

## MEMORANDUM OF AGREEMENT

Between

VERIZON WASHINGTON, D.C. INC.  
VERIZON MARYLAND INC.  
VERIZON VIRGINIA INC.  
VERIZON SERVICES CORP.  
VERIZON ADVANCED DATA INC.  
VERIZON AVENUE CORP.  
VERIZON SOUTH INC. (VIRGINIA)  
VERIZON CORPORATE SERVICES CORP.

and

COMMUNICATIONS WORKERS OF AMERICA, AFL-CIO

This Memorandum of Agreement is entered into as of April 21, 2010 and agreed to by and between the above-named companies (hereinafter the "Company") and the Communications Workers of America, AFL-CIO (hereinafter the "CWA") with respect to the following employees of the Company who are subject to the collective bargaining agreement between the Company and CWA (the "General Agreement") and whose normal reporting location is in Maryland, Virginia, or the District of Columbia (hereinafter "Employees").

I. With respect to any Employees who elect to voluntarily leave the service of the Company pursuant to the Enhanced Income Security Plan [EISP] offer made on May 18, 2010 ("the Offer") under the terms of the General Agreement, the parties agree to the provisions set forth below. The parties agree as follows:

- A. One Time Supplemental Voluntary Termination Bonus  
Those Employees who leave the service of the Company pursuant to the Offer shall receive a lump sum amount of \$40,000, less taxes and withholdings, in addition to the EISP payment and related benefits and the voluntary termination bonus and continuation medical coverage to which the employee is otherwise eligible under the terms of the General Agreement.
- B. Raising of Caps on EISP Payment  
Those Employees with greater than 30 years of net credited service will have their EISP payment capped at forty years of service, rather than thirty years.
- C. Pension Band Increase  
With respect to those Employees who leave the service of the Company pursuant to the Offer, the Verizon Pension Plan for Mid-Atlantic Associates ("Pension Plan") will be amended to change the Effective Date of the 3.75% pension band increase provided for in the 2008 MOU between the parties

from October 1, 2010 to the first off-payroll date in connection with this Offer. This provision does not apply to the Employees in the GTE South Incorporated (Southeast) Plan for Hourly-Paid Employees' Pensions ("GTE Southeast Pension Plan").

D. Lump Sum Interest Rate

The Pension Plan will be amended such that, regardless of the specific date on which an Employee leaves the service of the Company pursuant to the Offer, the determination of the interest rate and mortality basis used for converting such Employee's single life annuity to a lump sum amount will be based on the better of (a) the applicable interest rate and mortality basis as of such employee's elected pension commencement date following his or her actual separation from service or (b) the applicable interest rate and mortality basis as of a March 2010 pension commencement date, provided that such Employee's age will be determined in accordance with his or her elected pension commencement date rather than a March 2010 pension commencement date.

The GTE Southeast Pension Plan will also be amended as described above, except the pension commencement date in the (b) paragraph will be March 1, 2010.

E. Waiver of Age-Based Pension Reductions for Early Commencement

The Pension Plan and the GTE Southeast Pension Plan will be amended such that Service Pension eligible Employees who leave the service of the Company pursuant to the Offer will not have the age-based reduction for early commencement, if any, applied to the calculation of their pension.

II. Employees who elect to leave the service of the Company pursuant to the Offer will be separated from the Company on one of two dates to be selected at the discretion of the Company. The Company, in its discretion, will determine how many Employees will be separated on each date in each job title, work group, and work location. The Company will honor requests by seniority, to the extent consistent with the requirements of the business, when assigning the date on which each Employee will be separated. Notwithstanding the provisions of the parties' collective bargaining agreement, there shall be no layoffs in a title, work group and work location during the time period between the first and second off payroll dates if there are Employees in the title, work group and work location who are designated by the Company to be separated on the second off payroll date.

III. Except as modified by this Memorandum of Agreement, the Income Security Plan provisions of the parties' Collective Bargaining Agreement shall apply.

IV. The parties expressly agree that the provisions of this Memorandum of Agreement do not apply to those Employees covered by the Video Hub Technician

Agreement and Settlement Agreement (Verizon Business) that are appended as Attachments 9 and 10 to the 2008 Memorandum of Understanding between the parties.

V. The Company agrees that it will not increase, during the period June 1, 2010 through May 31, 2011, the total number of contractor FTEs utilized to perform work performed by bargaining unit employees in the former Bell Atlantic footprint ("Work"). In determining whether there has been an increase in contracting, the total number of contractor FTEs utilized for Work from June 1, 2010 through May 31, 2011 will be compared against the total number of contractor FTEs utilized for Work from June 1, 2009 through May 31, 2010 ("Historical Contracting"). The number of contractor FTEs utilized for Work will be computed by aggregating the total number of FTEs utilized by any Verizon entity related to providing services for Verizon ILEC customers in the former Bell Atlantic footprint. The total number of contractor FTEs utilized for Historical Contracting shall also include any contractor FTEs utilized during said period for work that is insourced to bargaining unit employees after the date of this MOA.

VI. If a minimum of 12,000 associates in the former BA footprint accept the incentive set forth in Section I of this MOA and leave the service of the Company or terminate their employment pursuant to Section VIII or the identical provisions in the seven other MOAs dated April 21, 2010, no post August 2, 2003 hires will be laid off prior to May 1, 2011. For example, if 10,000 employees accept the incentive set forth in Section I and leave the service of the Company and 2,000 employees terminate their employment under Section VIII, the 12,000 associates threshold will be satisfied and no post August 2, 2003 hires will be laid off prior to May 1, 2011.

VII. The Company agrees that prior to May 1, 2011 there will be no layoffs of any Consultant, Fiber Customer Service Analyst or Fiber Network Technician.

VIII. The Company will provide incentive packages to Employees who are not part of the current declared surplus (Non-surplus Employees). These Non-surplus Employees will be sent incentive packages at or about the same time as Employees who are part of the current declared surplus, and the separation benefits in the incentive package will be the same as those offered to Employees who are part of the declared surplus. Non-surplus Employees will have thirty (30) calendar days from the date specified by the Company in the incentive packages to irrevocably volunteer to separate their employment and receive the benefits of the incentive package. At the conclusion of this 30 calendar day election period, the Company and Union will meet and confer for no more than thirty (30) calendar days regarding which, if any, Non-surplus Employees who have volunteered to separate employment will be accepted. The Company shall retain exclusive discretion to determine which volunteers, if any, will be accepted. Company determinations to accept or not to accept any one or more volunteers in conjunction with this Section VIII shall not be subject to grievance, arbitration, or challenge in any other forum.

IX. The Company and the Union reaffirm their commitment to abide by all contract provisions in their collective bargaining agreements in connection with any contract language associated with surplus reductions and layoffs.

X. This Agreement memorializes a unique one-time offer and is without prejudice or precedent to any position either party may wish to take in any other matter. The negotiations leading up to this Agreement, including any proposals, and the Agreement itself, will not be cited by any party in any forum for any purpose, except to enforce the terms of this Agreement, should that be necessary.

XI. The Union's acceptance of this proposal will not become effective unless and until the following bargaining units agree to the proposals presented to them, each of which provides substantively identical enhanced incentives to voluntarily terminate employment with the Company: International Brotherhood of Electrical Workers (IBEW) Local 827 (NJ), CWA Locals 1010, 1012, 1022 and 1023 (NJ), CWA District 13 (all PA and DE units), IBEW Local 1944 (PA), IBEW Local 2213 (NY), CWA District 1 (all NY and NH bargaining units) and IBEW Locals 2222, 2313, 2320, 2321, 2322, 2323, 2324 and 2325 (New England). Absent agreement of each union as set forth in the immediately preceding sentence, this proposal will be withdrawn without precedent or prejudice.

**FOR THE COMPANY**



James R. Davis, Jr.  
Director, Labor Relations

Dated: 04-21-2010

**FOR COMMUNICATIONS WORKERS  
OF AMERICA, AFL-CIO**

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Ron Collins  
Vice President, District 2  
Communications Workers of America,  
AFL-CIO

Dated: \_\_\_\_\_