTMENTS

7.01 Reduction in Force. (Also see Appendix A, Part II, - Family of Skills).

A. The Company will determine the necessity, extent and procedures for adjusting forces, subject to the procedural limitations set forth in this Article.

1. These procedures apply to both technological/operational efficiency and economic surplus except where specified.
2. The Company will endeavor to keep at a minimum the number of regular, full-time employees within a work group who will become surplus. To this end, the Company will utilize temporary employees as appropriate to supplement affected work groups prior to a known change which will diminish the total number of employees.

Notwithstanding 1.22, the Company may hire such employees on a temporary basis for an 18-month period (or less) prior to the scheduled date of a technological change. In the event the actual date of the change exceeds the scheduled date by 6 months, temporary employees will be reclassified to regular employees.

3. A vacancy will not be considered to exist when an employee desires to follow his/her work to another exchange due to reorganization, relocation of existing work or centralization.
 - a. If the number of employees performing the work exceeds the number needed to perform the work in the new exchange, affected employees will be allowed, in seniority order, to follow their work to the extent that jobs are available.
 - b. Employees may elect to follow their work across state lines.
 4. Surplus declarations will be made effective among regular employees performing essentially the same type of work in the affected department.
 - a. The Company will identify the most junior employee(s) performing essentially the same type of work in the department.
 5. The Company will notify the Vice President and appropriate State Director of the Union or their designees of all anticipated force reductions prior to the reductions.
 6. Except as limited by 7.01C1a, employees announced surplus are eligible for Employment Security PARTNERSHIP services as described in Article 24. This program provides guidance to surplus employees on career counseling, training and retraining, job opportunities, etc.
 7. The seniority of employees will be determined as of the date of displacement.
- B. Temporary employees hired under 7.01A2 will be separated first.
- In the event it is unnecessary to terminate the services of all such employees, those to be retained will be selected in the order of seniority.
- C. If further force reductions are necessary, the following procedures should be followed.
- If there is more than one force adjustment occurring

simultaneously or within the same general time frame, the affected employees should be grouped for the purpose of reclassifying such employees to vacancies for which they qualify. However, subsequent force surpluses announced within the same general time frame will not affect the status of an employee who has previously been notified of assignment to a vacancy under these procedures.

The following employees (regardless of their present department) will, in order of seniority, receive priority consideration when the Company fills vacancies at and below the employee's current wage scale (regardless of the department in which the vacancies exist).

- Surplus employees identified in 7.01A4.
 - Employees on technological or sabbatical leaves whose leaves of absence are expiring.
 - Employees who have return rights to the title pursuant to 7.01K. (Present title or previous title.)
 - Employees who are participants in the PARTNERSHIP Job Bank as described under 24.02F.
 - Employees described under 12.02F.
 - Employees displaced from their current jobs because of permanent medical restrictions. (See 8.06B.)
 - Employees holding part-time jobs in the same title where the vacancy exists, who were technologically displaced into such status. The failure of an employee to accept a full-time status offer relieves the Company of any further obligation to offer that employee full-time status.
1. Surplus employees will be provided with information on the current surplus and all their options:
 - Supplemental Income Protection Program (SIPP), including ESIPP
 - Transitional Leave of Absence
 - Sabbatical Leave of Absence
 - Technological Displacement Leave of Absence

- Current vacancies
 - Bumping rights
- a. SIPP, as described in 8.04A, is granted in seniority order to employees performing essentially the same type work in the department. Employees opting to take SIPP must have at least 1 year of seniority, are not entitled to PARTNERSHIP services, and do not have recall rights.

The Company will expand the SIPP option (ESIPP) to other employees or groups not affected by force adjustment as an additional method to reduce the surplus. Expanded SIPP will not be offered in order to create placement opportunities for employees who are not qualified or for whom extensive training in excess of 14 weeks would be required.

To be considered for SIPP or ESIPP, all employees other than surplus employees must notify the appropriate Company representative in advance that they will accept such an offer. The Company may offer, but is not required to offer, ESIPP to non-surplus affected employees for economic surplus.

Any placement opportunities created by SIPP and ESIPP will be filled in the order of seniority by surplus employees and will not be treated as vacancies under other provisions of the contract relating to the filling of vacancies.

SIPP may also be granted when the return of a regular employee at the expiration of a leave of absence with mandatory return rights will create or add to a surplus. A senior employee performing essentially the same type work in the department may relieve such a surplus with SIPP. If no such employee has volunteered, the employee on leave may choose not to return to work and will be paid a termination allowance computed under 8.05B in lieu of processing. Otherwise, except for a Sabbatical Leave of Absence, the employee on

leave will return to active employment and all the provisions of 7.01C will be applied.

- b. Surplus employees who are within **36** months of actual age and/or service requirements for service pension eligibility may take a Transitional Leave of Absence. Both SIPP and ESIPP may be combined with a Transitional Leave.
- c. Surplus employees with at least 5 years seniority who have not taken a Sabbatical in the past 5 years may take an unpaid Sabbatical Leave of Absence for 9 to 24 months. An expiring Sabbatical may be extended at the employee's option in increments of at least 3 months up to the maximum total period of 24 months. *At the expiration of a Sabbatical Leave, if no equal level vacancy is available, the employee will be eligible to enter the Partnership Job Bank as described in Article 24.*
- d. Surplus employees (unless the surplus is economic) may take a Technological Displacement Leave of Absence. An employee who chooses to accept a leave of absence does not thereby forfeit his/her right to accept a transfer to another location to perform the same or related work or to be paid a termination allowance (technological leaves only), provided he/she gives notice that he/she wishes to change his/her option to accept a transfer or the allowance before the expiration of one year following his/her acceptance of the leave. In the event notice of a desire to change his/her option is given:
 - 1) The employee will be notified, in the order of seniority, of the next job vacancy of his/her preference by letter to his/her last known address;
or
 - 2) He/she will receive a termination allowance computed under 8.05B as of the date of his/her leave of absence.

- e. Surplus employees may fill available vacancies for which they qualify and will be reassigned to equal level vacancies for which they qualify within the Family of Skills.
 - f. Surplus employees who receive no equal level job offer may elect to bump the most junior employee performing essentially the same type work.
2. Bumped employees will be provided with information on all their options:
 - Supplemental Income Protection Program (SIPP/ESIPP provisions for bumped employees will be the same as described in 7.01C1a)
 - Transitional Leave of Absence
 - Sabbatical Leave of Absence
 - Technological Displacement Leave of Absence
 - Current vacancies
 - Bumping rights (remaining choices, if applicable, from the list of the original surplus employee who bumped).
 3. An employee to be laid off who previously declined an opportunity under 7.01A3 may follow his/her work, provided vacancies still exist in the new location. Any such moves will be considered to have been made at the instance of the Company.
- D. Surplus and bumped employees who cannot be placed under 7.01C are laid off with termination allowance computed under 8.05B. They are eligible for recall under 7.02.
 - E. The determination by the Company of the qualifications of an employee under 7.01 will be subject to the grievance procedure set forth in Article 21, and after the exhaustion of such procedure a charge of arbitrary action or bad faith will be subject to the arbitration procedure set forth in Article 23.
 - F. In the event the Company proposes, or agrees to, a termination allowance under 8.05A3 within 6 months after an employee has been reclassified under 7.01C and has been given training

and has unsuccessfully performed new duties, such employee will be given a termination allowance under 8.05B, or, at the option of the employee, a transfer to an available vacancy for which he/she is qualified.

1. Prior to invoking these provisions, the procedures outlined in 12.02F1 and F2 will be applied.
 2. In the event an employee offers impelling personal reasons for not accepting reassignment, he/she will be entitled to a termination allowance under 8.05B and will have recall rights under 7.02 as if he/she had been laid off from his/her former job.
- G. Employees accepting lower-rated jobs under 7.01C will be treated under the provisions of the Reassignment Pay Protection Plan (8.03B or C, as appropriate).
- H. Any regular employee whose job is affected by a force surplus may elect not to accept a reassignment involving a lower rate of pay and will be paid a termination allowance.
- I. Any such regular employee who refuses to accept a transfer to a job title having the same or greater rate of pay (and, for technological/operational efficiency surplus), will not be paid a termination allowance.
- J. An employee one step out of the bargaining unit who is notified by the Company that his/her job is declared surplus may, if he/she has 5 or more years of seniority, be reassigned to a bargaining unit job within the same department in a title which he/she formerly held including "acting" titles, or to a job which he/she can satisfactorily perform. The temporary loss of seniority provisions of 12.02A13 will apply if there is a subsequent force adjustment of any type.
- K. Employees transferred and/or demoted under 7.01C or 12.04 shall have the right, in order of their seniority, to return within 5 years as jobs become available in the job title they now hold or which they were holding at the time of transfer provided the employee has a valid request on file under 12.01B. The

employee may have only one 7.01K request on file. The rejection by the employee of an offer of a job pursuant to the above shall discharge the Company of any further obligation hereunder.

Employees demoted under 7.01C above shall have the right, in order of their seniority, to be reinstated in a vacancy within 5 years, in the job he/she held at the time of his/her demotion, provided he/she has a valid request on file to be reinstated in such job. The rejection of an offer of a job, in the title held at the time of the demotion shall discharge the Company of any further obligation hereunder.

Employees who were originally displaced in this bargaining unit as a result of a surplus condition and as a result accepted a lower level job in the same exchange or an equal or lower level job in another exchange, and who were subsequently transferred at the instance of the Company to another bargaining unit, may be considered under the provisions of 7.01K if there are no surplus employees within this bargaining unit who have rights for these vacancies.

Vacancies that are filled under the provisions of 7.01K by such reinstatements will not be subject to the provisions of Article 12.

- L. The smallest appropriate subdivision which the Company may designate under 7.01 will be the department.
- M. Although the filling of vacancies across entity lines under Article 7 is not subject to the grievance and arbitration procedures, the Company *will* consider employees who have been identified as surplus in other entities and *may* place such employees in *equal or lower level* vacancies.
- N. Employees who are to be laid off as a result of being processed under 7.01 are eligible for participation in PARTNERSHIP Job Bank as described in Article 24.
- O. Once regular employees have been displaced (separated or transferred) under the Force Adjustment procedures, temporary employees will not be utilized performing essentially the same

type work in the same department and title of the surplus declaration for at least two calendar quarters following the declared displacement date. These provisions will not apply when there are emergency conditions over which the Company has no control or advance notice.

7.02 Recalled After Layoff.

- A. Laid off employees will have the right to be recalled as follows:
1. When a vacancy exists for a regular employee and there are no employees who are to be placed in the vacancy under the procedures described in 7.01C, **7.01M**, 12.02F, 12.04, **24.05D4**, or employees who have mandatory return rights, any employee(s) who is on layoff from the same Family of Skills in which that vacancy exists and who has requested such job will be offered the equal or lower level vacancy in order of seniority, from the list of laid off employees, provided they are qualified to perform the duties of the vacant job.

Vacancies that are filled by the recalling of such laid off employees will not be considered as vacancies to be filled by the transfer and upgrade provisions of the Agreement.
 2. Laid off employees may submit up to 6 requests for equal or lower rated titles anywhere in the Company or in any of the following entities: BellSouth Telecommunications, Inc., BellSouth Affiliate Services Corporation, or BellSouth Billing, Inc. Such requests will remain active for a period of 4 years from the date of layoff.
 3. Any refusal of an offer of a requested equal or lower level job in the Company or another entity will discharge the Company of all obligations hereunder.
 4. Notification under "A1" above, will be sent by certified mail to such employee's last known address. The employee is responsible for keeping the Company advised of any change in address.
 5. A former employee who wishes to accept such offer of re-employment will notify the Company of such intention

within 5 work days and will normally return to the employment of the Company within 14 days from the date of such notification, which is conclusively to be presumed to have been given as of the date of the mailing of such notification.

Where the time periods specified above will work an undue hardship on an employee, they may be extended.

6. No impairment which existed at termination of last preceding period of Company service will be considered as just cause for a denial of re-employment.
7. Any employee recalled under the provisions of this section within 4 years from the date of his/her layoff will have the continuity of his/her service protected, including seniority, and if his/her layoff was not for more than 6 months duration, he/she will be allowed service and seniority credit for such layoff unless it began within 12 months of a previous layoff.
8. Laid off employees selected for a lower rated job than the one from which they were laid off will not be eligible for the Reassignment Pay Protection Plan (RPPP), as outlined in 8.03B of the Agreement.
9. Laid off employees will be recalled based upon their seniority date on the date of layoff.
10. Decisions regarding the recall and filling of vacancies of employees under the provisions of 7.02 may be discussed between the appropriate CWA and Company representative. Such decisions, however, are not subject to the grievance and arbitration procedures.
11. Any acceptance of an offer of a requested equal or lower level job in the Company or any other entity will discharge the Company of all obligations hereunder.
12. *Laid off employees who are subsequently rehired into a higher rated job and who are unsuccessful within the first six months, shall retain their 7.02 recall from layoff status to their original laid off position.*

7.03 Temporary Hiring of Laid Off Employees.

As a general practice the Company will endeavor to offer laid off employees any temporary vacancies for which they are qualified. Acceptance of such vacancies will not affect their status as a laid off employee.

ARTICLE 8**EMPLOYMENT SECURITY****8.01 Common Interest Forum.**

- A. Recognizing that rapid changes are occurring and will continue to occur in the information and telecommunications businesses, the parties express their intent that a forum of common interest will be established for the following purposes:
1. Providing a framework for early communication and discussion between the parties on business developments of mutual interest and concern to the parties and their constituencies;
 2. Discussing and reviewing innovative approaches to enhance the competitiveness of the Company and improve employment security;
 3. Improving understanding and relationships between the parties and avoiding unnecessary disputes by cooperatively addressing significant changes and developments in the Union or Company environment.
- B. Equal numbers of key Union and management persons shall constitute the forum in the Company. Meetings will be convened by the parties at mutually agreeable places and times but not less often than quarterly. Otherwise, the members of the forum shall determine its composition, structure, agendas, and operation.
- C. The Company and the Union further recognize that numerous other topics may be discussed in this forum.
1. Technological Change

2. Career Continuation Programs
3. Occupational Safety and Health
4. Quality of Work Life
5. Health Care Cost Containment
6. Force Adjustment

D. It is the intent that the Common Interest Forum support the collective bargaining process and the established contractual dispute resolution procedures.

8.02 Reassignment Option.

If during the term of this Agreement, the Company notifies the Union in writing that technological change (defined as changes in equipment or methods of operation) has or will create a surplus in any job title in a work location which will necessitate reassignments of regular employees to different job titles involving a reduction in pay, or if a force surplus necessitating any of the above actions exists for reasons other than technological change and the Company deems it appropriate, any regular employee:

- who is in the affected job titles and work locations; and
- who is not eligible for a service pension, may elect not to accept such reassignment to a job title involving a reduction in and shall be paid a termination allowance. Any such regular employee who refuses to accept a transfer to a job title having the same or greater rate of pay shall not be paid a termination allowance.

8.03 Transfers to Lower-Rated Wage Scales. (Including Reassignment Pay Protection Plan)

A. When an employee is involved in an interdepartmental transfer, or a reclassification within his/her department, to a lower-rated job as a result of asserting his/her seniority rights under 7.01J, a transfer under Article 12, or a demotion for misconduct, gross negligence, lack of effort or other such extraordinary circumstances, his/her rate of pay shall be reduced to that applicable to his/her wage length of service on the lower wage scale and he/she shall thereafter progress on such scale.

- B. RPPP (Reassignment Pay Protection Plan). When an employee is reclassified to a lower rated job under 7.01C, 12.02F, 24.05D4d or as a result of being permanently medically restricted the employee's rate of pay will be reduced over a period of time based on the employee's seniority. The reductions in pay will be effective at periods following reassignment as shown below and each reduction is based on the difference in the appropriate rates for the old and new jobs:

WEEKS	Reduction In Difference In Old & New Rate
Employees with 1-10 Years Seniority	
1 thru 4.....	No Reduction
5 thru 8	1/3 Reduction
9 thru 12.....	2/3 Reduction
13 & thereafter	Full Reduction

Employees with 10 - 15 Years of Seniority

1 thru 30.....	No Reduction
31 thru 34.....	1/3 Reduction
35 thru 38.....	2/3 Reduction
39 & thereafter	Full Reduction

Employees with 15 or More Years of Seniority

(Exception: see 8.05C below)

1 thru 56.....	No Reduction
57 thru 60.....	1/3 Reduction
61 thru 64.....	2/3 Reduction
65 & thereafter	Full Reduction

- C. An employee with 15 years or more of seniority who, due to technological changes or as a result of being permanently medically restricted, is assigned to a vacancy with a lower rate of pay than the then current rate of the employee's regular job shall continue to be paid in the lower level job, an amount equivalent to the rate of pay of the higher paid job in effect at the time of the downgrade. Such wage treatment will continue for 36 months following the effective date of the downgrade. Any employee involved in such downgrades shall receive any increases in pay in amounts which are applicable for a comparable employee in the lower-rated job to which

downgraded. At the end of the 36-month period following the date of the downgrade, the employee's wages will be reduced on the following scale:

Weeks 1 through 4	No Reduction
Weeks 5 through 8	1/3 Reduction
Weeks 9 through 12	2/3 Reduction
Weeks 13 & thereafter	Full Reduction

- D. An employee who has been reclassified to a lower-rated job and who is subsequently promoted to a job on the wage scale from which he/she was displaced (within 5 years) shall be credited with the wage experience credit he/she had accrued prior to the displacement, except that such wage experience credit shall not exceed the maximum number of months on the higher wage scale.
- E. In all other instances in which an employee is involved in an interdepartmental transfer, or a reclassification within his/her department, to a lower-rated job, his/her rate of pay shall be computed as follows:
 - 1. His rate of pay will not be reduced if it is not above the maximum rate for the new job and he/she shall continue at such rate until his/her wage experience credit entitles him/her to an increase on the scale for his/her new job. He/she shall receive initial credit for wage length of service on the new job in an amount equal to the wage length of service credited to him/her in his/her old job, except that if he/she had formerly held a job in the lower classification to which he/she is being reclassified, his/her wage experience credit will be established as the wage experience credit formerly attained in the lower classification plus the time spent on the higher job or jobs, subject to any adjustments as provided in 2.02, when applicable.
 - 1. If his/her rate of pay is above the maximum for his/her new job, his/her rate of pay shall be reduced to that maximum.
- F. Employees involuntarily transferred under the provisions of 12.04 shall have the right to claim the job from which they were moved if the job should become available within five years

after such move as described in 7.01K.

8.04 Supplemental Income Protection Program and Extended Medical Coverage:

A. Supplemental Income Protection Program.

1. If during the term of this Agreement, the Company notifies the Union in writing that an employee is unable to remain in his/her current job because of a permanent medical restriction or if a surplus in any job title in a work location which will necessitate layoffs or involuntary permanent reassignments of regular employees to different job titles involving a reduction in pay, employees in the affected job titles and work locations who have at least 1 year of seniority may elect, in the order of seniority and to the extent necessary to relieve the surplus, to leave the service of the Company and receive Supplemental Income Protection Program (SIPP) benefits described in this Section. The Company will offer Expanded SIPP (ESIPP) as provided in 7.01C for technological/operational efficiency surplus, but is not required to offer ESIPP for economic surplus.
 - a. The Company will determine the job titles and work locations in which a surplus exists, the number of employees in such titles and locations who are considered to be surplus, and the period during which the employee may leave the service of the Company pursuant to this Section. Neither such determination by the Company nor any other part of this Section will be subject to arbitration.
 - b. The number of employees who may be considered will not exceed the number of employees determined by the Company to be surplus.
 - c. *Employees may lock/unlock electronically from the 1st day of the month to the last day of the month, before midnight, Eastern time, preceding the surplus*

quarter. After this period, the SIPP acceptance may not be revoked.

1) Acceptances will be valid for one quarter only. Employees must lock in during the specified time period.

2) There will be no penalty or Expression of Interest associated with SIPP/ESIPP.

- d. Job titles and locations of employees who have committed to accept ESIPP will be made available to surplus *and PMR* employees. Placement into equal or lower level jobs created through ESIPP will be made in seniority order among interested, qualified surplus employees.
 - e. Surplus employees are allowed to submit one request for an equal or lower level job title in their family of skills in any exchange in the Company.
 - f. In a surplus situation, SIPP will first be granted in seniority order to any employees with Irrevocable SIPP/ESIPP Acceptance forms on file who are performing essentially the same type work in the surplus exchange and exchanges within 35 miles of the surplus exchange. Employees who continue to be surplus after this step will have the opportunity to take SIPP, even though they do not have Irrevocable SIPP/ESIPP Acceptance forms on file in advance.
2. SIPP/ESIPP payments for employees who leave the service of the Company in accordance with "1" above will begin within one month after such employee has left the service of the Company and continue until payments have been made for 48 months. The employee may elect to receive this payment in one lump sum should he/she so desire or in two equal payments, one paid as the employee leaves the service of the Company and the other paid on February 1 of the year following.

3. The following SIPP/ESIPP payment table is designed for use with technological surplus under 7.01 and for permanently medically restricted placement as described in Section 8.06. Employees who receive either voluntary SIPP or ESIPP will not be entitled to a termination allowance under this article or further processing under Article 7.

a. Voluntary SIPP/ESIPP Payment Table

Completed Years of Seniority	Wage Scales in Pension Band up to 107	Wage Scales in Pension Band 108 - 109	Wage Scales in Pension Band 110 - 111
1	\$ 800	\$ 800	\$ 800
2	1,700	1,750	1,800
3	2,800	2,900	3,000
4	4,000	4,300	4,400
5	5,050	5,400	5,500
6	5,600	6,000	6,100
7	6,150	6,600	6,700
8	6,700	7,200	7,300
9	7,250	7,800	7,900
10	8,500	8,800	9,100
11	8,500	8,800	9,100
12	10,200	10,500	10,800
13	10,200	10,500	10,800
14	11,800	12,300	12,800
15	11,800	12,300	12,800
16	13,400	14,100	14,600
17	13,400	14,100	14,600
18	15,400	16,100	16,800
19	15,400	16,100	16,800
20	16,800	17,500	18,300
21	18,200	19,000	19,900
22	19,600	20,500	21,500
23	21,100	21,900	22,900
24	22,500	23,500	24,500
25	23,900	25,000	26,100
26	25,300	26,300	27,500
27	26,600	27,800	29,200
28	28,100	29,300	30,700
29	30,700	32,100	33,700
30	30,700	32,100	33,700

4. Upon the happening of any of the following:
 - a. Re-employment of the recipient by the Company as a regular employee;
 - b. Employment of the recipient by an affiliate or subsidiary company within the same control group of companies as is the Company as a regular employee; or
 - c. Employment of the recipient by a competitor of the Company or competitive self-employment;

monthly SIPP/ESIPP payments will cease permanently. Recipients who obtained SIPP/ESIPP as a lump sum will repay to the Company an amount equal to the total monthly payments yet to be received had they elected SIPP/ESIPP payment on a monthly basis. Repayment will be handled in the last sentence of 8.05D2.

B. Extended Medical Coverage.

1. Employees (1) whose employment is terminated as a result of layoff or application of the force adjustment procedures; or (2) who elect to leave the service of the Company pursuant to the provisions of the Supplemental Income Protection Program, or (3) who elect, pursuant to the technological displacement provisions in the Agreement, to accept a termination allowance and leave the service of the Company in lieu of reassignment to a different job title involving a reduction in pay will continue to remain eligible for coverage for up to 12 months under the Company's Medical Assistance Plan or its successor plan, as follows:
 - a. An employee whose seniority is 5 years or more will be eligible for coverage at Company expense for a period of 6 months following the month in which employment is terminated. The employee may elect to continue such coverage for an additional 6 months at the employee's expense by paying the monthly premium amount.
 - b. An employee whose seniority is at least one year but less than 5 years will be eligible for coverage at

Company expense for a period of 3 months following the month in which employment is terminated. The employee may elect to continue such coverage for an additional 9 months at the employee's expense by paying the monthly premium amount.

- c. An employee with less than one year of seniority who is eligible for coverage at the time of termination of employment may elect to continue such coverage at the employee's expense for a period of 12 months following the month in which employment is terminated by paying the monthly premium amount.
 - d. When permitted by applicable federal law, employees may elect to continue such coverage at their own expense for longer periods than those indicated above.
2. The extended medical coverage will be on the same basis and in the same amount to which the employee was entitled immediately prior to leaving the service of the Company. If during the period of any extended medical coverage, as set forth above, the medical expense coverage is changed for employees who remain on the payroll, the same changes will be applied to persons participating in this extended medical coverage program.

8.05 Employment Termination Allowance.

- A. Basis of Payment. A termination allowance will be paid to a regular or temporary employee whose service is terminated under any of the conditions outlined below; moreover, service pension eligibility will not be a factor in determining whether an employee is eligible for a termination allowance.
 1. Laid off in conformity with 7.01.
 2. As an inducement proposed, or agreed to, by the Company to an employee to resign because of inability or unadaptability to perform properly the duties of the job as distinguished from misconduct.

3. Dismissed except for misconduct as distinguished from inability or unadaptability to perform properly the duties of the job.
 4. Upon exhaustion of the leave limits under 6.01C for a leave of absence (other than leaves that have a guaranteed return right) granted to an employee of 8 years or more seniority when the employee is not offered work in the same, an equal or lower-rated job.
 - a. Such employee must have indicated, at the time the leave was granted, a reasonable expectancy to return to work.
 - b. Such employee will have experienced no impairment during the time of such leave of absence which would render the employee unable to perform the essential functions of the job with or without a reasonable accommodation.
 - c. Such employee will not have been guilty of misconduct during the leave of absence which would be proper cause for discharge.
- B. Termination allowances due under 8.05A1 will be at the basic pay rate of the employee at the time of the service termination and will be in accordance with the following:

<u>Completed Seniority</u>	<u>Number Weeks' Pay</u>	<u>Completed Seniority</u>	<u>Number Weeks' Pay</u>
6 mos.	1	15 yrs	33
1 Yr.	2	16 "	36
2 Yrs.	3	17 "	39
3 "	3-1/2	18 "	42
4 "	4	19 "	46
5 "	6	20 "	50
6 "	8	21 "	54
7 "	10	22 "	58
8 "	12	23 "	62
9 "	15	24 "	66
10 "	18	25 "	70
11 "	21	26 "	74
12 "	24	27 "	78
13 "	27	28 "	82
14 "	30	29 "	86
		30 or more	90

C. Termination allowances due under 8.05A2, 8.05A3 and 8.05A4 will be at the basic pay rate of the employee at the time of the service termination and will be in accordance with the following:

<u>Completed Seniority</u>	<u>Number Weeks' Pay</u>	<u>Completed Seniority</u>	<u>Number Weeks' Pay</u>
6 mos.	0	15 yrs	22
1 Yr.	1	16 "	25
2 Yrs.	2	17 "	28
3 "	3	18 "	31
4 "	4	19 "	35
5 "	5	20 "	39
6 "	6	21 "	43
7 "	7	22 "	47
8 "	8	23 "	51
9 "	9	24 "	55
10 "	11	25 "	59
11 "	13	26 "	63
12 "	15	27 "	67
13 "	17	28 "	71
14 "	19	29 "	75
		30 or more	79

D. Termination allowances paid are subject to the following conditions:

1. An employee who has his/her service terminated in accordance with 8.05A and 7.01 after having been re-engaged from a previous service termination under the conditions outlined in 8.05A and 7.01 will be paid the difference between the amount computed as his/her termination allowance and any previous termination payments he/she may have received on account of previous service terminations.

2. If an employee who has received a termination allowance under 8.05B or C returns to the employ of the Company or any BellSouth company, as a regular employee in a lesser number of weeks than he/she was paid for in his/her termination allowance, he/she will repay the Company the difference between the net amount of the termination allowance paid to him/her and the amount of his/her basic wage rate for the period off the payroll. In lieu of cash payments such repayment may be made through payroll deductions in an amount not less than 5% or more than 10% of the basic wage per week or per month.

8.06 Employees With Permanent Medical Restrictions.

- A. An employee who has been determined to be permanently medically restricted is one who, due to permanent physical or mental limitations, is no longer able to perform the essential functions of his/her job, with or without reasonable accommodations.
- B. In addition to the rights to which all employees are entitled under the Collective Bargaining Agreement, such an employee will also be eligible for treatment under the provisions of Sections 7.01C, 7.01C1 through 3, 8.03, 8.04 and 24.02B2, B3 or B4, as appropriate, of this Agreement.
- C. For employees with permanent medical restrictions, the phrases "essentially the same type work" and "same title" in Article 7 are interpreted to mean "an equal level job".

ARTICLE 9

TRANSFER AND TRAVEL EXPENSE

9.01 Expense in Connection with Transfers.

- A. Employee Initiated: The Company shall not pay transfer or moving expenses when the transfer is employee initiated.
 1. The employee will suffer no loss of regular pay for reasonable time off to arrange for the moving of household furnishings and to make the trip to the new location.

- B. When an employee is transferred from one town to another in accordance with 7.01C, he/she will be given reasonable notice prior to the transfer (see 9.01C). Reasonable expenses incurred by the employee in connection with the transfer will be borne by the Company as follows:
1. The transferred employee may be allowed one exploratory trip for self and spouse from the old location to the new location at Company expense to find a new residence and the following expenses will be paid by the Company:
 - a. Actual transportation costs of Company designated public transportation between cities (unless Company transportation is provided), or the equivalent if the employee uses privately arranged transportation. Local transportation at the new location may be provided by the Company. If the Company does not provide such transportation, an allowance of \$10.00 will be paid the employee in lieu of local transportation costs during the exploratory trip.
 - b. Receipted lodging for employee and spouse not to exceed 2 nights.
 - c. Receipted meal expense for the employee and spouse not to exceed 3 days.
 - d. The employee will suffer no loss of regular pay for up to 3 days.
 - e. Receipted reasonable baby sitting charges for child care if required, not to exceed 2 nights and 3 days.
 2. The employee will suffer no loss of regular pay for reasonable time off to arrange for the moving of household furnishings and to make the trip to the new location.
 - a. The employee will be reimbursed, upon presentation of receipted bills or other evidence of payment, for actual costs of transportation, meals, lodging and other incidental expenses of him/herself, and the members of his/her immediate family residing with him/her, including drayage costs (includes movement of mobile

homes) and the other incidental expenses of moving household furnishings. All expenses to be reimbursed under this Article must be submitted for reimbursement within 6 months of the effective date of the transfer, unless the exception is agreed to by the Company.

3. The following options are provided with respect to a relocated employee's disposal of his/her principal residence, which is limited to one- or two-family houses, condominiums, and townhouses. Mobile homes, house boats, lake houses, farms or other land in excess of 5 acres on which the employee lives will qualify to the limit of 5 total acres under this plan, inclusive of the principal residence.
 - a. The employee may elect to sell his/her own residence in which case the following actual out-of-pocket expenses connected with the sale will be paid by the Company:
 - 1) Any penalty payment that the employee must pay because of pre-payment or early payment of the mortgage loan on his/her residence, not to exceed \$200.00.
 - 2) Appraisal fee or expense if paid by the seller.
 - 2) Cost of preparation of abstract or cost of title insurance or title search in those localities in which there is a well-established practice of the seller furnishing proof of title (by abstract, title insurance or other title search). Such expenses are not reimbursable where the seller varies from the established local practice of the purchaser paying for his/her own title insurance, abstract or title search.
 - 4) The cost of any federal revenue or documentary stamps that the seller has to purchase in connection with the transfer or sale of his/her residence.
 - b. Employees will be paid a lump sum equal to 4.5% of the appraised value of their home within 10 days following the receipt of the property appraisals. Employees will

be paid an additional 4.5% of the appraisal value after 9 months or upon sale of their residence, whichever is earlier. The appraised value will be based on the average of 2 independent appraisals. Both appraisals will be made by appraisers selected by the Company and should be completed as soon as is practicable following the employees acceptance of a job which requires a change in residence. The employee may suggest an appraiser who is on the Company's list of approved appraisers. Consideration will be given to using that appraiser for one of the 2 appraisals. The average of these 2 appraisals will normally be the established value of the employee's property. However, if the lower appraisal varies from the higher by more than 5%, a third appraisal will be ordered and the average of the 3 appraisals will become the appraised value.

- 1) The payment of the lump sum described in "b" above relieves the Company of any further obligations under 9.01B3.
 - 2) Disputes that may arise under 9.01B3b are not subject to the grievance procedure or arbitration.
 - 3) Employees whose principal residence is a mobile home will have the option to accept the lump sum provision of 9.01B3b or be reimbursed for the movement of the mobile home.
4. The Company will also reimburse the employee for the following expenses:
- a. Expenses incurred for disconnecting normal household appliances at the old residence and reconnecting said appliances at the new residence. This item includes the expense of providing interior wiring (including 220 volt wiring) and interior pipe and tubing extensions which are necessary in order to use the electric or gas appliances which are being moved from the residence at the old location. The expenses of new or rearranged entrance facilities for either gas or electricity are not to

be included. It is also understood that appliances as used in this paragraph does not apply to television antenna installations at either the old or the new residence.

- b. Connection charges for utility service. This item includes only charges which are paid to the utility as a connection charge and does not include advance deposits required by the utility as insurance for the payment of future utility bills.
 - c. Expenses incurred for refitting, installation of draperies, curtains, rugs or carpets. This item is limited only to the cost of installation and refitting of drapes and curtains, and the refitting and laying of rugs or carpets and does not include any replacement cost or the cost of any additional or new material.
5. The Company will also pay a lump sum of \$2,500.00 to employees who rent their principal residence to help cover other move-related expenses. Upon receipt of written notice to the Relocation Coordinator of employee's intent to relocate, a voucher will be processed to pay the employee. The above payment is contingent upon the employee moving his/her principal residence within one year.
- C. Any change in the designation of an employee's headquarters town that is more than 35 miles will be considered and treated as a transfer for the purposes of this Section. Distance calculations under this section will be as shown on the most recent official State Highway Department map.

9.02 Travel Expenses.

A. Commuting Expense

1. When an employee is asked to report to work outside his/her headquarters exchange at another location that is 50 miles or less from his/her regular place of reporting, he/she will travel on his/her own time, report for duty at the beginning of his/her assigned tour and be compensated as follows:

Up to and including 35 miles	24.00
Over 35 through 50 miles	48.00

2. Distance calculations in this section will be actual mileage on the most commonly used direct route.
3. The Company agrees to follow the selection procedures of 12.05C for all commutes outside an employee's headquarters exchange.

B. Temporary Transfers (See 12.05A)

1. For temporary transfers of over 50 miles from the employee's regular place of reporting, reimbursement will be based on the option chosen by the employee:

Option A

IRS Maximum allowance for all expenses.

Option B

IRS maximum allowance for meals and incidental expenses plus \$12.00. Company pays for lodging. When an employee takes Option B, he may voucher properly receipted, necessary and reasonable lodging expense incurred at a commercial establishment.

Over 50 miles: Company pays for transportation and travel time.

- a. Distance calculations under this section will be as shown on the most recent official state highway department maps.
2. In addition to the IRS maximum allowance for meals and other incidental expenses plus \$12.00 authorized under Option B above, for each day worked the employee will be entitled to directly voucher, with proper receipts, reasonable and necessary local transportation for intracity transportation cost that exceeds \$5.50 per day incurred for travel from his/her place of lodging in the temporary

location to his/her place of reporting provided such transportation is not arranged for by the Company without cost to the employee.

3. When an employee is traveling to or from the temporary location, if the combination of paid travel time and work time at the temporary location does not exceed one-half of the length of a normal tour, he/she will be entitled to one-half the allowances specified for the option chosen. Should this combination exceed one-half the length of a normal tour, he/she will receive the entire daily allowance.
4. If an employee's established home is within the exchange to which he/she is temporarily transferred, he/she will only be entitled to be paid in accordance with the mileage bands in 9.02A1 for up to 50 miles, on the day or part days worked, even though the distance between the employee's headquarters exchange and the temporary exchange location is more than 50 miles.
5. In the case of training schools or emergency situations, the Company may elect to furnish suitable lodging and/or meals and pay for same directly. If lodging is furnished, the employee will not be reimbursed for lodging incurred elsewhere unless such expense is specifically approved by the Company in advance.
6. If the distance and work conditions permit, an employee on temporary transfer may visit on non-scheduled days any town within reasonable travel distance. In this event, he/she will receive travel expense as follows:
 - a. Employees receiving the IRS maximum allowance under Option B will only be entitled to receive the appropriate IRS maximum allowance Option A.
 - b. Employees receiving Option A IRS maximum allowance will be entitled to receive the same amount for such travel.
 - c. When the Company furnishes lodging for employees attending training schools or for employees involved in

a group movement for emergency reasons and pays for same directly, such employees will not be entitled to lodging expense incurred elsewhere when he/she visits another town on non-scheduled days. He/she may decline Company provided meals for such days and in this event he/she will be entitled to the meal and other expense portion of Option A.

7. Any employee who is in a temporary transfer status to attend a training school who travels to the temporary location by common carrier, may directly voucher reasonable and necessary local travel expense incurred on weekends by presenting properly receipted vouchers, provided the Company does not provide local transportation.

C. Interim return home expense.

1. In the event of extended periods of transfer, the Company will occasionally pay intercity and intracity transportation cost in accordance with the provisions of 9.03 for the employee to visit his/her home on non-scheduled days. On such return home visits the employee will also be entitled to the IRS maximum allowance amounts as if the temporary assignments were commencing or terminating as outlined in 9.02B3. This return home provision is to be interpreted and applied as follows:
 - a. When the Company furnishes lodging as outlined in "5" above, the employee will only be reimbursed for designated inter- and intracity transportation cost plus IRS maximum allowance for meals and incidental expenses plus \$12.00.
 - b. The frequency of visits to the employee's home should be based on the expected duration of the temporary assignment. The following frequency for return home visits should be permitted if the employee so desires.

Expected Duration of Temporary Transfer	Permitted Home Visits
21 days or less	0 [see(2) below]
22 days through 35 days	1
36 days through 49 days	2
50 days through 63 days	3
More than 63 days	1 for each additional period 13 days

- 1) For the purposes of this paragraph, the days must be consecutive, but may include partial days (e.g., partial days in a travel status while traveling to or from the temporary location) and will also include those days at home on a return visit per the provisions of this paragraph.
 - 2) Where the duration of the temporary transfer is expected to be 21 days or less but includes 3 full weekends, one visit home would be allowed under this paragraph.
- c. The return home visits may be taken during any non-scheduled periods, provided the total number of visits does not exceed the number specified for the expected duration. Return home visits should not be made during consecutive weeks.
 - d. Returning home is optional with the employee. He/she may elect to remain at the temporary location in lieu of returning home. In this event he/she is not entitled to receive the cost of transportation in lieu of returning to his/her home. After a minimum period of 3 consecutive weeks and on 3-week intervals thereafter, an employee may have his/her spouse or a member of his/her immediate family travel to the temporary work location in lieu of the employee traveling to his/her home location. Expenses for such travel are reimbursable to the employee up to an amount not exceeding the expenses which the employee would have incurred in

traveling to and from his/her home location. In those instances where the spouse or a member of the employee's immediate family visits the temporary location, he/she will not be entitled to the IRS maximum allowance on non-scheduled non-work days during such visits.

- e. When an employee elects to visit his/her home, he/she is not entitled to any travel time since such travel is not required by the Company.
- f. Intercity and intracity transportation to be paid by the Company is limited to visits to the employee's home only. If he/she elects to visit elsewhere he/she will only be entitled to the IRS maximum allowance amount under the conditions outlined in 9.02B6.

D. Employees will be required to submit individual expense vouchers when such expense is not reported on their work reports or otherwise furnished directly by the Company.

9.03 Intercity Transportation.

- A. The Company will provide transportation by Company owned vehicles or commercially rented motor vehicles, or will designate transportation by intercity common carrier (subject to "B" below) for necessary intercity transportation.
 - 1. When the Company designates transportation by intercity common carrier (and the employee does not elect treatment under "B" below), the cost of necessary and reasonable local transportation incurred at the employee's home location between the local point of departure and the intercity common carrier terminal for the beginning and ending segments of the intercity trip will be handled by reimbursing the employee for such cost upon presentation of properly receipted vouchers from a local commercial common carrier. Such reimbursements, however, will not exceed the cost of transportation between the employee's usual place of reporting and the intercity common carrier terminal. As an alternative, the employee may elect to be