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Dear Ms. Dennis,

There was extensive discussion during bargaining regarding Payroll issues. The CWA expressed concern that employees receive appropriate pay for time worked in a timely manner. The Company recognizes these concerns and seeks to address them.

The Company will modify internal procedures concerning off-cycle payments:

- Off-cycle processing of missing Regular pay at the employee's request;
- Off-cycle processing of Extra pay for amounts of \$300.00 or greater at the employee's request.

A Payroll representative will be available to attend Operations Board meetings (by phone) on an as-needed basis to address payroll related issues.

The Company will utilize the following procedures concerning the collection of wage or benefits overpayments.

- The Company will notify the employee before the first payroll deduction.
- If the overpayment is \$4,000 or less, the deduction will be the greater of \$100 or 10% of the employee's gross wages per pay period, until the overpayment is recouped.
- If the overpayment is more than \$4,000, the deduction will be the greater of \$100 or 20% of the employee's gross wages per pay period, until the overpayment is recouped.
- The Company will consider employee requests for alternative payment arrangement when there are extenuating personal circumstances. Such alternative arrangements may be implemented, when in its sole discretion, the Company determines the arrangement to be appropriate and reasonable under the circumstances of each case. The employee may be represented by the Union in discussing alternate payment arrangements with the Company, but the Company's decision on whether to implement such a proposed alternative payment arrangement will be final and binding and will not be subject to further challenge.
- The Company is not precluded from exercising any rights it may have under applicable law to recover overpayments if an employee refuses to cooperate, or if an employee is about to leave or has left the payroll.

Further discussion concerning these issues may be addressed at the Executive level.

The provisions of this letter may be modified as necessary to comply with the requirements of any applicable federal or states laws or regulations.

John Trageser  
Senior Director  
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