

**AGREEMENT FOR
CLERICAL, PRODUCTION
AND SALES EMPLOYEES
BETWEEN DEX MEDIA EAST,
L.L.C. AND COMMUNICATIONS
WORKERS OF AMERICA**

**EFFECTIVE OCTOBER 16, 2003
THROUGH OCTOBER 14, 2006**

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PREAMBLE

This agreement between the Union and the Company represents the full and complete agreement between the parties. This agreement supersedes any and all prior agreements, past practices, policies, procedures, both oral and written, between the parties. No modification to this agreement shall be effective unless signed by the above mentioned parties.

ARTICLE 1

CONTRACT CONDITIONS

THE AGREEMENT

Section 1.1 The parties hereto agree that collective bargaining shall be carried on between the authorized representatives of Dex Media East, LLC hereinafter referred to as the "Company," and the Communications Workers of America, hereinafter referred to as the "Union," concerning the terms and conditions of employment applicable to employees identified in Section 1.3 of this Article, for whom the Union is the recognized bargaining agent on the effective date of this Agreement.

No agreement shall be effective and binding upon the Company or the Union unless and until it is signed by the authorized representatives at the Company and the national level of the Union.

The Company agrees to bear the cost for the printing and distribution of the Collective Bargaining Agreement (CBA) and to provide additional copies requested by the Union at the time of printing. Further, all employees shall be furnished 1 (one) printed copy of the CBA. In addition the Company shall have available on their intranet site an electronic version of the full and complete CBA.

MUTUAL RESPONSIBILITY

Section 1.2 The Company and the Union recognize that it is in the best interest of both parties, the employees, and the public that all dealings between them continue to be characterized by mutual responsibility and respect. To ensure that this relationship continues and improves, the Company and Union and their respective representatives at all levels will apply the terms of this Agreement fairly in accord with its intent and meaning, and consistent with the Union's status as exclusive bargaining representative of all employees covered by this Agreement. Each party shall bring to the attention of all employees covered by this Agreement, including new hires, their purpose to conduct themselves in a spirit of responsibility and respect and to the measures they have agreed upon to ensure adherence to this purpose. The Company further agrees to introduce the new employee in the work group to the local union steward.

RECOGNITION

Section 1.3 With respect to rates of pay, wages, hours of employment, and other conditions of employment, the Company hereby recognizes the Union as the exclusive bargaining agent for Clerical and Production employees, Area Directory Advertising Consultants, Directory Advertising Consultants, Directory Advertising Consultants - Telephone, Account Executives, and Account Representatives who are in units represented by the Union at the time this Agreement is negotiated.

This recognition does not extend to any new employee unit or work not currently being performed by members of the bargaining unit.

In the event the Company elects to have any new or additional work assigned to the bargaining unit, the Company will give the Union reasonable notice of its decision. Following notice and discussion with the Union, the Company may proceed to staff such work.

In the event the Company elects to establish any new products, the Company will proceed to establish such products under the terms and conditions it deems appropriate. The Company will give the Union reasonable notice of its decision to establish new products. If the Company and the Union can reach agreement regarding representation issues within ten (10) working days, the work will be assigned within the bargaining unit. If the Company and the Union cannot reach agreement regarding representation issues within the ten (10) working days, the Company may proceed to assign such work as it deems appropriate. The time in this item may be adjusted by mutual agreement.

LEGAL COMPLIANCE

Section 1.4 Should any provision of this Agreement contained herein at any time during its term be declared to be invalid, unenforceable or in violation of any federal or state law by a court of competent jurisdiction or an authoritative governmental agency, then such provision shall continue in effect only to the extent permissible under law; however, all other provisions of this Agreement shall continue in full force and effect.

NON-DISCRIMINATION

Section 1.5 The Company and the Union agree that neither party shall unlawfully discriminate against any employee because of that employee's race, color, national origin, religion, age, sex, or because of sexual/affectional orientation or marital status, or because that employee is disabled, is a disabled veteran, or is a veteran of the Vietnam conflict.

TERM OF ARTICLES

Section 1.6 These Articles shall become effective on October 16, 2003, and shall remain in full force and effect until midnight on October 14, 2006. This Agreement will terminate on its expiration date.

SUCCESSORSHIP

Section 1.7 In the event of a merger or acquisition of Dex Media East, LLC whereby a controlling interest in Dex Media East, LLC is obtained by another company, or in the event of the sale to, or the acquisition by, another company of substantially all the assets of Dex Media East, LLC the parties agree that such company shall become the successor to Dex Media East, LLC, shall be bound by the terms and conditions of this Collective Bargaining Agreement between Dex Media East, LLC and CWA, and shall assume all other duties and responsibilities of a successor (as that term is construed under the National Labor Relations Act). Dex Media East, LLC agrees to require any

such successor to accept the terms of this Collective Bargaining Agreement by written notice. A copy of such notice shall be provided to CWA at least thirty (30) days prior to the effective date of any sale, transfer or assignment.

PERSONNEL RECORDS

Section 1.8 Employees may inspect their personnel records upon request. When an employee is counseled or receives a warning of suspension, demotion or discharge that is to be recorded in the employee's personnel file, the employee will be afforded an opportunity to read and review the entry.

NO STRIKE - NO LOCK OUT

Section 1.9 The Union and the employees represented by it agree there shall be no strikes, sympathy strikes, slowdowns, or stoppages of work or any other action which would curtail or impede any of the operations of the Company, and that all disputes arising during the term of this Agreement shall be settled through the grievance and arbitration provisions. Should any such interference occur, the Union agrees to immediately order such action to cease. The Company agrees it will not lockout during the term of this contract.

ARTICLE 2 DISPUTE RESOLUTION

GRIEVANCE PROCEDURE

Section 2.1 It is agreed that neither the Union, its representatives nor members, shall attempt by means other than the grievance procedure and, where applicable, the arbitration procedure, to bring about the settlement of any issue which is a subject for disposition through the grievance or arbitration procedure. The Union agrees, in advance of a problem solving meeting, to advise the Company of the subject.

PROBLEM SOLVING STEP

Section 2.2 The Company and Union agree that it shall be the objective of both parties to settle all problems at the lowest appropriate level. Every effort will be made to resolve the problem locally between the employee and his/her manager prior to initiation of the formal grievance procedure.

Prior to filing a formal grievance it is required that a problem solving meeting be held locally. At this step an employee, group of employees, or a union representative will meet with the immediate manager to discuss relevant issues, share information, and seek a mutually acceptable resolution of the problem. If resolution is reached at this step, it shall not be considered as precedent-setting. A union representative may be present if requested by the employee(s).

GRIEVANCE STEP 1

Section 2.3 If a mutually satisfactory resolution of the problem is not reached in the problem solving meetings, a grievance shall be put in writing and formally presented to the manager within twenty-eight (28) calendar days after the date the employee first had knowledge of the circumstance that led to the grievance. The written grievance shall state the nature of the grievance and the specific portion of the Agreement allegedly violated. It shall be a mutual responsibility to meet to consider the grievance within fourteen (14) calendar days after it is presented. The Company will provide the union with a written response to the grievance within fourteen (14) calendar days after the Step 1 meeting.

GRIEVANCE STEP 2

Section 2.4 If satisfactory settlement of the grievance is not reached or the Company fails to respond within the required times at Step 1, the union may appeal. The appeal will be sent to the appropriate Director. The grievance will be considered at a meeting with the appropriate Director or their designated representative.

This appeal must be made in writing within fourteen (14) calendar days after receipt of the Company's written response at Step 1. It shall be a mutual responsibility to meet within fourteen (14) calendar days after it has been appealed to Step 2. A written response will be provided by the Company within fourteen (14) calendar days after the Step 2 meeting.

GRIEVANCE STEP 3

Section 2.5 If the grievance is not satisfactorily settled in Step 2, the Union may appeal. The grievance will be considered at a meeting with the Director-Human Resources of the Company or his/her designate. This appeal must be made in writing within fourteen (14) calendar days after receipt of the Company's written response to Step 2. It shall be a mutual responsibility to meet to consider the grievance within fourteen (14) calendar days after the appeal to Step 3 has been made. The Company, as soon as practical but normally within fourteen (14) calendar days following conclusion of discussions at Step 3, shall submit a final written response of its position on the grievance to the Union. If the grieved matter is subject to arbitration, the Union may request in writing that the matter be arbitrated. The written notification of arbitration must be received by the Company within twenty-eight (28) calendar days after notification of the Company's response at Step 3. The case will be closed if the notification of arbitration is not received by the Company within twenty-eight (28) calendar days.

The grievance procedures outlined shall be followed in all circumstances unless specific deviation has been agreed to in writing by both the Company and the Union. The Company shall be under no obligation to process any grievance not submitted in compliance with the provisions of this section. The total time elapsed between the presentation of the written grievance at Step 1 and the Company's final response at Step 3 shall not exceed six (6) months or the grievance shall be considered closed.

On an individual grievance-by-grievance basis and by mutual agreement in writing, the parties may agree to waive either the problem solving meeting, Step 1 or Step 2 in the grievance procedure, but in no event shall Step 3 be omitted or bypassed.

The Company and the Union may mutually agree in writing to extend the time limits specified in the grievance procedure, provided such agreement is limited to a specific grievance and a new date is established.

After an employee or employees have referred a grievance to the Union and the Union representative has formally presented the Company with the grievance, the Company will not discuss (except in the course of any investigation conducted by the Company) or adjust such grievance directly with said employee or employees.

ARTICLE 3 MEDIATION

Section 3.1 If a grievance regarding employee discipline is not resolved in Step 3, the Union and the Company may agree to resolve the grievance through a bench mediation process.

Section 3.1a Within twenty-eight (28) calendar days after notice of appeal of the grievance, the Company and the Union may submit the grievance to a mutually agreed upon neutral third party who will conduct a bench mediation process. This process shall be informal case presentations, without witnesses of the parties' cases, by non-attorneys.

Section 3.1b If the parties resolve the grievance pursuant to this Section, the settlement shall be non-precedential and non-referable. The decision of the mediator shall not be binding upon the parties. If the parties do not resolve the grievance pursuant to this Section, the grievance must be appealed to arbitration within fourteen (14) days of the date of the mediator's decision.

Section 3.1c With respect to the bench mediation process, each party shall pay for its own expenses. The expenses and compensation of the neutral third party and the general expenses of the process shall be borne equally by the Company and the Union.

ARTICLE 4 DEMOTION, DISCHARGE, SUSPENSION OR OTHER DISCIPLINE

Section 4.1 In the event the Company demotes, disciplines, suspends, or discharges any employee, the union may appeal such action pursuant to the provisions of the grievance and arbitration procedure of this agreement. The Union will be notified when the Company has administered a formal warning, suspends or discharges an employee. Failure to notify or have the union retain a copy of the notice does not negate the discipline.

Section 4.2 For employees in Directory Advertising Consultant, Directory Advertising Consultant-Telephone, Area Directory Advertising Consultant, Account Executive, and Account Representative functions, the employees must have twenty four (24) months or more of credited service before such action is subject to arbitration. However, the Company and the Union may agree in writing to extend the time period.

Section 4.3 At any meeting between a representative of the Company and an employee in which discipline (including warnings which are to be recorded in the personnel file, suspension, demotion, or discharge for cause) is to be announced, a union representative may be present if the employee so requests. At any investigatory interview between a representative of the Company and an employee, wherein the employee reasonably believes that the information obtained may be used as the basis for disciplinary action against the interviewed employee, a union representative may be present if the employee so requests.

In discipline cases subject to arbitration, the arbitrator shall determine whether the discipline was for just cause.

ARTICLE 5 ARBITRATION

If the grievance procedure does not result in settlement of the dispute, either party may institute proceedings pursuant to this article.

ELECTION TO ARBITRATE

Section 5.1 Within twenty-eight (28) calendar days from the date of the written decision at Step 3, either party may elect to submit a grievance, which is otherwise subject to arbitration under the terms of this agreement, to arbitration. The election shall be by written notice. The written notice shall state the specific grievance and issue to be arbitrated, the contractual provision(s) involved and the remedy sought.

The parties will mutually attempt to select an arbitrator. If the parties are unable to mutually select an arbitrator, the parties shall jointly request a list of seven (7) arbitrators from the Federal Mediation and Conciliation Services (FMCS). If the list is not satisfactory to either party, a new list can be requested. Each party is limited to requesting one additional list. The parties shall each strike one name from the list until one (1) name remains and that person shall arbitrate the dispute. If no application has been made to the FMCS within ninety (90) calendar days from the date of the written decision at Step 3, the dispute will be considered closed and the grievance shall not be arbitrable.

The compensation and expenses of the arbitrator and the general administrative expenses of the arbitration shall be borne equally by the Company and the Union. Each party shall be responsible for payment for time consumed by and the expenses of its representatives and witnesses.

CONDUCT OF HEARING AND DECISION OF ARBITRATOR

Section 5.2 The hearing shall be held as soon as practicable following the selection of an arbitrator, but in no event later than one hundred twenty (120) calendar days following such selection. If the selected arbitrator is unable to meet this time requirement, another arbitrator who is available to hear the matter within such time period shall be selected by the same procedure as set forth above.

The arbitration shall be confined to the issues submitted for decision, and shall not, as a part of any decision, impose upon the parties thereto any obligation to arbitrate on a subject which is not arbitrable pursuant to the terms of this agreement as subject for arbitration.

The arbitrator shall not have authority or jurisdiction: (1) to add to, subtract or modify, or disregard any provision of this agreement, and only has authority to decide matters expressly included in this Agreement; or (2) to establish or determine any new wage rate, job classification or job differential.

The arbitrator shall render a decision within forty-five (45) calendar days after the hearing is closed (if the parties mutually agree to waive briefs) or forty-five (45) days after briefs are filed and the record in the case is closed, unless the parties thereto mutually agree to an extension of such time for a decision.

The decision of the arbitrator on any matter submitted and decided in accordance herewith shall be in writing and shall be final and binding on the parties hereto as to the particular case submitted, subject to law.

ARTICLE 6 WORKING PROCEDURES

ASSIGNMENT OF WORK

The assignment of a particular title to an employee will not limit the type of work an employee may be required to perform. The Company may assign the work an employee will perform.

Section 6.1 If an employee is temporarily assigned to a higher rated classification for any period of time during the day the employee will be paid at the wage step that would result in at least a 5% increase. If an employee is temporarily assigned to a lower rated classification, that employee will be paid at his/her normal rate of pay for that day.

ASSIGNMENT OF ACCOUNTS

Section 6.2 The Company retains all rights to assign accounts to Directory Advertising Consultants, Directory Advertising Consultants-Telephone, Area Directory Advertising Consultants, Account Executives, and Account Representatives, and to implement any practices, policies or procedures regarding the assignment of accounts. The Company will notify the Union as to its practices, policies and procedures on the assignment of accounts. The Company will discuss the practices, policies, and procedures on the assignment of accounts with the Union. The Company will establish practices, policies, and procedures on a fair and unbiased basis, taking into consideration the Company's intent to establish continuity of contact. The Company will consider input from the Union, but the Company's decisions shall be final. The Company decision and implementation shall not be subject to Union approval or arbitration.

WORK SCHEDULE

Section 6.3 Work schedules for force groups in which:

All employees in the force group are not scheduled the same hours Monday through Friday; or

Some of the employees in the force group are scheduled to work days other than Monday through Friday; shall be prepared and posted by the Company or communicated in some other manner by local agreement. The days and hours of work of each employee shall be communicated as soon as reasonable in advance of the effective date.

Full-time employees in force groups for whom schedules must be communicated shall have a choice of hours on weekdays (Monday through Friday except holidays), based on their seniority not less often than once per calendar year.

It is agreed that work schedules may be changed subject to the following provisions:

The Company may grant employees' requests for change of days or hours. If the Company changes the hours of an employee's work schedule, the Company will give the employee as much notice of the change as reasonably feasible under the circumstances.

FOUR DAY WORK WEEK AND FLEXTIME

Section 6.4 The Company retains all rights to schedule four day work weeks and flextime and to implement any practices, policies, or procedures regarding the scheduling of four day work weeks and flextime. The Company will notify the Union as

to its practices, policies, and procedures on scheduling four day work weeks and flextime. The Company will consider input from the Union, but the Company's decisions shall be final. The Company decision and implementation shall not be subject to Union approval or arbitration.

MACHINE FAILURE

Section 6.5 When employees report for duty and, due to unforeseen problems such as computer failure, are unable to perform their regular duties, they may be assigned other available work. The affected employees may be allowed to leave and be paid for hours worked. If the above situation occurs on overtime hours employees may be relieved of the assignment and be paid for hours worked or a minimum of two (2) hours.

MANAGEMENT REPLACEMENT

Section 6.6 Any employee who is authorized to temporarily replace a management employee will receive a differential of twenty-five dollars (\$25) for each day assigned.

In addition to temporary management replacement this differential will be paid when an employee is formally assigned to training responsibilities such as instructor-led classroom training or when an individual is specifically instructed to train another employee(s) on the functions of the job.

This differential will not apply to the general sharing of knowledge, (being asked to show someone how to do a particular task), responding to questions asked by co-workers, or when an employee is informally observing or coaching another in the performance of his/her work functions.

LEASED WORKERS

Section 6.7 No leased worker who is performing work that is performed by bargaining unit employees shall perform work for the Company for longer than 1,040 hours in any twelve (12) month period. At the option of the Union, leased worker situations will be discussed with the Company but the use of leased workers by the Company shall not be subject to Union approval or arbitration. The Company will provide the Union a quarterly report of the number of leased workers currently performing bargained for work for the Company.

CALL TO WORK

Section 6.8 When an employee is called into work that requires his or her immediate services outside of the scheduled tour, the following shall apply:

A. The employee will be paid no less than the equivalent of two (2) hours pay at the basic wage rate. Travel time from the departing locations to the work locations is considered work time.

B. The minimum payments do not apply when:

- 1) the time worked is a continuation of the employee's scheduled tour or
- 2) the employee is called to work before the start of the employee's scheduled tour for the day and continues to work all or part of the scheduled tour.

ACCESS ALLOWANCE

Section 6.9 As authorized by management, employees of the computer staff who are required to carry an access device (such as a pager or PCS phone) outside their scheduled tour shall be paid an allowance of \$20.00 per day.

ARTICLE 7 REIMBURSEMENT OF EXPENSES, AUTOMOBILE EXPENSES AND WIRELESS PHONE EXPENSES

REIMBURSEMENT OF EXPENSES

Section 7.1 Employees who have been assigned to work away from their normal work location will be reimbursed for travel and lodging expenses as authorized by management. The amount of reimbursement will not exceed the amount authorized by management.

An employee who stays overnight will receive a per diem allowance for meals and incidental expenses, as authorized by management. The allowance will be paid on days when the employee travels to an assignment and is authorized to stay overnight, each full day at the location, and on days when the employee returns to his/her normal work location. The only personal expense not included in this per diem amount is travel between locations and lodging.

The per diem allowance will be paid on a city-by-city basis according to Federal per diem rates in effect as of the effective date of the contract. Locations not listed will be paid at the Federal standard rate.

When an employee is authorized to use his/her personal automobile on an incidental basis for Company business he/she will be reimbursed at the Internal Revenue Service established mileage rate.

REIMBURSEMENT OF AUTOMOBILE EXPENSES

Authorized Use of Personal Automobile

Section 7.2 The Company will reimburse each authorized Directory Advertising Consultant and Area Directory Advertising Consultant for the use of his/her personal automobile based on data and information provided by Runzheimer International. Monthly ownership costs will be based on seventy-one and four-tenths percent (71.4%) business usage for a Buick Century sedan automobile. Monthly ownership cost reimbursement will be adjusted in January of each year. Mileage reimbursement rates will be adjusted quarterly.

An employee receiving short-term disability benefits will continue to receive the monthly ownership cost reimbursement up to a maximum of a one (1) year period.

An employee will continue to receive the monthly ownership reimbursement during the period of paid vacation.

Account Executives will be compensated for authorized automobile use as set forth in Section 1 of this Article. Upon substantiation of appropriate mileage documentation they may be included under this item.

Between-Town Mileage

Section 7.3 Each Directory Advertising Consultant, Area Directory Advertising Consultant, and Account Executive will be reimbursed for all authorized between-town travel at the rate determined by Runzheimer and based on mileage determined by official state highway commission maps.

In-Town Mileage

Section 7.4 The number of in-town miles subject to reimbursement each day a Directory Advertising Consultant or Area Directory Advertising Consultant is actually present and working at the office or calling on accounts in an assigned town shall be determined by the Directory circulation of the Directory in that town in accordance with the table set forth below. In-town mileage may be paid on weekends when sales contacts are being made, if authorized in advance by management.

When more than one town is being canvassed out of a sales canvass town, and is more than twenty (20) miles from sales office location, the Directory Advertising Consultant will be paid between-town mileage and the in-town mileage payment associated with the town with the highest circulation.

In-Town Miles To Be Paid

Circulation of Directory In Assigned Town

65 miles per work day	699,999 and over
60 miles per work day	399,999 to 699,998
55 miles per work day	299,999 to 399,998
50 miles per work day	199,999 to 299,998
45 miles per work day	99,999 to 199,998
40 miles per work day	49,999 to 99,998
30 miles per work day	24,999 to 49,998

25 miles per work day

under 24, 999

The only exceptions to the above provisions are as follows. Directory Advertising Consultants will be paid in-town mileage for all assigned Directories for the following locations:

- 70 miles per work day - Minneapolis-St. Paul
- 65 miles per work day - Bellevue
- 60 miles per work day - Tacoma

REIMBURSEMENT OF WIRELESS COMMUNICATIONS EXPENSES

Section 7.5 Directory Advertising Consultants-Premise, Area Directory Advertising Consultants, and Account Executives who have been assigned to work within a wireless communications service area for the majority of a month, will be reimbursed for the wireless phone or pager expenses incurred up to a maximum of one hundred dollars (\$100.00) per month.

Beginning January 1, 2004, the company will perform an analysis of wireless usage. Based on actual usage, the company will establish a new maximum for reimbursement for each applicable wireless communication service area to be effective January 1, 2005. In no case will the maximum fall below fifty dollars (\$50.00) per month.

Ownership of equipment, whether provided directly by the company or reimbursed under a corporate plan, is retained by the company.

ARTICLE 8 COMPENSATION

WAGE GROUP COMPENSATION

Section 8.1 Employees will be paid according to the progression steps of the wage schedules appropriate to their classification at six (6) month intervals.

The terms "Basic Weekly Wage" and "Basic Rate of Pay" shall mean the salary or fixed portion of compensation throughout this Agreement.

WAGE PROTECTION

Section 8.2 Employees whose current basic rate of pay is higher than their new scheduled rate, and who remain on an assignment within the same wage group, will be protected from pay loss for the term of this agreement.

WAGE GROUP COMPENSATION
Section 8.3

Wage Group 1
Weekly Rate

STEP	October 16, 2003	October 17, 2004	October 16, 2005
1	638.00	657.00	677.00
2	669.50	689.50	710.50
3	703.00	724.00	746.00
4	735.50	757.50	780.00
5	770.00	793.00	817.00
6	807.00	831.00	856.00

Wage Group 2
Weekly Rate

STEP	October 16, 2003	October 17, 2004	October 16, 2005
1	556.00	573.00	590.00
2	585.00	602.50	620.50
3	611.50	629.50	648.50
4	641.00	660.50	680.00
5	671.50	691.50	712.50
6	705.00	726.00	748.00
7	739.00	761.00	784.00
8	775.00	798.50	822.50

Wage Group 3
Weekly Rate

STEP	October 16, 2003	October 17, 2004	October 16, 2005
1	483.00	497.50	512.50
2	513.00	528.50	544.00
3	545.00	561.00	578.00
4	580.00	597.50	615.00

5	614.50	633.00	652.00
6	655.00	674.50	695.00
7	696.50	717.00	738.50
8	741.50	764.00	787.00

**Wage Group 4
Weekly Rate**

STEP	October 16, 2003	October 17, 2004	October 16, 2005
1	411.00	423.50	436.00
2	440.50	453.50	467.00
3	471.00	485.50	500.00
4	505.00	520.50	536.00
5	540.50	557.00	573.50
6	580.00	597.50	615.00
7	622.50	641.50	660.50
8	666.50	686.50	707.00

ACCOUNT REPRESENTATIVE

Section 8.4 Employees will be paid according to the following Weekly Wage Schedules:

STEP	October 16, 2003	October 17, 2004	October 16, 2005
1	627.00	645.50	665.00
2	651.50	671.00	691.00
3	677.00	697.50	718.50
4	704.00	725.00	747.00
5	733.00	755.00	777.50

An individual performance bonus will be paid semi-annually. The bonus will be computed by adding the individual's base salary and overtime wages earned during the six month period, and then multiplying that sum by a "bonus percentage." The bonus percentage will range from zero percent (0%) to a maximum of thirty five percent (35%), and will be calibrated so that an individual who performs at an average rate will receive a bonus of twenty percent (20%), and individuals who perform at a minimum threshold shall receive a bonus of ten percent (10%).

PROSPECTOR (NON-AD) CHANNEL

Section 8.5 Two central locations will be established in CWA territory, Omaha, Nebraska and Renton, Washington. To better serve these customers the Internal Prospector channel will have both outbound and inbound capabilities.

The prospector channel will be considered under the Account Representative provisions of our labor contract unless otherwise specified in this agreement.

MARKET

The Non Ad Channel will contact accounts, who currently do not advertise in our print directories and will sell the full line of products with a focus on print advertising.

COMPENSATION

The Prospector Channel Sales People will receive a salary based on the following schedule:

STEP	October 16, 2003	October 17, 2004	October 16, 2005
1	627.00	645.50	665.00
2	651.50	671.00	691.00
3	677.00	697.50	718.50
4	704.00	725.00	747.00
5	733.00	755.00	777.50

A conversion/penetration bonus will be paid each pay period. This bonus will be calculated by multiplying the number of new connects and non-advertiser conversions at \$6.00 per conversion.

A performance bonus will be paid every pay period. The performance bonus will be calculated based on the total net revenue sold during the bonus period multiplied by .30.

Supersedures and chargebacks will impact results in the pay period in which they are worked to the system and reflected in the corresponding bonus calculation.

Sales people in the Prospector channel who achieve the revenue target of \$17,000 for the year will also be eligible for an annual quota bonus. The quota bonus will be calculated based on the total revenue sold during the bonus period multiplied by .20. The revenue target for sales people new to the channel will be prorated as follows:

<u>Hired During</u>	<u>First Year Revenue Target</u>
<u>First quarter</u>	<u>17,000</u>
<u>Second quarter</u>	<u>12,750</u>
<u>Third quarter</u>	<u>8,500</u>

**ARTICLE 9
TEAM AWARD**

TEAM AWARD

Section 9.1 Employees in wage groups 1, 2, 3, and 4, on the active payroll on December 31 of a performance year are eligible to receive a Team Award (TA) of 3% if the company meets or exceeds the stated sales revenue target for the plan year(s). The TA is for years 2003, 2004, 2005, and 2006. The TA will be calculated by multiplying the award percent against an eligible employee’s annual compensation, which includes pay for regular hours worked, overtime, differentials, commissions, individual performance bonus, excused non-paid Union time, and all paid time.

Eligible employees who entered the employment of the Company, were promoted to management, or moved from or returned to a participant job position during the course of the year, will receive an award based on the time that person was in the position.

This payment will be subject to deductions for union dues, savings plan participation, and all other deductions required by the law.

<u>Wage Groups</u>	<u>Payout Target</u>	<u>Payout Date</u>
1, 2, 3, 4	3%	<u>By March 31, 2004</u>
		<u>By March 31, 2005</u>
		<u>By March 31, 2006</u>
		<u>By March 31, 2007</u>

Company decisions regarding Team Award implementation and administration are not subject to the grievance or arbitration provisions of this agreement.

The Company will meet with the Union to discuss any individual employee appeals or disputes arising under the TA plan. Said employee appeals shall only be allowed for issues regarding employee eligibility or regarding the amount of the employee’s award, and for no other purpose. Employee appeals shall be to the Director of Human Resources of the Company or his/her designate, and the Director’s decision shall be final and not subject to the grievance or arbitration provisions of this agreement.

**ARTICLE 10
OVERTIME/TRAVEL TIME/SHIFT DIFFERENTIAL**

OVERTIME

Section 10.1 Employees in Wage Groups 1 - 4 will be paid overtime at a rate of one and one-half (1 1/2) times the basic rate of pay for time worked in any one (1) day in excess of eight (8) hours. For each hour over forty-nine (49) in any one (1) calendar

week, overtime will be paid at a rate of two (2) times the basic rate of pay. Overtime will not be paid to employees on flextime schedules and four (4) day work weeks until after forty (40) hours are worked in any one (1) calendar week.

Account Representatives will be paid overtime at a rate of one and one-half (1 1/2) times the basic rate of pay for time worked in any one calendar week in excess of forty (40) hours. For each hour over forty-nine (49) in any one calendar week, overtime will be paid at a rate of two (2) times the basic rate of pay.

For purposes of computing overtime, the definition of time worked will include all paid time except paid time off for illness and benefits. Hourly paid employees will be paid travel time during normal working hours or after hours at the appropriate rate.

To the extent practical, overtime needs will be fulfilled by use of volunteers. Overtime can be required based on the needs of the business. The Company will consider the individual circumstances of the employee when requiring overtime.

SHIFT DIFFERENTIAL

Section 10.2 A daily shift differential of ten percent (10%) for each day worked will be paid to employees who are required to work regularly scheduled hours which start before 6 a.m. or end after 7 p.m. The shift differential of ten percent (10%) will also be paid to employees for each Saturday or Sunday worked as part of scheduled forty (40) hour work week. A differential will not be paid for hours worked under flexible scheduling or four-day work week.

ARTICLE 11 COMPENSATION

SALES COMPENSATION

Section 11.1 Directory Advertising Consultants and Directory Advertising Consultants-Telephone shall be compensated as follows:

SALARY:

Basic annual salary shall be paid according to the following:

Effective October 16, 2003

Directory Advertising Consultants	\$21,740
Directory Advertising Consultants-Telephone	\$21,740

COMMISSIONS

Section 11.2 The appropriate sales commission rate for all advertising resold, or increased by Directory Advertising Consultants and Directory Advertising

Consultants-Telephone into any Directory shall be those rates which apply to their headquarters office location as shown in Table #1 and #1A. Accounts associated with the main account will be treated as one (1) advertiser account. Such account treatment will include sales to associated new connects.

PAY FOR TEMPORARY WORK ASSIGNMENTS

Section 11.3 Directory Advertising Consultants and Directory Advertising Consultants-Telephone who are assigned to work markets outside their normal headquarters office location as defined in Table #1 and #1A shall be paid those rates which apply to the headquarters office location to which they are re-assigned.

If an Account Representative or Account Executive is loaned to a Sales Position with a different basic rate of pay and incentive compensation opportunity, earnings shall be calculated in the following manner:

- A. During the temporary assignment the employee will continue to be paid his/her basic rate of pay from his/her regular position.
- B. For the work completed during the temporary assignment, earnings shall be calculated based on the pay plan for the temporary position (salary and commission).
- C. At the end of the temporary assignment the employee will be compensated based on the calculations from A or B above which provide the higher earnings during the temporary assignment.

If an employee in a commissioned sales position (Directory Advertising Consultant, Directory Advertising Consultant-Telephone, or Area Directory Advertising Consultant) is temporarily assigned to a Sales position with a different basic rate of pay and incentive compensation opportunity, earnings shall be calculated in the following manner:

- A. During the temporary assignment the employee will continue to be paid his/her basic rate of pay from his/her regular position.
- B. For the work completed during the temporary assignment, incentive compensation (commissions) shall be calculated based on the incentive rates for the temporary position. This amount will be paid in addition to the basic rate of pay.

Section 11.4 Commissions shall be paid on all advertising sold to non-advertisers and new connects unless associated with existing advertisers, at the "new" commission rate.

When an existing Directory or Directories are rescoped or discontinued, and these marketplace adjustments change the primary coverage area for the customer, the CMB

in the existing Directory will be the basis for determining all commissions and calculations in the replacement or rescoped Directory or Directories as follows:

- A. If the advertising contract rates in the existing Directory are less than the rates of the replacement or rescoped Directory, there will be no adjustment to existing CMB and AMB.
- B. If the advertising contract rates in the existing Directory are more than the rates in the replacement or rescoped Directory and the amount resold is less than the original CMB, the CMB and AMB will be adjusted to equal NMB.
- C. When duplication of advertising occurs as a result of a Directory rescope, commission will be paid at the package level as indicated in Item B, above.

If the Directory is new and new advertising is not associated to an existing account all commission calculations will be paid as new. If the Directory is new and advertising sold is associated to an existing account, all commission calculations will be paid on the account package.

Section 11.5 When market is reassigned from a commissioned employee due to approved attendance at extended training, and/or participation in joint process improvement teams the out of market pay will be calculated at a rate of \$.40 times the revenue reassigned. The out of market pay is subject to approval by the Sales Director.

Commissions will be computed on an account-by-account basis.

The Company will charge back credited or paid commissions in the following situations:

- A. If contracted advertising is not published.
- B. Errors within the realm of the salesperson's responsibility.
- C. If a minimum of six (6) months' advertising revenues are not collected by the Company, due to disconnection of telephone service, commissions will be charged back on a monthly prorated basis.
- D. If a minimum of four (4) months' advertising revenues are not collected by the Company, due to non-payment by the customer, commissions will be charged back on a monthly pro-rated basis. Commissions will be charged back when the account is referred to a collection agency or at the final close date of the customer's current primary directory sales campaign, whichever is later.

Once the commissions on an account have been charged back and the account has been referred to a collection agency, which charges a fee for any recovery, there shall be no reinstatement of commission charge backs related to the account.

E. If NYPS sales supersede local advertising.

F. Charge backs of \$250 or more will be delayed one pay period after the employee is notified the charge back will occur. Charge backs of less than \$250 will be processed as they occur.

The terms "Basic Weekly Wage" and "Basic Rate of Pay" shall mean the salary or fixed portion of compensation throughout this agreement.

<& = CMB

Commission rate paid on all dollars resold on current accounts up to and including the current monthly billing value of the account (CMB).

Incremental Increase

Commission rate paid on all incremental dollars sold above the CMB.

NEW

Commission rate paid on all dollars sold to new customers and non-advertisers not associated with an existing account.

Promotional Items

The commission rate on all promotional items sold is 0.65.

Section 11.6

**TABLE #1
PREMISE SALES ONLY**

OFFICES	< & = CMB	INCREMENTAL INCREASE	NEW
<u>Bellevue</u>	0.22	<u>1.55</u>	1.19
Bismarck	0.27	<u>1.30</u>	1.19
Cedar Rapids	0.24	<u>1.32</u>	1.20
Davenport	0.31	<u>1.30</u>	1.20
Des Moines	0.26	<u>1.31</u>	1.20
Duluth	0.23	<u>1.30</u>	1.21
Eugene	0.22	<u>1.44</u>	1.14
Fargo	0.27	<u>1.30</u>	1.19
Medford	0.22	<u>1.44</u>	1.14
Minneapolis	0.23	<u>1.46</u>	1.13
Olympia	0.23	<u>1.57</u>	1.19
Omaha	0.23	<u>1.36</u>	1.20
Portland	0.22	<u>1.44</u>	1.14
Rapid City	0.25	<u>1.30</u>	1.21
Rochester	0.24	<u>1.49</u>	1.21
Silverdale	0.23	<u>1.57</u>	1.19
Sioux Falls	0.25	<u>1.30</u>	1.21

Spokane	0.23	<u>1.40</u>	1.19
St. Cloud	0.23	<u>1.30</u>	1.21
St. Paul	0.23	<u>1.46</u>	1.13
Tacoma	0.22	<u>1.57</u>	1.19
Vancouver	0.22	<u>1.44</u>	1.14
Yakima	0.23	<u>1.40</u>	1.19

Section 11.7

**TABLE #1A
TELEPHONE SALES ONLY**

OFFICES	< & =CMB	INCREMENTAL INCREASE	NEW
Bellevue	0.23	<u>1.05</u>	0.93
Bismarck	0.25	<u>1.16</u>	1.07
Cedar Rapids	0.25	<u>1.16</u>	1.07
Davenport	0.25	<u>1.16</u>	1.07
Des Moines	0.25	<u>1.16</u>	1.07
Duluth	0.25	<u>1.16</u>	1.07
Eugene	0.23	<u>1.11</u>	0.91
Fargo	0.25	<u>1.16</u>	1.07
Medford	0.23	<u>1.06</u>	0.98
Minneapolis	0.25	<u>1.18</u>	1.03
Olympia	0.23	<u>1.07</u>	0.98
Omaha	0.25	<u>1.16</u>	1.07
Portland	0.23	<u>1.11</u>	0.91
Rapid City	0.25	<u>1.16</u>	1.07
Rochester	0.25	<u>1.16</u>	1.07
Silverdale	0.23	<u>1.07</u>	0.98
Sioux Falls	0.25	<u>1.16</u>	1.07
Spokane	0.23	<u>1.06</u>	0.98
St. Cloud	0.25	<u>1.16</u>	1.07
Tacoma	0.23	<u>1.07</u>	0.93
Vancouver	0.23	<u>1.11</u>	0.91
Yakima	0.23	<u>1.06</u>	0.98

INTERNET SALES COMMISSIONS

Section 11.8 Directory Advertising Consultants, Directory Advertising Consultants-Telephone, and Area Directory Advertising Consultants will be paid a flat rate commission for the sale of internet products.

Commissions will be 122% of the monthly billing (10.17% of the annual billing) or the "new" commission rate specified in our contract (Article 11, Tables #1 and #1A and Article 12.1) which ever is greater, for all internet advertising and commerce items sold. These commissions will be calculated separately from our regular commission plan. Chargeback provisions of our current labor agreement apply to these internet commissions.

OVERTIME FOR DIRECTORY ADVERTISING CONSULTANTS - TELEPHONE

Section 11.9 Directory Advertising Consultants - Telephone will be paid overtime at a rate of one-half (1/2) times their basic hourly rate for time worked in any one calendar week in excess of forty (40) hours.

For the purposes of calculating overtime pay, an individual's basic hourly rate will be the average hourly pay earned over the preceding twenty-six (26) payroll periods. The basic hourly rate calculation will be the total salary, commission, and real growth premiums (RGP for 2003 or earlier only) received divided by the total hours worked for the preceding twenty-six (26) payroll periods. For the purposes of calculating this basic hourly rate, sickness and accident disability benefits pay and time, and overtime pay are excluded.

If an individual has been assigned to a Directory Advertising Consultant - Telephone position for less than twenty-six (26) full pay periods, the basic hourly rate calculation shall be based on the earnings and paid hours after a minimum of six (6) payroll periods have been completed in the position.

Time paid for but not worked shall be excluded in determining the number of overtime hours worked in excess of forty (40) hours in a week.

Overtime hours must be pre-authorized by management and may be required based on the needs of the business.

In the event of legislative, judicial, or administrative clarification that the Company would not otherwise be required to pay overtime premiums to Directory Advertising Consultants - Telephone, this overtime premium will be discontinued.

There shall be no overtime paid to Directory Advertising Consultants, Area Directory Advertising Consultants, or Account Executives.

TRANSITION PAY FOR DIRECTORY ADVERTISING CONSULTANTS - TELEPHONE

Section 11.10 Employees who are newly assigned to the Directory Advertising Consultant - Telephone position will be paid a weekly transition salary of \$680 per week. This weekly transition salary will be paid for the first six (6) pay periods completed after assignment to the Directory Advertising Consultant - Telephone position. The weekly transition salary will be extended to cover, if applicable, a period of initial training. For hours in excess of forty (40) worked during a calendar week while an employee is subject to the transition salary, overtime will be paid at a rate of one-half (1/2) times the basic hourly rate. The basic hourly rate for these purposes shall be the weekly transition salary divided by the number of hours worked in that week.

At the end of this transition pay period, the salary will be adjusted to the regular basic salary listed under Compensation Article 11.

Sales compensation for the transition period will be calculated based on the regular basic salary, commissions, and real growth premiums (RGP for 2003 and earlier only) listed within Article 11 on compensation. If sales compensation calculated for the transition period exceeds the transition salary received, the employee will be paid the difference, including an appropriate adjustment to overtime pay if any overtime hours were worked during the transition period.

**ARTICLE 12
AREA DIRECTORY ADVERTISING CONSULTANT
COMPENSATION**

Section 12.1 Commissioned Area Directory Advertising Consultants will be compensated as follows:

ANNUAL SALARY EFFECTIVE OCTOBER 16, 2003: \$30,430

SALES COMPENSATION:

Commissions will be handled in the same manner as for Directory Advertising Consultants. All provisions of Article 11 will apply. The commission table will be as follows:

	< & = CMB	INCREMENTAL INCREASE	NEW
ALL OFFICES	.19	<u>1.30</u>	1.24

< & = CMB

Commission rate paid on all dollars resold on current accounts up to and including the current monthly billing value of the account (CMB).

Incremental Increase

Commission rate paid on all incremental dollars sold above the CMB.

NEW

Commission rate paid on all dollars sold to new customers and non-advertisers not associated with an existing account.

Promotional Items

The commission rate on all promotional items sold is 0.65.

ACCOUNT EXECUTIVE - COMPENSATION

Section 12.2 Effective October 16, 2003 Account Executives will be compensated as follows:

ANNUAL SALARY EFFECTIVE OCTOBER 16, 2003: \$50,370

ANNUAL SALARY EFFECTIVE OCTOBER 17, 2004: \$51,880

ANNUAL SALARY EFFECTIVE OCTOBER 16, 2005: \$53,440

ACCOUNT EXECUTIVE BONUS OPPORTUNITY: A bonus of \$550 will be paid for every one percent (1%) of net sales increase on advertising revenue handled in each thirteen (13) consecutive payroll periods, not to exceed \$5,500. To be eligible for the bonus, the employee must complete an entire interval of thirteen (13) payroll periods.

ARTICLE 13 TIME OFF

SCHEDULING TIME OFF

Section 13.1 Prior to the beginning of the calendar year, management will indicate work force requirements and time available for selection of vacation and individual days off. Employees will then be allowed to schedule full weeks of vacation by seniority. Upon completion of full week selections, employees will be allowed to schedule individual days off (day-at-a-time vacation, Personal Days) in the same manner.

The scheduling process will be started no later than November 15 so that completed schedules can be posted by December 31.

The scheduling period for all vacation time and paid personal time off shall be from January 1 of the year being scheduled through May 31 of the following year.

When additional time becomes available, it will be awarded to those employees with requests on file in seniority order.

VACATION

Section 13.2 Regular employees shall be eligible to receive vacation with pay in accordance with the following provisions:

- A. 1 week after 6 months
- B. 2 weeks after 1 year (not to exceed 2 weeks in a calendar year)
- C. 3 weeks during the year in which 7 years is attained
- D. 4 weeks during the year in which 15 years is attained
- E. 5 weeks during the year in which 25 years is attained

VACATIONS-SCHEDULING

Section 13.3 After initial scheduling is completed, additional vacation time can be scheduled during the calendar year in increments of one (1) week, one (1) day, or one half (1/2) day. Up to five days may be taken in one hour increments. Management will determine work force requirements and time available for additional vacation.

Absence due to approved leaves of six (6) months or less shall not affect vacation eligibility. Following return to work after such absence an employee who has not

received his or her vacation within the calendar year will receive whatever vacation or part thereof to which he or she is entitled.

Employees will be paid their basic rate of pay for vacation time.

Any portion of a vacation that is interrupted by an illness that results in benefits may be rescheduled.

HOLIDAYS

Section 13.4 The following holidays are authorized and will be observed each year.

New Year's Day	January 1
Memorial Day	Last Monday in May
Independence Day	July 4
Labor Day	First Monday in September
Thanksgiving Day	Fourth Thursday in November
Day after Thanksgiving	Day after Thanksgiving
Christmas Day	December 25

Holidays falling on Sunday will be observed the following Monday. Holidays falling on Saturday will be observed on the preceding Friday.

Regular employees who do not work will be paid their basic rate of pay for the day a holiday is observed.

When authorized, employees who work on a holiday, in addition to the holiday allowance, will be paid one and one-half (1 1/2) times their basic rate of pay for all hours worked.

PERSONAL DAYS

Section 13.5 Regular employees will be allotted eight (8) personal days to be paid at their basic rate of pay per calendar year. These days are intended to accommodate time off for personal reasons and may be taken in one-half (1/2) hour increments.

One (1) of these personal days may be scheduled by the Company either locally or Company wide. One (1) of these personal days may be scheduled by the employee without restrictions if the day is selected at the time the vacation schedule is circulated for the following year.

Each employee will also be allotted a minimum of two (2) non-paid days per calendar year. Employees in Wage Groups 1 - 4 and Account Reps may take this time in one-half (1/2) hour increments.

The Company will not pay for time off except as provided for in other sections of this Agreement.

Newly-hired employees will be eligible for allotted time off under this provision as follows:

- A. Employees who begin active service with the Company in the first quarter are eligible for eight (8) allotted days in that year.
- B. Employees who begin active service with the Company in the second quarter are eligible for six (6) allotted days in that year.
- C. Employees who begin active service with the Company in the third quarter are eligible for four (4) allotted days in that year.
- D. Employees who begin active service with the Company in the fourth quarter are eligible for two (2) allotted days in that year.

PERSONAL ILLNESS

Section 13.6 Payment for days scheduled in a normal work week but not worked due to personal illness during the first seven (7) consecutive calendar days will be paid at the appropriate basic rate of pay on the following basis:

- A. Less than one (1) year of service - no pay.
- B. One (1) year of service but less than two (2) years - pay after the second consecutive scheduled day of work.
- C. Two (2) years of service but less than five (5) years - pay after the first scheduled day of work.
- D. Five years of service and over - pay from and including the first scheduled day of work.
- E. Payments shall be limited to scheduled days of work in a normal work week, and may be suspended or discontinued for just cause.

APPROVED ABSENCES

Military Leave

Section 13.7a The Company will comply with all applicable laws concerning military service, reinstatement thereafter, and reservists' rights.

Voting

Section 13.7b Employees will be excused with pay for such time as is reasonably necessary or required by law, but not to exceed two (2) hours, to vote at a general

election (State or National). Permission and scheduling will be given by managers. When employees are able to vote outside of working hours, no time off will be granted.

Life Threatening Illness and Funerals

Section 13.7c An employee may be permitted to be absent with pay at his/her basic rate of pay due to a life threatening illness or death in the immediate family. Paid time off will not exceed three (3) working days. Additional days (Vacation or Personal Days, paid or non-paid) may be granted at the employee's request. Exceptions can be approved by the employee's Director.

Note: Immediate family includes parents, spouse, brother or sister, children, grandparents, grandchildren, in-laws. Consideration should be given to extraordinary relationships beyond the immediate family.

Jury Duty

Section 13.7d Regular employees shall be paid at their basic rate of pay for absence for jury duty. Employees working evenings or nights shall be rescheduled to day shifts during required jury duty. If an employee's jury duty ends four (4) hours prior to completion of shift, the employee shall return to work.

Witness Duty

Section 13.7e An employee who is subpoenaed as a witness for a legal proceeding and who is not a party (e.g., either a plaintiff, defendant, or expert witness) in the matter will be paid for all or any part of his or her scheduled tour at the basic wage rate. If an employee is excused from such witness duty for all or part of a scheduled day, the employee shall immediately return to work. No payment for lost wages will be made as a result of attending a legal proceeding if an employee is a party (e.g. a plaintiff, defendant, or expert witness) unless approved by the Company.

LEAVES OF ABSENCE

ANTICIPATED DISABILITY LEAVE OF ABSENCE

Section 13.8 The Company shall provide to eligible employees a leave of absence for anticipated disability.

PERSONAL LEAVES OF ABSENCE

Section 13.9 Unpaid personal leaves of absence may be granted at the discretion of the Company. If an opening exists, the Company agrees to return the employee from the leave to an assignment within the same wage schedule provided the leave does not exceed six (6) months.

ARTICLE 14
POST AND BID

POST AND BID PLAN

Section 14.1 Employees who have acceptable performance and attendance will have the opportunity to bid on any job within the bargaining unit after they have completed the following service requirements in their current position. The Company may waive these service requirements based on the needs of the business. The Company will give notice to the union if these service requirements are waived.

Sales Positions - Wage Group 1	24 months
Wage Groups 2, 3, 4	12 months

When the Company has an opening all qualified employees who post a bid will be considered. In filling such openings the Company shall, in making the selection, adhere to the principle that qualifications will be determined without regard to race, color, national origin, religion, age, sex, or sexual/affectional orientation, martial status, or because that employee is disabled, or is a disabled veteran, or is a veteran of the Vietnam conflict. Where the qualifications of two (2) or more candidates are determined by the Company to be equal, seniority shall govern the selection.

When a job vacancy exists it will be filled through the post and bid process the following steps shall apply:

- A. All qualified candidates for the vacancy will be placed by seniority on a roster.
- B. Selection instruments, where appropriate, will be administered by qualified personnel designated by the Company. Positions may require interviews by the receiving department as a part of the selection process.
- C. Qualified employees may test two (2) times for positions requiring assessments. The second assessment will be allowed only after a minimum of twelve (12) months following the first assessment and with proof of developmental activities or training specific to areas identified as needing improvement.
- D. Unsuccessful candidates will be notified prior to the announcement that the job is filled.

If an employee refuses a job offer which matches a bid that is on file, that bid shall be canceled and it, or any other bid that would include the same job title, work group, and location, may not be resubmitted for a period of one (1) year from the date of refusal.

When an employee is selected for a position through the Post and Bid Process, the employee will be released from his/her current job within a reasonable period of time. An employee cannot be refused a job based on release date negotiations.

An employee may elect to retreat to his/her former job within six (6) months following placement if an opening exists. Following any retreat, the employee must complete six (6) months' service before he/she is eligible to post another bid.

The Company may retreat an employee due to unsatisfactory performance within twenty-four (24) months for Sales, and twelve (12) months for Wage Groups 1, 2, 3, and 4. Following such retreat, the employee shall not be eligible to post a bid for six (6) months.

PAY TREATMENT ON MOVEMENT

Section 14.2 There will be no change in basic rate of pay for movement between job titles within the same wage schedule.

Movement from one wage schedule to a different wage schedule shall be treated as follows:

- A) If the employee is promoted to a higher wage schedule, he/she will move to the wage step that would result in at least a five percent (5%) increase.
- B) If the employee moves to or is demoted to a lower wage schedule, he/she will move to the wage step which is nearest (rounding down) to the participant's current rate of pay.

RELOCATION

Section 14.3 The Company shall pay employees who are permanently moved to another location at the request of the Company, a relocation payment up to six thousand dollars (\$6,000) when supported by receipts for approved relocation expenses. In addition, the Company shall pay the real estate commission of not more than seven percent (7%) of the home sale price, incident to the sale of a personal residence owned by the employee at the old job location. Subject to Company policy and the terms of this section, employees may receive an advance payment for relocation expense.

When an employee posts a bid to move from one location to another, all expenses of the move will be paid by the employee.

ARTICLE 15 FORCE ADJUSTMENTS

Section 15.1 Whenever conditions are considered by the Company such as to warrant layoffs, part-timing, reclassifications, or a combination thereof, the Company agrees to give the Union sixty (60) calendar days notice (or the number of days notice required by law, if greater) of its intended plan, together with a description of work

location(s) and job title(s) and Wage/Skill Groups (see Section 15.11) so affected as determined by the Company.

Adjustment Groups

Section 15.1(a) The Company shall determine the Wage/Skill group(s) or title(s) to be force adjusted (the "Adjustment Group"). The Adjustment Group will include all regular employees having the same title who are within the location.

The Company may expand the Adjustment Group to other titles in the Wage/Skill group who have employees performing essentially the same type of work. Work locations are defined below.

COMBINED WORK LOCATIONS

ARIZONA Phoenix/Mesa	UTAH Murray/Provo
COLORADO Englewood/Aurora	WASHINGTON <u>Bellevue/Renton</u>
OREGON Portland/Vancouver, WA	Lacey/Tacoma

All other work locations stand alone.

Method of Force Adjustment

Section 15.1(b) When force adjustment becomes necessary in any Adjustment Group, the Company shall first discontinue or reduce the use of any Leased Worker or Term employees within the Adjustment Group where the force is to be reduced, to the extent that such termination of services does not impact the Company's ability to meet the demands of service or force adjustment transition process.

Employees in the Adjustment Group may submit a bid for Dex Media positions.

Employees in the Adjustment Group that post a bid will receive priority consideration for selection involving downgrade (lower Wage Groups) or lateral (same Wage Groups) placement opportunities, based on Term of Employment (TOE) date from among those employees in the Adjustment Group(s) who meet the qualifications (includes any test/skill/assessment requirements) to perform the duties of those positions.

However, based on the needs of the business, the Company may find it necessary to reserve the right to select a candidate that is better qualified. Such occurrences will be discussed with the Union at the bargaining agent level before the final selection.

If the Company determines there are lateral positions available, Force Adjustments shall first be made in order of Term of Employment (TOE) among the employees within an established Adjustment Group, affording members of the Adjustment Group, if qualified, the opportunity to volunteer for lateral moves. If the surplus is not resolved,

qualified employees in the Force Adjustment Group(s) may be involuntarily reassigned in inverse order of seniority to a lateral position within the surplus location.

Any employee who declines an involuntary reassignment to a lateral position within the location will not be eligible for any further benefits under this Article and in effect has resigned.

Transfer of Work

In the event the work is being transferred to another city, each employee in the Adjustment Group being force-adjusted may have the option to be moved by the Company with the employee's work:

- A. To the extent required to meet the needs of the transfer of work; and
- B. The movement of such employee does not create a force surplus in the same title and function in the location to which the work is being transferred.

Downgrades

Section 15.2 Employees who are reassigned to lower paying jobs due to force adjustment will retain their basic rate of pay from the higher rated job according to the following schedule:

The reductions in the basic rate of pay are effective for the periods following reassignment as shown below, and are based on the difference in the appropriate basic rates of pay for the old and new job.

Reassignment Pay Protection

Less Than 10 Years of Service

Periods	Reduction
Weeks 1 through 12	No reduction
Week 13 & thereafter	Full reduction

10 to 14 Years of Service

Periods	Reduction
Weeks 1 through 38	No reduction
Week 39 & thereafter	Full reduction

15 or More Years of Service

Periods	Reduction
Weeks 1 through 78	No reduction
Week 79 & thereafter	Full reduction

When an employee is reassigned to a lower rated or lateral job by the Company because of force reduction, the employee will not be required to meet the time in title requirements to be eligible to post a bid.

Voluntary Separation Payment Plan

Section 15.3 The Company may offer regular employees within an Adjustment Group the alternative choice to elect voluntary separation payments under the Voluntary Separation Payment Plan (“VSPP”). This offer will be in order of TOE.

The offer will be subject to the following:

- A. The number of employees who make such election shall not exceed the number of employees determined by the Company to be surplus.
- B. The Company may elect to expand the VSPP election to a Wage Group/Skill Group not affected by the force adjustment, as an additional method to reduce an Adjustment Group.
- C. Employees who elect to leave the service of the Company as a participant in the VSPP may receive, in combination with such benefits, a retirement service pension (if eligible for such pension) plus compensation for any accrued, unused vacation and/or personal days to which the employee is entitled at the time of leaving the Company.
- D. The Company will set the separation date(s) that are applicable to employees electing to separate as a VSPP participant.

An employee’s election to leave the service of the Company and receive voluntary separation payments must be in writing and delivered to the Company within ten (10) working days from the date of the Company’s offer (or such longer time as the Company may permit) in order for the employee to be accepted as a participant under the provisions of the VSPP.

The VSPP and its administration are not subject to the arbitration provision of this Agreement.

VOLUNTARY SEPARATION PAYMENT PLAN VSPP TABLE

TERM OF EMPLOYMENT (TOE)	DOLLAR PAYMENT
< or = to	
1	<u>\$1,000</u>
2	<u>2,000</u>
3	<u>3,000</u>
4	<u>4,000</u>
5	<u>5,000</u>

6	<u>6,000</u>
7	<u>7,000</u>
8	<u>8,000</u>
9	<u>9,000</u>
10	<u>10,000</u>
11	<u>11,000</u>
12	<u>12,000</u>
13	<u>13,000</u>
14	<u>14,000</u>
15 or more	<u>15,000</u>

Layoffs

Section 15.4 After other appropriate force adjustments have been made by the Company, and when force surplus conditions are considered by the Company to warrant laying off regular employees, such layoffs shall be made effective among employees in inverse order of TOE within the defined Wage/Skill group. A leased worker performing bargained for work as of the date of a proposed layoff in the location will be replaced by an impacted employee if the employee has the appropriate training and skills to perform the work.

INVOLUNTARY SEPARATION PAYMENT

Section 15.5 Regular employees who are declared surplus by the Company and who are separated due to lack of work are entitled to an Involuntary Separation Payment.

INVOLUNTARY SEPARATION PAY ISP TABLE

TERM OF EMPLOYMENT (TOE)	DOLLAR PAYMENT
< or = to	
1	<u>\$2,000</u>
2	<u>4,000</u>
3	<u>6,000</u>
4	<u>8,000</u>
5	<u>10,000</u>
6	<u>12,000</u>
7	<u>14,000</u>
8	<u>16,000</u>
9	<u>18,000</u>
10	<u>20,000</u>
11	<u>22,000</u>
12	<u>24,000</u>
13	<u>26,000</u>
14	<u>28,000</u>

15	<u>30,000</u>
16	<u>32,000</u>
17	<u>34,000</u>
18	<u>36,000</u>
19	<u>38,000</u>
20	<u>40,000</u>
21	<u>42,000</u>
22	<u>44,000</u>
23	<u>46,000</u>
24	<u>48,000</u>
25	<u>1 yr. base salary but no less than \$48,000</u>

Receipt of any severance pay pursuant to this Article shall be conditioned upon the employee signing a release of any and all claims against Dex Media L.L.C. and the Union in a form satisfactory to the Company and the Union.

SURPLUS TRANSITIONAL LEAVE OF ABSENCE (STLA)

Section 15.6 The Company will offer a Surplus Transitional Leave of Absence (STLA) to specified bargaining unit employees who leave the business due to a force adjustment and meet all eligibility requirements.

Eligibility

To be eligible immediately prior to commencement of STLA the employee must be:

- A. On the active payroll and in a position identified as surplus and either
- B. Currently eligible for a pension, (i.e., service or disability pension) or
- C. Within two (2) years of the actual age and/or years of service required for a service pension. (This includes employees within two (2) years of bridging the necessary service.)

Eligibility criteria must be met on the day the leave begins.

Eligible employees, while on leave, will receive:

- A. Subsidized medical, dental and vision benefits
- B. Group life insurance

An employee who elects to continue supplemental, dependent, and long term care insurance will be billed for such continuation.

Contributions to dependent care spending accounts will be suspended. Savings Plan contribution will cease. Employees will not be eligible for educational benefits during the leave. All leaves will commence no later than the expiration of the current agreement.

Employees who elect STLA will receive a transition payment of \$4,000. Receipt of the transition payment is conditional upon the employee signing a release of any and all claims against Dex Media L.L.C. and the Union.

Separation Benefits

The provisions of Separation Benefits do not apply in case of:

- A. An employee voluntarily leaving the Company (except under provisions of VSPP);
- B. An employee on leave of absence;
- C. An employee who is dismissed;
- D. An employee who is granted a Surplus Transitional Leave of Absence (STLA)

Section 15.7 Career Initiatives Employees separated from the Company under the provisions of this Article are eligible to participate in Career Initiatives for a period of twenty-four (24) months following separation provided sign up for the first class occurs within twelve (12) months from separation.

Extended Medical/Dental/Vision Coverage

To exercise any of the following options, the employee must complete a COBRA application upon his/her separation date.

Section 15.8 Regular employees who are not eligible for a service pension and whose employment is terminated as a result of a layoff or application of the force adjustment provisions of the VSPP, shall continue to remain eligible for extended coverage under COBRA for up to eighteen (18) months under the Company's healthcare, dental, and vision plans or successor plans, as follows:

- A. An employee with less than one (1) year of TOE, who is eligible for coverage at the time of termination of employment, may elect to continue such coverage at the employee's expense, for a period of eighteen (18) months following the month in which employment is terminated by paying the monthly premium amount.
- B. An employee whose TOE is at least one (1) year, but less than five (5) years, will be eligible for coverage, at Company expense, for a period of three (3) months following the month in which employment is terminated. The employee may elect to continue such coverage for an additional fifteen (15) months, at the employee's expense, by paying the monthly premium amount.
- C. An employee whose TOE is five (5) years or more will be eligible for coverage, at Company expense, for a period of six (6) months following the month in which employment is terminated. The employee may elect to continue such coverage for an additional twelve (12) months, at the employee's expense, by paying the monthly premium amount.

The extended medical/dental/vision coverage shall be on the same basis and in the same amount to which the employee was entitled immediately prior to leaving the service of the Company. If, during the period of any extended medical/dental/vision coverage as described above, the plans are changed for employees who remain on the payroll, the same changes will be applied to persons participating in this extended coverage program.

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Repayment of Severance

Section 15.9 As a condition of rehire, employees returning to work after a separation period of less than twelve (12) months must repay a prorated portion of the severance pay. The individual will be entitled to retain the portion of severance allocated to the number of full months he/she was without employment. The repayment of severance will be calculated as follows:

- A. Monthly severance amount = amount of severance/12 months
- B. Payback = total severance amount - (months laid off x monthly rate).

The gross amount of any separation benefits paid to employee in excess of the amount which may be retained must be repaid to the Company prior to the employee being placed on the Company payroll or the amount to be repaid to the Company may be repaid by the employee in twenty-six (26) equal installments within twelve (12) months of rehire. If repayment is not completed prior to rehire, employee must, as a condition of rehire, sign a written agreement authorizing deductions for the installment payments from compensation due to the employee.

Layoffs Not Constituting a Break in Service

Section 15.10 When an employee is laid off due to lack of work and such employee is re-engaged as Regular or Regular Term within a two (2) year period from date of layoff, prior service will be credited as follows:

- A. If the reinstatement is within one (1) year, there will be no deduction for the period of absence.
- OR**
- B. When the period of layoff exceeds one (1) year, service will be deducted for the period of layoff.

Note: if an employee returns to work within two (2) years of the layoff under any classification other than Regular or Regular Term, the layoff bridge rule will be applied if the employee, without interruption in service, is later reclassified as a Regular or Regular Term employee.

WAGE GROUP/SKILL GROUP DEFINITION

Section 15.11

Title	Job Code	Wage Group	Skill Group
Credit Management Organization Representative	5129	1	1
Customer Service Representative National Customer Service Representative	5100	1	1
Graphic Artist	5175	1	1
Internet Graphic Artist	5104	1	2
Headings Research, Technical Administration		1	3
IDC/IND Co. Directory Pub - Administrator	5205	2	1
ADM Distribution	5213	2	1
Composer	5227	2	1
Customer Listings Analyst	5224	2	2
National Publishing Accounts Representative	5226	2	3
Local Accounts Representative	5275	2	3
Analyst, Measurements and Results	5289	2	3
Information Systems Administrator	5232	2	3
Internet Production Specialist	5204	2	4
Graphics Coordinator		2	5
Space & Trade	5332	3	1
Book MFG Coordinator	5388	3	1
National Logo Librarian	5331	3	1
Utility Clerk	5391	3	2
Administrative Support	5319	3	2
	5304	3	2

Market Assignments/Co-op	5360	3	2
Advertising Coordinator / MMAS	5322	3	2
White Pages Specialist	5324	3	2
Commissions Analyst	5334	3	2
Clerical Support	5400	4	1

Section 15.12

The parties recognize that the production and clerical titles, job descriptions, and functions will undergo changes in 2004 due to resystemization. The Company and Union agree to perform job evaluations on the impacted production and clerical jobs with the evaluations to be completed no later than August of 2004.

Employee Classifications

Section 15.13 The Company in its sole discretion has used and will continue to use the following employee classifications:

1. "Regular full-time employee" is an employee who is employed to work at least 40 hours per calendar week for an indefinite period of time.
2. "Regular part-time employee" is an employee who is employed to work less than 40 hours per calendar week for an indefinite period of time.
3. "Regular term employee" is an employee who is employed for a specific project or for a limited period of time with the definite understanding that such an employee's employment will terminate upon completion of the project or at the end of the specified period of time. A regular term employee will work at least 40 hours per calendar week and will normally be hired for a period of up to two years.
4. "Part-time term employee" is an employee who is employed for a specific project or for a limited period of time with a definite understanding that such employee's employment will terminate upon completion of the project or at the end of the period of time. A part-time term employee works less than 40 hours per calendar week and shall normally be hired for a period of up to two years.

These are the only classifications of employees currently used by the Company. These employee classifications do not alter the terms and conditions of the benefit plans available to eligible employees.

ARTICLE 16 BENEFITS

Benefits

Section 16.1 For information on the Dex Media Inc., Pension Plan, the Dex Media Inc., Employee Savings Plan, and the Dex Media, Inc., Health and Wellness Benefits Plan, employees should consult each Summary Plan description. The subjects of the benefit agreement are:

Dex Media, Inc. Health and Welfare Benefits Plan

Dex Media, Inc. Disability Plan including both Short term and Long term disability

Dex Media, Inc. Pension Plan

Dex Media Inc., Employee Savings Plan (subject to Dex Media cap on Company savings match of \$6,000)

Illness Leave (Unpaid)

Sick Day Pay

Employee Assistance Program

Child/Elder Care Resource & Referral Service

Family Care Leave

Care of Newborn Child Leave

Personal Leave of Absence

Military Leave

Anticipated Disability

Career Initiatives

All the listed Plans and Leaves (including the successors to these Plans and Leaves, as amended) are the only subjects of bargaining agreed upon between Union and Company.

There will be no negotiations during the term of this Agreement upon changes to any of the Plans and Leaves listed above. No change shall be made without the consent of the Union in the Plans which would reduce or diminish the benefits or privileges thereunder for the employees within the bargaining unit. The Plans and Leaves listed above, their administration or their terms are not subject to the grievance procedure and arbitration terms of this Agreement.

SHORT TERM DISABILITY BENEFITS

Section 16.2 For Directory Advertising Consultants, Directory Advertising Consultants-Telephone, and Area Directory Advertising Consultants short term disability benefit pay will be based on average earnings. Benefit pay based on average earnings will be the total pay for short term disability benefits.

- A. Average earnings for employees who worked the previous full calendar year, are defined as current salary (daily rate) plus commissions from the previous calendar year, divided by two hundred sixty (260) payroll days.

- B. Average earnings for employees who have worked less than a full calendar year, are defined as current salary (daily rate) plus commissions from the time period worked divided by the payroll days in that time period (up to a maximum of two hundred sixty [260] days).

Note: For the purpose of calculating daily average, payroll day calculations exclude initial training and benefit days.

PENSION PLAN

Section 16.3 The lump sum provisions of the Dex Media Inc Pension Plan will remain in effect for the duration of this contract. Pension benefits shall be provided under the terms of the DEX Media East, LLC Pension Plan to all employees in the Account Representative position and in Wage Groups 1, 2, 3, and 4 according to the following bands:

Wage Group or Title	Pension Band
Wage Group 4	104
Wage Group 3	107
Wage Group 2	109
Wage Group 1	110
Account Representative	111

Pensionable compensation for Directory Advertising Consultants-Telephone, Directory Advertising Consultants-Premise, Account Executives, and Area Directory Advertising Consultants retiring or terminating employment on or after October 15, 1998 includes base pay, commissions, bonuses, and short term disability benefit pay as set forth in this Agreement.

Effective August 19, 2001 the determination period for the final five years average earnings calculation will be based on average monthly compensation for the highest consecutive sixty (60) months in the last consecutive one hundred twenty (120) months prior to termination or retirement. Monthly pension factor times years of service equals the monthly pension benefit. (See Section 16.4 Table 1).

Section 16.4

Table 1

**Sales Earnings Schedule for Monthly Pension
Effective August 19, 2001**

Average Monthly Earnings	Monthly Pension Factor
\$1,500 to \$1,599	21.40
\$1,600 to \$1,699	22.80
\$1,700 to \$1,799	24.10

\$1,800	to	\$1,899	25.30
\$1,900	to	\$1,999	27.60
\$2,000	to	\$2,249	30.90
\$2,250	to	\$2,499	34.20
\$2,500	to	\$2,749	37.40
\$2,750	to	\$2,999	40.70
\$3,000	to	\$3,249	43.90
\$3,250	to	\$3,499	47.20
\$3,500	to	\$3,749	50.40
\$3,750	to	\$3,999	55.30
\$4,000	to	\$4,499	61.80
\$4,500	to	\$4,999	68.30
\$5,000	to	\$5,499	74.80
\$5,500	to	\$5,999	81.30
\$6,000	to	\$6,499	87.30
\$6,500	to	\$6,999	94.30
\$7,000	to	\$7,499	100.80
\$7,500	to	\$7,999	107.30
\$8,000	to	\$8,499	113.80
\$8,500	to	\$8,999	120.30
\$9,000	to	\$9,499	126.80
\$9,500	to	\$9,999	136.50
\$10,000	to	\$10,999	149.50
\$11,000	to	\$11,999	162.50
\$12,000	to	\$12,999	175.50
\$13,000	to	\$13,999	188.50
\$14,000 and up			201.50

**ARTICLE 17
UNION SPECIFICS**

AGENCY SHOP AND COLLECTION OF DUES

Section 17.1 Where permitted by law, each bargaining unit member is obligated to tender to the Union amounts equal to periodic dues from the effective date of this Agreement until the termination of this Agreement. Employees entering into the bargaining unit after the effective date shall have thirty (30) days to tender to the Union amounts equal to periodic dues until the termination of this Agreement. The condition of employment specified above shall not apply during periods of formal separation.

The Company agrees upon receipt of an acceptable union dues deduction authorization card signed by an employee to deduct the amount of union dues (excluding initiation

fees, fines and special assessments) certified to the Company by the Union. Deductions shall continue until written cancellation is provided to the Company.

The Company will make deductions in such manner as is most convenient to the established payroll system and pay to the Union the amount of these deductions once per month.

The Company will supply the Union with an updated list of the employees in the bargained-for unit on a monthly basis. The list will include the employee's name, home address, social security number, and the term of employment.

The Union agrees to indemnify and hold the Company harmless in all respects for deductions made and all employee information provided in accordance with the provisions of this section.

TIME OFF FOR UNION ACTIVITIES

Excused Paid Time - Union-Management Meetings

Section 17.2 When the Company agrees, authorized employees will be allowed excused time, paid at the employee's basic rate of pay, for the purpose of meeting with the Company's representatives on matters pertaining to the administration of this Agreement, or the relationship between the Company and the Union.

Authorized union representatives may attend grievance meetings without loss of pay, but shall be limited in number to those required for the meeting at any given step. In no case shall the number of paid union representatives exceed three (3) at Step One, two (2) at Step Two and none (0) at Step Three of the grievance procedure. These employees shall be paid for actual time spent traveling to and from grievance meetings during regularly scheduled tour, up to a maximum of two (2) hours at Step One and up to a maximum of four (4) hours at Step Two.

Excused Non-Paid Time

Section 17.3 The Company will grant to any employee designated by the Union (except full-time union officers) the total aggregate time off, without pay up to a maximum of thirty (30) consecutive days or a total of four hundred eighty (480) hours in any calendar year to handle Union business. Excused absences granted to full-time union officers shall not exceed thirty (30) consecutive calendar days or a total of seven hundred (700) hours in a consecutive year to handle union business. The Company shall be given reasonable notice of such absences. The needs of the Company and the union will be considered in granting the above non-paid time off.

UNION LEAVES OF ABSENCE

Section 17.4 Upon a written notice from the Union, authorized union representatives shall be allowed an unpaid leave of absence when said absence for union activities exceeds or is to exceed thirty (30) consecutive calendar days. Each leave of absence shall not exceed one (1) year without a written notice from the Union requesting an extension of said leave of absence. The total of all such leaves and extensions granted an employee shall not exceed eighteen (18) years during his/her employment with the Company.

In computing the employee's net credited service for all purposes except wage progression, full credit shall be allowed for the period of leaves of absence for union activities. When the leave of absence for union activities is used to compute an employee's net credited service, the employee shall retain eligibility according to term of service for death benefits and sickness disability benefits.

UNION ACTIVITY ON COMPANY PREMISES

Section 17.5 Employees who are authorized local union representatives or union members may conduct lawful union activities on Company premises only during nonworking time in non-working areas, and in a manner which will not interfere with the operation of the business or the rights of individual employees.

Union representatives or members who are not employees may enter upon Company premises after obtaining approval from a management representative of the Company.

AUTHORIZED UNION REPRESENTATION

Notices Regarding Union Organization

Section 17.6 The Union agrees that its District Vice President or a person duly empowered to act in the District Vice President's behalf shall keep the Director - Human Resources, or his/her designate, currently advised, in writing, of the representatives of the national Union who are authorized to deal with the Company regarding employees in the bargaining unit, and regarding such matters as designating the locals which have been established, designating the officers or other authorized representatives of such locals, and indicating the jurisdiction of such locals and their representatives. The Union agrees further that such notifications and authorizations shall designate the union representative or representatives to whom notices, information, certifications and services by Company representatives, as are provided for in this agreement, shall be directed or furnished.

Promotion, Transfer Assignment of Union Officers

Section 17.7 The Company shall give the Union notice, as soon as practical, of a union officer or steward's promotion to a management position or transfer to another office or work group.

BULLETIN BOARDS ON COMPANY PREMISES

Section 17.8 The Company agrees to provide the union with space for bulletin boards at each work location. These bulletin boards are for the purpose of providing employees with union announcements and notices. In keeping with responsible Union/Company relations, only materials in good taste will be posted.

CWA-COPE PAC

Section 17.9 The Company will continue to permit CWA represented employees to contribute to the CWA COPE Political Action Committee ("CWA-COPE-PAC") through payroll deductions.

Payroll deductions authorized pursuant to this agreement will be transmitted to the Vice President of District 7 on a monthly basis.

ARTICLE 18 COMMITTEES

The Company recognizes that employees have valuable experience and skills enabling them to make significant contributions to the success of the business. The Company wants to encourage employees to contribute to decision-making which improves their daily work. The Union and the Company will jointly develop and support the following committees to discuss issues of mutual interest and concern:

LABOR MANAGEMENT COUNCIL

Section 18.1 A Labor Management Council (LMC) will be formed for the purposes of continuing discussion about issues which may come up during the period of time covered under this contract. The Council core team shall jointly be chaired by the CWA and Company bargaining agents and shall be composed of up to eight (8) additional members, four (4) from management and four (4) who are Union designated. The Council will meet at mutually agreeable times and places to determine its structure, agenda and operations. The Council will have a Company-wide focus and will discuss issues such as, but not limited to, competition, customer service, product quality, safety & health, training, technology changes and its impacts, force adjustments, Career Initiatives, telecommuting, occupational job evaluations, sales compensation administrative practices, and electronic data gathering. In addition, the committee will encourage and support employee involvement committees.

The Labor Management Council may appoint other joint committees as needed to work on special issues of mutual interest and concern.

EMPLOYEE INVOLVEMENT COMMITTEES

Section 18.2 The Company and the Union will encourage local managers and union representatives to form committees to discuss local issues of mutual interest and concern. All employee involvement will be voluntary. Committee members will be

responsible for establishing an atmosphere of mutual respect to support the development of new ideas and experimentation. Local Employee Involvement Committees will be encouraged to discuss innovative approaches to enhance sales results, product quality, and customer service. They may also discuss issues such as work scheduling, market assignment, flextime, safety, and other employee concerns. Local managers and union representatives will jointly develop agendas and meeting schedules. Any input from employee involvement committees which would propose a modification of existing wages, hours, or terms and conditions of employment will be referred to the bargaining agents.

LOCAL MARKET ASSIGNMENT COMMITTEES

Section 18.3 Local committees of managers and Union designated representatives will discuss local market assignment issues and develop market channeling recommendations.

ARTICLE 19 MEDICAL RESTRICTIONS

TREATMENT OF MEDICALLY RESTRICTED EMPLOYEES

Section 19.1 A regular full-time/part-time employee who is unable to perform the functions determined as essential by the Company of his or her regular job as a result of an on-the-job accidental injury (as defined in the Dex Media Inc Disability Plan) or an illness, physical or mental limitation, or off-the-job injury will be considered for a position of equal or lower status and pay. Salary treatment and/or severance pay shall be prorated for part-time employees.

MEDICAL RESTRICTIONS OF LESS THAN 180 CALENDAR DAYS DURATION

Section 19.2 If the Disability Management Group has determined the employee can return to work with a medical restriction of one hundred eighty (180) days or less, the employee shall remain in the present job title and receive the present paid rate.

Note: If the Directory Advertising Consultants, Directory Advertising Consultants - Telephone, and Area Directory Advertising Consultants cannot perform the functions determined by the Company as essential to his or her regular job with reasonable accommodation for this limited period of time, then their earnings will include their basic rate of pay plus average earnings, as described in Section 16.2, Short Term Disability Benefits of the CWA Contract.

MEDICAL RESTRICTIONS OF MORE THAN 180 CALENDAR DAYS DURATION

Section 19.3 If the Disability Management Group determines the medical restriction (or consecutive restrictions) is expected to or does, in fact, last longer than one hundred eighty (180) calendar days and the employee cannot perform the functions determined by the Company as essential to his or her regular job with reasonable accommodation,

the Company will assign the employee to a bargained for job, if available, for which he or she meets basic qualifications and which satisfies the employee's medical restrictions. The assignment will be as follows:

Section 19.3a The employee will be assigned to a bargained for job vacancy of equal status and pay, in (or within a reasonable commuting area of) the town in which the employee is assigned.

Section 19.3b If there is no bargained for job vacancy as described above, the employee shall immediately begin an employment search of up to sixty (60) calendar days. The job search shall consider the employee for placement in the Company vacancies in the following order of priority:

Section 19.3.1 Jobs of equal or lower status and pay within the Company in the town or within reasonable commuting distance;

Section 19.3.2 Jobs of equal or lower status and pay in the Company, in the same state;

Section 19.3.3 Jobs of equal or lower status and pay within any department in the Company.

Section 19.3c If the job search is unsuccessful, the Company will immediately terminate employment.

RELOCATION EXPENSES

Section 19.4 As stated in the CWA/Dex Media East, LLC Contract.

DECLINATION

Section 19.5 If an employee is physically able to work with a medically imposed work restriction and there is an available bargained for job that the employee is qualified to perform within the reasonable commuting area, the employee may be placed in that job. If the employee refuses to accept the job, Dex Media East, LLC will terminate employment.

PAY TREATMENT

Section 19.6 Sixty (60) day Job Search:
If the Directory Advertising Consultants, Directory Advertising Consultants - Telephone, and Area Directory Advertising Consultants have medical restrictions which are expected to last longer than one hundred eighty (180) calendar days, pay protection will include the basic rate of pay plus average earnings as described in Article 16.2, Short Term Disability Benefits of the CWA Contract during the employment search, not to exceed the sixty (60) calendar days.

Placement in Lower Rated Job:

Section 19.6a If the employee is assigned to a lower rated job because of his/her medical restriction, the appropriate title and wage schedule for that job shall be assigned. Any subsequent progressions or contractual wage adjustments shall be administered based on the lower rated schedule.

Section 19.6b In the event of such reassignment to a lower rated job, the difference in basic rate of pay** between the former job and the job to which reassigned under the provisions stated in this section will be treated in accordance with the employee's Term of Employment pursuant to the pay reduction schedule in Article 15.2.

***Note: For commissioned salespeople reassigned to a non-commissioned position, the difference in the basic rate of pay shall be calculated by subtracting the basic rate of pay for the position to which the employee is reassigned from one/twenty-sixth of the employee's salary and commission earnings for the prior calendar year.*

Commissioned salespeople reassigned to a commissioned position that is lower rated, and no other employees, shall have the difference in the basic rate of pay calculated by subtracting the Office Average of the reassigned position from the total of the employee's salary and commission earnings for the prior calendar year. "Office Average" shall be defined as the total salary and commission earnings for regular employees in the office and position to which the employee will be reassigned, divided by the number of employees in that office. For purposes of this paragraph only "regular employees in the office and position" shall include only those employees who performed in that position for the entire prior calendar year. This difference in the basic rate of pay for employees reassigned from and to a commissioned position pursuant to this Section shall be paid to the employee in a lump sum within sixty (60) days of the reassignment and not pursuant to the pay reduction schedule in Article 15.2.

Section 19.6c In the event an employee is placed in a lower rated job to accommodate an on-the-job medical restriction, and with the approval of the Benefit Committee/Claims Reviewer, the difference in pay between the job to which assigned and the rate of pay in effect at the time the disability began while on the former job assignment would be paid as Other Benefits under the Plan.

Section 19.6d Employees who are separated from the payroll as a result of a medical restriction under the provisions of this Section shall be allowed a transition payment according to the schedule set forth in Section 15.5 ISP Table.

In addition to separation benefits payment based on the aforementioned schedule, a lump sum payment less applicable deductions for outstanding vacation time, when applicable, will be paid in full during the normal payroll period immediately following the date of separation.

RETURN TO PREVIOUS TITLE

Section 19.7 Bargained for employees reassigned to a downgraded position because of medical restrictions shall have reinstatement rights to the title previously held in the employee's former reporting location, if the medical restriction is lifted, for a period of one (1) year from the date of the downgrade. The employee must initiate this process and obtain concurrence of the Disability Management Group that the medical restriction should no longer apply. A return to the title previously held is conditioned upon the existence of a vacant position for which the employee will require no training. The employee will not be returned to the title if such return does or will create a force adjustment situation within the work group.

INDEPENDENT MEDICAL EVALUATION

Section 19.8 In regard to the demotion or termination of medically restricted employees, the following is the position to be taken regarding obtaining an Independent Medical Evaluation (IME). A demotion or termination as it relates to the length or scope of the medical restriction may be grieved but is not subject to arbitration. If a dispute arises, and the employee so requests, the Company's Disability Management Group will consult with the employee's personal physician concerning the length and scope of the restriction. If they are unable to agree, the matter will be referred to a mutually acceptable physician (in accordance with the administrative guidelines in place regarding this process) who is knowledgeable in occupational safety and health matters and who shall be afforded the opportunity to review the pertinent medical data, to review the requirements of the work place and to examine the employee. Both the Company and the Union will comply with the decision of this physician as to the proper length and scope of the restriction.

ARTICLE 20
SIGNATURES FROM OCTOBER 16, 2003

In witness whereof, the Union and the Company have caused this contract covering Dex Media East LLC Clerical, Production, and Sales employees to be signed this October 16, 2003.

By:

By:

Patricia Bradford

Lew Ellingson

Gary Gibson

Rose Fonter

Don Hamilton

Rebecca Green Schwenk

Rhoda V. Hailey

November 18, 2003

Mr. Lew Ellingson
Staff Representative
Communications Workers of America
District 7
8085 East Prentice Avenue
Greenwood Village, CO 80111

RE: Retiree Health Care

Dear Mr. Ellingson:

This letter will confirm our agreement regarding retiree health care and the provisions surrounding retiree health care caps:

(a) The Company shall contribute funds (by direct payment and/or payments made from the Company sponsored trust funds or other Company sources) for the actual aggregate Dex Media, Inc. Health and Welfare Benefits ("Plan") costs (excluding Plan coverage Medicare Part B premiums capped at 1995 reimbursement level) for Union represented employees retiring from the Company (and their Class 1 dependents) in each calendar year after 1990, up to a total Company contribution of not less than the single amount calculated as the sum of the costs in all Coverage Categories (i.e., the sum of column (D)) in the following restructured schedule:

<u>(A) Coverage Category</u>	<u>(B) Cost Cap</u>	<u>(C) Multiple Factor</u>	<u>(D) Total Category Cost</u>
<u>Under age 65 adult</u>	<u>\$4,960</u>	<u>Total adults (retirees + spouses)</u>	<u>(B) x (C)</u>
<u>Child(ren) (incl. students & handicapped)</u>	<u>\$2,070</u>	<u>Total retirees who cover 1 or more children</u>	<u>(B) x (C)</u>
<u>Age 65 and over, adults</u>	<u>\$2,570</u>	<u>Total adults (retirees + spouses)</u>	<u>(B) x (C)</u>

With respect to individuals retiring on or after January 1, 1991, (except employees who retired under the 1992 ERO), the Company reserves the right to assess individual premiums (which, if assessed, shall vary based on whether the individual is over or under the age of sixty-five (65)) and the type of Plan coverage (adult, child) as an alternative method of funding Plan costs in excess of the aggregate amount of Company contributions calculated across all categories under the above schedule. If in a given Plan year, the costs for one of the Coverage Categories (e.g., Under age 65, adult) exceed the maximum Company contribution for that category, but the total costs for all Coverage Categories do not exceed the maximum Company contribution on an aggregate basis (i.e., the sum of column (D)), then no retired employee would be required to make a contribution for the Plan year. However, no retired employee shall be required to pay any contribution toward Plan costs for coverage prior to January 1, 2007.

If the Cost Caps in the above schedule are increased in any bargaining contract between the Union and the Company entered into after expiration of this contract, the Company will adjust the Cost Caps in the above schedule to match the increased Cost Caps as bargained.

- (b) For employees who retire on or after January 1, 1991, the Plan shall provide benefits equivalent to the average actuarial value (subject to the possibility of the Company's assessment of premiums as set forth in paragraph (a) of this Section) of the benefits provided from time to time under the health care plan for active occupational employees, and the Company shall continue to have the right to amend such benefits subject to negotiations. This paragraph will apply to employees who retired under ERO only to the extent it is consistent with the 1992 "ERO" health care commitment.
- (c) For active and future retired employees, there shall be no lifetime maximum on the amount of benefits available from the Plan during the term of this Agreement.
- (d) With respect to individuals retiring on or after January 1, 1991, effective January 1, 1996, the Company will cap the Medicare Part B reimbursement at the 1995 rate of forty-eight dollars and ten cents (\$48.10) per month.

Sincerely,

Patricia Bradford
Senior Director
Labor Relations

Concurred:
Lew Ellingson
Staff Representative
Communications Workers of America