AT&T Non-Management Tuition Assistance Plan -

Legacy AT&T, AT&T East, AT&T Midwest, AT&T Southwest and AT&T West CWA and IBEW Represented Employees and ALASCOM, Inc. Represented Employees

Effective Date: January 1, 2014

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Revision Date: July 1, 2017

1.0 SCOPE

This policy applies to all regular represented employees of Legacy AT&T, AT&T East, AT&T Midwest, AT&T Southwest and AT&T West in the U.S., Guam, Puerto Rico, the U. S. Virgin Islands who are represented by the Communications Workers of America (CWA) or the International Brotherhood of Electrical Workers (IBEW) and to all ALASCOM, Inc. employees who are represented by the IBEW or the International Brotherhood of Teamsters (IBT).

2.0 POLICY

The AT&T Non-Management Tuition Assistance Plan provides reimbursement for employees who are working to attain academic degrees that are beneficial for the employee and for the Company.

Administration of this policy is the responsibility of the AT&T Tuition Assistance Center. All programs, forms, and payments made or reviewed for classes will fall under the guidelines of this policy.

This policy supersedes all previous policies and guidelines regarding tuition assistance for AT&T bargained employees in the entities referenced in Section 1.0. The Company reserves the right to amend, change, or cancel this policy or any part thereof, or reduce, modify, or suspend its terms at its sole discretion. This policy is not a contract, assurance of compensation, continued employment, or benefit of any kind.

Individual Business Units may not modify this policy.

If provisions in this plan differ from the requirements of a collective bargaining agreement, the collective bargaining agreement prevails for represented employees.

It is the employee's responsibility to have knowledge of this policy and adhere to all of the provisions within. Violations due to a lack of knowledge of the policy are not acceptable or tolerated. Exceptions to this policy will not be made or accepted due to the supervisor or employee claiming they did not have knowledge of the policy. Failure to comply with the provisions of this policy may result in disciplinary action up to and including dismissal.

3.0 DEFINITIONS

CLEP	College Level Examination Program
DANTES	Defense Activity for Non-Traditional Education Support
NCS	Net Credited Service

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4.0   ELIGIBILITY – Employee / Course / Scheduling

All regular full-time and regular part-time bargained employees are eligible for tuition reimbursement after completing six months of Net Credited Service (NCS).

Courses approved for tuition assistance must be taken during nonworking hours and the time associated with the courses is not compensable as work time.

The following do not qualify for tuition reimbursement:

- Temporary or Term employees
- Employees on disability or leave of absence at the time courses begin
- Employees repaying the Company for tuition reimbursement until full payment has been received
- Courses that begin before the employee obtains six months of NCS
- Courses that end after the employee voluntarily separates from the Company
- Courses that do not result in credit hours or units towards one of the degree programs listed in Section 5.0 of this policy
- Courses not passed with a grade of "C" or above, "Pass"/"Complete" or, for approved Nanodegree programs, for which a certificate of completion is not issued
- Courses for which tuition reimbursement has previously been paid
- Courses for which a gift such as a laptop, MP3 player, or other item of monetary value was received in return for course enrollment or completion
- Nanodegree programs not listed in Section 5.3 of this policy
- Programs other than Nanodegree programs which result in a certification or certificate of completion
- Simultaneous enrollment in more than one degree program

Employees do not lose eligibility for tuition reimbursement if they are prevented from completing a course due to:

- Separation as a result of a formal surplus
- Company-initiated transfer to another city which requires relocation
- Company-initiated change in scheduled work hours
- Unexpected Company business requiring increased travel
- Unexpected service demands such as those caused by natural disasters
- Unexpected increase in job responsibilities
- Approved disability
- Approved FMLA absence
- Approved Military Leave of Absence

Within 60 calendar days from the term end date on record, the employee must obtain written documentation of any of the above conditions from his/her supervisor and submit that documentation to the AT&T Tuition Assistance Center. Courses must begin prior to the above listed conditions and the participant must provide documentation that payment was made to the institution and that the institution will not refund such payment. Courses beginning after an above listed condition occurs will be subject to all rules within the policy and will not be eligible for payment.

5.0   ELIGIBILITY – Degree Program / School or Institution

5.1.   Approved Undergraduate Degree Programs – All Business Units

Accounting	Human Resources
Business Administration	Management
Computer Science / Information Systems	Marketing
Digital Communications / Mass Media / Multimedia	Mathematics
Economics	Organizational Development / Organizational Management
Electronics / Electronics Technology	Systems Management / Management Information Systems
Engineering – Computer / Electrical / Network / Systems Engineering only	Telecommunications
Finance	

5.2.   Approved Undergraduate Degree Programs – if Business Unit Applicable

Art (Not History)	Political Science / Government
Foreign Language	Science
Journalism	

These programs are available only for employees who are in business units that have positions requiring skills and backgrounds in these areas.

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5.3. Approved Nanodegree Programs–AT&T Southwest Represented Employees only

ENROLLMENT NOTE: Employees **must enroll through this AT&T-specific Udacity website** *and* they **must use their** *ATTUID.com email address* when they create their Udacity Student Account. (If you cannot use Internet Explorer, you can use the Mozilla Firefox browser to access the Udacity website and programs.)

Nanodegree Programs	Course Provider
Android Basics	Udacity
Android Developer	Udacity
Artificial Intelligence Engineer	Udacity
Become an iOS Developer	Udacity
Business Analyst	Udacity
Data Analyst	Udacity
Front-End Web Developer	Udacity
Full Stack Web Developer	Udacity
Introduction to Programming	Udacity
Machine Learning Engineer	Udacity
Virtual Reality Developer	Udacity

NOTE: The Company retains the unilateral right to modify, suspend or discontinue the Nanodegree Programs at any time in its discretion.

5.4. Approved Master's Degree Programs – Degrees in Science, Technology, Engineering and Mathematics (STEM) Study Areas

Computer Science / Information Systems	Mathematics
Digital Communications / Mass Media / Multimedia	Science *
Electronics / Electronics Technology	Systems Management / Management Information Systems
Engineering – Computer / Electrical / Network / Systems Engineering only	Telecommunications

*   This program is available only for employees who are in business units that have positions requiring skills and background in this area.

5.5.   Continuation of Programs in Which Currently Actively Participating

Notwithstanding the foregoing, an AT&T Southwest represented employee, who as of June 30, 2017 was actively participating in a previously approved degree program that is not in one of the above majors, will continue to be grandfathered under this policy for courses beginning prior to July 1, 2019 as long as he or she makes consistent progress toward the degree. Consistent progress is defined as not having a break of longer than one year.

5.6.   School / Institution Requirements

Courses must be completed at one of the following:

- A college, university, business school, technical school or secondary school that meets the U.S. Department of Education's requirements for an eligible program and has been assigned a program code on the Free Application for Federal Student Aid (FAFSA)
- An institution accredited by the Distance Education and Training Council (DETC)
- Course provider of approved Nanodegree programs listed in Section 5.3

5.7.   Non-Traditional Education for College Credit

Continuing education / workforce development courses that offer college credit are not eligible for tuition assistance unless the employee provides proof of enrollment at the school as a degree-seeking student in an approved degree program to which those courses can be applied.

Fees for taking CLEP or DANTES examinations are eligible for reimbursement. Please see the Tuition Reimbursement and Payment Process section for information on submitting applications for reimbursement for these exams.

Fees for obtaining college credit for previous learning and work experience through the Portfolio Review process, including the cost of the portfolio review as well as the cost of posting earned credits to the transcript, are eligible for reimbursement. Please see the Tuition Reimbursement and Payment Process section for information on submitting applications for reimbursement for the Portfolio Review process.

5.8.   Consistent Progress

Consistent progress in a degree program should be maintained. Consistent progress is defined as completion of one course during each calendar year.

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6.0   REQUIRED APPROVALS

Reimbursement for undergraduate degree courses and for Nanodegree programs requires the approval of the business unit general manager or above (3rd level manager or above). Courses which are part of an approved undergraduate degree program listed in Section 5.1 and approved Nanodegrees listed in Section 5.3 (and which meet all other eligibility requirements of this policy) must be approved.

Reimbursement for Master's Degree programs requires the approval of the business unit senior manager or above (5th level manager).

- Master's Degree programs may be denied by the required approval authority for valid business reasons. **Employees pursuing Master's Degrees are encouraged to discuss the budget impact and job relatedness of their degree plans with their Business Unit 3rd level manager or above prior to commencing their degree programs.**

- Applications for Master's Degree courses generally should not be denied if the employee was previously approved for Master's Degree courses, is in an approved Master's Degree program, and is actively pursuing the degree. Documentation such as the employee's current official or unofficial school transcript or degree progress report can be used to verify degree progress.

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7.0   TUITION ANNUAL AND LIFETIME CAPS / CONDITIONS OF PAYMENT

7.1.   Tuition Reimbursement

Eligible tuition expenses will be reimbursed upon successful completion of all requirements listed in the Tuition Reimbursement and Payment Process section.

In a calendar year, the company will reimburse eligible expenses for approved courses for amounts up to, but not to exceed the amounts listed in the tables below, and not to exceed the appropriate lifetime degree cap.

Legacy AT&T CWA Represented Employees and ALASCOM, Inc. Represented Employees:

Employee Class	Weekly Hours Worked	% Paid of Eligible Expenses
Full Time	-	100% (Up to $5,250)
Part Time	20 Hours or More	75% (Up to $3937.50)
Part Time	Less than 20 Hours	50% (Up to $2625.00)

AT&T East, AT&T Midwest, AT&T Southwest, AT&T West and all IBEW Represented Employees:

Employee Class	Weekly Hours Worked	% Paid of Eligible Expenses
Full Time	-	100% (Up to $5,250)
Part Time	20 Hours or More	75% (Up to $5,250)
Part Time	Less than 20 Hours	50% (Up to $5,250)

The annual cap is applied based on the calendar year in which a course begins. The cap applies to all courses that begin during the calendar year, including both undergraduate and graduate courses. Unused amounts under the annual cap will not roll over into the next year, nor can amounts be borrowed from the following year's cap for the current year.

During employment at AT&T, the Company will reimburse eligible expenses for:

- **One** approved undergraduate degree up to, but not to exceed a lifetime cap of **$20,000.** (This cap also applies to rehires.)

- **One** approved graduate program up to, but not to exceed a lifetime cap of **$25,000**. (This cap also applies to rehires.)

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NOTES:

(1) For Legacy AT&T CWA represented employees only, these lifetime caps apply only to expenses for courses that begin on or after January 1, 2013.

(2) *For Legacy ALASCOM, Inc. represented employees only, these lifetime caps apply only to expenses for courses that begin on or after April 1, 2013.*

(3) *For Legacy AT&T IBEW represented employees only, these lifetime caps apply only to expenses for courses that begin on or after July 1, 2013.*

(4) *For* AT&T East, AT&T Midwest, AT&T Southwest and AT&T West CWA and IBEW represented employees only, the annual and lifetime program caps do not apply to the NACTEL associates degree, however funds provided in connection with the NACTEL associates degree program will count against the annual and lifetime program caps indicated above if the employee pursues any other degree program.

The Company will reimburse expenses for tuition, fees, and textbooks that are required by the school to take the course. The Company will not pay for or duplicate any eligible tuition, fees, or textbooks that are covered by other financial assistance, e.g., scholarships, grants, or assistance provided by private organizations or governmental agencies (including veterans' benefits). Such funds must be disclosed on the application and will be deducted from the tuition assistance paid. If such funds are received subsequent to submitting the application, the employee must immediately reimburse the company for the full amount of duplicate assistance received. Employees should not report funds received from student loans on their applications, however the proof of payment documentation that is provided following course completion should clearly indicate any loan amounts that have been applied in payment for a course or courses. Only Company reimbursement of tuition, fees and textbooks will apply toward the respective annual and lifetime program caps.

Payment will be made to the employee in his/her regular paycheck within two to three pay periods after the reimbursement is approved. Tuition reimbursement expenses are charged to the employee's organization at the time payment is made.

7.2.   Tax Implications

As indicated in Section 8.1, supervisors are required to review applications for Job Relatedness and indicate whether or not each individual course maintains or improves the skills required in employee's current job. Company paid tuition assistance is regulated by the U.S. Federal Income Tax Code 127. During a calendar year, employees will not be subject to federal income tax on tuition assistance received from AT&T under this policy, up to an amount of $5,250. However, AT&T will report as income and withhold applicable taxes on tuition assistance exceeding $5,250 if the education does not maintain or improve the skills needed by the employee in his/her current position.

For employees who reside in **Alabama, New Jersey, or Pennsylvania**, if the education does not maintain or improve the skills needed by the employee in his/her current position, tuition reimbursement will be taxed. For employees who reside in **other states**, the state rules are generally the same as those for federal income tax.

7.3.   Repayment of Tuition Assistance Funds due to Overpayment

Employees are required to return any overpayment of tuition expense funds immediately after such overpayment becomes known. Non-compliance with this provision could result in the matter being referred to Asset Protection for investigation of possible misuse of Company funds, a Code of Conduct violation.

Employees in the process of repaying the Company for a course due to overpayment or otherwise are not eligible to receive additional tuition money until they have cleared their account.

7.4.   Repayment of Tuition Funds to AT&T due to Voluntary Separation

Tuition reimbursement assists in developing an employee's talent and skills for use with the Company and is an investment in the employee. If an employee voluntarily terminates employment (i.e., resigns or retires), repayment to AT&T will be required in accordance with the following guidelines:

- 100% repayment of all tuition reimbursement received during the one year period prior to separation
- 50% repayment of all tuition reimbursement received between one and two years prior to separation

For AT&T Southwest represented employees, this repayment applies only to reimbursements received on or after July 1, 2017.

Repayment to AT&T will be deducted from the employee's final paycheck as permitted by applicable state law. Repayment is still required even if not deducted from the employee's final paycheck.

8.0   TUITION REIMBURSEMENT AND PAYMENT PROCESS

8.1.   Application and Documentation Submission

A Tuition Reimbursement Application must be completed and submitted online on the https://att.tap.edcor.com website within sixty (60) calendar days following the term end date in order for the course or courses on the application to be eligible for reimbursement. The term start and term end dates apply to all courses listed on the application. If reimbursement is requested for CLEP or DANTES examinations or for Prior Learning Assessment, the application must be submitted within sixty (60) calendar days following the date that the results are issued.

Approved Nanodegree programs will be reimbursed following program completion based on the monthly participation rate paid by the employee for a period up to the expected maximum number of months for self-paced completion (i.e., six months, twelve months, etc.), as indicated in Appendix A. Additional costs incurred due to completion of a Nanodegree program beyond the expected self-paced timeframe for that program are not reimbursable.

Initially the application will be electronically routed for supervisory review / concurrence regarding Job Relatedness. Following supervisory review / concurrence the application will be routed for departmental approval. Subsequent to departmental approval, the application will be electronically forwarded to the AT&T Tuition Assistance Center for processing. The employee will receive a confirmation email from the AT&T Tuition Assistance Center when an application has been reviewed and approved or rejected.

Supporting documentation must also be provided within sixty (60) calendar days following the term end date in order for the course or courses on the application to be eligible for reimbursement. Supporting documentation must include ALL of the following:

1. An official grade report or school transcript or, for Nanodegree programs, a certificate of completion
2. Proof of payment for each course and fee for which reimbursement is requested (e.g., an itemized student account summary reflecting such payments or an itemized paid invoice reflecting such payments)
3. Detailed receipts for textbooks

School documentation must include student name/student ID and school name or logo. If the documentation is generated from the employee's student account on the school's website, the documentation must include student name/student ID and the complete url of the website from which it was generated.

Supporting documentation can be submitted as follows:

During the application process, the following options will be available immediately after the application is submitted:

- Upload documentation, including ALL required documentation for ALL courses on the application, or,
- Download and print a Fax Cover Sheet, then place ALL required documentation for ALL courses on the application behind the Fax Cover Sheet and fax to Edcor at (248) 283-8723.

Following application submission, the options above will be available by clicking the 'View' icon for the desired application on the *Application Status* page.

Applications and documentation received more than sixty (60) calendar days following the term end date will be rejected.

8.2. Employee Responsibilities

Confirmation of the receipt and the acceptance or rejection of tuition assistance documents sent to the AT&T Tuition Assistance Center is the employee's responsibility. Employees can confirm that the AT&T Tuition Assistance Center received their documents and the status of those documents by viewing their account information on the https://att.tap.edcor.com website, or by contacting the AT&T Tuition Assistance Center at 1-855-298-1729. Obtaining a fax confirmation from the fax machine from which documents are sent does not relieve an employee of their responsibility to confirm document receipt and status.

9.0   ADDITIONAL INFORMATION

For any additional information regarding this policy and tuition issues, please see the AT&T Tuition Assistance Center website at https://att.tap.edcor.com or the AT&T OneStop > Quick Reference "T" > Tuition Aid website. You may also contact the AT&T Tuition Assistance Center at 1-855-298-1729.

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Appendix A - Nanodegree Programs – Maximum Number of Reimbursable Months

Program/Course Number	Nanodegree Program Name	Maximum Number of Reimbursable Months *
ND000	Introduction to Programming	6 Months
ND001	Front-End Web Developer	12 Months
ND002	Data Analyst	12 Months
ND003	Become an iOS Developer	12 Months
ND004	Full Stack Web Developer	12 Months
ND008	Business Analyst	6 Months
ND009	Machine Learning Engineer	12 Months
ND017	Virtual Reality Developer	3 2-Month Terms
ND801	Android Developer	12 Months
ND803	Android Basics	6 Months
ND889	Artificial Intelligence Engineer	2 3-Month Terms

* The paid amount per month on the receipts for up to the number months indicated determines the *Maximum Reimbursable Expense*. The Company retains the unilateral right to modify, suspend or discontinue the Nanodegree Programs at any time in its discretion.

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