



Douglas A. Flores
Executive Director
Labor Relations

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August 9, 2009

Tom Runnion
CWA Representative
Communications Workers of America
2804 Gateway Oaks Drive
Suite 150
Sacramento, CA 95833-3509

Dear Tom:

This letter confirms understandings reached by the Companies and the Union during the course of 2009 Collective Bargaining discussions regarding the special pension window benefit for certain employees covered by the Agreement.

Company Proposal 1E of the 2009 CWA Core Collective Bargaining Agreement changes the definition of Applicable Interest Rate and Applicable Mortality Table to implement the changes prescribed by the Pension Protection Act of 2006 effective for distributions on and after January 1, 2012. AT&T West and CWA District 9 have agreed to provide a special pension window benefit for participants in the AT&T Pension Benefit Plan – West Program (“Program”) covered by the 2009 CWA Collective Bargaining. This special benefit will provide for an extension of the Program’s GATT Interest Rate and the Program’s GATT Mortality Table for purposes of calculating lump sums under the Program to Eligible Participants described below.

“Eligible Participants” will be those that meet all of the following criteria:

- Are covered by the Agreement as of their date of termination,
- Satisfy the Modified Rule of 75 as of their date of termination,
- Have a date of termination on or before March 31, 2012, and
- Have a benefit commencement date under the Program beginning January 1, 2012 through and including March 31, 2012.

Under this special pension window benefit, for those who elect a lump sum distribution, the monthly pension for Eligible Participants determined as of the employee’s date of termination will be converted to a lump sum based on the employee’s age, the Program’s GATT Interest Rate and the Program’s GATT Mortality Table, applicable at the time of payment.

August 9, 2009
Tom Runnion
Special Window Benefit

This agreement to provide this special pension window benefit expires March 31, 2012, at which time this extension will be eliminated and the terms of the Agreement will become effective for all Eligible Participants.

Please confirm your understanding of these discussions by signing and returning a copy of this letter to me.

Sincerely,



Douglas A. Flores
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Executive Director – Labor Relations

Acknowledged:



Tom Runnion
Tom Runnion
CWA Representative
Communications Workers of America – District 9