



CWA-CENTURYLINK FINAL BARGAINING REPORT 2013

Contains details of the new CWA/Qwest Agreement 2012-2017

NOTE:

The vote of the membership of each Local Union **MUST** be reported to the District 7 Office by 5:00 P.M., MDT, Friday, September 27, 2013.

August 1, 2013

A Message from the 2012 CWA Bargaining Team:

Healthcare – Active and Pre-Medicare Occupational Retirees

We knew from the beginning that active employees were going to pay more for healthcare. The goal was to offset those increases however possible. We met that goal. By the end of 2017 legacy Qwest employees will pay less in premium share than the employees of either AT&T or Verizon or the non-represented employees pay today.

While the PPO option remains, a new Consumer Driven Healthcare Plan (CDHP) will be provided for active members and pre-medicare Retirees. The individual members and retirees will have a Healthcare Reimbursement Account established to offset premiums, co-pays, deductibles and other out-of-pocket expenses. Any remaining unspent monies credited to HRA's will roll over year to year.

The employer refused to continue HMOs as an option. A transition based on the circumstances of the individual HMOs will be established.

Medicare-eligible Retiree Healthcare

We also knew from the beginning that this employer would hammer hard on the subject of Retiree healthcare, both for those who are already retired and those who will retire at some point in the future. We had to hold the line and we did.

Medicare eligible retirees will move to an exchange. The CWA Retiree Chapters will be provided the training and information necessary to provide our retirees with the facts on which to make their decisions. The cap monies will be deposited into individual Healthcare Retirement Accounts under the control of the individual retiree. Any remaining unspent monies credited to HRA's will roll-over year to year. Our expert's review of the Plans available through the exchanges indicates that most will result in significant savings to these folks and keep their costs comfortably within the "caps".

Wages

In terms of the monies that go directly to the employees (wage increases, lump sum payments and premium subsidies), these were calculated to allow most of our members to end up with their head above water at the end of the day and maintain our standard of living even with the impact of paying more for healthcare.

Contracting/Return of Work

There are now specific contractual limits on how much of what work the employer can contract out. We have contractual commitments that require the company to maintain minimum staffing levels within specific organizations and the current circumstances within those organizations. Each is tied to the work volumes within the legacy Qwest footprint and each has a specific, enforceable data monitoring process and an expedited binding arbitration process.

Term of the Agreement

The agreement is retroactive to October 7, 2012 and runs through October 7, 2017. In terms of 2012 and 2013, the active members will not pay more for healthcare. If the agreement is ratified, each employee will receive a \$500 ratification bonus.

CWA's Constitution requires that its rank and file members vote by secret ballot to ratify a tentative agreement. We would ask each of you to carefully review this Final Bargaining Report as you make your decision.

The Committee believes that through the combined efforts of many, we got everything possible and certainly far more than the Company had been willing to concede for 11 ½ months. There are gains and there are changes. The vast majority of the changes do not affect the people who currently work here or our current retirees. It is this Committee's judgment that the gains far outweigh the changes and unanimously recommend that this Agreement be ratified.

Mary Taylor, Vice President
Reed Roberts, Chair
Jay Boyle, Co-Chair

Lisa Avila, Member
Audrey Deguio, Member
Brent Duvall, Member
Ken Saether, Member

Tentative Agreement – Summary of Changes

Where changes have been made to existing provisions, those are specifically called out. If a Section or provision is not called out, then there were no changes made.

All previous references to "Qwest" have been changed to "the Company" or "CenturyLink". For example, the 401k Plan is now referenced as the "CenturyLink Union 401(k) Plan"

Definitions

The current definitions section did not change. However, because of how CenturyLink has structured their various acquisitions and how those entities legally interact, that "how" creates new terms and a definition of each of those terms as used in this Agreement:

Bargaining Unit Seniority	Same as TOE date. All contractual references of 'seniority' for scheduling, assignment and selection processes are determined by TOE date, unless otherwise specified herein or covered by the GLS Letters of Agreement.
Company Service Date	Hire date with the Company (and eligible acquisition companies), which may include service bridging of prior service, if applicable. Remains intact upon transfer.
Illness	Wage replacement for incidental illness absences is based on the length of service as measured by the TOE/GLS date.
Force Adjustment and Force Reductions	TOE will be used to determine seniority for placement among employees in the Adjustment Group. GLS will be used to determine the amount of severance payments under Article 19.
401(k) Savings Plan	401(k) Savings Plan benefits will be the same for eligibility, participation, and provisions based on TOE date which differs between those hired or re/hired prior to 12-31-2008 and those hired or re/hired after 12-31-2008. Eligibility is based on GLS date.
Greater Length of Service (GLS)	Same as Company Service Date. The GLS Letter of Agreement (GLS) and subsequent Letters of Agreement govern the application of GLS for various plans, eligibility and vesting provisions, among others.
Healthcare Plan	Healthcare Plan benefits, will be the same for eligibility, participation, plan design and employee contributions as for LQ Occupational Employees. Eligibility is based on GLS date.
Short Term Disability (STD)	STD benefits will be the same for eligibility, participation, and provisions which differs between those hired or re/hired prior to 12-31-2008 and those hired or re/hired on or after 1-01-2009. Eligibility is based on GLS date.
Term of Employment (TOE)	Length of service (employment) as determined by the Company and as defined in the Qwest Pension Plan for employees covered by this Agreement
Work Assignments, Selection, and Scheduling	The TOE date will be used for such things as determining "seniority" among other represented employees for such things as, but not limited to, bidding for weekly work tours, work assignments, selection and scheduling purposes, including the scheduling of paid time off, subject to the provisions of this Collective Bargaining Agreement

Article 1 Recognition and Responsible Relationship

No changes

Article 2 Hours and Days of Work

Section 2.8 The SC1 and SC 5 payments and their associated reporting requirements are eliminated.

Article 3 Differentials and Allowances

Section 3.1 Night differential will no longer be included in the calculation of vacation, Personal Days, paid Illness absence, short term disability or long term disability.

Section 3.6 Access Allowance – the \$20.00 allowance would be increased to \$25.00. Article 5 is referenced as that those individuals on pager duty are only to be called out for the purposes outlined in Article 5: emergency services (e.g., 911, fire, police); T1/T3 and higher reported outages; HICAP reported outages; multi-line business reported outages; etc (see Section 5.1.).

Article 4 Premium Payments

Section 4.3 Absence due to Jury Duty will be included in the calculation of premiums.

Section 4.5 The 49 hour Premium is now split into 2 new Sections – a new 49 – 55 hour voluntary overtime premium and a 49 hour (or more) premium for mandatory overtime.

Those who volunteer to work overtime will be paid time and one-half for the 49th through the 55th hour. The premium for mandatory overtime from the 49th hour on remains at the double time rate.

An employee who volunteers to work overtime can “un-volunteer” but must do so a minimum of 24 hours in advance. The Company will consider circumstances beyond the employee’s control for less than 24 hour notice.

Time worked under Section 4.7 Sunday Premium (time worked on Sundays), Section 4.8 Holiday Premium and Section 4.9 Christmas Eve/New Year’s Eve Premium will now be excluded for the calculation of either the 40th or 49th hour premiums.

Article 5 Call For Work

No changes

Article 6 New or Changed Jobs

No changes

Article 8 Primary Reporting Place

No changes

Article 9 Travel Time, Transportation, Travel Expense Allowance, Temporary Living Expense Provisions

Section 9.1 Employee Provides Own Transportation. The \$10 payment in sub-sections (c) and (e) were increased to \$15. Employee’s who agree to use their personal vehicle to drive between work locations will be paid mileage for all miles driven.

The provisions regarding Commercial Transportation have a number of changes: the 30 minutes Travel time was increased to 60 (mileage is paid from the employees PRP).

If the commercial terminal is greater than 30 miles but 60 miles or less, the employee will receive a \$15 travel allowance.

If the commercial terminal is greater than 60 miles from the employee's PRP, the employee will be paid for the additional time beyond 60 miles of their PRP.

The intercity travel allowance of \$50 remains unchanged.

Section 9.2 An Overnight Assignment. The Option B per diem was increased from \$36.00 to \$40.00.

Section 9.2 (3) The list of out-of-region High Cost cities is eliminated.

Section 9.3 Trip Home entitlement. The language was clarified that no travel time is paid for the employee's trip home entitlement.

Article 10 Motor Vehicle Usage Program

No changes

Article 11 Vacation, Personal Days and Holidays

Sections 11.5, 11.15, 11.16 and 11.34 were changed to reflect the elimination of the payment of differentials while on vacation (based on the change in Article 3.)

There are no changes to the amount of time-off entitlements, either paid or unpaid or the scheduling and carryover processes.

Article 12 Illness Absence – Wage Replacement

There would be an annual cap on the number of paid illness absence days based on years of service as follows:

<u>TOE/GLS</u>	<u>Wait Period</u>	<u>Max Paid Days</u>
Less than 1 yr	not eligible for illness pay	
1 year – 2 years	2 wait days	3 paid days
3 years – 5 years	1 wait days	4 paid days
6 years but less than 10 years	0 wait days	6 paid days
10 years - 20 years	0 wait days	7 paid days
20 years or more	0 wait days	8 paid days;

Employees – at their option – can chose to use unpaid time and/or paid or unpaid Personal or Vacation Days after their paid sick day bank is exhausted. Up to three (3) such absences will be considered 'excused' unless used on either a Monday or the day before or the day after a Holiday.

Article 13 Death in Family

No changes

Article 14 Jury and Witness Duty

No changes

Article 15 Union Company Relationship

Section 15.4 Language was added specifying when dues collection can be cancelled by the employer after the contract expires.

Section 15.23 Clarifications on postings to Union bulletin boards

Article 16 Grievance and Arbitration Process

There is language added from a Supreme Court decision on what is subject to arbitration should a contract be terminated. Essentially, if a dispute occurred prior to the termination of a contract, it remains subject to arbitration under the terms and conditions of the contract that had been in place at the time the grievance was filed.

Article 17 Discipline

No changes

Article 18 Employee Classifications

Section 18.4 eligibility for benefits is changed from 20 hours to 30 hours.

Section 18.10 change date to October 1.

Section 18.12 Incidental Hours – increase cap to 1,120 hours per year.

Eligibility for Company paid benefits would be a minimum of 30 or more hours a week. Those employees who work at least 20 hours, but less than 30 hours, could purchase benefits by paying 150% of the premiums.

Incidental employees who are retirees will not be eligible for retiree coverage while working as an Incidental and also would be required to pay 150% of the active premium(s) for benefits. Depending on the Retiree's status (single, spouse/domestic partner) and the healthcare option selected, active healthcare at 150% will cost less than retiree healthcare.

Article 19 Force Adjustment and Force Reductions

Section 19.5 Adjustment Group
Note: The Broadband Technician and the Network Technician titles will be combined in the event of a force surplus. (See LOtC 31a).

Section 19.6 (F) (1) Contracting Within the RCA. There is no change to the current language, however how this Section will be applied will vary between the Network and RMG Organizations (see LOtC 27d).

LOtC 27d defines the contractual limits on the percentage of work that can be contracted. The work currently incorporated within the RMG groups must be staffed at a minimum of 80% of the work coming through the door. The Company is limited to contracting out only 20% of that work. LOtC 27d also requires that actual data concerning work volumes will be provided to the Union to ensure the negotiated percentages are maintained. There is a defined data verification process established and an expedited arbitration process for disputes.

Article 20 Lateral Force rearrangement

Section 20.2 Within a Reasonable Commuting Area

Reassignments will be made from among the identified work group(s) and title from among volunteers in order of TOE.

Article 21 Post and Bid Process

The amount of time an Organization can "hold" an employee back from their transfer would be increased from 30 days to 45 days.

Article 22 Leaves of Absence

Employees not eligible for FMLA may apply for other types of leaves under the Leave of Absence Policy or Family Care Leave under the provisions of Addendum 4.

Article 23 Treatment of Medically Restricted Employees

No changes

Article 24 Award Programs

Language was added clarifying that Article 24 includes performance awards - no substantive change to the language.

Article 25 Personnel Records

No changes

Article 26 Compliance with the Law

No changes

Article 27 Special Customer Agreements

No changes

Article 28 Effective Date

Effective October 7, 2012 and expires at midnight October 7, 2017

Addendums

Addendum 1 Wage Administrative Practices

See LOTC 24 regarding voluntary and surplus enhancements (25% increase in VSPP).

Addendum 2 Occupational Relocation Expense Plan

See LOTC 24 regarding voluntary and surplus enhancements (20% increase in relocation).

Addendum 3 Letters of Agreement

- **Building Specialist Certification**
No changes
- **Central Office Equipment Technician**
No changes
- **Concession** – CenturyLink Employee Concession Program (for Employees and Retirees) The Company will offer concession on 2 basic services or the employee can select various discounts on residential products and services where available.

Active employees and retirees who have products and services under the previous Letter of Agreement will retain those products and services until they move to one of the new plans or change their primary residence.

Those who retire with 30 years of service will continue to receive 100% concession on local service and intralata long distance.

- **Expectations Regarding Occupational Dress**
No changes
- **Fleet Specialist & Fleet Technician Certification**
No changes
- **Greater Length of Service (GLS)**
Modified to reflect the 2010 National Transfer Plan (NTP) Letter of Agreement and to include eligibility for illness absence.
- **Job Swap Guidelines**
No changes
- **Labor-Management Forums**
No changes
- **Local Agreements**
If the Local and local management cannot reach a Local agreement, existing contractual default provisions will apply.
- **Local Agreements on Overtime Administration in the Network Organization**
Modified to manage to the 49th or 55th hour for voluntary overtime.
- **Lump Sum Pension Option**
No changes
- **National Public Policy Common Issues Forum** – eliminated
- **Occupational Safety and Health**
One Company Representative from Labor Relations added.
- **PATHWAYS TO THE FUTURE**
No changes
- **Payroll Policies**
No changes
- **Pension Band 120** – renewed
- **Permissible Mobilization Activities Over Grievable Issues**
No changes
- **Priority Personal Days**
If a Local agreement cannot be reached, the contractual default is now spelled out.
- **Qwest/CWA Diversity Committee** – eliminated
- **Qwest – Organization Structure**
No changes
- **Qwest Uniform Program**
The Uniform Program will now be mandatory for those in the customer facing job titles of:

Network Technician, Central Office Technician, Customer Data Technician, COE Technician, Antenna Technician, Assistant Technician, Customer Service Specialist, CPE Technician, Building Specialist, Building Technician, Broadband Technician and Premise Technician.

The two (2) additional titles, Frame Attendant and Supply Attendant, remain eligible to participate on a reduced basis.

On an annual basis, employees will receive an annual credit of two hundred thirty dollars (\$230.00) to order items from a list of available uniform items.

Each participant is required to wear a CenturyLink branded shirt during all work hours.

To the extent the value of the clothing articles provided to employees under this program is taxable, the taxable amount will be "grossed up."

We are applying for a Union SIF to provide the Locals Union-provided uniform patches and money to pay for the sewing.

- **Retiree Healthcare** (See Retiree Healthcare under Addendum 10) for changes to
 - Eligible Post-1990 Non-Medicare Eligible Occupational Retirees; and,
 - Medicare Eligible Retiree Occupational Retirees Exchange Coverage
- **Supplemental Payment Cities**
Clarified language to reflect that any week an employee has paid time/excused time, the full amount of the supplement will be paid.
- **Tax-Exempt Trust**
No changes
- **Union Representation Rights for Occupational Employees**
No changes

New Letters of Agreement

- **Cross Jurisdiction**
With notice, CWA-represented legacy Qwest represented employees can be assigned to perform non-represented work. Represented legacy Qwest employees can be assigned work in other CWA or IBEW jurisdictions, with the concurrence of that non-Qwest Local or Union. Represented (CWA or IBEW) CenturyLink employees can be assigned work in legacy Qwest jurisdictions, with our concurrence. Non-represented personnel cannot be assigned represented legacy Qwest work.

Addendum 4 Family Issues

No changes

Addendum 5 Titles

There would be the following new or redefined titles:

- **The Establishment of the Premise Technician Job Title** (see LOTC 9h)

Wage rate \$22.20. **Scope of work** – clearly defines scope as being the customer side of SNI/NID. The Company can use this title on an incidental basis to perform higher-rated work on the outside of the SNI/NID subject to the following:

- up to 30 calendar days, the Premise Technician would be paid a differential of \$4.75 per day (DTA);
- beginning on the 31st calendar days up to a maximum of 179 days, the Premise Technician would be paid a differential of \$4.00 per hour worked;
- If this incidental use is for 180 days or more, the Company must issue opening for a WS2 technician.
- If there is a surplus of either Broadband Technicians or Network Technicians in an RCA, the Company must discontinue the use of Premise Technicians in the Broadband and Network Technician 'loads'.

The Company plans to utilize the Premise Technician title in metropolitan areas such as Phoenix, AZ; Denver, CO; Salt Lake City, UT; Minneapolis/St. Paul, MN; Seattle/Tacoma, WA; Portland, OR/Vancouver, WA and the surrounding areas. If the Company determines that it is appropriate to deploy the Premise Technician title to other locations, the Company will provide a minimum of thirty (30) days notice to the Union – tied to the deployment of Prism and related products and services.

- **The establishment of the Customer Care Specialist Job Title for off-line billing support titles** of Data Specialist, Information Specialist, Sales and Service Consultant and Sales Support Specialist. This title will be used to backfill attrition in the 4 titles listed above. Everyone currently holding the titles of Data Specialist, Information Specialist, Sales and Service Consultant and Sales Support Specialist in the Off-Line Billing Group(s) will retain their current title and their wage rate will be 'green circled' meaning they are eligible for all base wage increases and lump sum payments provided over the term of the Agreement.

The top-out wage rate for the new title will be \$17.95. Additionally, the work currently incorporated within the Off-line Billing groups must be staffed at a minimum of 80% of the work coming through the door. The Company cannot contract out more than 20% of this work.

A defined data verification process to verify the minimum eighty percent (80%) staffing commitment in Off-Line Billing is defined and includes an expedited arbitration process for disputes. See LOTC 21f.

- **The establishment of the Dispatch Specialist job title.** This title will be used to backfill attrition in the Load Specialist title listed. Everyone currently holding the Load Specialist title will be grandfathered and their wage rate 'green circled' meaning they are eligible for all base wage increases and lump sum payments. The top-out wage rate of \$18.40 is established for the new title. See LOTC 14d.

The redefinition of the Repair Services Attendant title. This title will be used to backfill attrition in the Screening Consultant job title. Everyone currently holding the Screening Consultant job title will be grandfathered and their wage rate 'green circled' meaning they are eligible for all base wage increases and lump sum payments. The top-out wage rate is \$15.25 for the new title. The work currently incorporated within the DSL and POTS Repair groups must be staffed at a minimum of 40% of the work coming through the door. The Company is limited to contracting out 60% of that work. A defined data verification process to verify the minimum eighty percent (40%) staffing commitment in the DSL and POTS groups is defined and includes an expedited arbitration process for disputes. See LOTC 29b.

- **The expansion of the CSSA /CSA title into SBG Sales and Care.** A wage schedule will be established for the CSA/CSSA title. A range of between \$10.00 to \$16.00 with a minimum of \$13.50 is set for SBG and a range of between \$10.00 to \$15.00 with a minimum of \$13.50 is set for Consumer. See LOTC 18a.
- **The expansion of Wage Scale MM to the SBG collection queues¹.** Top rate \$17.30. Those Credit Consultants 'red-circled' as part of the conversion to CFS will now be 'green-circled'. (Red-circle means that those employees were not eligible for any base wage increases). See LOTC 22a.

Addendum 6 Reasonable Commuting Areas (RCA)/Wage Zones

The only changes made reflect the addition of new locations to existing RCA's and the establishment of those separate RCA's as part of the self-determination elections.

Addendum 7 Wages

Ratification Bonus

- \$500 for full-time, pro-rated for part-time (based on EWW)

¹ Please note that this change does not affect the Bismarck North Dakota group which remains under their previous Letter of Agreement

Base wage increases and lump sum payments:

- October 2013, 2% lump sum payment
- October 2014, 2.5% lump sum payment
- October 2015, 1% base wage increase, 2% lump sum payment
- October 2016, 1% base wage increase, 2% lump sum payment

Addendum 8 Pension Bands

No changes

Addendum 9 Contracting of Work Exclusions

This language in Section 19.6 (F) (1) Contracting Within the RCA did not change. How it is applied to those in Network versus those in RMG will change –not to the worse. See LOTc 27d

Addendum 10 Benefits

PPO and CDHP – Active Employees

- Plans go into effect January 2014
 - Premiums
 - 2014, 18%
 - 2015, 19%
 - 2016, 20%
 - 2017, 20%
 - Premium Adjustments
 - 2014, 1.75% (18% becomes 16.25%)
 - 2015, 1.4% (19% becomes 17.6%)
 - 2016, 0.75% (20% becomes 19.25%)
 - 2017, 20%

Health Care – Active Employees

This tentative agreement includes changes to the current PPO plan and a new option for workers called the Consumer Directed Health Plan (CDHP). In the table below, changes to the PPO plan are highlighted.

Plan Design Elements Single / (+1) / Fam	PPO	CDHP
Deductible	\$500 / \$1,000	\$1,500 / \$2,250 / \$3,000
Coinsurance	20%	20%
Out-of-Pocket Maximum	\$3,900 / \$7,800	\$2,000 / \$3,000 / \$4,000
Office Visit	\$25	20%
Health Reimbursement Account (HRA) Contribution by Company	--	\$1,000 / \$1,500 / \$2,000
HRA Wellness Incentive	--	\$300 max per participant
One time HRA Contribution By Company to Join CDHP Plan	--	\$1,000

There will be new employee contribution rates beginning in 2014. Premiums will now be paid every two weeks instead of monthly as they had been previously (26 pay periods instead of 24).

Premiums are set on a sliding scale based on income. Below are premium rates for employees making between \$50,000 and \$70,000 per year (currently 78% of the unit). Employees making less than \$30,000 and between \$30,000 and \$50,000 will be charged reduced rates.

Bi-Weekly Contribution Rates for Employees Making \$50,000 - \$70,000 per Year		
Single / Single and Spouse / Single and Children / Family		
Year	PPO Premium Rates	CDHP Premium Rates
2014	\$24 / \$43 / \$42 / \$68	\$9 / \$19 / \$18 / \$32
2015	\$32 / \$65 / \$61 / \$107	\$19 / \$41 / \$38 / \$69
2016	\$43 / \$93 / \$87 / \$157	\$30 / \$68 / \$63 / \$116
2017	\$55 / \$126 / \$117 / \$214	\$49 / \$111 / \$103 / \$189

Below are the Premium rates that will be paid for active employee coverage that are locked in for the term of the contract:

16.25% premium share

2014

2014 Net Medical Contributions	Bi-Weekly Contribution Non-Smoker				Bi-Weekly Contribution Smoker			
	Employee	EE+Spouse	EE+Children	EE+Family	Employee	EE+Spouse	EE+Children	EE+Family
PPO								
Less than \$30,000	\$19.44	\$37.12	\$35.67	\$59.06	\$36.99	\$72.21	\$66.39	\$111.71
\$30,000 but less than \$50,000	\$21.66	\$40.23	\$38.73	\$63.70	\$39.21	\$75.32	\$69.45	\$116.35
\$50,000 but less than \$70,000	\$23.88	\$43.34	\$41.80	\$68.34	\$41.43	\$78.43	\$72.52	\$120.99
\$70,000 but less than \$100,000	\$26.10	\$46.45	\$44.86	\$72.97	\$43.65	\$81.54	\$75.58	\$125.62
HDHP								
Less than \$30,000	\$6.12	\$14.51	\$13.37	\$24.55	\$17.47	\$41.54	\$37.07	\$65.18
\$30,000 but less than \$50,000	\$7.67	\$16.95	\$15.77	\$28.19	\$21.22	\$43.98	\$39.47	\$68.82
\$50,000 but less than \$70,000	\$9.41	\$19.49	\$18.18	\$31.83	\$22.95	\$46.42	\$41.88	\$72.46
\$70,000 but less than \$100,000	\$11.15	\$21.83	\$20.58	\$35.46	\$24.70	\$48.86	\$44.28	\$76.09
CDHP								
Less than \$30,000	\$5.92	\$14.51	\$13.37	\$24.55	\$21.41	\$45.49	\$40.48	\$71.02
\$30,000 but less than \$50,000	\$7.67	\$16.95	\$15.77	\$28.19	\$23.16	\$47.93	\$42.88	\$74.66
\$50,000 but less than \$70,000	\$9.41	\$19.39	\$18.18	\$31.83	\$24.90	\$50.37	\$45.29	\$78.30
\$70,000 but less than \$100,000	\$11.15	\$21.83	\$20.58	\$35.46	\$26.61	\$52.81	\$47.69	\$81.93

17.6% premium share

2015

2015 Net Medical Contributions	Bi-Weekly Contribution Non-Smoker				Bi-Weekly Contribution Smoker			
	Employee	EE+Spouse	EE+Children	EE+Family	Employee	EE+Spouse	EE+Children	EE+Family
PPO								
Less than \$30,000	\$21.24	\$50.04	\$46.62	\$84.78	\$38.79	\$85.13	\$77.34	\$137.43
\$30,000 but less than \$50,000	\$26.48	\$57.37	\$53.84	\$95.71	\$44.03	\$92.46	\$84.56	\$148.36
\$50,000 but less than \$70,000	\$31.71	\$64.70	\$61.05	\$106.64	\$49.26	\$99.79	\$91.77	\$159.29
\$70,000 but less than \$100,000	\$36.95	\$72.02	\$68.28	\$117.57	\$54.50	\$107.11	\$99.00	\$170.22
HDHP								
Less than \$30,000	\$10.45	\$29.52	\$26.83	\$51.99	\$24.00	\$56.55	\$50.53	\$92.62
\$30,000 but less than \$50,000	\$14.56	\$35.27	\$32.50	\$60.57	\$28.11	\$62.30	\$56.20	\$101.20
\$50,000 but less than \$70,000	\$18.66	\$41.02	\$38.16	\$69.14	\$32.21	\$68.05	\$61.86	\$109.77
\$70,000 but less than \$100,000	\$22.77	\$46.76	\$43.83	\$77.72	\$36.32	\$73.79	\$67.53	\$118.35
CDHP								
Less than \$30,000	\$10.45	\$29.52	\$26.83	\$51.99	\$25.94	\$60.50	\$53.94	\$98.46
\$30,000 but less than \$50,000	\$14.56	\$35.27	\$32.50	\$60.57	\$30.05	\$66.25	\$59.61	\$107.04
\$50,000 but less than \$70,000	\$18.66	\$41.02	\$38.16	\$69.14	\$34.15	\$72.00	\$65.27	\$115.61
\$70,000 but less than \$100,000	\$22.77	\$46.76	\$43.83	\$77.72	\$38.26	\$77.74	\$70.94	\$124.19

19.25% premium share

2016

2016 Net Medical Contributions	Bi-Weekly Contribution Non-Smoker				Bi-Weekly Contribution Smoker			
	Employee	EE+Spouse	EE+Children	EE+Family	Employee	EE+Spouse	EE+Children	EE+Family
PPO								
Less than \$30,000	\$24.70	\$67.98	\$62.11	\$119.52	\$41.58	\$101.72	\$91.65	\$170.15
\$30,000 but less than \$50,000	\$33.69	\$80.57	\$74.51	\$138.30	\$50.57	\$114.31	\$104.05	\$188.93
\$50,000 but less than \$70,000	\$42.68	\$93.16	\$86.91	\$157.08	\$59.55	\$126.90	\$116.45	\$207.71
\$70,000 but less than \$100,000	\$51.68	\$105.75	\$99.32	\$175.85	\$68.55	\$139.49	\$128.86	\$226.48
HDHP								
Less than \$30,000	\$16.27	\$48.46	\$43.86	\$86.51	\$29.30	\$74.45	\$66.65	\$125.58
\$30,000 but less than \$50,000	\$23.33	\$58.34	\$53.59	\$101.25	\$36.36	\$84.34	\$76.38	\$140.31
\$50,000 but less than \$70,000	\$30.38	\$68.23	\$63.31	\$115.98	\$43.41	\$94.22	\$86.10	\$155.05
\$70,000 but less than \$100,000	\$37.44	\$78.10	\$73.05	\$130.71	\$50.47	\$104.09	\$95.84	\$169.78
CDHP								
Less than \$30,000	\$16.27	\$48.46	\$43.86	\$86.51	\$31.16	\$78.25	\$69.93	\$131.20
\$30,000 but less than \$50,000	\$23.33	\$58.34	\$53.59	\$101.25	\$38.22	\$88.13	\$79.66	\$145.93
\$50,000 but less than \$70,000	\$30.38	\$68.23	\$63.31	\$115.98	\$45.28	\$98.02	\$89.38	\$160.66
\$70,000 but less than \$100,000	\$37.44	\$78.10	\$73.05	\$130.71	\$52.33	\$107.88	\$99.12	\$175.39

20% premium share

2017

2017 Net Medical Contributions	Bi-Weekly Contribution Non-Smoker				Bi-Weekly Contribution Smoker			
	Employee	EE+Spouse	EE+Children	EE+Family	Employee	EE+Spouse	EE+Children	EE+Family
PPO								
Less than \$30,000	\$29.09	\$88.79	\$80.19	\$159.40	\$45.26	\$121.11	\$108.49	\$207.91
\$30,000 but less than \$50,000	\$42.27	\$107.24	\$98.35	\$186.92	\$58.43	\$139.56	\$126.65	\$235.42
\$50,000 but less than \$70,000	\$55.44	\$125.69	\$116.52	\$214.44	\$71.61	\$158.01	\$144.82	\$262.94
\$70,000 but less than \$100,000	\$68.63	\$144.13	\$134.70	\$241.94	\$84.79	\$176.45	\$163.00	\$290.44
HDHP								
Less than \$30,000	\$22.83	\$69.66	\$62.91	\$125.07	\$35.31	\$94.56	\$84.75	\$162.50
\$30,000 but less than \$50,000	\$33.16	\$84.14	\$77.17	\$146.66	\$45.64	\$109.04	\$99.00	\$184.09
\$50,000 but less than \$70,000	\$43.50	\$98.61	\$91.42	\$168.25	\$55.98	\$123.52	\$113.26	\$205.68
\$70,000 but less than \$100,000	\$53.84	\$113.08	\$105.69	\$189.83	\$66.33	\$137.98	\$127.52	\$227.26
CDHP								
Less than \$30,000	\$25.68	\$78.38	\$70.78	\$140.70	\$39.95	\$106.92	\$95.75	\$183.51
\$30,000 but less than \$50,000	\$37.31	\$94.65	\$86.81	\$164.99	\$51.58	\$123.19	\$111.79	\$207.80
\$50,000 but less than \$70,000	\$48.94	\$110.93	\$102.85	\$189.28	\$63.21	\$139.47	\$127.82	\$232.09
\$70,000 but less than \$100,000	\$60.57	\$127.22	\$118.90	\$213.55	\$74.84	\$155.76	\$143.87	\$256.36

Spousal Surcharge (See LOtC 32a)

Active employees who earn more than \$30,000.00 per year and whose spouse or domestic partner works for an employer other than CenturyLink and who has access to a qualified group plan where they work, will be required to pay a working spouse surcharge of \$100.00 per month if they chose to have their spouse or domestic partner covered under the Company Healthcare Plans.

Employees who earn \$30,000 or less per year and retirees will not be charged a working spouse surcharge for coverage under the Plan even if their spouse or domestic partner has access to a qualified Plan.

Increased Cost Compared with Wage Credits

We knew from the beginning that we would have to pay more for healthcare. The question was, 1) how would that impact our income and, 2) how much of that could be offset in terms of the dollars we take home. In comparing wages to health care costs, the average employee in the \$50,000 to \$70,000 wage bracket (78% of us) will see the following after offsetting increases in

premiums with new wages and lump sums over the 4-year term of the Agreement. "More" means how much more employees will pay for coverage versus what they pay today and "less" meaning how much less employees will pay for coverage versus what they pay today:

Health Plan	Single	Single and Spouse	Single and Children	Family
PPO	\$2,195 \$.26 an hour less	(\$3,799) \$.46 an hour more	\$550 \$.07 an hour less	(\$8,133) \$.97 an hour more
CDHP	\$5,798 \$.70 an hour less	\$1,261 \$.15 an hour less	\$5,522 \$.76 an hour less	(\$3,367) \$.40 an hour more

- Smokers**
 Smokers pay a higher premium than non-smokers (see premium tables). If anyone in the household smokes, the employee will be required to pay the higher premium. The Company provided Smoking Cessation benefit will provided to any smoker in the household. If completed, the smoker premium rate will be reduced to the non-smoker premium.
- "Opt-Out"** Active employees who 'opt-out' (meaning they decline to participate in the company provided medical, dental and vision Plans), would receive \$750 per year.
- HMO's will no longer be an option effective 1/01/2014. There will be a transition period for those in current treatment regimens before a participant must move to the PPO, CDHP or HDCP Plans.

Dental and vision coverage were built into the total monthly premium under our old Plans. Dental and Vision coverage are now separate, stand-alone options. Active employees do not have to purchase Dental coverage, but cannot use the Company-paid portion for their healthcare premiums. Occupational pre-Medicare eligible retirees however may use the Company-paid portion of their Dental toward their Healthcare premiums

**Dental
Bi-Weekly Contributions**

Basic Dental				
	Single	EE+Spouse	EE+Child(ren)	Family
2014	\$3.97	\$7.96	\$6.97	\$11.92
2015	\$4.17	\$8.36	\$7.32	\$12.52
2016	\$4.38	\$8.78	\$7.69	\$13.15
2017	\$4.60	\$9.22	\$8.07	\$13.81
Enhanced Dental				
	Single	EE+Spouse	EE=Child(ren)	Family
2014	\$5.93	\$11.82	\$10.35	\$17.75
2015	\$6.22	\$12.41	\$10.87	\$18.64
2016	\$6.53	\$13.03	\$11.41	\$19.57
2017	\$6.86	\$13.68	\$11.98	\$20.55

**Vision
Bi-Weekly Contributions**

	Single	EE+Spouse	EE+Child(ren)	Family
2014				
	\$1.78	\$5.21	\$4.34	\$8.29
2015				
	\$1.83	\$5.37	\$4.47	\$8.54
2016				
	\$1.88	\$5.53	\$4.60	\$8.80
2017				
	\$1.94	\$5.70	\$4.74	\$9.06

Active employees do not have to purchase Vision coverage, but cannot use the Company-paid portion for their healthcare or Dental premiums. Occupational pre-Medicare eligible retirees who enroll in the new CDHP Plan may use their HRA's monies for any IRS-allowable medical expenses such as vision, dental, etc.

Retiree Healthcare

Pre-Medicare eligible Retirees

Pre-Medicare Retirees have the option of enrolling in either the PPO, CDHP or HDHP Plans. The Company contributes \$521 per month (single), \$1,042 per month (spouse) or \$1,207 per month (spouse and dependent child(ren)). Those in the PPO Plan will pay a monthly premium equal to the previous year's costs above the cap(s). Those in the CDHP Plan will have those 'cap' amounts placed in a Health Reimbursement Account. Retirees will pay the difference between the 'caps' and the amounts credited to their HRAs. Unused HRA dollars will "roll-over" year to year. Retirees can use the Company subsidy for Dental coverage for their Medical coverage.

Medicare eligible Retirees

Medicare eligible retirees will receive a company contribution into an HRA of \$214 per month (single) or \$428 per month (spouse. Medicare-eligible eligible retirees do not have dependent child(ren) cap dollars). The Retiree can now use this contribution to buy their "Medigap" coverage on a new private health care market set up by the company. Retirees will have the opportunity to select from a range of plans.

Retirees will also be able to "roll-over" any unused dollars year to year in their HRA for future medical expenses.

Company contribution 'caps' are unchanged

Coverage Category (Eligible as defined by the Plan)	Company Retiree Health Care Annual Cost Cap*
Eligible Non-Medicare Adult excluding dependent child(ren)	\$6,250 per retiree \$6,250 per spouse
Eligible Child(ren) (incl. student and handicapped)**	\$2,070 maximum
Eligible Medicare-eligible Adult excluding dependent child(ren)	\$2,570 per retiree \$2,570 per spouse
Waived Coverage	\$0

* Company Retiree Health Care Annual Cost Cap includes medical and dental costs.

** Eligible Child(ren) (incl. student and handicapped) Company Retiree Health Care Annual Cost Cap is based on a child(ren) unit. The unit may include one or multiple eligible children but the maximum cap amount applied is \$2,070 regardless of the

number of children covered. In other words, if one eligible child is covered or if two or more eligible children are covered, the Company Retiree Health Care Annual Cost Cap is \$2,070 in both examples. Retiree Premiums will continue to be determined annually based on the previous years costs.

Surviving Spouse – Retiree

- For those retirees who retired prior to 1/01/2014, in the event of the death of the retiree, the surviving spouse/domestic partner will receive Company paid healthcare for 6 months. The surviving spouse/domestic partner must pay the required premium(s). The Company will extend access to Company provided benefits for an additional 12 months at the COBRA rate.

For those who retire on 1/01/14 or after, in the event of the death of the retiree, the surviving spouse/domestic partner will retain coverage under the Company healthcare plans and will receive the “capped” amount for their lifetime, but the surviving spouse/domestic partner must pay the required premium(s).

401(k) Savings Plan

Under the current contract, the Plan provided a Company match of 81% of an employee’s 6% contribution for those hired prior to January 1, 2009. Those hired or rehired on or after January 1, 2009 received a dollar to dollar Company match of up to 3% of an employee’s contributions.

The Plan will change to ‘grandfather’ in the current Plan those employees with at least 5 years of service and who are at least fifty years old in the current Plan. Those under the age of 50 will move to the post-2009 Plan with a structured Company match of up to 3.5%. This means that those age 50 or older retain the current Plan of 81% match up to 6%. Those younger than 50 would move to a new Plan which provides a dollar-for-dollar match on the first 1% and a 50% match on the next 5%. Those hired or rehired on or after January 1, 2009 would increase from the current 3% to 3.5% with a dollar-for-dollar match on the first 1% and a 50% match on the next 2.5%. Example:

Employee Defers	Company matches
1%	1%
2%	1.5%
3%	2%
4%	2.5%
5%	3%
6%	3.5%

Pension Plan

No changes. The Pension Survivor benefit and Lump Sum option remain unchanged.

Life Insurance

No changes; death benefit (\$10,000) remains unchanged.

Addendum 11 Consumer Sales Compensation Plans Structure

Wage schedule established

Addendum 12 Small Business Sales Compensation Plans Structure

Wage schedule for CSA/CSSA title established

Addendum 13 Retail Solutions Centers

Retail employees will move from TOP to Article 11 Vacation, Personal Days and Holidays and Article 12. Illness Absence – Wage Replacement.

Renewed Letter of Agreement regarding adjustments for Retail and OSR's . Allows for adjustments when 5 consecutive days of entitlement time is taken, either paid or non-paid.

Addendum 14 Local Market Sales

OSR's will move from TOP to Article 11 Vacation, Personal Days and Holidays and Article 12. Illness Absence – Wage Replacement.

Renewed Letter of Agreement regarding adjustments for Retail and OSR's. Allows for adjustments when 5 consecutive days of entitlement time is taken, either paid or non-paid.

Addendum 15 Agent Services

Agents will move from their current schedules in Addendum 15 to Article 11 Vacation, Personal Days and Holidays and Article 12. Illness Absence – Wage Replacement. Voluntary Separation shall be the same as the VSPP Schedule in Article 19.

Letters Outside the Contract (LOtC)

LOtC 3 Renewed – Occupational Job Analysis (OJA) Subject Matter Expert

LOtC 4 Renewed – Recruitment and Retention Bonus

LOtC 8a **Safety and Health Practices – Personal Protective Equipment**
The Company policy regarding safety foot wear. The company subsidy of prescription safety glasses is capped at \$75.00 per year.

LOtC 9b **Establishment of the Premise Technician Job Title**
Top-out wage rate \$22.20.

Scope of work – clearly defines scope as being customer side of SNI/NID. The Company can use this title on an incidental basis to perform higher-rated work on the outside of the SNI/NID subject to the following:

- up to 30 calendar days, the Premise Technician would be paid a differential of \$4.75 per day (DTA);
- beginning on the 31st calendar days up to a maximum of 179 days, the Premise Technician would be paid a differential of \$4.00 per hour worked;
- If this incidental use is for 180 days or more, the Company must issue opening for a WS2 technician.
- In the event of a surplus of either Broadband Technicians or Network Technicians in an RCA, the Company must discontinue the use of Premise Technicians in the BBT/NT loads

The Company plans to utilize the Premise Technician title in metropolitan areas such as Phoenix, AZ; Denver, CO; Salt Lake City, UT; Minneapolis/St. Paul, MN; Seattle/Tacoma, WA; Portland, OR/Vancouver, WA and the surrounding areas. If the Company determines that it is appropriate to deploy the Premise Technician title to other locations, the Company will provide a minimum of thirty (30) days notice to the Union – tied to the deployment of Prism and related products and services.

LOtC 11 Renewed – **CWA Health Benefit Coordinator (1)**

LOtC 12b Renewed – **Performance Enhancement Programs – Field and Central Office Operations**

LOtC 14d **Establishment of the Dispatch Specialist job title.** This title will be used to backfill attrition in the Load Specialist title listed. Everyone currently holding the Load Specialist title will be grandfathered and their wage rate 'green circled' meaning they are eligible for all base wage increases and lump sum payments. The top-out wage rate of \$18.40 is established for the new title.

- LOtC 15d **Restructure of the Customer Care Specialist job title.** Off-Line Billing – the four (4) titles that will be combined into one (1) new title in Offline Billing only are: Data Specialist, Sales Support Consultant, Sales Support Specialist and Information Specialist.
- LOtC 18a **Expanded Use of the CSA and CSSA Job Titles** into Small Business Sales and Care queues. See Addendum 12.
- LOtC 20d **Restructure of the Repair Service Attendant title** – the current title – Screening Consultant – has a top-out rate of \$26.45. The Company's proposal would restructure this title and have a new top-out rate of \$15.25. 650 jobs will be returned to the bargaining unit. A minimum of 40% of the work must be staffed within the bargaining unit. There is a defined data verification process established and an expedited arbitration process for disputes.
- LOtC 21f **Call and Work Sharing – Consumer and Small Business.** This combines everything in the "Kathy Victory" Organization - all Consumer and Small Business Sales, Care, Collections queues for 'call sharing' as well as the Off-Line Billing groups and functions. The Company must maintain sixty percent (60%) of the Sales, Care and Collections work within the bargaining unit and eighty percent (80%) of the Off-Line Billing work within the bargaining unit. There is a defined data verification process established and an expedited arbitration process for disputes.
- LOtC 22a Expands the current wage scale **MM Credit Consultant title** from Consumer into the Small Business Collections queue – the current Credit Consultant rate is \$22.925. WS MM is \$17.30 per hour. Additionally, those wage scale M Credit Consultants in Consumer who were 'red-circled' as part of the CFS conversion will be changed to 'green-circled' protection meaning they will receive any base wage increases or lump sum payments required under the contract.
- LOtC 23 Eliminates the use of the **IME appeal process for LTD determinations** as part of the conversion from a self-insured LTD Plan to a fully insured LTD Plan.
- LOtC 24b A **voluntary enhancement program** similar to VSPP which would be mandatory in a force surplus. It includes a 25% increase to voluntary termination (VSPP) and a twenty percent (20%) increase in relocation expenses.
- LOtC 26a This agreement addresses those employees 'grandfathered' as part of this agreement in the titles of: Credit Consultant, Information Specialist, Load Specialist, Sales Support Consultant, Sales Support Specialist and Screening Consultant titles where the 2-tier positions are introduced.
- LOtC 27d **Contracting of Work – B & C Field Operations – Reporting Process.** Outlines the requirement to return placing or splicing of non-working cable or wire (cold work) in a surplus will only apply to employees in the Network Organization. Work associated with working cable, wire, etc. that is contracted out in a surplus must be returned to the bargaining unit.
- In the RMG Organization, 80% of all (current) 'RMG work' must be staffed by regular bargaining unit employees. The Company is prohibited from contracting out more than 20% of RMG work. There is a defined data verification process established and an expedited arbitration process for disputes.
- LOtC 28a When a Sales, Care or Offline Center is closed and work transferred to another location, the Company must backfill those positions in the receiving Center unfilled by those who follow their work.
- LOtC 29b **Contracting of Work – Consumer and Small Business POTS and HSI – CIA – Reporting Process,** a process to verify the return of 650 jobs and the ongoing forty percent (40%) minimum staffing commitment. Includes an expedited arbitration process for disputes.
- LOtC 30 Renewed – **Notification of Placements Under Article 21 – Post and Bid**

- LOtC 31 **Force Adjustments and Force Reductions – Network Technicians and Broadband Technicians.** These titles will be combined within an RCA in a Force Adjustment or Force Reduction.
- LOtC 32a **Healthcare Provisions**
- **CDHP Incentive.** Provides active employees an additional \$1,000 company-paid contribution to the Health Reimbursement Account of any active employee who enrolls in the CDHP Plan.
 - Establishes the **working spouse/domestic partner surcharge.**
 - Establishes the **Waiver of Medical Coverage Rebate** of \$750.00 for those who waive coverage.
- LOtC 33 **Sales Compensation Plans and Administration**
New letter that encompasses all Sales plans and adds equitable distribution of sales calls between bargained for and vender centers.

Other Letters of Agreement / Understanding

Renewed

- Bremerton, Port Angeles and Port Townsend Ferry Agreement was renewed
- PATHWAYS CWA Committee Co-Chair
- Seattle's Paid Sick Time and Paid Safe Time Ordinance
- Broadband and POTS Screening Center Telecommuting Agreement

There are a number of agreements that have legacy Qwest Groups perform non-represented work on behalf of the (former) QCC Organization and legacy CenturyLink over the term of this contract:

- Wholesale
 - Legacy CenturyLink Wholesale Order, Billing and Call Support Work
 - QCC Order, Billing and Call Support Work
- EMG
 - EMG (formerly BMG) Business and Collections
 - EMG – Control Center Portal – Self Service Support Functions (Business Applications Help Desk BAHD)
 - EMG – CPE System Support
 - EMG – QCC Products and Services
- NROC
 - CenturyLink Surveillance, Monitoring and Tier 1 Repair for Next Generation Voice Messaging (NGVM)
 - Remote Operations Support for CenturyLink Next Generation 911 Facilities – North Carolina
 - Legacy CenturyLink and Savvis Internal Business Office Work Functions
 - Customer Annoyance Call Handling for Legacy CenturyLink Operations Support
 - Legacy CenturyLink Operations Support – Law Enforcement Agency Calls Related to Emergency Situations
 - QCC ATM/Frame Relay Work Functions
 - Network – Integration of Voice, Data and Transport Technologies for QC/QCC and legacy CenturyLink Networks
 - QCC DR. Transport and WFA Administrative/Table Maintenance Functions for Business Enterprise Repair
 - Network – QCC Feature Group Installation
- RMG/Network
 - CenturyLink Corporate Cable Rehabilitation
 - Pole Testing Work Functions

- QCC Splicing and Fiber Characterization
- Support of CenturyLink's Infrastructure and PBS Switch Vancouver, WA
- Construction, Installation, Removal, Repair and Maintenance of Legacy CenturyLink Radio Communication Antennas, Towers and Sites
- Legacy CenturyLink Corporate Repair Ticket Administration
- Network – QCC Narrowband Wiring and Loop Testing
- Finance
 - Legacy CenturyLink Payments and Adjustments for BART Billing System Billed Accounts
 - QCC Financial Work Functions – 4 Letters that are specific to which QCC offices were performing the work
- Victory Organization
 - Legacy CenturyLink Consumer Sales and Care Bilingual Work Functions
 - Boise and Phoenix National Order Help Desk
- IT
 - Tier 2 Technical Support – Personal Computers (PCs), Workstations and Peripherals

Opeiu30/afl-cio