

This Agreement between BellSouth Telecommunications, LLC d/b/a AT&T (the Company) and Communications Workers of America District 3 (the Union) (collectively “Parties”) outlines the understandings reached by the Parties regarding cash award payments for attendance for eligible employees covered by the 2019 BellSouth-CWA Labor Agreement (“CBA”) during the special circumstances of the COVID-19 Pandemic. For purposes of this Agreement we will refer to the program as the COVID-19 AT&T U.S. Cash Award Program (“Cash Award Program” or “CAP”). This Agreement provides for a cash award for attendance during a period of exceptional challenges arising from the COVID-19 Pandemic.

### **COVID – 19 AT&T U.S. Cash Award Program**

1. The Parties agree that the COVID-19 Pandemic has created workforce issues due to social distancing efforts, shelter-in-place orders, and general efforts to avoid the spread of the virus for the public good. The Parties further understand that the Company is an essential business that is instrumental in efforts to promote the operation of the economy, support healthcare and emergency services efforts, and inform the public of critical developments through its communications and media businesses. The Parties therefore agree to allow the Company to institute a Cash Award Program to recognize employees who perform work during this challenging time to help customers stay connected to important resources.
2. Participation includes all titles covered by the CBA.
3. The CAP will be effective on the day following the execution of this Agreement. The Company may cancel the Agreement upon written notice, although the Parties intend to allow the CAP to remain in place as necessary to allow the Company to fulfill its essential public function.
4. The cash award provided by the CAP (“Cash Award”) will be the equivalent of twenty percent (20%) of pay at the regular rate for hours actually worked by covered employees, subject to the following terms:
  - a. The Cash Award does not constitute wages, but will be paid in a lump sum in the same paycheck as the hours worked that resulted in a Cash Award payment - it will be noted on the paycheck as “Cash Awd – Non Disc (FLSA)”;
  - b. While the Cash Award is not wages, the Company will include an additional amount in the lump sum Cash Award payment to compensate employees for overtime worked as if the Cash Award were included in the regular rate for the straight time hours upon which the Cash Award was based in order to comply with any federal, state or local wage and hour laws;
  - c. The Cash Award will be taxed at a flat rate and will not contribute to or be eligible for pension, savings, or life insurance;
  - d. Because the Cash Award does not constitute wages, the Parties agree that its payment shall not impact or be impacted by any other provisions of the contract that would normally affect or be affected by wages or wage rates, including but not limited to provisions for differentials, holidays worked, etc.;
  - e. Because the Cash Award is designed to encourage employees to work, it shall not apply to any time not actually spent working for the Company, including but not limited to paid hours not worked, illness absence, leaves, vacations, COVID-19 benefits, etc.;

- f. The rate of pay for calculating the Cash Award shall be the rate of pay applicable on the last day of the pay period during which the hours upon which the Cash Award was based were worked;
  - g. The CAP will apply regardless of the location(s) where the employee performed work during the applicable hours.
5. The Parties agree that the Company may implement additional incentives designed to recognize employees for the performance of work during the COVID-19 event specific to its various business units in accordance with the needs of the business during the period in which this Agreement is in effect.
6. The Parties understand and agree that the CAP is a joint effort to address the exigent circumstances presented by the COVID-19 Pandemic. They do not intend this cooperative effort to set any precedent concerning incentives or the duty to bargain cash awards or other incentives and agree not to use this Agreement for any purpose or in any proceeding other than as evidence to resolve disputes over the application of this Agreement.

CONCUR:



Tom Paholski  
Assistant Vice President  
Labor Relations



Nick Hawkins  
Assistant to Vice President  
District 3

Date: March 21, 2020

Date: March 24, 2020