

Memorandum of Agreement Transition of Newly-Represented DIRECTV LLC Employees

This Memorandum of Agreement (“MOA”) is entered into as of July 12, 2017 between Pacific Bell Telephone Company, Nevada Bell Telephone Company, AT&T Services, Inc., and SBC Global Services, Inc. (“Company”) and the Communications Workers of America (“CWA” or the “Union”), and sets forth the terms and conditions agreed to by the Company and the Union (hereinafter referred to collectively in this MOA as the “Parties”) regarding the transition of certain newly-represented Company employees into Appendix E (“Appendix E”) of the 2016 Agreement between the Company and the Union (“2016 Agreement”).

1. **Recognition.** Effective with ratification of the 2016 Agreement, DIRECTV LLC (“DTV”) shall be a participating employer in the 2016 Agreement. Per the Certification of Results issued on April 1, 2016 by the American Arbitration Association in Case No. 01-16-0000-8737 for the AT&T West Unit consisting of Technician, Warehouse and Administrative Support, the Company recognizes the Union as the duly authorized bargaining agent for the titles listed below (“Unit Employees”):

- Administrative Support Assistant
- Field Operations Technician
- Installation Technician
- Office Coordinator
- Warehouse Assistant
- Warehouse Material Handler Sr

2. **Transfers to Job Titles.** Effective September 3, 2017 (“Effective Date”), Unit Employees referenced in paragraph 1 above shall be placed into Appendix E in the job titles of Administrative Support Assistant, Office Coordinator, Premises Technician, Warehouse Assistant and Senior Material Handler as provided in Attachment 1 to this MOA.
 - A. The wage schedules for the titles in paragraph 2 above are listed in Attachment 2 to this MOA. The Parties agree that these titles are fully and finally established with no further steps required.
 - B. Until the Effective Date and except as provided specifically in this MOA, current terms and conditions of employment for Unit Employees will not change without discussion between the Company and the Union.
 - C. At the time of the Effective Date referenced above, Appendix E shall contain the entire agreement, subject to the administrative limitations of the Company

systems, between the Parties with respect to all Unit Employees in titles referenced in paragraph 1 above, except that, as described in paragraph 4 below, such Unit Employees will maintain their current benefits until their benefits are replaced on January 1, 2018 and the benefits that will apply at that time are the benefits provided under Appendix E. On the Effective Date, Unit Employees shall be subject to all policies that apply to employees covered by Appendix E. Any administrative limitations and/or policies shall be implemented as soon as practicable after the Effective Date.

- D. Unit Employees shall be exempt from the test qualifications required for their new job title for purposes of their initial placement into such title.
- E. Unit Employees who transition to the Premises Technician title may be sent to Pole Climbing training. Unit Employees who are unable to pass Pole Climbing training will be allowed to remain as Premises Technicians. Unit Employees who become Premises Technicians who are unable to pass Pole Climbing training and who voluntarily transfer to another title that requires Pole Climbing will be required to pass Pole Climbing training to remain in the new position.
- F. Unit Employees' current DTV time-in-title and time-in-location will be credited toward their new Appendix E title.

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

- A. On the Effective Date, Unit Employees will be placed into the wage schedule in Attachment 2 to this MOA that corresponds to their new title in Attachment 1 to this MOA using the assignment method described below.
- B. Assignment Method:
 - a. Field Operations Technicians and Installation Technicians will be assigned an equivalent wage step comparing their current weekly wage rate to the weekly wage steps in the April 2015 Premises Technician wage table. The assigned wage step will be the nearest wage rate that is equal to or within \$0.20 of their current pay (e.g., if the current weekly wage rate was \$720.15, the employee would be assigned at Step 5 -- \$720.00 on the April 2015 Premises Technician wage table). If their current weekly wage rate is more than \$0.20 than the nearest step on the April 2015 Premises Technician wage table, their assigned wage step will be the next higher wage step (e.g., if the current weekly wage rate were \$725.00, the employee would be assigned at Step 6 -- \$765.50 on the April 2015 Premises Technician wage table).
 - b. Field Operations Technicians and Installation Technicians shall transition to the corresponding step of the August 2017 Premises Technician wage table in Attachment 2 that is equal to their equivalent

wage step assigned above (i.e., “step-to-step”). These employees will receive no less than a \$30.00 increase in their weekly wages. The \$30.00 per week minimum increase shall apply even though the wage step on the schedule would have provided an increase for a lesser amount. Any subsequent wage progressions or wage increases will be to the wage schedule step rates.

The \$30.00 per week minimum increase does not apply to employees with a wage rate that is over the top step wage rate of the new wage schedule in Attachment 2.

- c. Employees in the following titles: Administrative Support Assistant, Office Coordinator, Warehouse Assistant, and Warehouse Material Handler Sr. shall transition to the step of the corresponding wage schedule that is closest to but not less than these Unit Employee’s then-current weekly wage rate.

These Employees will be transitioned into wage schedules in Attachment 2 on September 3, 2017, in accordance with this MOA, and will receive no less than a \$30.00 increase in their weekly wages. The \$30.00 per week minimum increase shall apply even though the wage step on the schedule would have provided an increase for a lesser amount. Any subsequent wage progressions or wage increases will be to the wage schedule step rates.

The \$30.00 per week minimum increase does not apply to employees with a wage rate that is over the top step wage rate of the new wage schedule in Attachment 2.

- d. The date on which Unit Employees move to the wage schedules in Attachment 2 to this MOA in accordance with paragraph 3(A) above will be the start date for calculation of the wage progression interval.
- C. Those Unit Employees whose current wages are above the maximum weekly rate of the appropriate wage schedule in Attachment 2 to this MOA at the time of the transition will be pay protected until their base pay is at or below the maximum weekly rate of the appropriate wage schedule. Pay protection shall not apply to Unit Employees who elect to move to another job title. “Pay protected” means that their base pay will remain the same.

4. Benefits.

A. Health and Welfare

Employees and Eligible Retired Employees will continue to be eligible to participate in AT&T’s non-bargained-level health and welfare and disability benefit plans, programs, and policies as they may change from time to time

for non-bargained employees at the sole discretion of the Company without further bargaining or consent from the union through December 31, 2017. Eligible Retired Employees are required to pay 100% of the cost of coverage for the benefits outlined above.

The term "Eligible Retired Employees" means Employees who terminate employment with the Company during the term of this Agreement and who meet the applicable requirements to be eligible for post-retirement benefits under the terms of the medical program the Employee was eligible for as an active Employee as of the date of termination.

B. Pension and Savings

Unit Employees shall be eligible to participate in the benefit plans on the same terms, conditions and provisions in effect as of the effective date of this MOA as provided to similarly situated DTV non-bargained employees, as described in the applicable SPDs and SMMs through December 31, 2017.

5. On the Effective Date, Unit Employees will become eligible for any 2016 Agreement paid or unpaid time off (e.g. vacation, holidays, personal days off, etc.). Any Paid Time Off (PTO) used prior to the Effective Date will be deducted from the Unit Employee's new Bargained vacation balance. If the Bargained vacation balance is not enough to cover PTO time taken, left over hours will be deducted from any Personal Days Off balance available.
6. On the Effective Date, DTV will be a participating company in the NTP and Unit Employees will be eligible to participate in the NTP in agreements where DTV has been added as a participating company.
7. The Union waives and releases any and all claims or potential claims against the Company relating to the recognition or transfer of Unit Employees into Appendix E.
 - A. In addition, with respect to: (1) any basis that predates the date of this MOA; (2) these negotiations and any resulting arrangements; or (3) any change of operations of any currently existing AT&T Company, the Parties to this MOA will not in any pleading, petition, complaint or proceeding before the National Labor Relations Board, an arbitrator or panel of arbitrators, or any court, assert, claim, charge or allege any such companies are a single or joint employer or enterprise, alter egos, accretions or successors of one another, or that any bargaining units of said entities represented by or sought to be represented by CWA are a single bargaining unit, or are or should be otherwise altered in their scope or composition and any such claims pending between the Parties (including any such claims the CWA may have against any AT&T Company) shall immediately be withdrawn or dismissed with prejudice. This commitment will survive the conclusion of these negotiations, unless and until such time as this commitment is terminated by mutual written agreement of the Parties.

The Parties hereby acknowledge Unit Employees are being placed into the 2016 Agreement pursuant to and subject to the terms of the November 17, 2016 letter agreement between Richard Honeycutt and Neil Keith, the terms of which survive the expiration of this MOA.

- B. The Parties agree that this MOA sets forth the full and complete agreement between the Union and the Company regarding the transfer of Unit Employees into job titles in Appendix E as provided in Attachment 1 to this MOA. If there is any conflict between the provisions of this MOA and provisions in the 2016 Agreement, the provisions of this MOA will prevail.
8. The Parties agree that Unit Employees will vote concurrently on ratification of the 2016 Agreement with all other eligible employees covered by such Agreement's terms. In the event that the Union's members do not ratify the 2016 Agreement by August 10, 2017, the terms of this MOA will be null and void. Further, the Company and the Union agree that the Company reserves the right to and may unilaterally withdraw any proposal to add DTV Field Operations Technicians, Installation Technician, Administrative Support Assistant, Office Coordinator, Warehouse Assistant and Warehouse Material Handler Sr employees to the existing bargaining unit and all proposals related to the above titles made by the Company up to that time are withdrawn.
9. If the 2016 Agreement is ratified on or before August 10, 2017, Unit Employees will receive retroactive wages of 3% of their wage rate in effect as of September 2, 2017 for the time period January 1, 2017 through September 2, 2017. Payment for retroactive wages will be made as soon as practicable after ratification. To be eligible for the retroactive payment, employees must be active on the payroll on the ratification date.
10. The Companies and Union agree the Companies will receive credit for payments made under paragraphs 3 and 9 if paid and if the outstanding Appeal for the following Board charge, the Notice of Appeal which was mailed by the Office of the General Counsel on May 1, 2017 is ruled in favor of the Union (31-CA-190062 / DTV Wages) prior to it being withdrawn by the Union upon ratification of the contract.

11. This MOA shall expire on April 4, 2020 unless otherwise mutually agreed in writing by the Parties.

The Parties have caused this MOA to be executed by their respective representatives, duly authorized, as of the day and year first written below.

FOR THE UNION:

By: Ellen West

Title: Asst to the V.P

Date: 1-16-2018

FOR THE COMPANY:

By: Janeth M. Val

Title: DIRECTOR LABOR RELATIONS

Date: 1/5/2018

CURRENT DTV TITLE	NEW APPENDIX E TITLE
Administrative Support Assistant	Administrative Support Assistant
Field Operations Technician	Premises Technician
Installation Technician	Premises Technician
Office Coordinator	Office Coordinator
Warehouse Assistant	Warehouse Assistant
Warehouse Material Handler Sr	Senior Material Handler

Attachment 2

Premises Technician

Step	Weekly
1	\$585.50
2	\$625.00
3	\$667.50
4	\$712.50
5	\$760.50
6	\$812.00
7	\$867.00
8	\$925.50
9	\$988.00
10	\$1,054.50
11	\$1,126.00

Warehouse Assistant

Step	Weekly
1	\$538.50
2	\$560.50
3	\$583.50
4	\$608.00
5	\$633.00
6	\$659.00
7	\$686.00
8	\$714.00
9	\$743.50
10	\$774.00
11	\$806.00

Senior Material Handler

Step	Weekly
1	\$596.00
2	\$631.50
3	\$669.00
4	\$708.50
5	\$750.50
6	\$795.00
7	\$842.50
8	\$892.50
9	\$945.50
10	\$1,001.50
11	\$1,061.00

Administrative Support Assistant

Step	Weekly
1	\$490.50
2	\$507.00
3	\$524.00
4	\$542.00
5	\$560.00
6	\$579.00
7	\$598.50
8	\$618.50
9	\$639.50
10	\$661.00
11	\$683.50

Office Coordinator

Step	Weekly
1	\$538.50
2	\$561.50
3	\$585.00
4	\$610.00
5	\$636.00
6	\$663.00
7	\$691.00
8	\$720.50
9	\$751.00
10	\$783.00
11	\$816.00