

IMPORTANT DIRECTV NEGOTIATIONS SUMMARY

July 19, 2016

After several weeks of negotiations a tentative agreement has been reached with AT&T for all newly-organized Technicians, Warehouse Workers, Clerical Workers and Call Center Employees. The details of the Call Center Agreement are as follows:

Call Center Employees

Wages

Top Wage Rates:

Client Support Specialist \$18.90

Customer Service Rep-\$17.59

Employees will be slotted to the closest wage rate that results in a wage increase. Employees in progression (not at the top wage rate) will move up on the wage schedule every 6-month period after ratification, until they reach the top rate. This will result in significant wage increases for employees in this category; in many cases over 20% during the term of the collective bargaining agreement. Employees above the wage rate are pay-protected until the top rate catches up to them.

- **Effective 9/2/17 - 3% wage increase exponentialized.**
- **Effective 9/2/18 - 2.25% wage increase exponentialized.**

Note: Employees above the top rate in call center will receive an annual lump sum of the wage increase in lieu of an increase in rate.

Contract Ratification Bonus - Call Center employees will receive a \$1,000 signing bonus.

Scheduling - 6 months tour scheduling strictly by seniority.

Exchange Time - Allows employees to take time off during a scheduled shift to be made up during the week.

Benefits - Dramatic improvements as described in Benefit Section.

Personal Days - Can take on an emergency basis **on the same day if approved.**

Shift trade capability.

“Just Cause” - Must exist before any employee can be disciplined.

Union/Management Review Panel - To be held at Union’s request before any employee with 12 months or more can be terminated.

Grievance and Arbitration - Process to challenge unjust discipline or other violations of the contract.

Differentials

- 1.5 OT paid in excess of 11+ hours worked in a day
- 1.5 OT paid on worked Holidays
- Night pay differential 10%
- Temporary Assignment Differential 5%
- Manager Relief Differential 10%
- Bi-lingual pay differential \$5 daily

Time off

- Up to 4 Excused Days with Pay
 - *May be used for unforeseen personal time in lieu of incurring an absence*
- 10 Paid Holidays some of which are Floating
- 3 Paid Sick Days
- AT&T vs. Legacy DTV
 - 1 Year Employee +2 days off
 - 10+ year employee +2 days off
 - 20+ year employee +2 days off

Job Security Protections

- Language to protect subcontracting in the event of a layoff.
- Language to allow for bargaining and mediation if necessary for new titles in unit.
- Language to protect effects bargaining.

DTV Technicians, Warehouse Workers, Clerical, and Call Center Employees **BENEFIT SUMMARY**

Pensions

Although the Company discontinued pensions for new hires on 1/1/16, we were able to get all employees, as well as any new hires, into the AT&T BCB2 Pension Plan (same as the Core Prem Techs).

401k

AT&T Retirement Savings Plans (ARSP)-401k that offers 80% Company match for the first 6% contributed which equates to a 20% increase for those employees who contribute at the maximum contribution level.

Disability Benefits

Employees will now be covered under a comprehensive disability plan, so employees will no longer be required to purchase separate disability insurance.

Medical

DIRECTV employees will have the option of selecting one of 2 Medical options. The plan itself is the same plan that covers employees working under the SCT-3 collective bargaining agreement we have with AT&T and represents one of the best benefit programs in the industry. Option 1 offers lower deductibles out-of-pocket maximums, and co-insurance percentage. Option 2 has higher deductibles, out-of-pocket maximums and co-insurance percentage, but offers lower premium amounts. In addition, the new contract provides benefit protection language meaning that the Company cannot diminish benefits during the term of the contract.

Option # 1 Network/ONA/PPO

Co-Insurance pays 90%/10% meaning that the plan pays 90% of the costs and the employee pays the remaining 10%. For example, for a \$100 doctor's office visit, the plan pays \$90, the employee pays \$10.

Deductibles Network/ONA/PPO

	<u>2017</u>	<u>2018</u>	<u>2019</u>
Individual	\$500	\$600	\$700
Family	\$1,000	\$1,200	\$1,400

Monthly Premiums

	Current Employees		
	<u>2017</u>	<u>2018</u>	<u>2019</u>
Individual	\$155	\$169	\$177
Family	\$335	\$365	\$382

Out-of-Pocket Max

	Network/ONA/PPO		
	<u>2017</u>	<u>2018</u>	<u>2019</u>
Individual	\$2,500	\$3,000	\$3,500
Family	\$5,000	\$6,000	\$7,000

Prescriptions (RX)

RX Out Of Pocket Max for 2017, 2018, 2019

Individual	\$1,200
Family	\$2,400

RX Copays

	<u>2017</u>	<u>2018</u>	<u>2019</u>
Generic	\$10	\$10	\$10
Preferred	\$35	\$35	\$35
Non-Preferred	\$60	\$60	\$70

RX Mail Order for 90 Day Supply

	<u>2017</u>	<u>2018</u>	<u>2019</u>
Generic	\$20	\$20	\$20

Preferred	\$70	\$70	\$70
Non-Preferred	\$120	\$120	\$140

Option # 2 Network/ONA/PPO

Co-Insurance pays 80%/20% meaning that the plan pays 80% of the costs and the employee pays the remaining 20%. For example, for a \$100 doctor's office visit, the plan pays \$80, the employee pays \$20.

Deductibles	Network/ONA/PPO		
	<u>2017</u>	<u>2018</u>	<u>2019</u>
Individual	\$1,300	\$1,300	\$1,500
Family	\$2,600	\$2,600	\$3,000

Monthly Premiums	Current Employees		
	<u>2017</u>	<u>2018</u>	<u>2019</u>
Individual	\$58	\$79	\$84
Family	\$138	\$186	\$196

Out-of-Pocket Max	Network/ONA/PPO		
	<u>2017</u>	<u>2018</u>	<u>2019</u>
Individual	\$6,450	\$6,450	\$6,550
Family	\$12,900	\$12,900	\$13,100

Prescriptions (RX)

Deductible and Out Of Pocket Max integrated with medical

RX Copays

	<u>2017</u>	<u>2018</u>	<u>2019</u>
Generic	\$9	\$9	\$9
Preferred	\$35	\$35	\$35
Non-Preferred	\$70	\$70	\$70

RX Mail Order for 90 Day Supply

	<u>2017</u>	<u>2018</u>	<u>2019</u>
Generic	\$18	\$18	\$18
Preferred	\$70	\$70	\$70
Non-Preferred	\$140	\$140	\$140

Dental PPO

Monthly Contributions

	<u>2017-2019</u>
Individual	\$7
Individual+1	\$14
Family	\$23

Deductible

	<u>2017-2019</u>
Network/ONA	\$25 per Individual per Year
Non-Network	\$50 per Individual per Year

Annual Maximum Benefit (Not to exceed \$1,750 combined Network and Non-Network)

	<u>2017-2019</u>
Network/ONA	\$1,750 per Individual
Non-Network	\$1,300 per Individual

Orthodontic Lifetime Max (Not to exceed \$2,000 combined Network and Non-Network)

	<u>2017-2019</u>
Network/ONA	\$2,000 per Individual
Non-Network	\$1,400 per Individual

Coverage Levels

Class I (Diagnostic/Preventive)

100% Deductible waived

Class II (Basic Restorative – fillings, extractions, periodontal treatment/maintenance)

Network/ONA 90% after Deductible

Non-Network 70% after Deductible

Class III (Major restorative – Crowns, dentures, bridgework)

Network/ONA 80% after Deductible

Non-Network 50% after Deductible

Class IV (Orthodontia)

Network/ONA 80% after Deductible

Non-Network 50% after Deductible

Vision

Monthly Contributions

2017-2019

Individual \$2

Individual+1 \$5

Family \$8

Coverage Levels

Exam: 1 per 12 months

Network \$0 Copay

Non-Network \$28 Allowance towards cost

Frame: 1 pair per 12 months

Network \$130 Allowance towards cost

Non-Network \$30 Allowance towards cost

Lenses Allowance: 1 set per 12 months

Network \$0 Copay (Std. plastic lenses, Single, Bifocal, Tri-focal, Lenticular, Progressive)

Non-Network \$30-\$80 Allowance towards cost

Contact Lenses Allowance: per 12 months

Network \$150 Allowance

Non-Network \$150 Allowance

2nd Pair Benefit:

Network Only: Allows for a 2nd pair of glasses or contact lenses allowance after the first pair benefit is utilized, per 24 months. \$30 Copay.