

LA 73-149

4

MEMORANDUM OF AGREEMENT

THIS AGREEMENT, made and entered into this 18 day of January, '1973, among the American Telephone and Telegraph Company, for itself and on behalf of its associated telephone companies (hereinafter collectively referred to as the Bell Companies),* the Equal Employment Opportunity Commission, and the U. S. Department of Labor,

FILED
JAN 19 1973
JOHN J. HARRING, Clerk
By..... Dep. Clerk

-
- * American Telephone and Telegraph Company
 - New England Telephone and Telegraph Company
 - The Southern New England Telephone Company
 - New York Telephone Company
 - New Jersey Bell Telephone Company
 - The Bell Telephone Company of Pennsylvania
and The Diamond State Telephone Company
 - The Chesapeake and Potomac Telephone Company
 - The Chesapeake and Potomac Telephone Company of Maryland
 - The Chesapeake and Potomac Telephone Company of Virginia
 - The Chesapeake and Potomac Telephone Company of West Virginia
 - Southern Bell Telephone and Telegraph Company
 - South Central Bell Telephone Company
 - The Ohio Bell Telephone Company
 - Cincinnati Bell Inc.
 - Michigan Bell Telephone Company
 - Indiana Bell Telephone Company, Incorporated
 - Wisconsin Telephone Company
 - Illinois Bell Telephone Company
 - Northwestern Bell Telephone Company
 - Southwestern Bell Telephone Company
 - The Mountain States Telephone and Telegraph Company
 - Pacific Northwest Bell Telephone Company
 - The Pacific Telephone and Telegraph Company
and Bell Telephone Company of Nevada

WITNESSETH

WHEREAS there are certain currently outstanding equal employment opportunity and equal pay for equal work issues which are the subject of Equal Employment Opportunity Commission (EEOC) charges, government contract compliance reviews or pending litigation or investigations involving the Bell Companies, and

WHEREAS the Bell Companies deny that they have engaged in any discriminatory employment practices which constitute violations of federal laws, regulations or Executive Orders, and

WHEREAS the undersigned parties desire to resolve the aforesaid equal employment opportunity and equal pay for equal work issues and to assure the Bell Companies' compliance with applicable equal employment opportunity and equal pay for equal work laws and regulations with respect to such issues,

NOW THEREFORE, in consideration of the covenants herein expressed, it is mutually agreed as follows:

PART A

I. AFFIRMATIVE ACTION PROGRAMS

The Office of Federal Contract Compliance (OFCC) of the Department of Labor accepts, as consistent with

the requirements of Revised Order No. 4, the American Telephone and Telegraph Company's (AT&T's) Model Affirmative Action Program, Upgrading and Transfer Plan, and Job Briefs and Qualifications, attached hereto as Exhibits A, B and C, respectively (said three exhibits being referred to herein as the "Model Programs"), subject to the clarifications and amplifications contained in this Agreement. The OFCC agrees that subject to the clarifications and amplifications contained herein, such Model Programs, if adopted and implemented without material deviation by individual Bell Companies for each of their respective establishments, shall be considered as complying with the requirements of Revised Order No. 4. EEOC agrees that such Model Programs, as clarified and amplified herein, constitute a "bona fide seniority or merit system" within the meaning of Section 703(h) of Title VII and that employment decisions made in conformity with such Programs will comply with Title VII. Provided, however, that all individual Company programs embodying material deviations from such Model Programs and any material revisions of such programs resulting from the annual reviews thereof will be submitted to the OFCC and the EEOC prior to implementation by any Bell Company. Such programs shall be deemed accepted unless disapproved by the OFCC within 45 days from the date of submission, consistent with Section 718 of the Civil Rights Act of 1964, as amended.

II. GOALS AND TIMETABLES

A utilization analysis of each of the fifteen (15) Affirmative Action Program Job Classifications as defined in Section IV of the Model AAP (Exhibit A hereto) within each establishment will be conducted pursuant to 41 C.F.R. §60-2.11. For those job classifications wherein there exists a substantial salary range, such analysis shall specifically include reference to the relative distribution of minorities and women within such salary range. Each factor in 41 C.F.R. §60-2.11(a) (1) and (2) for which accurate and relevant data are available shall be considered. A goal will be developed for each of the 15 AAP job classifications within each establishment where underutilization is determined to exist pursuant to 41 C.F.R. §60-2.12. In a good faith effort to meet such goals, each Bell Company will establish intermediate targets for one, two and three-year time frames. At the end of each intermediate three-year time frame, the goal for each classification for which a goal has been set will be re-evaluated to determine whether underutilization still exists, and the goals for each job classification will be adjusted or eliminated as appropriate. All goals and all intermediate targets and time frames for each Company and each establishment must be individually approved by the OFCC, and shall be submitted for approval to the OFCC within 120 days from the date of this Agreement, together with the

relevant utilization analysis, including worksheets. Such goals, intermediate targets and time frames shall be deemed approved unless disapproved by the OFCC within 90 days of their submission, notwithstanding Section 718 of the Civil Rights Act of 1964, as amended. Worksheets shall include that portion of the goal which each establishment will make a good faith effort to achieve as intermediate targets within stated time frames.

The foregoing utilization analysis, goals, intermediate targets, and time frames shall also be developed for males in the operator and clerical classifications as part of each Bell Company's program.

All goals and all intermediate targets and time frames, as approved by the OFCC, and as adjusted at the end of each intermediate time frame will promptly be submitted by each Bell Company to the appropriate collective bargaining representative of its employees.

III. TRANSFER, PROMOTION, LAYOFF AND RECALL

A. Each Bell Company agrees to offer each of its female and minority employees, in nonmanagement, noncraft jobs, who had four or more years of net credited service on July 1, 1971, and who expresses a desire for transfer as required by the appropriate upgrading and transfer plan or posting and bidding system to a job in AAP job classification

9 or 10, an opportunity to compete therefor with other employees on the basis of net credited service and basic qualifications, as set forth in Exhibit C, if females or minorities currently are underutilized in such AAP job classification 9 or 10 and such employee is a member of the group which is underutilized. For purposes of this Agreement, "net credited service" shall mean total length of service with the operating company in which the vacancy occurs. Provided, however, that total length of service within the Bell System shall continue to be used for other purposes, including bridging rights, consistent with the provisions of the applicable Bell Company's collective bargaining agreement(s).

Provided further, each Bell Company and each collective bargaining representative of their employees shall be free to bargain to expand this definition of net credited service, for purposes of this Agreement, to mean total length of service with the Bell System.*

Where the term net credited service is presently defined in applicable collective bargaining agreements as length of service greater than that of the company into which the employee was last hired, definition of that term shall be unaffected by this paragraph.

* Employees returning from maternity leave do not have their service broken (absence in excess of 30 days will be deducted from net credited service).

B. In filling vacancies in AAP job classifications 6 and 7, candidates for promotion shall be evaluated on the basis of net credited service and best qualified, unless a lower standard of qualification is provided in a collective bargaining agreement or pursuant to Bell Company practices. However, if any Bell Company is unable to meet its intermediate targets within the stated time frames using these criteria, it will use only the criteria of net credited service and a basic qualified criterion and, if necessary, will seek new hires who meet at least the basic qualified criterion. Efforts to achieve intermediate targets should be substantially uniform throughout the appropriate time frame. Each Bell Company agrees to notify the appropriate collective bargaining representative of its employees prior to promoting or transferring persons into AAP job classifications 6 and 7 on the basis of net credited service and basic qualifications.

C. Net credited service shall be used for determining layoff and related force adjustments and recall to jobs where nonmanagement female and minority employees would otherwise be laid off, affected or not recalled. Collective bargaining agreements or Bell Company practices shall govern the confines of the group of employees being considered. Provided, however, vacancies created by layoff and related force adjustments shall not be considered vacancies for purposes of transfer and promotion under this Section.

D. Minimum residency (time in title) requirements shall not be greater than the following, in the major job titles noted below:

1. Clerical, six-twelve months time in title;
2. Operator, six-twelve months time in title;
3. Service Representative, fifteen-eighteen months time in title;
4. Lower and Middle Craft, fifteen-eighteen months time in title;
5. Top Craft (Switchman, PBX Installer, PBX Repairman, Toll Test man, etc.) twenty-four - thirty months time in title.

Collective bargaining agreements or company practices which provide lower minimum residency requirements than those outlined above shall continue in effect.

IV. EMPLOYEE INFORMATION PROGRAM

A. Each Bell Company agrees to inform its employees who are affected by the provisions of this Agreement, and the appropriate collective bargaining representatives of its employees of the terms thereof in a manner approved by AT&T, EEOC and OFCC.

B. Each Bell Company will, with respect to each of its transfer bureaus, provide a quarterly notice to non-management employees served by such transfer bureau and to any collective bargaining representative representing such employees of the projected number of job opportunities by the major job

titles (e.g., installer, lineman) set forth in the Job Briefs contained in Exhibit C hereto, in his or her transfer bureau for the balance of the calendar year and the number of jobs filled during the previous quarter by net credited service date, date of transfer, job title, EEO-1 minority designation, sex, and last previous job assignment.

V. TESTING

Each Bell Company reserves the right to utilize test scores on validated tests along with other job-related considerations in assessing individual qualifications.. However, each Bell Company agrees that it shall not rely upon the minimum scores required or preferred on its pre-employment aptitude test batteries as justification for its failure to meet its intermediate targets for any job classification..

VI. PROMOTION PAY PLAN

Each employee promoted from one nonmanagement job to another with a higher basic maximum rate of pay, shall have his or her rate of pay in the higher rated job determined as follows:

The employee shall be placed on the step of the new wage table as determined by allowing the employee full wage experience credit, both in progression and at maximum, on the old wage table, but

not to exceed the step down from maximum on the new schedule as listed below:

<u>AAP CLASSIFICATIONS</u>	<u>STEP FROM MAXIMUM</u>
15. Service Workers	0
14. Operators	0
13. Office Clerical - Entry Level	0
12. Office Clerical - Semiskilled	0
11. Office Clerical - Skilled	6 months
10. Telephone Craft - Semiskilled-Inside	6 months
9. Telephone Craft - Semiskilled-Outside	6 months
8. General Services - Skilled	12 months
7. Telephone Craft - Skilled-Inside	12 months
6. Telephone Craft - Skilled-Outside	12 months
5. Sales Workers	12 months

NOTES

1. "Wage experience credit" is defined as the "number of months" step on the wage schedule at which an employee is paid.
2. Moves within an AAP classification shall be at full wage experience credit.
3. Net credited service shall be used instead of the wage experience credit allowance defined above if its use is more favorable to the employee; provided, however, that if the more favorable condition is solely a result of the length of the progression schedule having been

shortened in 1970 or 1971 collective bargaining, then the wage experience credit allowance shall be used.

4. Current promotion pay practices which provide more favorable treatment than the procedure outlined above shall continue in effect.
5. Modification of Plan for Promotion from Simple to Complex Line Assigning

Employees who have work experience in simple plant line assigning (not including clerks whose duties do not require that they use cable books to locate available cable pairs) and are promoted to complex line assigning (Top or Second Craft) will be treated as follows:

- a. Those with over four years of wage experience credit or net credited service (as provided in note 3 above), at least one year of which is simple plant line assigning experience, upon promotion will receive wage experience credit on the new wage schedule equal to their wage experience credit or their net credited service (as provided in note 3 above).
- b. Employees to whom paragraph (a) is not applicable will be accorded promotion pay under the basic promotion pay plan described above.

VII. COLLEGE GRADUATE FEMALES HIRED DIRECTLY INTO MANAGEMENT

In each Bell Company (other than Cincinnati Bell Inc., which did not have an Initial Management Development Program (IMDP) at any time between July 2, 1965, and December 31, 1971, and The Bell Telephone Company of Pennsylvania, which has heretofore satisfactorily resolved issues respecting female college graduate management hires):

- A. Four-year college graduate female employees hired directly into management other than IMDP between July 2,

1965, and December 31, 1971, with the exception of those thereafter placed in IMDP or who were offered placement in IMDP and declined, will be surveyed to determine their interest in promotion to District level (third level) and above management positions. Provided, however, that any Bell Company may during the thirty-day period following execution of this Agreement and entry of the decree provided for in Part C., Section I.A., present to the EEOC and OFCC data indicating that an IMDP program was not underutilizing women during any year or years between July 2, 1965, and December 31, 1971. Upon presenting such data, this Section VII shall be inapplicable to four-year college graduate women hired directly into management for those years during which underutilization did not exist in the IMDP program in question. For purposes of this paragraph only, an absence of underutilization shall mean 25% of all enrollees in an IMDP program. The parties agree that failing agreement as to whether an IMDP program or an individual should be excluded from the application of this Section such determination shall be submitted to the Court for final and binding adjudication under the decree.

B. Those employees who are found to be interested will be scheduled for a two-to-three day assessment at a management center to evaluate their potential for promotion to District level. This assessment process will be conducted under procedures outlined by AT&T and will be completed to

the extent possible within twelve months of the date of the execution of this Agreement. Those employees assessed as satisfactory and who are below second level will be candidates for promotion to second level as vacancies occur and will be added to the District level potential list. Those employees assessed as satisfactory and who are at second level at the date of assessment will be candidates for promotion to District level as vacancies occur. Prior to promotion, both these second level and below second level employees may be reassigned for further developmental experience preparatory to promotion.

C. AT&T agrees to provide the EEOC and OFCC with descriptions of the criteria employed in making such assessments and on request will provide data at reasonable intervals on the number of persons evaluated and rated satisfactory; provided, however, the foregoing assessment procedure may not be relied upon as a defense by any individual Bell Company for its failure to reach the intermediate targets for those job classifications for which such procedures are used.

D. Those employees evaluated under paragraphs A and B of this Section VII. who do not receive a satisfactory rating will return to their current assignments and their assessment rating will not be entered into their permanent personnel file.

VIII. PAY ADJUSTMENTS

A. Nonmanagement Jobs.

Employees promoted prior to January 1, 1973, will have their rate of pay adjusted as of the first pay period after January 1, 1973, to the rate they would have achieved if the promotion pay plan described in Section VI above had been in effect at the time of their promotion.

B. Craft Jobs Only.

1. In recognition of alleged claims of possible discrimination in compensation:

a. Except for Switchroom Helpers at Michigan Bell Telephone Company (Michigan Bell), back wages shall be accorded those female employees who were resident in AAP job classifications 6, 7, 9 and 10 at any time during the period January 1, 1971, to December 31, 1972, as follows:

Each such employee shall be paid an amount equal to the difference between the amount which was paid to her under the promotion pay plan in effect at that time, and that which would have been paid to her during the period from January 1, 1971, to December 31, 1972, had the promotion pay plan described in Section VI above

been in effect at the time of her promotion and for the period of time such employee was resident in a position in AAP job classifications 6, 7, 9 or 10.

b. In order to bring the minimum and maximum rate of pay of Switchroom Helpers at Michigan Bell into the range for the Frameman job in other Bell Companies, the rates for such job will be increased by means of the following formula to be effective the beginning of the first pay period following January 1, 1973.

	<u>Present Minimum Rate</u>	<u>Present Maximum Rate</u>	<u>Proposed Minimum Rate</u>	<u>Proposed Maximum Rate</u>
Zone 1	\$124.50	\$157.00	\$127.50	\$169.50
Zone 2	117.00	153.50	119.00	166.00
Zone 3	111.00	151.00	113.50	161.50
Zone 4	109.00	149.50	111.50	159.00

Michigan Bell will establish new wage schedules similar to those in effect for the Frameman job in other Bell Companies to reflect these minimum and maximum rates of pay.

Michigan Bell will pay to Switchroom Helpers who were so classified during any part of the period from January 1,

Those employees meeting the criteria listed in a), b) and c) will receive lump sum payments in accordance with the following schedule (it being understood that a female minority employee shall be entitled to receive only one lump sum payment).

<u>PROMOTION DATE</u>	<u>PAYMENT</u>
7/1/71 through 12/31/71	\$ 100
1/1/72 through 12/31/72	200
1/1/73 through 12/31/73	300
1/1/74 through 6/30/74	400

In the event that on July 1, 1974, at least ten thousand (10,000) employees have not received payments pursuant to this Section VIII.B.(2), the Bell Companies will extend the date until 10,000 employees have been paid. All payments after July 1, 1974, shall be at the rate of \$400.

C. Management Jobs.

Those employees who are assessed as satisfactory pursuant to Section VII above will have their salary increased \$100 per month as of their assessment date or September 1, 1973, whichever is earlier.

D. Limitation on Recovery.

No individual who has received back pay and/or individual relief under a prior settlement agreement,

conciliation, or consent decree shall be eligible to receive back pay or individual relief with respect to the same claim of discrimination as a result of this Agreement.

B. In order to facilitate conciliation of charges filed with the EEOC during the life of the Decree provided for in Part C., Section I.A.:

- 1) Beginning within 60 days from the date of this Agreement and weekly thereafter, EEOC will provide AT&T with copies of all charges not yet served on Bell Companies and with separate lists for each Bell Company of all charges (a) pending, (b) settled, (c) administratively closed, and (d) in which notices of right to sue have been issued.
 - 2) Beginning within 60 days from the date of this Agreement, AT&T or the Bell Company involved will supply EEOC with proposals for settling charges which any individual Bell Company is prepared to settle.
 - 3) Beginning within 60 days after such proposal is submitted to EEOC, AT&T or the Bell Company involved and EEOC will seek to resolve through conciliation any charge for which a settlement has been proposed.
- C. The EEOC and Department of Labor further agree:
- 1) That they will not, in any claim, action or proceeding (including rate cases), involving any of the Bell Companies, initiate, encourage,

fund, intervene in support of or advocate by amicus brief or otherwise, a position inconsistent with the Agreement or the Decree.

- 2) That EEOC will advise its Regional and District offices, as well as state and local agency grantees, and the Department of Labor will advise its Regional and District offices and contract compliance agencies, that the Decree will bring the Bell Companies into compliance with Title VII, the Equal Pay Act, and Executive Order 11246 requirements as to the issues identified in the Decree and that, to the limit of EEOC's contractual power to insure such a result, such Companies shall not be the subject of enforcement programs funded by EEOC, as to the matters covered therein.
- 3) That any actions taken by EEOC Regional or District offices or Department of Labor Regional or District offices or OFCC field offices which any Bell Company believes to be inconsistent with the terms of the Agreement or Decree may be brought to the attention of the national headquarters of the EEOC, Department of Labor, or OFCC, as appropriate,

and such national headquarters shall become the party with whom such Bell Company may resolve such compliance issues.

II. PROCEDURE FOR RESOLVING EQUAL PAY AND CONTRACT COMPLIANCE QUESTIONS

It is the intent of the parties that, to the extent feasible, all questions of the Bell Companies' further compliance with the Equal Pay Act of 1963 and Executive Order 11246 will be resolved without the need for administrative proceedings or litigation. The parties also agree that should the Department of Labor or the designated compliance agency conclude that a Bell Company is violating the Equal Pay Act or the Executive Order and that it is unable to resolve such matter with that Company it will inform AT&T and give the latter 30 days in which to seek a resolution of such matter.

III. SETTLEMENT OF PENDING LITIGATION

It is the intent of the parties to secure the resolution, to the extent feasible, of all outstanding employment discrimination cases involving each Bell Company's compliance with Title VII of the Civil Rights Act of 1964, as amended, the Civil Rights Acts of 1866 and 1871, and the Equal Pay Act of 1963, consistent with the principles set forth in this Agreement and the Decree.

A. The Michigan Bell case will be settled by a stipulation of dismissal. Michigan Bell will be a party to this agreement, provided that the statute of limitations cutoff date in that case shall be used for the calculation of back wages for Michigan Bell craftswomen.

B. In cooperation with the Department of Labor, AT&T will use its best efforts to achieve a settlement in the New England Telephone and Telegraph Company case.

C. Each Bell Company further agrees that within 90 days after the execution of this Agreement, it will advise the EEOC of those cases which it believes can be resolved in whole or in part consistent with the terms set forth in the Agreement and Decree. If requested by all parties to such a case, EEOC will offer conciliation services to facilitate such a resolution.

PART C

I. CONSENT DECREE

A. The provisions of this Agreement shall not become effective until such time as they are embodied in the Consent Decree attached hereto to be entered simultaneously with the execution of this Agreement in a United States district court, designated by the parties, originating in an action brought by the EEOC pursuant to Sections 706(f) and 707(e) of Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. §2000e, et seq., by the Secretary of Labor under the Equal Pay Act of 1963, Section 6(d) of the Fair Labor Standards Act of 1938, as amended, 29 U.S.C. §206(d), and by the United States pursuant to Executive Order 11246, as amended.

Such Decree shall provide for the retention of jurisdiction by the Court to enter such orders as are necessary to effectuate the provisions of the Agreement and shall state that the life of the Decree shall be limited to six years, except that as to the issues in Part A, Sections VI, and VIII the Decree shall provide that the Bell Companies are permanently enjoined from violating the Equal Pay Act. Provided that AT&T and each Bell Company retains its right to move for dissolution or modification of the Decree as to such Company. Provided further, that should either opinion letter,

provided for in Part C, Section II of this Agreement or any portion of such letters be withdrawn or overruled, the Bell Company affected by such withdrawal or overruling may move the Court to dissolve any portion of the Decree which involves the issue or issues with respect to which the opinion letter has been withdrawn or modified, and to strike any portion of the pleadings in this action relevant thereto, and such motion shall be granted.

B. By entering into this Agreement and accepting the Consent Decree referred to in Part C, Section I.A., the Bell Companies do not make any admission that they have engaged in any discriminatory employment practices or other practices which constitute violations of the Federal laws, regulations or Executive Orders set forth in Part C, Section I.A.

II. OPINION LETTERS

Pursuant to this Agreement, and simultaneous with its execution, the Wage and Hour Administrator of the Department of Labor, in conformity with the requirements of 29 C.F.R. §§790.13 and 790.17, shall issue an opinion letter dealing with the pay practices set forth in Part A, Sections VI and VII, as respects compliance with the provisions of the Equal Pay Act of 1963. In addition, the General Counsel of EEOC, in conformity with the requirements of Section 713(b)

of the Civil Rights Act of 1964, as amended, and 29 C.F.R. §§1601.28-1601.30, shall issue an opinion letter dealing with the employment practices set forth in Part A, Sections III, IV, VI, and VIII, as respects compliance with the provisions of Title VII of the Civil Rights Act of 1964, as amended.

III. DURATION OF AGREEMENT -
DISMISSAL OF DOCKET NO. 19143

A. The provisions of this Agreement shall become effective upon the entry of the Decree provided for in Part C., Section I.A. and shall terminate as to each Bell Company at the time that such Decree shall terminate as to such Company.

B. It is the intent of the parties that this Agreement shall result in the dismissal of Docket No. 19143 which is presently pending before the Federal Communications Commission (FCC). Upon the execution of this Agreement, the EEOC will move for the dismissal of Docket No. 19143. The EEOC will undertake to secure the concurrence of all intervening parties, to such dismissal.

IV. INDIVIDUAL RELIEF

A. The payments or adjustments for individual relief set forth in Part A, Section VIII of this Agreement, shall not be made until such time as the opinion letters referred to in Part C, Section I.C., have been issued, the

Decree described in Part C, Section I.A. has been entered and Docket No. 19143 has been dismissed.

B. The Bell Companies may require that acceptance by any person of individual relief pursuant to the terms of Part A, Section VIII. shall constitute a waiver and release by such person of any claims for alleged violations of Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. §§1981, 1983, Executive Order 11246, or any applicable state fair employment practice laws or regulations based upon occurrences prior to the date of this Agreement and the Decree, and such person shall sign a waiver of such claims as a condition to receipt of such individual relief.

V. COMPLIANCE PROCEDURE

A. As to the issues identified in the Decree provided for in Part C., Section I.A., compliance with the terms thereof resolves all questions of the Bell Companies' compliance, for acts or practices occurring prior to the date of this Agreement, with the requirements of Title VII of the Civil Rights Act of 1964, as amended, the Equal Pay Act of 1963, and Executive Order 11246. Moreover, compliance with the terms of the Decree in the future will constitute compliance with such laws, orders, and regulations as respects those issues dealt with in the Decree.

B. The EEOC will make reasonable cause determinations of charges filed against Bell Companies within the life of the Decree and to the extent that they relate to issues identified therein on the basis of whether or not the practices complained of violate the terms of the Decree. In the event that the EEOC determines that there is reasonable cause to believe that the Decree is being violated, it shall follow the compliance procedure as set forth below.

C. The government plaintiffs shall endeavor to coordinate their efforts to assure compliance with the Decree and shall develop such procedures as may be appropriate to this end.

D. The government will promptly notify the Bell Company involved and AT&T of any complaints of noncompliance. Such Company will be given 60 days to investigate the complaint and conciliate with the government regarding the appropriate corrective action to be taken. At the end of this period, the government, if not satisfied may seek an appropriate judicial resolution of the question.

E. Each Bell Company is to be responsible for its compliance with the terms of the Agreement or Decree. The responsibility of AT&T, apart from responsibility for the compliance of its own departments, shall be limited to:
(1) in case of an irreconcilable conflict between the government and an individual Bell Company, to use its good offices

to aid in achieving a resolution of such conflict; (2) the provision of advice to its associated telephone companies as to the meaning of the Agreement or Decree and procedures for compliance; (3) where appropriate, the coordination of reports required by the terms of the Agreement or Decree; and (4) the provision of assistance on the development of the management assessment procedure provided in Part A, Section VII.

VI. REPORTING

A. EEOC and OFCC will each receive summaries of the information compiled pursuant to Part A, Section IV.B. by each Bell Company for each of the first two full calendar quarters following the execution of this Agreement and annually thereafter during the duration of the Decree provided for in Part C, Section I.A. These quarterly and annual compilations will be forwarded in duplicate within 45 days subsequent to the second full calendar quarter following the execution of this Agreement and within 45 days after the close of each calendar year, respectively.

B. During the term of this Agreement or the Decree provided for in Part C, Section I.A., except for the requirements of 29 C.F.R. Part 516, the filing of EEO-1 reports and reports required pursuant to the equal employment rules of the Federal Communications Commission (FCC), 47 C.F.R. §§1.815,

21.307, and 23.49, or such other reports of general application which are hereafter promulgated by EEOC, FCC, or the Department of Labor, the reports required by Part C, Section VI.A. of the Agreement will be exclusive, and the Bell Companies shall not be required to file any additional reports or, except as noted below,* submit to any compliance reviews with respect to obligations under the laws listed in Part C., Section I.A.

VII. COLLECTIVE BARGAINING AGREEMENTS

This Agreement shall not be interpreted as requiring or permitting the abandonment of any provision in any Bell Company's collective bargaining agreement(s) except as required to maintain compliance with Federal law, Executive Orders and regulations promulgated pursuant thereto pertaining to discrimination in employment. The government asserts that all of the Bell Companies' obligations in this Agreement are required for compliance with Federal law; provided, however, that nothing in this Agreement is intended to restrict the right of the Bell Companies and the collective bargaining representatives of their employees to negotiate alternatives to the provisions of this Agreement which would also be in compliance with Federal law.

* The above provision concerning compliance reviews shall not apply to investigations of charges by the EEOC pursuant to Section 706(b) of Title VII and to investigations pursuant to Section 11(a) of the Fair Labor Standards Act.

To the extent that any Bell Company has in effect, in connection with the promotion and transfer of employees, a posting and bidding system, or other system, said system shall continue to be used. Provided, however, that such system will be modified to the extent necessary to conform with PART A, Section III of the Agreement.

Each Bell Company agrees that it will notify all appropriate collective bargaining representatives of the terms of this Agreement and of its willingness to negotiate in good faith concerning these terms.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective representatives on the day and year first above written.

AMERICAN TELEPHONE AND
TELEGRAPH COMPANY, for itself and
on behalf of its associated tele-
phone companies as set forth herein.

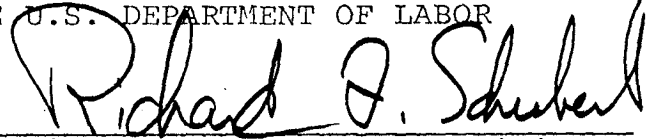
By David Easlick
David Easlick, Vice President

THE EQUAL EMPLOYMENT OPPORTUNITY
COMMISSION

By William H. Brown III
William H. Brown III, Chairman

THE U.S. DEPARTMENT OF LABOR

By



Richard F. Schubert, Solicitor
of Labor



William Kilberg, Associate
Solicitor of Labor



Carin Ann Clauss, Associate
Solicitor of Labor