



**AGREEMENT**

**between**

**VERIZON  
NATIONAL BURIED SERVICE WIRE GROUP  
WEST COAST REGION – CALIFORNIA**

**and**

**COMMUNICATIONS WORKERS  
OF AMERICA**



**Effective Date: March 10, 2013  
Expiration Date: March 4, 2017**

## TABLE OF CONTENTS

ARTICLE	SUBJECT	PAGE
Agreement	Recognition and Duration	1
1	Management Rights	1
2	Nondiscrimination Clause	1-2
3	No Lockout – No Strike Clause	2
4	Not Assigned	2
5	Not Assigned	2
6	Compensation and Job Classifications	3
7	Working Practices	3-6
8	Short-term Disability Benefits	6-8
9	Not Assigned	8
10-1	Discharge and Suspensions	9
10-2	Holidays	9-10
11-1	Bargaining and Grievance Meetings	10-11
11-2	Vacations	11
12-1	Grievance Procedure	12-14
12-2	Reclassification / Promotion	14-15
13-1	Arbitration	15-16
13-2	Workforce Sizing	16-17
14	Union Business	17
15	Definitions	17-18
16-1	Temporary Assignment	18-19
16-2	Outsourcing	19
17	Not Assigned	19
18	Not Assigned	19
19	Not Assigned	19
20	Not Assigned	19
21	Not Assigned	19
22	Not Assigned	19
23	Not Assigned	19
24	Not Assigned	19
25	Not Assigned	19
26	Not Assigned	19
27	Responsible Company/Union Relationships	20-21
28	Wages	21-22
29	Not Assigned	22
30	Safety	23
31	Tools, Equipment, and Gloves	23-24
32	Not Assigned	24
33	Not Assigned	24
34	Job Bidding and Transfers	24-26
35	Military Leave of Absence	27-29
36	Not Assigned	29
37	Lunch Periods	30
38	Bulletin Boards	30

<b>ARTICLE</b>	<b>SUBJECT</b>	<b>PAGE</b>
39	Deduction for Union Dues, Service Fees and Initiation Fees	30-31
40	Relief Breaks	31
Appendix A-1	Wage Schedules	35

**LETTERS OF AGREEMENT  
SUBJECT**

	<b>PAGE</b>
Basic Life Insurance	32
Telephone Concession	33
Transfer Rights	34

**MEMORANDA OF AGREEMENT  
SUBJECT**

	<b>PAGE</b>
Adoption Assistance	36-37
Comprehensive Medical Plan and Highlights	38-48
CWA – COPE	49
Dental Plan and Highlights	50-51
Departmental Orientation	52
Dress Code	52
Flexible Reimbursement Plan	53
Global Positioning System (GPS)	53-54
Grievance Procedure – Article 12.1	54
Health Reimbursement Account	55-56
Healthcare Contributions	56-61
Hearing Aid Benefit	61-62
Income Security Plan (ISP)	62-64
(ISP) Voluntary Termination Bonus	85
Long Term Disability	65-67
Long Term Disability Waiting Period	68
Lump Sum Payment Option	68
Medical Benefits Opt-Out Credit & Spousal Surcharge	69-70
Other Medical Options	70
Pension Benefits	70-73
Pension Plan – Pension Minimums	73-74
Pension Plan Survivor Benefits	74
Personal Lines of Insurance	75
Prescription Plan: Mail Order Prescription Plan (MOPP)	76
Prescription Plan: Prescription Identification Card (PIC)	77
Staffing Activity Report	78
Supplemental Term Life Insurance	78
Survivor Benefit – Medical Continuation	79
Team Incentive Plan	79-81
Vacation Donation	82

	<b>SUBJECT</b>	<b>PAGE</b>
	Vision Plan	83-84
	Voluntary Termination Bonus	85

### **NATIONAL MEMORANDA OF AGREEMENT**

	<b>SUBJECT</b>	<b>PAGE</b>
	Cover Letter	85-86
Exhibit I	Domestic Partner Benefits	86-90
Exhibit II	Education And Life-Long Learning	91
Exhibit IV	Hourly Savings Plan (HSP)	91-92
Exhibit V	Hourly Savings Plan Company Contribution	93-94
Exhibit VI	Neutrality And Consent Elections	94-100
Exhibit VII	Union Leave Of Absence	101-102
Exhibit VIII	Vacation Carry Forward (Banking)	102-103
Exhibit VIII	Vacation Carry Forward (Banking) Effective 8/7/2014	103
Exhibit IX	Service and Seniority Recognition	104-105
Exhibit X	Commuter Spending Account (CSA)	106

**AGREEMENT  
RECOGNITION AND DURATION**

1. Not applicable
2. Should any valid Federal or State law or final determination of any board or court of competent jurisdiction affect any provision of this Agreement the provision or provisions so affected shall be made to conform to the law or determination and otherwise this Agreement shall continue in full force and effect.
3. This agreement shall become effective on **March 10, 2013, however, there will be no retroactivity of any contractual provision, Memorandum of Agreement or Letter of Understanding prior to the date of ratification of the 2013 Proposal for Settlement** and shall remain in full force and effect until **11:59 p.m., March 4, 2017**

**ARTICLE 1  
MANAGEMENT RIGHTS**

1. Management, at its own discretion, shall have the right to select persons for employment, to retire employees in accordance with the provisions of the "Plan for Employees' Pensions," or to transfer employees from one occupation to another or from one location to another if their services are required in another location for a period of six (6) months or more, subject to the terms and conditions contained herein. Any employee who believes he is being prejudiced in the exercise of these rights by Management shall have the right to proceed in accordance with Article 12 herein which deals with grievances.
2. It is agreed from time to time the Company will employ people who do not fully meet the Company's normal employment standards, and place such employees in jobs which they can perform, within their limitations. Nothing in the foregoing, however, will preclude Management assigning these employees to higher rated jobs at a later time if they are qualified to perform the higher rated jobs, provided that such assignment does not supersede a senior qualified employee with a bid on file for the job at that location.

**ARTICLE 2  
NONDISCRIMINATION CLAUSE**

1. Management will not discriminate directly or indirectly against any employee because of his membership or non-membership in the Union or because of any Union activity in which he properly engages. Neither the

Management nor the Union nor any employee in the bargaining unit will discriminate against or exert either mental or physical duress upon any employee of the Company because of his membership or non-membership in the Union or any other union; provided, however, that the Union will not be liable for the act of any employee who violates this Article and who is not a representative of the Union.

2. Neither the Company or the Union will discriminate against any employee designated as part of a special class protected by Federal and/or State law.
3. The use of the masculine or feminine gender in the language or in job titles within this Agreement shall be construed as including both genders.

**ARTICLE 3  
NO LOCKOUT - NO STRIKE CLAUSE**

1. During the life of this Agreement, the Company will not conduct any lockout which will affect the Union or any employees subject to this Agreement.
2. During the life of this Agreement, the Union and its members will not engage in any strike, walkout or other work stoppage of any nature whatsoever in sympathy with any labor dispute not directly involving the Company or because of any dispute which is subject to arbitration hereunder, and in the event any such strike, walkout, or work stoppage or threat thereof should occur, the Union and its officers will do everything within their power to end or avert the same. Nothing contained in this Section 2 shall be so construed so as to require any member of the bargaining unit to go through any legal picket line but it is agreed that the failure of members of the bargaining unit to go through a picket line established by any labor organization contesting the right or jurisdiction of the Union or the members of the bargaining unit to perform the Company's normal work is a work stoppage within the meaning of this Section 2.

**ARTICLE 4  
NOT ASSIGNED**

**ARTICLE 5  
NOT ASSIGNED**

**ARTICLE 6  
COMPENSATION AND JOB CLASSIFICATIONS**

- 6.1 **Compensation** - The wage rates attached as appendices to this Agreement shall be in effect for the job titles listed for the duration of this Agreement and shall be defined as basic wage rates, or basic rates.
- 6.2 Wage progression intervals for any given employee may not be directly related to actual accredited service.
- 6.3 In instances where, in the opinion of management, an employee merits additional wage treatment, such merit may be granted in any amount consistent with the wage schedules and at any time during the first twelve (12) months of employment.
- 6.4 The company may introduce, implement, modify or withdraw any sales, productivity and/or other pay incentive plan(s) to all or a portion of the bargaining unit and will notify the union prior to implementation, modification or withdrawal of such plan. Any such plan which would diminish employees' basic wage rates will be subject to mutual agreement with the union prior to implementation.
- 6.5 **Job Classifications** - The company may establish new job titles, and review and change existing job titles, based on the content of the job and the work being performed as deemed necessary. New job titles and any changes in job titles and descriptions will be reviewed with the union prior to implementation.
- 6.6 The job title classification assigned to employees will be in accordance with the preponderance of work duties they are called upon to perform.

**ARTICLE 7  
WORKING PRACTICES**

- 7.1 To fulfill the requirements of the company to perform buried service wire/utility locating work in a high quality, cost effective and customer responsive manner, it is necessary to establish work rules which allow the company to maximize the use of its resources in the most efficient manner.
- 7.2 **Work Schedules and Tours** - A work week will begin on Sunday at 12:00 A.M. and end on the following Saturday at 11:59 P.M.
- 7.3 Work schedules will be established by work activity and zone and will be based on the qualifications of the employee. Where qualifications are equal, seniority will be the deciding factor considered when determining

schedule selection. Work schedules may be changed at any time based upon work requirements.

- 7.4 The normal work week for full time employees will be forty (40) hours. Hours worked could be less than 40 hours due to, but not limited to, lack of work, inclement weather and equipment breakdown. For those employees whose hours of work are decreased by the company from the original scheduled hours in a work week or consecutive work weeks, the company will strive to offer and/or require additional hours to the employees within the same work week or consecutive work weeks, if available.
- 7.5 **Scheduling** - The company will strive to provide at least 48 hours' notice of a change in work schedule where practical.
- 7.6 **Overtime** - It is expected that all employees will be available and willing to work hours in addition to their normal work schedule to the extent deemed necessary by the company to satisfy customer demands.
- 7.6.1 Time and one-half (1 ½ ) the straight time rate will be paid for all time worked over forty (40) hours in a calendar work week or **eight (8) hours** in a day, effective **the date of ratification of the 2013 Proposal for Settlement**.
- 7.6.2 There shall be no pyramiding or duplication of overtime or premium pay.
- 7.7 **Call-outs** - Employees who report for special duty outside of their scheduled hours will be compensated at the overtime rate of time and one-half for a minimum of two (2) hours work including driving time in excess of 45 minutes each way. This minimum does not apply to hours worked immediately preceding or immediately following regular scheduled work.
- 7.7.1 Call-out pay will apply only when an employee is dispatched to a work location.
- 7.7.2 Work performed outside of scheduled hours that does not require a dispatch will be paid at the overtime rate of time and one-half for time actually worked.
- 7.8 **Stand-By Pay** - Employees who are designated by management to be immediately available to report to work outside their regularly scheduled hours will receive payment of **\$11.00** per day for this assignment. Employees designated for stand-by on a holiday will receive payment of **\$15.00** per day. Qualified employees will be assigned on a rotational basis unless extenuating circumstances such as a major project requires a specific employee to be assigned. In the event an employee is called out to work, they will be eligible for call-out pay as outlined above in addition



to the stand-by pay. Stand-by assignments will be based on a combination of site requirements, employee home locations and practicality of schedules.

**7.9 Job Site Reporting** - Employees are expected to report and begin work at the designated time and place of their first assignment, which is normally within their zone. The company will assign the first and last work assignments as close to the employee's home as possible. Pay will normally begin when work commences at the first job assignment and ends upon completion of work at the last job assignment. Driving time exceeding 45 minutes each way will be paid time.

7.9.1 To limit excessive wear on company vehicles, miles from the employee's home to the first job assignment will not normally exceed 60 miles.

7.9.2 Employees who are furnished a company vehicle for travel to and from work will use the vehicle only for company business purposes and are expected to maintain the vehicle in accordance with company guidelines. Likewise, mobile tools and equipment provided to employees will be used only for company business purposes and will be maintained in accordance with company guidelines.

**7.10 Out of Town Assignments** - An employee may be temporarily assigned to perform work outside their normal reporting area. When such an assignment involves an overnight stay, by mutual agreement the employee will be paid either a per diem of \$35 for each day assigned or company designated lodging and \$21 for each day assigned.

**7.11 Workers' Compensation** - An employee injured in the course of performing their job duties will be eligible for Workers' Compensation benefits in accordance with the laws of the State in which the injury occurs. In addition, the company will pay supplemental pay up to 100% of base for up to ten (10) days. Effective August 19, 2007, if an employee continues to be disabled and eligible for respective state Workers' Compensation beyond the initial ten (10) days, the Company will assign the employee to a voluntary layoff and reclassify him/her to a Seasonal employee status.

7.11.1 An employee will be guaranteed reinstatement to his/her previous position if he/she is certified as able to return to full duty during or at the end of the four (4) month voluntary layoff.

**7.12 Business Attire/Uniforms** - In order to promote a professional business image in a competitive marketplace, employees in classifications designated by the company will be required to wear uniforms provided by the company. Business attire/uniforms will only be worn while at work. The company reserves the right to establish, change or modify reasonable

guidelines for business attire.

- 7.13 **In-Charge Differential** - An employee assigned by management to be in charge of other hourly employees will receive an in-charge differential of seventy-five cents (\$.75) per hour, provided such assignment is for a period of one hour or more. An employee assigned to replace management will receive a differential of one dollar (\$1.00) per hour for assignments of one hour or more.
- 7.14 **Bereavement** - Employees absent due to a death in their immediate family shall be paid for up to three (3) days. Immediate family shall include spouse, mother, father, sister, brother, son, daughter, grandmother, grandfather, grandchildren, mother-in-law, father-in-law, sister-in-law, brother-in-law, and any other relative or foster child living in the household of the employee at the time of death.
- 7.15 **Jury Duty** – **If an employee receives a Summons for Jury Duty, the Company will compensate the employee for the difference between the jury fee and his base pay for the time lost from work; not to exceed ten (10) work days (eighty hours) in any twelve (12) month period.**

**When an employee receives a summons for jury duty, he must notify his supervisor as soon as possible in order for the Company to make the necessary arrangements to meet the needs of service.**

**If an employee is required to report for jury duty and is temporarily excused from attendance, the employee must return to work as soon as reasonably possible and complete the shift the employee is assigned while on jury duty.**

**The employee must have completed by the Court a form to be provided to the Company showing days and hours worked on jury duty.**

## **ARTICLE 8 SHORT-TERM DISABILITY BENEFITS**

- 8.1 Employees who apply for short-term disability pay and whose applications are approved by the company will be paid for workdays absent based on the provisions of Section 8.2 and subject to restrictions and requirements provided in this Article. Employees will not be eligible for short-term disability pay under the following circumstances:
- 1) Injury/Illness when covered by Workers' Compensation or other laws.
  - 2) Elective surgery deemed not to be medically necessary.

8.1.1 **Notification.** An employee who is unable to work as a result of personal illness or accident not covered by Workers' Compensation must notify his/her supervisor or designee prior to, or at the start of, the shift on each day of absence unless other arrangements have been approved. An employee who fails to notify his/her supervisor or designee may be considered to be unexcused and subject to disciplinary action, and shall forfeit short-term disability benefits in increments of one (1) hour (any portion of an hour constitutes a full hour) prior to the time of notification. However, the supervisor or designee may waive the notification requirement when it is determined that circumstances were such that notification was not practical.

8.2 Short-term disability payments and waiting days for regular employees shall be based on their accredited service date according to the following schedule:

	<u>Full Pay Days</u>	<u>Half Pay Days</u>
Less than 1 year	0	0
1 year but less than 5 years	20	25
Five years but less than 10 years	40	45
Ten years or greater	45	50

8.2.1 **Waiting Days Waived.** Waiting days will be waived:

- a. if the employee is hospitalized or has outpatient surgery performed at a surgical clinic during the waiting period;
- b. Employees with five or more years of service will have waiting days waived if the only absence in the previous twelve (12) months was due to a Workers Compensation injury.

8.2.1.1 **Waiting Days:**

	<u>Waiting Day(s) Per Absence</u>
1 year of service or greater	5

8.2.1.2 An employee may use the cash out vacation option for the purpose of regaining the monetary value that was lost caused by unpaid waiting days. If an employee breaks up a week of vacation, management may require the remaining days to be scheduled as consecutive days.

8.3 Yearly eligibility for short-term disability commences and ends on the employee's anniversary date.

- 8.4 **Short-term Disability Benefits Restoral.** An employee's short-term disability benefits will be restored when he/she has been continuously engaged in the performance of duty for three (3) months (91 days) with no absences due to illness.
- 8.5 If an employee returns to work after a period of illness and the employee relapses with the same illness and is required to leave work again within a period of not more than ten (10) consecutive days, the two (2) periods of absence shall be considered as constituting one (1) illness and a second waiting period is waived. Only two periods can be combined. The ten (10) consecutive day period will be extended if the employee is required in writing by the employee's physician to return for specific life sustaining follow-up treatment such as chemotherapy, dialysis, and blood transfusions.
- 8.6 Upon termination of employment, no payment shall be made for unused short-term disability leave.
- 8.7 The company may require illness or accident to be verified by a competent physician to assist the company in determining the length of time for which benefits will be paid. A second opinion may be required at supervisory discretion and company expense. Payment of short-term disability benefits will be governed by such second opinion.
- 8.8 The company retains the right to have an employee examined by a doctor selected by the company at the company's expense if there is a reasonable basis to believe that the employee is sick or the employee's physical or mental condition is such that the employee may cause personal harm or endanger other employees. Any examination request made to an employee must be coordinated with the Human Resources Department.
- 8.9 **Third-Party Compensation.** If a regular employee receives compensation from a third party or government agency for lost work time for which the employee has been compensated under this Article, the employee shall reimburse the company for all sums paid by the company for the lost work time for which such third party or government agency has paid, up to the amount received from said third party or government agency. A regular employee who is eligible for such compensation agrees to exercise reasonable efforts to collect from such third party or government agency.

**ARTICLE 9  
NOT ASSIGNED**

**ARTICLE 10-1  
DISCHARGES AND SUSPENSIONS**

1. Not applicable.
2. Any suspension or discharge requires notification of such act be given to the Chief Steward or higher level representative of the Union. Any grievance over a suspension or discharge must be presented by the Union within four (4) workdays from receipt of Company's notice.

**ARTICLE 10-2  
HOLIDAYS**

**10.1 Recognized Holidays**

For purposes of this Agreement, seven (7) holidays will be recognized:

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  
Christmas Day - December 25

In addition, regular employees will be eligible for four (4) personal days.\*  
**\*Effective 1/1/2014, regular employees will be eligible for five (5) personal days.**

- 10.2 A recognized holiday which falls on Sunday will be observed the following Monday and a recognized holiday which falls on Saturday will be observed on the preceding Friday for all employees, unless they are normally scheduled to work on weekends. For employees normally scheduled to work on weekends, the actual day of the holiday will be observed.
- 10.3 Subject to service requirements, an employee may request a Personal Day from the Coach at least ten (10) days prior to desired day. In the case of multiple requests, seniority will be the deciding factor. It will be the mutual responsibility of the employee and the Coach to ensure that these Personal Days are taken. If not selected prior to October 1, the day will be assigned by the Coach.
- 10.4 **Holiday Pay Treatment** – Regular employees not assigned to work on a recognized holiday will be paid eight (8) hours at their basic rate of pay, except for part-time employees who will be paid for the number of hours they would have normally been scheduled to work. Effective August 19, 2007, this provision also applies to probationary employees.

- 10.4.1 Employees assigned to work on a recognized holiday will be paid at the time and one-half rate for all hours worked that day. Additionally, the employee will receive eight hours holiday pay at their basic rate of pay.

**ARTICLE 11-1  
BARGAINING AND GRIEVANCE MEETINGS**

1. Collective bargaining meetings shall be attended by not more than six (6) representatives of the Union and not more than an equal number of Management representatives. Such meetings shall be held at the request of either party and the subject matters to be taken up in such meetings by either party shall be outlined in a written notice given to the other party at least fourteen (14) days prior to such meeting; provided, however, that said fourteen (14) days written notice may be waived by mutual consent of the parties. Insofar as the negotiation of grievances is concerned, the Union shall have not more than three (3) employee representatives and Management shall have not more than three (3) representatives at Step 1. Both parties shall have the right to such technical assistance as they deem necessary to advise them during the negotiation of any specific grievance. In the event that any initial meeting, which has been arranged for in accordance with the foregoing, does not reach a satisfactory conclusion, by mutual consent, future meetings shall be scheduled immediately and without further written notice. The grievance representatives of the Union and Management shall meet together as required by the grievance procedure outlined hereinbelow in Article 12.
2. Representatives of the Union covered by this contract may attend grievance conferences with representatives of Management in accordance with the following provisions of this section without loss of pay at straight time subject to the following conditions:
  - 2.1 Pay shall be allowed only if such meetings are held during such employee's scheduled working hours and only if such employees would have worked had they not attended such meetings.
  - 2.2 The time paid for shall be limited to actual meeting time plus necessary time, if any, spent during scheduled working hours in traveling between the employee's work location and the grievance conference.
  - 2.3 Pay shall be allowed for grievance meetings for not more than three (3) employees at the first level.
  - 2.4 Such time paid for in accordance with the above shall be considered as time worked.

2.5 No deductions from credited service will be made for representatives of the Union covered by this contract for attendance at collective bargaining meetings.

The Company will pay for three (3) Company employees of the Union Negotiating Committee during actual contract negotiations for up to six (6) weeks.

## **ARTICLE 11-2 VACATIONS**

11.1 **Vacation Eligibility and Pay Treatment** - Regular employees will be granted annual vacations with pay, at their basic wage rate, as follows:

One (1) week after twelve (12) months of accredited service

Two (2) weeks after twenty-four (24) months of accredited service

Three (3) weeks after five (5) years of accredited service

**Four (4) weeks after twenty (20) years of accredited service**

11.2 For vacation purposes only, all current employees will have a vacation eligibility date of January 1. In the future, all newly hired employees will have a January 1 vacation accrual date effective the first January following their date of employment. Whenever there is any adjustment in credited service, the vacation accrual date will be changed to January 1 of the adjusted service year.

11.3 Scheduling of vacation will take into account service requirements and then preferences of the employees.

11.4 An employee may carry-over one (1) week of vacation if eligible for two (2) weeks vacation. Carryover vacation must be scheduled at the beginning of the year following the year in which it is earned and must be taken in a weekly increment. Carry-over vacation cannot be scheduled until all applicable employees have chosen their regular vacations for that year.

11.5 Employees may take only one (1) week of their vacation on a day-at-a-time basis.

11.6 Part-time employees will be paid at their basic wage rate based on the hours they normally would have worked during the vacation week.

**ARTICLE 12-1**  
**GRIEVANCE PROCEDURE\***

(\*Note: See agreement listed on page 54 regarding Mandatory informal as listed in section 5 below.)

1. The term "grievance" as used in this contract shall mean any grievance made either by an individual employee or group of employees contending that he or they are being prejudiced as a result of misinterpretation or misapplication of any of the terms of this contract or wage schedules from time to time in effect. The above definition shall be grievances subject to arbitration provided the procedures as set forth within this Article are followed.
2. Nothing shall prevent the presentation of grievances not falling within the above said definition except grievances of this nature shall not be subject to arbitration.
3. Grievances of any employee or group of employees shall receive fair, just and speedy consideration and shall be handled without prejudice.
4. A grievance that is to be recognized by either the Company or the Union must be presented within thirty (30) days after the alleged violation occurs except as provided under Article 10, Section 2.
5. \*Prior to the first step grievance meeting, an informal resolution meeting between the supervisor and the union representative will take place. However, the informal resolution step will be waived for grievances which fall under Article 10, Discharges and Suspensions. If applicable, the aggrieved employee may attend the meeting at the Union's request. Pay shall be allowed for the Union representative and the aggrieved employee, if present. If the issue is not resolved at the informal meeting and the Union chooses to proceed to file a formal grievance, the grievance(s) shall be presented and processed only in the following manner, except as outlined in Article 27, Section 3.

5.1 Step 1

- A. The grievance shall be presented in writing, on Form 90005674, to the aggrieved employee's immediate supervisor.
- B. The form shall be prepared and submitted in duplicate. The supervisor will assign a grievance report number, and return one (1) copy to the Union by 5:00 p.m. of the next normal workday.
- C. The grievance shall contain a statement of facts in sufficient detail to set forth the nature of the grievance, date or dates



involved, times, occurrences, circumstances, and a reference to the applicable Contract Article and Section or company practice.

- D. The Company and the Union agree to meet within (10) working days after the return of the grievance form to the Union to explore solutions to the problems.
- E. The Company will be represented by first and second level management. Second level managers that are located outside of the area can exercise their right to attend the meeting via phone or video conference. The Union will provide a committee of local Union representatives, including the grievant if desired. The Step 1 grievance meeting shall be attended by not more than three (3) representatives by either party, as noted in Article 11, Section 1, unless mutually agreed to when the Step 1 meeting is scheduled. Pay shall be allowed for not more than three (3) employees including the grievant.
- F. All issues resolved informally or at Step 1 will neither establish a precedent, nor be referred to in any future grievances, arbitrations, or litigation except on matters pertaining to the grievant in question.

## 5.2 Step 2

In the event a grievance is not resolved at Step 1, the local may within ten (10) days submit the grievance to the National Union.

5.2.1 The parties will meet within fifteen (15) days in a final effort to resolve the grievance.

5.2.2 The Company will be represented by the Labor Relations Director or his designated representative. The Union will be represented by a Staff Representative.

5.2.3 If this fails, the Union may proceed to arbitration under the terms of Article 13 of the agreement.

- 6. The parties involved in each step of the grievance procedure may, by mutual agreement, waive the time limits imposed in the specific step at which the grievance is being processed, or recess the grievance to obtain additional information. Any waiver agreed upon shall be either made in writing or confirmed in writing.
- 7. It is understood that every effort will be made by both parties to resolve the grievance in the meeting at the applicable Step. If unable to do so, the Company will give its answer in writing on the grievance form within three (3) days following the meeting.

8. If the employee, at his option, has the grievance presented by his local Union representatives, the Company shall not thereafter deal directly with the employee concerning the grievance, but shall deal only through appropriate Union representatives.
9. In the event that any individual employee or any group of employees chooses to present a grievance for themselves rather than through the Union, management representatives will advise the local Union representative in writing of the fact that such grievance is being presented, and will give such Union representatives opportunity to be present during the presentation of such grievance.
10. Representatives of the Union or of any local thereof may confer with representatives of Management during working hours without loss of pay, provided the conference has previously been agreed to by Management.
11. In the event any grievance involves a question of wage status, any wage adjustment which arises out of the final solution of the grievance shall be made retroactive to the date on which the grievance was first presented to the immediate supervisor of the employee or employees affected; provided, however, that if the proposed wage adjustment involves a question of judgment as to the application of appropriate wage in the case of a transfer from one occupation to another or where other circumstances make the determination of an appropriate wage a matter of judgment, retroactive adjustment shall not be for more than three (3) months prior to the initial presentation of the grievance under Section 5, Step 1, of this Article and provided further, that if the wage adjustment involved has resulted from the correction of a mechanical or clerical error, the adjustment shall be made retroactive to the time the error commenced.
12. In the event any grievance involves a question of reinstatement of a released or discharged employee and it is determined that said employee is to be reinstated, the amount of back pay which can be awarded shall be determined by the Union and the Management grievance representatives, subject to the limitation that back pay will not be awarded for a period starting more than four (4) days before the initial presentation under Section 5, Step 1, of this Article.
13. The time periods referred to in this Article exclude Saturdays, Sundays and holidays recognized in the Contract.

**ARTICLE 12-2**  
**RECLASSIFICATION / PROMOTION**

- 12.1 The company may establish the criteria for determining the qualifications of individuals to perform buried service wire and utility locating work.

- 12.2 When a vacancy occurs in a zone the company will assess the qualifications of the employees in the job titles lower than the vacancy within the zone. Qualifications may be determined through, but not limited to: assessment of experience; tests to identify knowledge, skills and aptitude; and interviews of candidates. Where qualifications are equal, seniority will be the deciding factor in the final selection.

### **ARTICLE 13-1 ARBITRATION**

1. In the event any grievance arising hereunder cannot be resolved through negotiations between the parties hereto under the procedures hereinabove set forth, the matter shall be submitted to arbitration by the Union to the Company and in accordance with the following procedures. The Union will notify the Company of its intention to arbitrate within a reasonable time, not to exceed forty-five (45) days following the date of the final meeting of the grievance procedure. Such notice to the Company may be made orally and confirmed in writing within seven (7) days.
2. As soon as possible but not later than ten (10) days after the Company receives a request, made pursuant to Section 1 above, the Union will initiate a request to proceed with the selection of an arbitrator in the manner as mutually agreed to by the parties. Failure to comply with the time frames agreed to in Sections 1 and 2 of this Article will result in the arbitration request being declared untimely.

The arbitrator shall be selected by alternate striking of names. The person whose name is not stricken from the panel shall be the arbitrator. The party who strikes the first name from the panel shall be determined by lot.

The Company shall thereupon notify the arbitrator of his selection and seek his agreement to serve, and determine his available dates for hearing. The Company and the Union will then agree upon the date, time, and place of the hearing, and the Company shall so notify the arbitrator.

If the arbitrator is not available or is unable to meet the contractual time limits, another arbitrator from the remaining members of the panel will be selected and notified in the same manner as described above.

3. Within thirty (30) days from the date of the arbitrator selection in Section 2 above, the arbitrator will hold a hearing on the question to be arbitrated, at which time each party to the Agreement may submit to him such evidence and/or arguments as it desires relative to the question being arbitrated. The arbitrator will receive and consider any evidence which is

relevant to the dispute being arbitrated. At the request of either the Company or the Union, a stenographic transcript of hearings may be made, or written post hearing briefs may be filed, or both, except in cases which involve the discharge or suspension of employees. In discharge and suspension cases, the parties will argue orally such dispute before the arbitrator, and no written briefs will be presented. In any case where written post hearing briefs will be filed, such briefs will be submitted to the arbitrator with a copy to the other side within thirty (30) days from the conclusion of the hearings or the receipt of a transcript, whichever is later. Within thirty (30) days after the conclusion of such hearing, or when applicable after the submission of written briefs, whichever date is later, the arbitrator shall send his written award to each of the parties hereto.

4. In cases involving suspension or discharge, the arbitrator will render an immediate decision and will within fifteen (15) days after the conclusion of the hearing send his written award to each of the parties thereto.
5. The arbitrator shall have no authority to change, add to, or subtract from this Agreement, or to designate monetary award(s) beyond that to make the employee whole with respect to basic (lost) wages.
6. The time periods referred to in this Article exclude Saturdays, Sundays, and Holidays recognized in this contract.

#### **ARTICLE 13-2 WORKFORCE SIZING**

- 13.1 In the event the company determines a workforce surplus condition exists in the National Buried Service Wire Group, it will at its discretion make force adjustments, transfers or layoffs as required. Within the National Buried Service Wire Group, layoffs will be by job title and zone in accordance with the following:
  - 13.1.1 Regular employees with less than twelve (12) months' service, layoff will be based on qualifications and the needs of the business. When qualifications are equal, seniority will be the determining factor.
  - 13.1.2 Regular employees with more than twelve (12) months' service with the company will be laid off by inverse seniority and may bump a less senior employee in a lower job classification within the same zone provided the affected employee is fully capable of immediately performing the job duties in the lower classification. The employee is responsible for any relocation expenses.
- 13.2 It is agreed that an employee who is involuntarily laid off shall be given at

least two weeks' notice of such layoff or two weeks' pay in lieu of notice at the company's discretion.

- 13.3 Former employees who have been laid-off will be offered the opportunity to be recalled, for a period of twelve (12) months, before hiring new employees in the same classification and zone provided the former employee has kept the company informed of an address and telephone number where they can be reached. Once contacted, the former employee must be able to report for work within one (1) week.
- 13.4 Voluntary layoffs may also be an alternative way of temporarily adjusting the size of the workforce. When used, the voluntary layoff will not normally exceed four (4) months. Employees granted a voluntary layoff will be required to take any unused vacation prior to beginning the voluntary layoff. While on the voluntary layoff, employees will receive benefits provided to active employees, accredited service and seniority and will be guaranteed reinstatement at the end of the voluntary layoff provided that a vacancy exists in the job classification the employee held at the time of the voluntary layoff. Should the employee fail to return from the voluntary layoff, they will be considered to have resigned from the company.

Note: The parties agree to meet, and in good faith, mutually agree to the geographical boundary(ies) to replace the zone for purposes of force adjustment. Should the number of zones change, additional discussions will be held to determine the appropriate geographical area.

## **ARTICLE 14 UNION BUSINESS**

- 14.1 **Union Business** – The company agrees to excuse an employee elected to a full time Union position, without pay from the company. Subject to service requirements, other employees may be excused without loss of pay if their services are required by the union, provided such requests are received and approved by management at least five (5) working days in advance and such requests do not exceed three (3) days in a calendar year. The company also agrees to excuse up to two (2) employees without loss of pay to participate in dispute resolution conferences.

## **ARTICLE 15 DEFINITIONS**

- 15.1 **Regular employee** - A person who is hired for continuous employment, has completed the 180 calendar day probation period, accumulates accredited service and is entitled to all the benefits and coverages granted in this Agreement. Employees covered by this Agreement shall not be suspended or discharged except for just cause, except

probationary employees.

- 15.2 **Regular full time** - A person who is normally assigned a work schedule of forty (40) hours on a full-time basis.
- 15.3 **Regular part time** - A person whose normal assignment of work is less than a normal basic work week.
- 15.4 **Employee** - A person who performs work for the company for which they are paid a stated compensation. The term "employee" whenever used in this Agreement shall include both genders unless otherwise specified.
- 15.5 **Probationary** - A person who has not completed the 180 calendar day period prior to qualifying to become a regular employee.
- 15.6 **Seasonal employee** - A person who has accepted a voluntary layoff and who receives benefits during the layoff period and is expected to return to work following the leave period.
- 15.7 **Temporary** - A person hired for a specific project or a period of time not to exceed twelve (12) consecutive months.
- 15.8 **Occasional** - A person hired to perform work on an intermittent basis. Such individuals are employees only on the specific days for which work assignments are scheduled.
- 15.9 **Seniority** – Seniority for CWA represented employees will be governed by the Service and Seniority MOA between Verizon and CWA. The relative seniority of two employees with the same seniority date will be determined by the employee's date of birth. The employee with the earlier date will be considered more senior.
- 15.10 **Credited Service – Active employment for purpose of calculating credited service shall include:**
  - A. Time for which employee receives wages.
  - B. Workers Compensation benefits as provided in Article 7.11.
  - C. Short-Term Disability Benefits as provided in Article 8.
  - D. Approved absence excused time.
  - E. Military Leave of Absence as provided under Article 35.

#### **ARTICLE 16-1 TEMPORARY ASSIGNMENTS**

- 1. Where an employee is assigned to a higher wage classification on a temporary basis for a period of two (2) weeks, but no longer than six (6) months, the Company will originate the necessary forms to reflect in his personnel records his temporary experience in that job.

2. Periods of one (1) week (five (5) consecutive workdays) of such assignment to a higher wage-paying classification will also be reflected if within two (2) weeks of the completion of each two (2) separate one (1) week periods occurring within twelve (12) consecutive calendar months of assignment the employee requests the origination of appropriate forms.
3. Assignments to higher wage-paying classifications for temporary relief work will be made first from employees within the work group, and secondly from employees within the work location, who normally perform work related to the higher wage-paying classification, on the basis of seniority of those having the necessary qualifications and fitness, provided that there is sufficient time for filling the assignment to permit orderly scheduling.
4. Assignments to higher wage-paying classifications for training will be made first from employees within the work group, and secondly from employees within the work location, who normally perform work related to the higher wage-paying classification, on the basis of seniority of those having the necessary qualifications and fitness, provided that there is sufficient time for filling the assignment to permit orderly scheduling.
5. Nothing in this Agreement shall prevent the assignment of temporarily disabled employees to jobs which they can handle.

**ARTICLE 16-2  
OUTSOURCING**

- 16.1 It is the company's intention to use the services of the National Buried Service Wire Group employees in lieu of subcontracting work to third parties wherever and whenever the company determines that it is economically and logistically advantageous for it to do so. However, it is agreed that the terms of this Agreement will not limit, restrict, or prohibit the company from entering into agreement(s) with vendor(s), contractor(s), or other provider(s), including assigning bargaining unit employees from other bargaining units to perform any or all of the work or services required by the National Buried Service Wire Group.

**NOT ASSIGNED  
ARTICLE 17-ARTICLE 26**

**ARTICLE 27**  
**RESPONSIBLE UNION – COMPANY RELATIONSHIP**

1. The Company and the Union recognize that it is in the best interests of both parties, the employees, and the public that all relationships between them continue to be characterized by mutual responsibility and respect. To insure that this relationship continues and improves, the Company and the Union, and their respective representatives at all levels, will apply the terms of this contract fairly in accord with its intent and meaning.
2. With sincere effort by both parties to resolve any disputes or misunderstandings, or at least to clearly understand the position of the other, both the Union and the Company can look forward to a mutually beneficial association, with increasing responsiveness from both parties to the needs of the employees.
3. In the event that a representative of the Union feels that meetings and/or discussions with Management are not characterized by a sincere effort by both parties to resolve any disputes or misunderstandings, or at least to clearly understand the position of each other, the appropriate Union Local President will summarize the nature of the dispute in writing and submit the written summary to the second level manager within thirty (30) days of the alleged dispute.

The second level manager, upon receipt of said written summary, will respond within five (5) days to arrange an informal meeting with the Union Local President. Within five (5) days following such informal meeting, the second level manager will provide the Company's response.

- 3.1 If the Union is not satisfied with the second level manager's response, the Local President, within five (5) days after receipt of such response may request an informal meeting with the General Manager or Department Head. The General Manager or Department Head will respond within five (5) days to the Local President to establish a date mutually agreeable to both parties. Within five (5) days following the meeting the Company will give its response.
- 3.2 If the Union is not satisfied with the Company's response, the Local President, within fifteen (15) days of the Company's response, may submit the grievance in writing on Form 90005674 as prescribed in Article 12, Section 5.1, except that Step 1 and Step 2 may be waived and the grievance submitted to the National Union.
- 3.3 The parties may by mutual agreement waive the time limits set forth in this Article.



- 3.4 The parties agree that the provisions contained herein do not modify or change the rights of the parties as set forth in Article 12 or Article 13.
4. The Company will advise all new employees, who are covered by this Agreement, that there is a collective bargaining agreement in existence and will furnish each such employee with a copy of the Agreement.

## **ARTICLE 28 WAGES**

1. New employees, at the time of hire, will normally be placed on the start rate of the applicable schedule. However, management may at its discretion place a new employee at a higher step on the schedule when it determines it to be appropriate to do so.
2. Appropriate change in wages will be made with respect to employees who are transferred from one occupation to another in accordance with the following:
- 2.1 Employees who are transferred to higher wage paying classifications will be placed on the step of the new schedule which has the next higher rate to the employee's rate of pay at time of transfer. In no event will employees so transferred have their progression steps extended by more than twenty four (24) months. The employee's progression date, if applicable, will not be affected by such transfer. Employees so transferred who have credit allowed for experience which is not directly applicable to the new job classification may have such credit taken away at the date of transfer. Management may at its discretion place a transferring employee at a higher step on the schedule when it determines it to be appropriate to do so.
- 2.1.1 Employees who transfer back to their previous job classification within two (2) years will receive wage credit for time worked in the higher classification if the vacancy requires the same duties and skills as determined by management.
- 2.2 Employees, other than those specified in Subsection 2.3 below, who have transferred for reasons of health to a lower wage-paying classification will be carried across moneywise to the new schedule and held off-schedule until the new schedule catches up to them or they return to their normal job or for three (3) calendar months, whichever is sooner, except that where the employee who is being transferred is receiving wages above the top of the new schedule, his pay shall be reduced to the top

of the new schedule. An employee who is unable to return to his normal job by the end of three (3) calendar months will be placed on the step of the new schedule which corresponds to his length of wage service and will remain on that new schedule until he is able to, and does, return to his normal job. Employees who are being transferred to lower wage-paying classifications for reasons other than health, permanent physical disability or superannuation will be placed on the step of the new schedule which corresponds to their length of wage service. Anything to the contrary herein notwithstanding, an employee temporarily disabled due to occupational injury will be compensated at his normal basic rate if placed in another job classification during the period of such disability.

- 2.3 If an employee by reason of superannuation or permanent physical disability, is transferred to an occupation for which there is provided a schedule of wages lower than the schedule under which his current occupation is carried, the initial decrease in his wage will be limited to a maximum of six (6) cents per hour and succeeding decreases will be limited to the same amount and will be made only at six (6) month intervals until the appropriate wage has been attained under the new schedule.
  - 2.4 An employee on a relief basis who performs the duties of a higher wage-paying classification shall receive a differential equal to the difference between his step on his own wage schedule and the corresponding step on the higher wage schedule for actual time worked performing the duties of the higher wage-paying classification.
  - 2.5 Nothing in this Section 2 is to be construed as restricting Management's right to place temporarily disabled employees in jobs which they can handle during their temporary disability.
3. The progressive wage increases provided under the wage schedules will be awarded automatically to all employees except occasional employees upon completion of the periods of active employment specified in the wage schedules. The wage of occasional employees will be adjusted on an individual basis in recognition of their increased employment. Progressive wage increases will be effective on the Sunday nearest actual completion of periods of active employment specified in the wage schedules.

**ARTICLE 29  
NOT ASSIGNED**

**ARTICLE 30  
SAFETY**

1. The Company will provide safe working conditions and will instruct its employees in safe methods and practices of performing their work through a definite safety program scheduled on Company time. Each Division shall have a Safety Committee. It shall be the responsibility of the Safety Committee to recommend the correction of any unsafe working conditions that may arise. Each Safety Committee will include one (1) member, for each local represented within the Geographic Location, appointed by the Union. Safety Committees will be established based on the following Geographic Locations:

- Santa Monica/WLA/Redondo Beach/Marina Del Rey
- Long Beach/Huntington Beach/Westminster/  
Laguna Beach/Irvine/Anaheim/Orange
- Monrovia/Irwindale/Whittier/Pico Rivera/  
La Habra/Covina/Baldwin Park/ Pasadena/  
La Puente/Downey/Bellflower/Norwalk
- Oxnard/Thousand Oaks/ Malibu/Santa Maria/ Lompoc/  
Buellton/Santa Ynez/Santa Barbara/ Carpinteria
- Pomona/Claremont/Ontario
- Redlands/San Bernardino/Crestline/Arrowhead/  
Bloomington/Rialto
- San Fernando/Granada Hills/Woodland Hills/Sherman Oaks
- Lancaster/Palmdale
- Hemet/Murrieta/Perris/Menifee
- Palm Springs/Yucca Valley/Indio
- Lindsay/Reedley/Fowler/Exeter/Fresno/Sanger/Corcoran
- Novato/Kenwood
- Los Gatos/Morgan Hill/Gilroy/ Sunnyvale/San Jose
- Bakersfield/McFarland/Taft
- Sacramento/West Sacramento
- Oakland/Dublin/Concord/Pleasanton/Hayward/San Francisco

Separate Safety Committees will be established for Call Center employees within the aforementioned Geographic Locations.

**ARTICLE 31  
TOOLS, EQUIPMENT AND GLOVES**

1. The Company will furnish to new employees, and on a replacement basis to present employees, all tools, equipment and gloves necessary for the proper performance of the job. The Company will specify the quantity, kind, type and make of all such items to be furnished. No tools, equipment or gloves, other than those furnished by the Company, may be used unless specifically approved by the supervisor. Any such tool or equipment allowed will not be replaced by the Company or at Company expense.
  - 1.1 All tools, equipment and gloves furnished by the Company will be charged to the employee, and the employee will be held responsible.

- 1.2 The Company will replace all tools, equipment and gloves that are broken and/or worn out through normal wear, except those not specified as standard by the Company.
- 1.3 Tools, equipment and gloves that are lost or mistreated to the extent that they are no longer usable will be replaced by the Company, except those not specified as standard by the Company; however, the employee responsible for the items may be required, at the discretion of Management, to pay for them and will be billed accordingly. Employees will have the option to pay by cash, check, money order or payroll deduction.
- 1.4 Employees who are furnished tools, equipment and gloves will be held responsible for the proper use, care and maintenance of these items, and will be held to an accounting of all tools, equipment and gloves at the time of replacement thereof, or upon termination of employment with the Company.

**ARTICLE 32 & 33  
NOT ASSIGNED**

**ARTICLE 34  
JOB BIDDING AND TRANSFERS**

1. Qualifications and requirements for jobs shall be established in the order of their importance by Management, and for jobs of identical content shall be uniform throughout the Company. At no time will the qualifications for any particular job be designed to fit any one particular individual, and in all cases qualifications and requirements shall be established prior to declaration of the vacancy. The Company may use tests to assist in the determination of the employee's qualifications. The form, content, and administration of such tests shall be at the sole discretion of the Company and shall not be subject to the grievance or arbitration provisions hereof.
2. Requests for transfer based upon health reasons due to the employee's illness or illness in his immediate family shall take precedence over other applications on file.
  - 2.1 "Immediate family" for the purpose of this section shall mean parents, parents-in-law, wife, husband, children, brothers, sisters, or any other persons substantially dependent upon the employee either for financial aid or physical care, and "illness" as it relates to other than the employee himself shall be defined as meaning any condition of health requiring a substantial degree of financial aid for treatment or a substantial degree of

physical care.

- 2.2 Requests for transfers based upon health reasons must be accompanied by written medical evidence including diagnosis and prognosis from the attending physician and a specialist in that field. All required medical documentation and approvals must be received no later than the posting close date of the vacancy in order to be considered as a priority transfer request.
  - 2.3 All costs for such evidence shall be borne by the employee requesting such transfer.
  - 2.4 Employees may have a maximum of two health priority transfer applications on file that are not in response to posted vacancies. Additionally, an employee may submit health priority transfer applications in response to posted vacancies.
  - 2.5 Employees who transfer due to permanent medical restrictions or health reasons as specified in this article, will not be entitled to a subsequent transfer for health reasons if the new job classification fully accommodates their permanent medical restrictions or health reasons and there is no significant change to their medical condition. Any such change must be certified by written medical evidence in accordance with this article.
3. Job vacancies will be posted in the manner designated by the Company. Employees may apply for an unlimited number of posted vacancies at any given time. Employees who desire to be considered for transfer will submit applications, to Staffing, on the form and in the manner designated by the Company, no later than the posting close date of the vacancy. An employee may submit applications only for posted vacancies with the exception of those requests noted in Sections 2.4, 3.1, and 5.1 of this article. In the event no applications of qualified employees are received, the Company may proceed to fill the vacancy at its discretion.
  - 3.1 Not applicable.
  - 3.2 The Company will notify the appropriate Union representative of any employee or employees of more seniority than the employee chosen and the reasons why such employee or employees were bypassed. Management will also notify the appropriate Union representative of all vacancies filled by request for transfer, showing when such a vacancy is filled, by whom, the seniority date of the selected employee, and wage schedule from which he has transferred.
4. Selection of employees for transfer to vacancies shall be determined as follows

- 4.1 An employee shall be entitled to any job vacancy if he has the necessary qualifications and fitness and the most seniority of all candidates for the job. The employee will pay his own moving expenses on an employee-initiated transfer.
  - 4.2 An Equipment Maintainer's right of transfer which is on a lateral basis must be at a work location which is over ten (10) miles distant from the work location from which the employee is bidding. The provisions of this section may be selectively waived at Management discretion.
  - 4.3 A newly hired or rehired employee may apply for, but shall not have a right to transfer until he has occupied his first position at the same location for a least twenty-four (24) months. All other employees in classifications in wage schedules A, 1, 1A, 1B, 2, 3, 4, 5, and 6, may apply for but shall not have a right to transfer until they have occupied their present position at the same location for at least eighteen (18) months. All other employees in classifications in wage schedules 7, 7A, 7B, 8, 9, 9A, 10, 11, 12, and 13 may apply for, but shall not have a right to transfer until they have occupied their present position at the same location for a least twenty-four (24) months. The above transfer hold dates may be waived at management's discretion.
5. Nothing contained in this Agreement shall be construed as restricting Management's right to make transfers of employees of identical job classification between work locations. Prior to effecting such transfer, the Company will provide the Union at least 15 calendar days notice.
    - 5.1 Employees who are transferred through this provision may have a priority transfer application on file to return to their prior job classification and work location. The employee must submit the transfer application within three (3) months after the effective date of the original Company initiated transfer.
6. Up to five (5) Union employees in each Union local shall not be transferred outside the geographical boundaries of the local unless their classifications are no longer required in that local's area. Such employees to be exempt from this transfer provision must be designated by name and position by the Union local president, and such exemption cannot be transferred to any other employee in that local during the term of this contract, unless the designated employee no longer maintains status within the local.

**ARTICLE 35  
MILITARY LEAVE OF ABSENCE**

**1. MILITARY LEAVE OF ABSENCE**

- 1.1 A military leave of absence will be granted by the Company to each regular employee who, prior to the termination of his employment with the Company, enters the U.S. Armed Forces, by voluntary enlistment or by draft, or who is a member of a reserve component of one of the armed forces or the National Guard or Air National Guard and is ordered to active duty. Such military leave of absence will commence on the day following the last day worked by the employee, or on the day following the last day of any vacation for which the employee may receive the commuted value as provided below, and will terminate on the ninety-first (91) day following his discharge from the armed forces or his relief from active duty. A military leave of absence will not be extended for the employee who reenlists or who volunteers for a continuation of his active duty beyond the time limits provided under veterans reemployment rights as described by the Federal Government Statutes.

**2. REEMPLOYMENT**

- 2.1 In conformity with the terms of the statutes pertaining to the restoration of a veteran to his former employment, employees who are granted military leaves of absence will be reinstated in their former positions with the Company or will be given positions of like seniority, status and pay. Full recognition for wage progression and for all other purposes will be given to the military leave of absence in the same manner that the period of time would be recognized had the employee remained continuously in the position he held at the beginning of his leave of absence, except as follows:
- A. The Company shall have the right to hold any employee employed on and after September 16, 1950, on the wage given him on the date of his return to employment, until his experience and proficiency justify the next higher wage, provided that the suspension of wage progression shall not exceed, whichever is the shorter length of time of (1) the length of the military leave of absence in any case, or (2) the length of time between the employee's place on the wage schedule at the time of the beginning of his military leave of absence and the four (4) year step on his wage schedule, or (3) two (2) years of credited service.

- B. Sick benefits will not be granted to employees until after they have returned to active employment with the Company.

### 3. GROUP LIFE INSURANCE

- 3.1 For employees who are granted military leaves of absence, the Company will continue the amount of group life insurance in effect on the last day worked for a maximum period of thirty (30) days at no cost to the employee. At the end of this thirty (30) days or at the termination of the military leave of absence, the group life insurance will terminate.
- 3.2 Employees who return to active employment with the Company will have their basic life insurance automatically reinstated but will be required to make application for reinstatement of their contributory supplemental group life insurance if they desire to reinstate it.

### 4. CONTINUANCE OF COMPANY PAY

- 4.1 If a regular employee, at the beginning of his military leave of absence, is:
  - A. In the age group subject to induction under the Selective Service and Training Act of 1948, the Armed Forces Reserve Act of 1955, and the related regulations currently in effect, or
  - B. A member of the National Guard, Air National Guard, or of a reserve component, and he
    - (1) Is drafted or enlists voluntarily, or
    - (2) Is ordered to active duty or volunteers for active duty for six (6) months or more or active duty training (not to include training drills, voluntary specialized training or penalty active training duty), he will receive the difference between his military pay and his Company pay (if the latter is greater) less any deductions authorized by him or required by law, for three (3) days for each full month of completed credited service up to a maximum of difference in pay for three (3) months.
- 4.2 For this purpose, Company pay will be the product of the employee's daily wage in effect on the last day actually worked multiplied by 21.75 days. Military pay will be the basic pay shown in the pay tables in effect on the date when the employee enters



military service for his grade or rank, giving effect to his length of military service, plus extra pay for special qualifications or duty, but exclusive of rental, subsistence, clothing, dependents, and other allowances. Daily military pay shall be the monthly pay divided by 21.75.

- 4.3 Regular employees will be paid the commuted value of any vacation to which they may be entitled at the beginning of the military leaves of absence.

## 5. SUBSTITUTES FOR EMPLOYEES ON MILITARY LEAVES OF ABSENCE

- 5.1 Persons transferred to positions formerly held by employees who are on military leaves of absence will be considered as temporary occupants of such positions and may be transferred back to their former or to equivalent positions when the employee for whom they are substituting returns from his military leave of absence.
- 5.2 Persons who are newly employed to fill vacancies which result directly or indirectly from the absence of employees on military leaves of absence may have their employment with the Company terminated unless there is other need for their services, when such employees return from their military leaves of absences.

## 6. MILITARY RESERVE TRAINING

- 6.1 If a regular employee is a member of the National Guard, Air National Guard, or of a reserve component and is subject to annual training duty, he will be paid the difference between his military pay (including all allowances) and Company base pay (if the latter is greater) for a period of not more than two (2) weeks in any one calendar year in which he performs such training duty. However, if an employee performs annual training duty and receives no military pay, he will be paid a maximum of one (1) weeks pay by the Company in any one calendar year.
- 6.2 An employee, to be eligible for payment as provided above, shall in writing request time off for annual training duty, and at the conclusion thereof, furnish the Company written evidence of the amount of military pay received.

ARTICLE 36  
NOT ASSIGNED

**ARTICLE 37  
LUNCH PERIOD**

1. The duration of lunch periods (30, 45 or 60 minutes) will be established by local management based on their determination as to what best facilitates customer service requirements. The Company will take into consideration the preferences of employees when making these determinations.
2. When employees are scheduled for an on-duty meal period within their normal tour, the meal period shall be included as part of the employee's tour, and will be paid for as time worked.
3. Management reserves the right to reschedule lunch periods if necessary, from time to time, to meet the demands of the service.

**ARTICLE 38  
BULLETIN BOARDS**

1. The Company permits the installation of, and the Union will place and install, its own bulletin boards in the Company's various offices, plants, warehouses, and other premises where space for the installation of the same is available. The type of each bulletin board and the manner of its being fastened to Company property shall be determined by Management. The location of each such bulletin board will be determined by agreement between appropriate Company representatives and local Union representatives.
2. Where space is not available for such installations, the Company will permit the Union to use, not to exceed, one-third of the space on Company-owned bulletin boards. The amount of space on Company-owned bulletin boards and the location thereon to be used by the Union shall be determined by agreement between appropriate Company representatives and local union representatives.
3. All expenses, materials and equipment needed for the placement and installation of bulletin boards by the Union and designation and marking thereof shall be borne or furnished by the Union.

**ARTICLE 39  
DEDUCTION FOR UNION DUES, SERVICE FEES,  
AND INITIATION FEES**

1. The Company shall deduct from the wages and/or sick benefit payments of members and nonmembers of the Union any initiation fees, dues, and

service fees for such payroll periods as it is authorized in writing to deduct by the individual employees covered by this Agreement.

2. Payroll deduction authorization cards in the forms attached hereto (marked Exhibit 1) shall be made a part of this Article. The Union shall furnish to the Company one-time deduction authorization cards in the form attached hereto (marked Exhibit 2) and made a part of this Article.
3. An employee's authorization for deduction of dues shall be canceled by the Company any time proper notice is received from an authorized representative of the Union. An employee's deduction authorization will automatically be canceled if the employee leaves the employ of the Company or is transferred out of the bargaining unit.
4. The Company will make twenty-four (24) biweekly Union deductions per year in either percentage or specified amounts and will remit each month a check representing the aggregate amount of all such deductions to the Secretary-Treasurer of the Union, together with a list showing:
  - (a) The name, employee number, address, and occupation code of each employee in the bargaining unit. Such list will be arranged by Union local, alphabetically, as accurately as possible to do so by being keyed to the employee number. The list will show amounts deducted for dues and service fees as applicable.
5. The Company shall incur no liability from acting as agent in the collection of dues.

#### **ARTICLE 40 RELIEF BREAK**

1. Employees will be permitted reasonable relief breaks as provided herein.
  - 1.1 These breaks will be limited to fifteen (15) minutes per session. As a relief break is considered to be a mid-session break, no break will commence prior to the end of the first hour of the employee's scheduled session, nor will the break end during the last hour of his session. In no case will an employee drive a Company vehicle which would deviate from his normal route for a relief break. In the event these rules are violated, disciplinary action can be taken.

Rick Carpenter  
Director – Labor Relations



Verizon Services Group  
700 Hidden Ridge – HQW01H69  
Irving, TX 75038  
Phone: 972.718.3258  
Fax: 972.718.4425  
rick.a.carpenter@verizon.com

February 26, 2007

Jerrell B. Miller  
CWA Representative  
Communications Workers of America  
1349 Empire Central, Suite 610  
Dallas, TX 75247

Re: BASIC LIFE INSURANCE

Dear Mr. Miller,

Effective January 1, 2008, it is the Company's intent to provide the same Company-paid basic life insurance to National Buried Service Wire employees as is provided to those employees covered by the existing telephone company collective bargaining agreements. Coverage under this Plan for National Buried Service Wire employees begins after six (6) months of active service.

Sincerely,

Rick Carpenter

Concurred:

---

Jerrell B. Miller

Rick Carpenter  
Director – Labor Relations



Verizon Services Group  
700 Hidden Ridge – HQW01H69  
Irving, TX 75038  
Phone: 972.718.3258  
Fax: 972.718.4425  
rick.a.carpenter@verizon.com

February 26, 2007

Jerrell B. Miller  
CWA Representative  
Communications Workers of America  
1349 Empire Central, Suite 610  
Dallas, TX 75247

Re: TELEPHONE CONCESSION

Dear Mr. Miller,

It is the Company's intent to continue telephone concession for National Buried Service Wire employees as provided to employees covered by the existing telephone company collective bargaining agreements.

Sincerely,

Rick Carpenter

Concurred:

---

Jerrell B. Miller

**RE: TRANSFER RIGHTS**

July 23, 2014

Ellen West  
Area Director  
CWA District Nine  
12215 Telegraph Road, Suite 210  
Santa Fe Springs, CA 90670-3344

Dear Ellen:

This is to confirm our understanding regarding the filling of vacancies within the CWA bargaining unit.

All Verizon California employees CWA represented (CBA 4 & CBA 504) – IBEW represented (CBA 6) – non-union hourly and management can submit transfer bids and be considered in Company seniority order in accordance with all provisions of the CBA and related MOA's.

During the force realignment procedure, CWA-represented employees will have priority over all other employees to fill vacancies which exist in their bargaining unit.

If you concur please sign below.

Dyann Johnston  
Sr. Consultant – Labor Relations

Concurred: on July 24, 2014

Ellen West  
Area Director – CWA District Nine

## Appendix A-1

### Schedule 2C (California)

	Current	Date of Ratification	3/9/2014	3/8/2015	3/13/2016
Start	\$11.70	\$11.93	\$12.17	\$12.42	\$12.73
6 Mo.	\$12.29	\$12.54	\$12.79	\$13.04	\$13.37
12 Mo.	\$12.93	\$13.19	\$13.45	\$13.72	\$14.06
18 Mo.	\$13.60	\$13.87	\$14.15	\$14.43	\$14.79
24 Mo.	\$14.42	\$14.71	\$15.00	\$15.30	\$15.69
30 Mo.	\$15.32	\$15.63	\$15.94	\$16.26	\$16.66
36 Mo.	\$16.30	\$16.63	\$16.96	\$17.30	\$17.73
42 Mo.	\$17.42	\$17.77	\$18.12	\$18.49	\$18.95
Top	\$18.71	\$19.08	\$19.47	\$19.86	\$20.35

Job Titles: BSW ASSISTANT

### Schedule 2A

	Current	Date of Ratification	3/9/2014	3/8/2015	3/13/2016
Start	\$13.97	\$14.25	\$14.53	\$14.83	\$15.20
6 Mo.	\$14.70	\$14.99	\$15.29	\$15.60	\$15.99
12 Mo.	\$15.52	\$15.83	\$16.15	\$16.47	\$16.88
18 Mo.	\$16.41	\$16.74	\$17.07	\$17.41	\$17.85
24 Mo.	\$17.39	\$17.74	\$18.09	\$18.45	\$18.92
30 Mo.	\$18.56	\$18.93	\$19.31	\$19.70	\$20.19
36 Mo.	\$19.85	\$20.25	\$20.65	\$21.06	\$21.59
42 Mo.	\$21.33	\$21.76	\$22.19	\$22.64	\$23.20
Top	\$23.00	\$23.46	\$23.93	\$24.41	\$25.02

Job Titles: BSW TECHNICIAN

### Schedule 2B

	Current	Date of Ratification	3/9/2014	3/8/2015	3/13/2016
Start	\$12.71	\$12.96	\$13.22	\$13.49	\$13.83
6 Mo.	\$13.31	\$13.58	\$13.85	\$14.12	\$14.48
12 Mo.	\$13.96	\$14.24	\$14.52	\$14.81	\$15.18
18 Mo.	\$14.69	\$14.98	\$15.28	\$15.59	\$15.98
24 Mo.	\$15.50	\$15.81	\$16.13	\$16.45	\$16.86
30 Mo.	\$16.38	\$16.71	\$17.04	\$17.38	\$17.82
36 Mo.	\$17.39	\$17.74	\$18.09	\$18.45	\$18.92
42 Mo.	\$18.57	\$18.94	\$19.32	\$19.71	\$20.20
Top	\$19.85	\$20.25	\$20.65	\$21.06	\$21.59

Job Titles: BSW CLERK , FACILITY LOCATE TECHNICIAN

**MEMORANDUM OF AGREEMENT**  
**ADOPTION ASSISTANCE**

Verizon agrees to make available the opportunity for regular full or part-time employees of the Company who are covered by the collective bargaining agreement to participate in the Adoption Assistance Plan which allows employees to claim reimbursement of expenses, up to \$10,000 per adopted child in accordance with existing Plan provisions.

The selection of the administrator, the administration of the Plan and all the terms and conditions relating thereto, and the resolution of any disputes involving the terms, conditions, interpretation, administration, or benefits payable shall be determined by and at the sole discretion of the Company. No matter concerning the Adoption Assistance Plan or any difference thereunder shall be subject to the grievance or arbitration procedure of the Collective Bargaining Agreement.

This Memorandum of Agreement is effective **March 10, 2013** and shall expire on **March 4, 2017**. The parties specifically agree that the terms and conditions set forth in this Memorandum of Agreement shall also terminate on **March 4, 2017**. and shall not survive the expiration of this Memorandum of Agreement unless agreed to by the parties in writing.



## ADOPTION ASSISTANCE PLAN

- Regular active status full and part-time employees are eligible for this benefit
- Available from the first day of active employment
- Adopted child must be:
  - Under 18 years of age
  - Over 18 years of age and physically or mentally incapable of caring for him/herself
- Includes adoption of a step child
- Reimbursement must be submitted within 90 days of adoption finalization
- Only expenses incurred during active service are eligible for reimbursement
- Covered expenses:
  - Legal fees and court costs
  - Temporary childcare expenses prior to placement
  - Necessary medical expenses for child being adopted
  - Private or public adoption agency fees
  - Medical expenses for biological mother
  - Adoption-related transportation/travel expenses
- Expenses not covered:
  - Expenses for the biological parents other than medical expenses related to the birth of child
  - Voluntary donations/contributions to the agency
  - Guardianship or custody expenses unrelated to adoption
- Maximum Expenses
  - \$10,000 for each eligible employee (no duplicate of expenses for employees who are both employed by Verizon)

**MEMORANDUM OF AGREEMENT**  
**COMPREHENSIVE MEDICAL PLAN**

**Verizon California Inc.** and the Communications Workers of America agree to continue the provisions of the Comprehensive Medical Plan set forth in this Memorandum of Agreement.

For a summary of details refer to the attachment entitled Comprehensive Medical Plan Highlights.

Some of the major provisions include:

- A. For regular full time and part time employees of Verizon California, Inc, **and the National Buried Service Wire Group, coverage under the Plan begins ninety (90) days from date of hire** or the date in which the employee enrolls, whichever is later.
- B. Maintenance of Benefits permitted to the level of benefits provided in the Medical Plan.

The Comprehensive Medical Plan will be administered solely in accordance with its provisions, and no matter concerning the Comprehensive Medical Plan or any difference arising thereunder shall be subject to the grievance or arbitration procedure of the Collective Bargaining Agreement.

The selection of the Health Care Plan Administrator, the administration of the Comprehensive Medical Plan and all the terms and conditions relating thereto, and the resolution of any disputes involving the terms, conditions, interpretation, administration, or benefits payable shall be determined by and at the sole discretion of the Company.

This Memorandum of Agreement is effective on **March 10, 2013**, and shall expire on **March 4, 2017**. The parties specifically agree that the terms and conditions set forth in this Memorandum of Agreement, including the Comprehensive Medical Plan, shall not survive the expiration of this Memorandum of Agreement unless agreed to by the parties in writing.

**COMPREHENSIVE MEDICAL PLAN HIGHLIGHTS**  
**Effective April 1, 2014**

Benefits	In Network	Out-of-Network	
<b>General</b>			
Calendar Year Deductible (No carry over) combined in and out-of-network	April 1, 2014		April 1, 2014
	Employee Only	\$450	Employee Only \$700
	Employee + 1	\$900	Employee + 1 \$1,400
	Employee + 2 or more	\$1,125	Employee + 2 or more \$1,750
	January 1, 2015		January 1, 2015
	Employee Only	\$475	Employee Only \$725
	Employee + 1	\$950	Employee + 1 \$1,450
	Employee + 2 or more	\$1,187.50	Employee + 2 or more \$1,812.50
	January 1, 2016		January 1, 2016
	Employee Only	\$525	Employee Only \$750
	Employee + 1	\$1,050	Employee + 1 \$1,500
	Employee + 2 or more	\$1,312.50	Employee + 2 or more \$1,875
January 1, 2017		January 1, 2017	
Employee Only	\$575	Employee Only \$825	
Employee + 1	\$1,150	Employee + 1 \$1,650	
Employee + 2 or more	\$1,437.50	Employee + 2 or more \$2,062.50	
Annual Out of Pocket Maximums combined in- and out-of-network	April 1, 2014		April 1, 2014
	Employee Only	\$1,500	Employee Only \$1,800
	Employee + 1	\$3,000	Employee + 1 \$3,600
	Employee + 2 or more	\$3,750	Employee + 2 or more \$4,500
	January 1, 2015		January 1, 2015
	Employee Only	\$1,500	Employee Only \$1,900
	Employee + 1	\$3,000	Employee + 1 \$3,800
	Employee + 2 or more	\$3,750	Employee + 2 or more \$4,750
	January 1, 2016		January 1, 2016
	Employee Only	\$1,500	Employee Only \$2,000
	Employee + 1	\$3,000	Employee + 1 \$4,000
	Employee + 2 or more	\$3,750	Employee + 2 or more \$5,000

**COMPREHENSIVE MEDICAL PLAN HIGHLIGHTS**  
**Effective April 1, 2014**

<b>Benefits</b>	<b>In Network</b>	<b>Out-of-Network</b>
	January 1, 2017	January 1, 2017
	Employee Only \$1,500	Employee Only \$2,100
	Employee + 1 \$3,000	Employee + 1 \$4,200
	Employee + 2 or more \$3,750	Employee + 2 or more \$5,250
Coordination of Benefits	Non-duplication of benefits. Cross coordination applies. Birthday rule applies.	Non-duplication of benefits. Cross coordination applies. Birthday rule applies.
Pre-existing Conditions	None	None
<b><u>Hospital Services</u></b>		
Room and Board (Subject to Care Coordination)	80% of Network Negotiated Fee (NNF) after deductible satisfied. <ul style="list-style-type: none"> <li>• Semi Private Room</li> <li>• Intensive &amp; Cardiac Care Units</li> </ul>	70% of Maximum Allowable Amount (MAA) after deductible satisfied.. <ul style="list-style-type: none"> <li>• Semi Private Room</li> <li>• Intensive &amp; Cardiac Care Units</li> </ul>
Emergency Outpatient for Accidents	\$75 Copay (waived if admitted).	\$75 Copay (waived if admitted).
Preadmission Tests	100% of NNF after deductible satisfied. (Outpatient tests and x-rays for a proposed surgery as long as the resulting hospital admission is scheduled within 7 days of the tests and x-rays are performed at the facility in which the surgery is to take place.)	70% of MAA after deductible satisfied. (Outpatient tests and x-rays for a proposed surgery as long as the resulting hospital admission is scheduled within 7 days of the tests and x-rays are performed at the facility in which the surgery is to take place.)
Inpatient Services and Supplies	80% of NNF after deductible satisfied.	70% of MAA after deductible satisfied.

**COMPREHENSIVE MEDICAL PLAN HIGHLIGHTS**  
**Effective April 1, 2014**

<b>Benefits</b>	<b>In Network</b>	<b>Out-of-Network</b>
<b><u>Professional Services</u></b>		
Doctor's Surgical Charges	80% of NNF after deductible satisfied.	70% of MAA after deductible satisfied.
Outpatient Surgery	80% of NNF after deductible satisfied.	70% of MAA after deductible satisfied.
Doctor's Office Visits	\$20 per office visit (PCP/OBGYN) \$25 per office visit (Specialist)	70% of MAA after deductible satisfied.
Diagnostic Lab and X-ray in Doctor's Office	\$20 copay	70% of MAA after deductible satisfied.
Doctor's Home Visits	80% of NNF after deductible satisfied.	70% of MAA after deductible satisfied.
Allergy Shots	\$10 copay for injection only if not billed for any other office visit services	70% of MAA after deductible satisfied.
Maternity	\$20 office visit copay, first visit only. Covered the same as any other illness or injury.	70% of MAA after deductible satisfied.
High Risk Maternity (If Care Coordination recommends special care because pregnancy is considered high risk)	100% of NNF outpatient, no deductible.  Physician and hospital charges are paid at 100% of NNF, no deductible.	70% of MAA after deductible satisfied.
Nurse/Midwife	80% of NNF after deductible satisfied.	70% of MAA after deductible satisfied.
Birthing Center	80% of NNF after deductible satisfied.	70% of MAA after deductible satisfied.

**COMPREHENSIVE MEDICAL PLAN HIGHLIGHTS**  
**Effective April 1, 2014**

<b>Benefits</b>	<b>In Network</b>	<b>Out-of-Network</b>
Artificial Insemination & In Vitro Fertilization (Subject to Care Coordination)	Limited to 50% of NNF, after deductible to a maximum of \$15,000 per lifetime.	Limited to 50% of MAA, after deductible to a maximum of \$15,000 per lifetime.
<b>Other Services</b> Acupuncture; limits combined in-and out-of-network	80% of NNF after deductible satisfied. (Limited to 20 visits per year. Additional services are covered if approved by Care Coordination. Cover MD, DO, DC or Acupuncturist licensed by the state or certified by the National Commission of Acupuncturists.)	70% of MAA after deductible satisfied. (Limited to 20 visits per year. Additional services are covered if approved by Care Coordination. Cover MD, DO, DC or Acupuncturist licensed by the state or certified by the National Commission of Acupuncturists.)
Chiropractor Services; limits combined in-and out-of-network	\$25 office visit copay  (12 visits per year threshold. Additional services may be covered if approved by Care Coordination.)	70% of MAA after deductible satisfied.  (12 visits per year threshold. Additional services may be covered if approved by Care Coordination.)
Diagnostic X-ray & Lab Tests	\$20 copay.	70% of MAA after deductible satisfied.
Physical & Occupational Therapy; limits combined in-and out-of-network	\$25 copay  (number of visits based on medical necessity)	70% of MAA after deductible satisfied.  (number of visits based on medical necessity)
Radiation Therapy	80% of NNF after deductible satisfied if performed in facility  \$25 copay per visit if performed in physician's office.	70% of MAA after deductible satisfied.

**COMPREHENSIVE MEDICAL PLAN HIGHLIGHTS**  
**Effective April 1, 2014**

<b>Benefits</b>	<b>In Network</b>	<b>Out-of-Network</b>
Speech Therapy; limits combined in-and out-of-network	\$25 copay  Expanded speech therapy benefit for children under age 3. (20 visit limit per calendar year.)	70% of MAA after deductible satisfied.  Expanded speech therapy benefit for children under age 3 (20 visit limit per calendar year.)
Transplants (Subject to Care Coordination)	Voluntary - when a designated transplant facility is used, benefits are payable at 100%, no deductible or copay.  When a designated facility is not used, benefits are payable the same as any other illness. <ul style="list-style-type: none"> <li>• Travel &amp; Lodging lifetime maximum of \$10,000.</li> <li>• Lodging &amp; Meal Allowance of \$50 individual / \$100 family per day.</li> </ul> Organ Search & Procurement - when a designated facility is not used, benefits are payable up to the medical plan maximum except bone marrow is limited to \$25,000.	Voluntary - when a designated transplant facility is used, benefits are payable at 100%, no deductible or copay.  When a designated facility is not used, benefits are payable the same as any other illness. <ul style="list-style-type: none"> <li>• Travel &amp; Lodging lifetime maximum of \$10,000.</li> <li>• Lodging &amp; Meal Allowance of \$50 individual / \$100 family per day.</li> </ul> Organ Search & Procurement - when a designated facility is not used, benefits are payable up to the medical plan maximum except bone marrow is limited to \$25,000.
Corrective Appliances & Artificial Limbs	80% of NNF after deductible satisfied.	70% of MAA after deductible satisfied.
Home Rental of Durable Medical Equipment (Subject to Care Coordination if amounts exceeds \$1,000)	80% of NNF after deductible satisfied.	70% of MAA after deductible satisfied.

**COMPREHENSIVE MEDICAL PLAN HIGHLIGHTS**  
**Effective April 1, 2014**

<b>Benefits</b>	<b>In Network</b>	<b>Out-of-Network</b>
Oral Surgeries	80% of NNF after deductible satisfied. (Surgery meeting medical necessity guidelines covered.)	70% of MAA after deductible satisfied. (Surgery meeting medical necessity guidelines covered.)
Voluntary Sterilization	80% of NNF after deductible satisfied.	70% of MAA after deductible satisfied.
Home Health Care; limits combined in-and out-of-network (Subject to Care Coordination)	100% of NNF no deductible. (52 visit limit per year.)	70% of MAA after deductible satisfied. (52 visit limit per year.)
Skilled Nursing Facility; limits combined in-and out-of-network (Subject to Care Coordination, in lieu of hospitalization)	80% of NNF after deductible satisfied. (Semi-private rate up to 120 days per calendar year.)	70% of MAA after deductible satisfied. (Semi-private rate up to 120 days per calendar year.)
Hospice Care (Subject to Care Coordination)	Hospice Facility - 100% of NNF, no deductible;	Hospice Facility - 100% of MAA, no deductible;
	At Home Hospice (if life expectancy is less than 6 months) - 100% of NNF;	At Home Hospice (if life expectancy is less than 6 months) - 100% of MAA;
	Bereavement Counseling - 100% of NNF (While patient is in Hospice care, plan covers reasonable expenses for an unlimited number of counseling services for the patient and covered family members.)	Bereavement Counseling - 100% of MAA (While patient is in Hospice care, plan covers reasonable expenses for an unlimited number of counseling services for the patient and covered family members.)



**COMPREHENSIVE MEDICAL PLAN HIGHLIGHTS**  
**Effective April 1, 2014**

<b>Benefits</b>	<b>In Network</b>	<b>Out-of-Network</b>
Second Surgical Opinion	100% of NNF, not subject to deductible, voluntary.	70% of MAA after deductible, voluntary.
Urgent Care	\$20 Copay	\$20 Copay
Emergency Room	\$75 Copay (waived if admitted).	\$75 Copay (waived if admitted).
<b><u>Preventive Care</u></b>	100% of NNF, no deductible; age and frequency provisions of the Affordable Care Act apply	100% of MAA, no deductible; age and frequency provisions of the Affordable Care Act apply
Well Woman Exam	100% of NNF, no deductible; age and frequency provisions of the Affordable Care Act apply. (Additional Pap Smears covered at 80% of NNF after deductible satisfied if medically necessary.)	100% of MAA, no deductible; age and frequency provisions of the Affordable Care Act apply. (Additional Pap Smears covered at 70% of MAA after deductible satisfied if medically necessary.)
Mammograms	100% of NNF, no deductible; age and frequency provisions of the Affordable Care Act apply. (Additional mammograms covered at 80% of NNF after deductible satisfied if medically necessary.)	100% of MAA, no deductible; age and frequency provisions of the Affordable Care Act apply. (Additional mammograms covered at 70% of MAA after deductible satisfied if medically necessary.)
Immunizations	One complete regimen of immunizations per lifetime for children and adults covered at 100% NNF, no deductible.	One complete regimen of immunizations per lifetime for children and adults covered at 100% MAA, no deductible.

**COMPREHENSIVE MEDICAL PLAN HIGHLIGHTS**  
**Effective April 1, 2014**

<b>Benefits</b>	<b>In Network</b>	<b>Out-of-Network</b>
Influenza Immunizations	One influenza immunization per year covered at 100% of NNF, no deductible. (The office visit associated with immunizations is a covered expense.)	One influenza immunization per year covered at 100% of MAA, no deductible. (The office visit associated with immunizations is a covered expense.)
Prostate Specific Antigen	100% of NNF, no deductible, age and frequency provisions of the Affordable Care Act apply (The office visit associated with the PSA test is a covered expense.)	100% of MAA, no deductible, age and frequency provisions of the Affordable Care Act apply (The office visit associated with the PSA test is a covered expense.)
Sigmoidoscopy	100% of NNF, no deductible, age and frequency provisions of the Affordable Care Act apply (The office visit associated with the sigmoidoscopy is a covered expense.)	100% of MAA, no deductible, age and frequency provisions of the Affordable Care Act apply (The office visit associated with the sigmoidoscopy is a covered expense.)
Colonoscopy	100% of NNF, no deductible, age and frequency provisions of the Affordable Care Act apply (The office visit associated with colonoscopy is a covered expense.)	100% of MAA, no deductible, age and frequency provisions of the Affordable Care Act apply (The office visit associated with colonoscopy is a covered expense.)
Fecal Occult Blood Test	100% of NNF, no deductible; age and frequency provisions of the Affordable Care Act apply.	100% of MAA, no deductible; age and frequency provisions of the Affordable Care Act apply.

**COMPREHENSIVE MEDICAL PLAN HIGHLIGHTS**  
**Effective April 1, 2014**

<b>Benefits</b>	<b>In Network</b>	<b>Out-of-Network</b>
<p><b><u>Care Coordination</u></b>            (Pre-notification Required)</p>	<ul style="list-style-type: none"> <li>• Hospitalization</li> <li>• Admission to hospital through ER</li> <li>• In-patient services</li> <li>• Skilled Nursing Facility</li> <li>• Home Health Care</li> <li>• Hospice</li> <li>• Artificial Insemination</li> <li>• In-Vitro Fertilization</li> <li>• Durable Medical Equipment exceeding \$1000</li> <li>• Continued stay for Maternity</li> <li>• Private Duty Nursing</li> <li>• Organ Transplant</li> </ul> <p style="text-align: center;">Non-notification penalty:            Lessor of actual charge or \$200</p>	<ul style="list-style-type: none"> <li>• Hospitalization</li> <li>• Admission to hospital through ER</li> <li>• In-patient services</li> <li>• Skilled Nursing Facility</li> <li>• Home Health Care</li> <li>• Hospice</li> <li>• Artificial Insemination</li> <li>• In-Vitro Fertilization</li> <li>• Durable Medical Equipment exceeding \$1000</li> <li>• Continued stay for Maternity</li> <li>• Private Duty Nursing</li> <li>• Organ Transplant</li> </ul> <p style="text-align: center;">Non-notification penalty:            Lessor of actual charge or \$200</p>

The benefits outlined herein are governed by the Summary Plan Description (SPD) and where conflicts exist, the SPD shall prevail.

\*Preventative Care – Should the provisions of the Affordable Care Act permit a level of minimum preventative care that is lower than the frequency of screens/examination currently provided through the sponsored health plan included in the collective bargaining agreement dated March 14, 2010, then the Company will maintain the level of such preventative care benefits as set forth in the sponsored health plan included in the collective bargaining agreement dated March 14, 2010.

**MEDICAL PLAN HIGHLIGHTS  
In Area and Out of Area Plans**

**MENTAL HEALTH/SUBSTANCE ABUSE CARE – Effective April 1, 2014**

<b>BENEFITS</b>	<b>IN NETWORK</b>	<b>OUT-OF- NETWORK</b>
Inpatient Hospital Room and Board (Subject to Care Coordination)	80% of NNF after deductible satisfied • Semi Private Room	70% of MAA after deductible satisfied • Semi Private Room
Inpatient Services and Supplies	80% of NNF after deductible satisfied	70% of MAA after deductible satisfied
Outpatient	\$20 per office visit.(PCP) \$20 per office visit (specialist)	70% of MAA after deductible satisfied

Note: Employees must call their Medical Plan within 48 hours of emergency care.

The benefits outlined herein are governed by the Summary Plan Description (SPD) and where conflicts exist, the SPD shall prevail.

**MEMORANDUM OF AGREEMENT**  
**CWA-COPE**

The Company hereby agrees to honor contribution deduction authorization from its employees upon receipt of a properly-executed payroll deduction authorization, providing as follows:

"I hereby authorize Verizon of California to deduct a minimum of fifty cents (\$.50) from my regular wages or the amount specified (\$\_\_\_\_\_) each month and to forward that amount to the CWA-COPE Political Contributions Committee. This authorization is voluntarily made on the specific understanding that the signing of this authorization, and the making of payments to the CWA-COPE Political Contributions Committee, are not conditions of membership in the Union or of employment with the Company, and that the CWA-COPE Political Contributions Committee will use the money it receives to make political contributions and expenditures in connection with federal, state and local elections.

It is understood that deductions I have authorized will be effective no later than the second payday following the receipt of my authorization card and the deductions will be made the second payday of the month. It is further understood that deductions suspended by reason of absence, such as during leave of absence or layoff, will be resumed automatically upon my reinstatement, except in instances of military leave.

I agree and understand that the deductions authorized shall continue until cancelled by me, by written notice, to the Company and Union."

The Union agrees to allow the Company to withhold from each deduction a service charge of three cents (\$.03) per contributor, per month.

It is understood and agreed by the Union that the Company assumes no responsibility in connection with the above deduction, except that of forwarding monies due to the CWA-COPE PCC.

**MEMORANDUM OF AGREEMENT**  
**DENTAL PLAN**

Verizon National Buried Service Wire Group and Communications Workers of America agree to the provisions of the Dental Plan set forth in this Memorandum of Agreement.

For a summary of details refer to the appropriate Dental Benefits Summary Plan Description (SPD). The annual deductible will be \$25.00 per individual for all regular full time and part time employees. The annual \$25.00 per individual deductible will be waived when an employee and/or his/her enrolled dependents use a Preferred Dental Provider (PDP).

For all regular full time employees and regular part time employees, coverage under the Plan begins after six months of service.

Maintenance of Benefits (MOB) permitted to the level of benefits provided in the Dental Plan.

The Plan will be administered solely in accordance with its provisions and no matter concerning the Plan or any difference arising thereunder shall be subject to the grievance or arbitration procedure of the Collective Bargaining Agreement. The selection of the Plan Administrator, the administration of the Plan and all the terms and conditions relating thereto, and the resolution of any disputes involving the terms, conditions, interpretation, administration, or benefits payable shall be determined by and at the sole discretion of the Company.

This Memorandum of Agreement is effective on March 10, 2013 and shall expire on March 4, 2017. The parties specifically agree that the terms and conditions set forth in this Memorandum of Agreement shall also terminate on March 4, 2017 and shall not survive the expiration of this Memorandum of Agreement unless agreed to by the parties in writing.

## VERIZON DENTAL PLAN HIGHLIGHTS

Benefit	Coverage Level
Deductible	\$25 Deductible waived if Preferred Dental Provider (PDP) used
Preventive and Diagnostic Services	100% of usual and customary charges (or 100% of negotiated fees if in-network)
Basic Services	80% of usual and customary charges after deductible satisfied (or 80% of negotiated fees if in-network)
Dental Sealants	80% of usual and customary charges after deductible satisfied (or 80% of negotiated fees if in-network)
Major Services	50% of usual and customary charges after deductible satisfied (or 50% of negotiated fees if in-network)
Orthodontic care/TMJ disorder treatment	50% of usual and customary charges after deductible satisfied (or 50% of negotiated fees if in-network)
Lifetime maximum benefit for TMJ disorder treatment	\$500
Lifetime maximum benefit for Orthodontic care	\$1,500
Annual individual maximum benefit	\$1,500

The benefits outlined herein are governed by the Summary Plan Description (SPD) and where conflicts exist, the SPD shall prevail.

**MEMORANDUM OF AGREEMENT**  
**DEPARTMENTAL ORIENTATION**

Verizon California Inc. and the Communications Workers of America agree that the Union will be given up to 30 minutes with each employee either during new hire orientation or at the departmental orientation to discuss the following issues if they so choose:

1. Charitable Giving.
2. The structure of the CWA, the names and titles of the officers, local contact name(s) and telephone number(s) and available hours. Additional Union related information will be provided to new employees by the local CWA separate from the new employee orientation process and on the employees' own time.

Additionally, a brochure defining the roles and responsibilities of the National CWA may be distributed during the orientation.

The Company will determine the location of the above access and if the access will be group or individual presentations. Under normal conditions the Union local president or the steward assigned closest to the location of the orientation will conduct the meeting. If the Union representative is a Company employee and conducts the meeting during their scheduled work time, it will be paid as Union Business with pay.

The parties agree that this Memorandum of Agreement will remain in effect up to and including March 4, 2017, unless cancelled by either party with 30 days notice.

**MEMORANDUM OF AGREEMENT**  
**DRESS CODE**

GTE California Incorporated and the Communications Workers of America agree that the Company's public image is of vital importance both to the Company and its' employees and is to a large degree based upon the appearance of the Company's employees.

In meeting their responsibility for maintaining proper personal appearance, hygiene, and dress, employees will at all times be neat, clean, and well-groomed and exhibit a business-like appearance appropriate for their job assignments. A business-like appearance may include, but is not limited to, company provided clothing and/or uniforms.



**MEMORANDUM OF AGREEMENT**  
**FLEXIBLE REIMBURSEMENT PLAN (FRP)**

Verizon California Inc. agrees to continue the Flexible Reimbursement Plan (FRP).

For all regular full time and regular part time employees, coverage under the Plan begins ninety (90) days from date of hire or the date which the employee enrolls, whichever is later.

For a summary of details refer to the Flexible Reimbursement Plan Summary Plan Description (SPD).

The FRP will be administered solely in accordance with its provisions, and no matter concerning the FRP or any difference arising thereunder shall be subject to the grievance or arbitration procedure of the Collective Bargaining Agreement. The selection of the FRP Administrator, the administration of the FRP and all the terms and conditions relating thereto, and the resolution of any disputes involving the terms, conditions, interpretation, administration, or reimbursements shall be determined by and at the sole discretion of the Company.

This Memorandum of Agreement is effective on March 10, 2013, and shall expire on March 4, 2017. The parties specifically agree that the terms and conditions set forth in this Memorandum of Agreement, including the Flexible Reimbursement Plan, shall also terminate March 4, 2017, and shall not survive the expiration of this Memorandum of Agreement unless agreed to by the parties in writing.

**GLOBAL POSITIONING SYSTEM (GPS)**  
**AND TELEMATICS MONITORING SYSTEM (TMS)**  
**WORK RULES**

Verizon California Incorporated/Buried Service Wire (hereinafter "Company") and the Communications Workers of America (hereinafter "CWA" or "Union") agree that the GPS and the Telematics Monitoring System (TMS) is designed to facilitate work efficiencies, monitor vehicle performance and maintenance, and employee safety through vehicle tracking.

If the Company identifies through GPS/TMS reports a possible work rule infraction, supervision will discuss the possible infraction with the involved employee and, if the work rule infraction did in fact occur, supervision will offer coaching to correct the identified behavior.

If the Company identifies subsequent work rule infractions through GPS/TMS, the Company and the Union will meet with the employee to discuss the nature of the infraction and Company performance expectations. Supervision will offer coaching to correct the identified behavior.

If there are future work rule infractions which are identified through GPS/TMS disciplinary action may be taken. The Union reserves the right to challenge any disciplinary action through the applicable provisions of the CBA.

This MOA does not apply to Code of Conduct violations that are derived from a review of GPS/TMS reports. Code of Conduct violations will continue to be subject to disciplinary action up to and including dismissal even upon a first instance or occurrence.

Work rule infractions and Code of Conduct violations include, but are not limited to, the following examples:

Work Rule Infractions

- An employee extends a lunch break without prior authorization.

Code of Conduct Violations

- An employee goes home, or goes shopping, or engages in other personal errands or conduct and reporting that he/she was working.
- An employee does not adhere to motor vehicle laws and regulations.

This Memorandum of Agreement will become effective August 1, 2014 and shall expire on March 4, 2017. The parties specifically agree that all the terms and conditions set forth in this Memorandum of Agreement shall also expire on March 4, 2017 and shall not survive the expiration of this Memorandum of Agreement, unless agreed to by the parties in writing.

**MEMORANDUM OF AGREEMENT**  
**GRIEVANCE PROCEDURE – ARTICLE 12.1**

It is agreed to revise Article 12-1, Section 5, Grievance Procedure as follows:

5. Prior to the first step grievance meeting, at the discretion of the union, an informal resolution meeting between the supervisor and the union representative will take place. However, the informal resolution step will be waived for grievances which fall under Article 10, Discharges and Suspensions. If applicable, the aggrieved employee may attend the meeting at the Union's request. Pay shall be allowed for the Union representative and the aggrieved employee, if present. If the issue is not resolved at the informal meeting and the Union chooses to proceed to file a formal grievance, the grievance(s) shall be presented and processed only in the following manner, except as outlined in Article 27, Section 3.

All other provisions of Article 12-1 remain the same.

This Memorandum of Agreement will become effective August 1, 2014 and shall expire on March 4, 2017. The parties specifically agree that all the terms and conditions set forth in this Memorandum of Agreement shall also expire on March 4, 2017 and shall not survive the expiration of this Memorandum of Agreement, unless agreed to by the parties in writing.

**MEMORANDUM OF AGREEMENT**  
**HEALTH REIMBURSEMENT ACCOUNT**

1. Contingent upon ratification on or before November 20, 2013 of the 2013 Proposal for Settlement, effective January 1, 2014 the Company will establish a Health Reimbursement Account (HRA), within the meaning of IRS Notice 2002-45 and related guidance, on behalf of each regular, full-time employee (as such term is used in the applicable medical summary plan description which is incorporated into The Plan for Group Insurance ("SPD")) scheduled to work 25 or more hours per week ("Full-Time Employee") and each regular, part-time employee (as such term is used in the applicable medical SPD) who is scheduled to work at least 17 hours per week but fewer than 25 hours per week ("Part-Time Employee"), in each case who has at least 90 days of service and who is enrolled in a medical coverage option under The Plan for Group Insurance. Any such Full-Time Employee or Part-Time Employee who is not enrolled in a medical coverage option under The Plan for Group Insurance shall not be eligible for an HRA. During the 2014 plan year, the Company will allocate a credit of \$650 to each HRA for eligible "Full-Time Employees" who are not in the Operator II title as of January 1, 2014, a credit of \$800 to each HRA for eligible "Full-Time Employees" who are in the Operator II title as of January 1, 2014, and a credit of \$400 to each HRA for eligible "Part-Time Employees" as of January 1, 2014 to reimburse otherwise unreimbursed eligible medical expenses (as defined in IRC section 213(d)) for the associate and his or her eligible IRS tax dependents, provided that the HRA may not be used to reimburse the associate for any premium or contribution under The Plan for Group Insurance or otherwise, including any Monthly Employee Contributions. An associate who is hired after January 1, 2014 will not be eligible for an HRA for the remainder of the 2014 calendar year.
  - a. The Company will make its best effort to meet the aforementioned January 1, 2014 date, but the commitment would be no later than January 24, 2014.
2. To the extent there is a positive balance in an associate's HRA after the 2014 plan year, the associate may continue to incur and receive reimbursement from the HRA until the balance in such notional account is zero.
3. If the associate terminates employment for any reason other than Retirement (as defined under the Pension Plan), claims incurred after the date of termination will not be eligible for reimbursement. Claims incurred before termination but not paid shall be eligible for reimbursement for three months following the date of termination. Any remaining balance after the run off period will be forfeited, unless the associate elects continued coverage under COBRA.

4. Upon the death of an associate, the remaining balance of his or her HRA account shall be used to reimburse claims incurred before the associate's death for eligible medical expenses of the associate or his or her IRS tax dependents. Claims incurred before the associate's death but not paid shall be eligible for reimbursement for three months following the date of death. Any remaining balance after the run off period will be forfeited, unless the surviving IRS tax dependent elects continued coverage under COBRA. In the event an associate is on a leave of absence, he or she shall continue to be eligible for credits to and reimbursements from the HRA in the same manner as an eligible associate who is not on a leave of absence.
5. The Company will have the sole and exclusive right to determine and implement applicable administrative details with respect to the HRAs, which include, without limitation, claims processing procedures, communications, and establishment of applicable COBRA rates. The HRAs will be established and operated in accordance with IRS guidance and applicable law.

**MEMORANDUM OF AGREEMENT  
HEALTHCARE CONTRIBUTIONS**

With respect to Medical, the Company agrees to the following during the life of this Contract:

1. For each Plan Year beginning on and after January 1, 2014, an employee who enrolls in the Sponsored Plan, or, in the alternative, an HMO, EPO, or any other medical option (collectively "Other Medical Option") offered by the Company, will pay a Monthly contribution on a before-tax basis towards the cost of coverage for the medical coverage category elected by such employee ("Monthly Employee Contribution").
2. The Monthly Employee Contribution for the Sponsored Plan is set forth below. With respect to the Monthly Employee Contribution for any Other Medical Option offered by the Company, effective January 1, 2014 the Monthly Employee Contribution for the medical coverage category elected by such employee under such Other Medical Option will be no greater than 150% of the Monthly Employee Contribution for a Sponsored Plan (except as set forth in paragraph 7 below). Although pursuant to the preceding sentence the Monthly Employee Contribution for the medical coverage category elected by such employee under such Other Medical Option will be no greater than 150% of the Monthly Employee Contribution for a Sponsored Plan (except as set forth in paragraph 7 below), the Company reserves the right, after consulting with the CWA as provided in Paragraph 2 of the Other Medical Options MOA, to add, modify or discontinue such Other Medical Options, in its sole discretion and without bargaining, and no

matter concerning any Other Medical Option or any difference arising thereunder shall be subject to the grievance or arbitration procedure of the Collective Bargaining Agreement.

3. All employees and eligible dependents who receive Medical Coverage and contribute on a before-tax basis, will be subject to the mid-year change rules applicable to Internal Revenue Code section 125 cafeteria plans.
4. With respect to the Monthly Employee Contributions for years 2014, 2015, 2016 and 2017, an employee will be eligible for the non-tobacco user contribution rates (set forth below) for medical coverage if such employee and his or her covered dependents do not use tobacco products or satisfy a reasonable alternative standard as determined by the Company (e.g., complete an annual smoking cessation program).
5. An employee will also be eligible to receive an annual credit of \$100 in each of the years 2014, 2015, 2016 and 2017, prorated based on when during the year the employee completes an annual health risk assessment provided by the Company, and prorated on a pay-period basis toward the employee's contribution for healthcare.
6. The Monthly Employee Contributions that appear in the charts below for 2014, 2015, 2016 and 2017 already account for the annual \$100 credit set forth in paragraph 5 above.
7. Notwithstanding anything to the contrary in this MOA, contingent upon ratification on or before November 20, 2013 of the 2013 Proposal for Settlement, the Monthly Employee Contribution for:
  - a. Kaiser will be no more than 100 percent of the Monthly Employee Contribution for the Sponsored Plan
  - b. Healthnet will be no more than 115 percent of the Monthly Employee Contribution for the Sponsored Plan for 2014, no more than 125 percent of the Monthly Employee Contribution for the Sponsored Plan for 2015, and no more than 130 percent of the Monthly Employee Contribution for the Sponsored Plan for 2016 and in the years thereafter.
8. The Monthly Employee Contribution will be deducted from the employees' bi-weekly pay. However, in those circumstances where an employee is not receiving pay or sufficient pay the employee will be billed for the contribution amount(s) or the contribution amount(s) will be applied to subsequent pay.

Effective January 1, 2014, the Monthly Employee Contribution required by associates will be:

Coverage Category Elected	Sponsored Plan Monthly Employee Contribution (Tobacco User Rate)	Sponsored Plan Monthly Employee Contribution (Non-Tobacco User Rate)
Employee Only	\$100	\$50
Employee + 1 or more	\$150	\$100

Operator IIs who select Kaiser HMO

Coverage Category Elected	Kaiser HMO Monthly Employee Contribution for Operator IIs (Tobacco User Rate)	Kaiser HMO Monthly Employee Contributions for Operator IIs (Non-Tobacco User Rate)
Employee Only	\$75	\$25
Employee + 1 or more	\$100	\$50

Notwithstanding the above, the Company will begin deducting the required contribution amount from the employees' bi-weekly paycheck in the first month in 2014 in which the Company determines it is administratively feasible to make such deductions. No employee contributions will be required for the month(s) prior to the date that it is administratively feasible to implement pre-tax deductions for employees. Once the Company implements pre-tax deductions for employees, the amount that will be deducted from the employees' bi-weekly paychecks in 2014 will be equal to the applicable Monthly Employee Contribution for 2014 multiplied by 12, divided by the number of pay periods in 2014 commencing with the first pay date that deductions will be made and ending on the last pay date of 2014. For example, an employee who enrolls in Employee Only coverage in the Sponsored Plan and is a non-tobacco user for 2014 and completes the annual health risk assessment will be required to pay a Monthly Employee Contribution of \$50 per month, or \$600 for the year. If the Company determines that the first pay period in which it is able to make deductions for 2014 is the first pay period in February 2014, no employee contribution will be required in January, and the

employee will have \$25 deducted from the employee's bi-weekly pay commencing with the first pay period in February 2014 and in each of the remaining 23 pay periods thereafter in 2014 (for an annual contribution of \$600 in 2014).

Effective January 1, 2015, the Monthly Employee Contribution required by associates will be:

Coverage Category Elected	Sponsored Plan Monthly Employee Contribution (Tobacco User Rate)	Sponsored Plan Monthly Employee Contribution (Non-Tobacco User Rate)
Employee Only	\$105	\$55
Employee + 1 or more	\$160	\$110

Operator IIs who select Kaiser HMO

Coverage Category Elected	Kaiser HMO Monthly Employee Contribution for Operator IIs (Tobacco User Rate)	Kaiser HMO Monthly Employee Contributions for Operator IIs (Non-Tobacco User Rate)
Employee Only	\$79.50	\$29.50
Employee + 1 or more	\$109	\$59

Effective January 1, 2016, the Monthly Employee Contribution required by associates will be:

Coverage Category Elected	Sponsored Plan Monthly Employee Contribution (Tobacco User Rate)	Sponsored Plan Monthly Employee Contribution (Non-Tobacco User Rate)
Employee Only	\$120	\$70
Employee + 1 or more	\$190	\$140

Operator IIs who select Kaiser HMO

Coverage Category Elected	Kaiser HMO Monthly Employee Contribution for Operator IIs (Tobacco User Rate)	Kaiser HMO Monthly Employee Contribution for Operator IIs (Non-Tobacco User Rate)
Employee Only	\$93	\$43
Employee +1 or more	\$136	\$86

Effective January 1, 2017, the Monthly Employee Contribution required by associates will be:

Coverage Category Elected	Sponsored Plan Monthly Employee Contribution (Tobacco User Rate)	Sponsored Plan Monthly Employee Contribution (Non-Tobacco User Rate)
Employee Only	\$140	\$90
Employee + 1 or more	\$230	\$180

Operator IIs who select Kaiser HMO

Coverage Category Elected	Kaiser HMO Monthly Employee Contribution for Operator IIs (Tobacco User Rate)	Kaiser HMO Monthly Employee Contribution for Operator IIs (Non-Tobacco User Rate)
Employee Only	\$111	\$61
Employee +1 or more	\$172	\$122



- a) Full-time employees continue to be eligible for dental coverage subject to the following schedules:

DENTAL	
Coverage Tier	Company Contribution
Employee	100%
Employee + One	80%
Family	80%

- b) Part-time employees are eligible for medical and dental coverage subject to the following schedules:

Medical		Dental		
Hours Scheduled per Week	Company Contribution	Hours Scheduled per Week	Company Contribution	
			EE	EE+1 or more
0 - less than 17 hours	0%	0 - less than 17 hours	0%	0%
17 - less than 25 hours	50%	17 - less than 25 hours	50%	50%
25 + hours	Same as Regular Full Time monthly contributions as set forth above	25+ hours	100%	80%

**MEMORANDUM OF AGREEMENT**  
**HEARING AID BENEFIT**

Verizon California Inc. and the Communications Workers of America agree to implement a Hearing Aid Benefit as set forth in this Memorandum of Agreement.

Employees are automatically eligible for the Hearing Aid Benefit after enrollment in any Verizon medical option. If an employee should waive Verizon medical coverage the employee will not be eligible for the Hearing Aid Benefit.

This benefit provides reimbursement of expenses for the actual cost of single or bilateral hearing aid devices, molds, and adjustments, when prescribed by a licensed primary care physician, specialist or audiologist. Repair and replacement costs are covered unless due to loss or misuse. The cost of one HMO office visit co-payment, or one hearing examination by a licensed physician or audiologist is included

and reimbursable if such cost is actually incurred in connection with the diagnosis and prescription of a hearing aid device.

The benefit is not subject to any deductible, co-payment, reasonable and customary limitations, or network/participating provider requirements. There are no limitations or exclusions based on how the hearing impairment was caused or occurred.

The maximum reimbursement under this benefit is \$1000 per covered individual every 24 months. The benefit will not coordinate with any hearing aid benefit of any other health plan.

Reimbursement under the benefit is contingent upon the claimant's timely submission of a completed claim form, along with copies of the relevant receipts and prescription. A timely submission is one that is made during the two-year benefit period, or within 90 days of the earlier of: the last day of the two-year period, or the last day of active Verizon employment. Verizon, in its sole discretion will determine the claims administrator, and the benefit funding method to be used.

This Memorandum of Agreement shall be effective March 10, 2013, and shall expire on March 4, 2017. The parties specifically agree that the terms and conditions set forth in this Memorandum of Agreement shall also terminate on March 4, 2017, and shall not survive the expiration of this Memorandum of Agreement unless agreed to by the parties in writing.

**MEMORANDUM OF AGREEMENT**  
**INCOME SECURITY PLAN (ISP)**

1. Verizon California Inc. and Communications Workers of America recognize the need for technological change in the business and hereby enter into this Memorandum of Agreement (hereinafter referred to as the Agreement). In order to lessen the economic impact upon regular employees who become surplus due to technological change, the Company and the Union agree to establish the INCOME SECURITY PLAN (the Plan). "Technological change" shall be defined as a change in plant or equipment, or a change in a method of operation, diminishing the total number of regular employees required to supply the same services to the Company or its subscribers. "Technological change" shall not include layoffs or force realignments caused by business conditions, variations in subscribers' requirements, or temporary or seasonal interruptions of work.

When technological change brings about any of the following conditions, the Plan shall apply:

- A. A need to layoff and/or force realign employees in any job title.

- B. Reassignment of regular employees to permanent headquarters fifty (50) miles or more from the employee's permanent headquarters.
2. During the term of this Agreement, if the Company notifies the Union in writing that a technological change has created, or will create a surplus in any job title in any work group and/or work location, regular employees meeting the following qualifications shall be eligible for Plan participation:
- A. Accredited service of one year or more.
  - B. No comparable assignment available within fifty (50) miles of the former permanent headquarters and/or refusal of reassignment to a new permanent headquarters fifty (50) miles or more from the former permanent headquarters.

However, the Company reserves the right to apply this Plan to any surplus in force, whether or not it is brought about by technological change that the Company deems appropriate. All elections shall be voluntary and acceptance by the Company will be in order of seniority.

3. The Company reserves the right to determine the job titles and work group(s) and/or work location(s) in which a surplus exists, the number of work groups and/or work locations in which a surplus exists, the number of employees in such titles and locations which are considered to be surplus, and the period during which the employee may, if he or she so elects, leave the service of the Company pursuant to this Plan. In no event shall the number of employee elections accepted under the terms of the Plan exceed the number of employees determined by the Company to be surplus.
4. For those employees who are eligible in accordance with Sections 1 and 2, the Company will provide the following ISP Termination pay benefits:
- A. ISP Termination Allowance of \$1,100, less withholding taxes, for each completed year of accredited service up to and including thirty (30) years for a maximum of \$33,000 prior to withholding taxes. The ISP Termination Allowance is not prorated for any partial year of service.
  - B. In addition to the ISP Termination Allowance, the Company shall pay an employee who has left the service of the Company with ISP benefits an ISP Expense Allowance not to exceed \$750, less withholding taxes, for each completed year of accredited service for a maximum of \$3,750 prior to withholding taxes. The ISP Expense Allowance is not prorated for any partial year of service.

The combined maximum ISP Termination pay benefit payable as set forth in Paragraphs A and B of this Section 4 shall in no event exceed a total of \$36,750.

The dollar amounts set forth in this Agreement shall be prorated for regular part-time employees based on the average hours worked during the last twenty-six (26) pay periods; i.e., average of thirty (30) hours worked per week would result in termination benefits paid at 75% of those set forth in Paragraphs A and B of this Section 4.

5. Employees eligible for ISP Termination Allowance in accordance with Section 2 will receive a lump sum payment for the entire amount of the ISP Termination Allowance paid in the month following the month in which the employee leaves the service of the Company.
6. Reemployed employees must complete one (1) full year of accredited service with the Company before becoming eligible again for termination benefits. Those employees who have previously received termination benefits of any kind shall be eligible for ISP Termination Pay benefits based on their most recent date of hire in lieu of their accredited service date as outlined in paragraphs 4 A and B above.
7. All benefits payable under the Plan are subject to legally required deductions.
8. Termination benefits shall not be made if the termination is the result of any sale or disposition by the Company, of the exchange or office at which the employee is working, or from which the employee is assigned to work, when the employee is continued in the employment of the new management of the exchange or office.
9. An employee's election to leave the service of the Company and receive termination pay benefits must be in writing and transmitted to the Company within fourteen (14) calendar days from the date of the Company's offer in order to be effective, and it may not be revoked after such fourteen (14) calendar day period.
10. This Agreement will be implemented prior to invoking the provisions of Article 8 (Force Realignment) of the Collective Bargaining Agreement, when conditions set forth in Section 1 of this Agreement exist as determined by the Company.
11. Neither the right to effect a technological change, the determination of a surplus condition, eligibility for participation in the Plan, nor any part of this Plan or Agreement shall be subject to the arbitration procedure of the Collective Bargaining Agreement.
12. This Memorandum of Agreement is effective on March 10, 2013, and shall expire on March 4, 2017. The parties specifically agree that the terms and conditions set forth in this Memorandum of Agreement shall also terminate on March 4, 2017, and shall not survive the expiration of this Memorandum of Agreement unless agreed to by the parties in writing.

**MEMORANDUM OF AGREEMENT**  
**LONG TERM DISABILITY (LTD)**

In recognition of the impact a prolonged disability can have on income security and as a valuable supplement to the short-term disability benefits currently provided by the Company, Verizon California Inc. and Communications Workers of America agree to continue a Long-Term Disability (hereinafter referred to as LTD) plan subject to the following provisions:

1. Regular full-time employees are eligible to participate in the LTD plan, subject to the following requirements:
  - Coverage under the Plan begins ninety (90) days from date of hire or the date which the employee enrolls, whichever is later
  - Enrollment during the first ninety (90) days of employment (new hires)
  - Enrollment during the initial Company-designated enrollment period (incumbents with ninety (90) days of continuous employment)
  - Enrollment during periods not mentioned and/or when opting up or increasing the LTD benefit level additionally require regular full-time employees to submit evidence of good health at their expense and approval by the Plan Administrator
  - The disability is not caused by participation in an assault, crime or illegal occupation, an intentionally self-inflicted injury, war or act of war
  - The disability does not result from Pre-existing Conditions that existed within ninety (90) days before the date LTD coverage began. Coverage for Pre-existing Conditions begins twelve (12) months after the coverage effective date.
  - The contributions are continuously paid following enrollment
2. The cost of the LTD plan coverage will be paid by the employee. Contributions for coverage may change from time to time. Should this occur, the Company agrees to notify the Union in writing, within fifteen (15) calendar days prior to the date of modification, specifying the cause for any change in the contribution rate.
3. The LTD plan shall pay monthly benefits as follows:
  - Up to 50% of the employee's basic monthly earnings, up to a maximum of \$3,000 per month, or
  - Up to 60% of the employee's basic monthly earnings, up to a maximum of \$5,000 per month

Monthly benefits shall be coordinated and reduced by any amount received by Worker's Compensation (or its equivalent), primary and dependent disability or retirement benefits from Social Security, payments under any other State or Federal disability benefits law, GTE pension plan (if applicable), Company-provided salary continuation plan (ISP, layoff allowances) or any other plan which provides income benefits.

- A. The employee must apply for primary and dependent (if applicable) Social Security disability benefits.
  - B. Plan benefits are not payable for any period of disability during which the employee refuses or fails to apply for Social Security disability benefits or to appeal any denied claim for Social Security benefits.
4. Benefits will be paid, provided the Plan is in force, if eligible employees have been continuously and totally disabled, under the care of a physician and absent from work for twenty-six (26) weeks or if the disability has resulted in twenty-six (26) weeks of absence during a period of fifty-two (52) consecutive weeks and the eligible employees have been under the care of a physician.
- Monthly benefits will be paid for eighteen (18) months, if the disability prevents eligible employees from performing their regular work or an alternative occupation with similar earning potential
  - Monthly benefits will be paid following this eighteen (18) month period, if the disability prevents eligible employees from performing any work for which they are otherwise qualified to perform
  - If eligible employees become disabled prior to age sixty (60), benefits will be paid up to their 65th birthday
  - If eligible employees become disabled on or after age sixty (60), benefits will be paid according to the following schedule:

<u>Age of Disability</u>	<u>Benefits Paid to Age</u>
60	65
61	66
62	67
63	68
64	69
65	70
66	70
67	70
68	71
69	72

<u>Age of Disability (con't)</u>	<u>Benefits Paid to Age (con't)</u>
70	72
71	72.5
72	73.5
73	74.5
74	75.5
75+	For 1 year

- Disabilities as a result of a mental health disorder, alcoholism or drug addiction, will generally result in monthly LTD benefits for no longer than twelve (12) months.
5. During the period LTD benefits are paid, eligible employees will continue to receive life, medical and dental insurance coverage in accordance with the Collective Bargaining Agreement between Verizon California Inc. and Communications Workers of America. If an employee who is receiving LTD benefits becomes eligible for Medicare, they will be required to enroll in a medical plan that coordinates with Medicare. Accredited Service will be applied toward eligible employees' pension calculations until the disability benefits end or the eligible employee retires, quits or dies.
  6. The amount and availability of benefits under the LTD Plan are governed by the provisions of the Plan and the insurance contract. Any benefits received will be determined under the terms of the Plan in effect at the time eligible employees receive the benefits in question. The operation and administration of the LTD Plan, selection of the insurance carrier, eligibility for the benefits, cost of coverage, eligibility requirements, all terms and conditions related thereto and the resolution of any disputes involving the terms, conditions, interpretation, administration or benefits payable shall rest with the Company and shall not be subject to the grievance or arbitration procedures set forth in the Collective Bargaining Agreement.
  7. This Memorandum of Agreement is effective on March 10, 2013 and shall expire on March 4, 2017. The parties specifically agree that the terms and conditions set forth in this Memorandum of Agreement, relating to the Long-Term Disability Plan, shall terminate on March 4, 2017 and shall not survive the expiration of this Memorandum of Agreement, unless agreed to by the parties in writing.

**MEMORANDUM OF AGREEMENT**  
**LONG TERM DISABILITY (LTD) WAITING PERIOD**

Effective January 1, 2008, Verizon National Buried Service Wire Group agrees to make available a Long Term Disability Waiting Period for employees who are approved for disability beyond the length of short-term disability benefits available under Article 8, are currently enrolled in LTD, and have applied for LTD.

During the LTD Waiting Period, employees will receive benefits provided to active employees, accredited service, and seniority.

This Memorandum of Agreement is effective on March 10, 2013 and shall expire on March 4, 2017. The parties specifically agree that the terms and conditions set forth in this Memorandum of Agreement shall also terminate on March 4, 2017 and shall not survive the expiration of this Memorandum of Agreement unless agreed to by the parties in writing.

**MEMORANDUM OF AGREEMENT**  
**LUMP SUM PAYMENT OPTION**

Verizon California Inc. and Communications Workers of America agree to continue the lump sum payment option under the Plan for Hourly Employees' Pensions (hereinafter referred to as the Plan).

Regular employees, who are eligible to receive a single life annuity from the Plan, will be provided a lump sum payment option, which will be based on the present value of their single life annuity.

The amount and availability of benefits under the Plan are governed by the provisions of the Plan and subject to the Internal Revenue Code and related regulations. Any payments received will be determined under the terms of the Plan in effect at the time regular employees receive the payments in question. The operation and administration of the Plan, the calculation of the lump sum benefit, eligibility requirements, all terms and conditions related thereto and the resolution of any disputes involving the terms, conditions, interpretation, and administration of the Plan shall rest with the Company and shall not be subject to the grievance or arbitration procedure set forth in the Collective Bargaining Agreement.

This Memorandum of Agreement is effective on March 10, 2013, and shall expire on March 4, 2017. The parties specifically agree that the terms and conditions set forth in this Memorandum of Agreement, relating to the lump sum payment option, shall terminate on March 4, 2017, and shall not survive the expiration of this Memorandum of Agreement, unless agreed to by the parties in writing.



**MEMORANDUM OF AGREEMENT**  
**MEDICAL BENEFITS 'OPT-OUT' CREDIT AND SPOUSAL SURCHARGE**

The following options are available to employees and their eligible dependents pertaining to enrollment in a Company-sponsored medical plan or HMO:

1. In situations where employees elect to cover their spouse where the spouse is eligible for medical coverage from another employer, the spouse's medical plan is considered primary and the employee's plan is considered secondary. In this situation no additional employee contribution is applicable.
2. In situations where employees elect not to enroll themselves and their eligible dependents in a Verizon Company-sponsored medical plan or HMO, the employee is eligible for an annual "opt-out" credit of seven hundred dollars (\$700).
3. In situations where employees elect not to enroll their spouse in a Verizon Company-sponsored medical plan or HMO, the employee is eligible for an annual opt-out credit of three hundred fifty dollars (\$350).

Note: The credits described in paragraphs 2 and 3 may be prorated and will be given to the employee over twelve (12) months on his/her bi-weekly paycheck. In order to be eligible for this credit, the employee may be required to provide satisfactory evidence of medical coverage upon request.

4. In situations where employees elect to cover their spouse where the spouse is also eligible for medical coverage from his/her employer and does not enroll in that medical plan, a 'spousal surcharge' shall apply.
  - a. The spousal surcharge shall apply to all medical plan options.
  - b. The spousal surcharge of \$40 per month will be deducted from the employee's bi-weekly paycheck.
  - c. The spousal surcharge shall not apply:
    - In a plan year in which the spouse's gross base wage rate on an annualized basis of the previous July 1 from his/her employer who provides medical coverage is \$25,000 or less, or
    - If the spouse's annual individual premium contributions would be \$900 or more under his/her employer's plan.
  - d. In situations where both the employee and the spouse are eligible for enrollment in a Verizon medical plan based upon their employment status:
    - The spousal surcharge shall not apply if both spouses are Verizon associates.
    - The spousal surcharge shall apply if one spouse is an associate and one spouse is eligible for Verizon

management medical options and coverage under the associate medical option is elected for the spouse who is eligible for Verizon management medical options.

This Memorandum of Agreement is effective on March 10, 2013 and shall expire on December 31, 2013. The parties specifically agree that the terms and conditions set forth in this Memorandum of Agreement shall terminate on December 31, 2013 and shall not survive the expiration of this Memorandum of Agreement, unless agreed to by the parties in writing.

**MEMORANDUM OF AGREEMENT**  
**OTHER MEDICAL OPTIONS**

1. The Communications Workers of America designate the following Other Medical Options (HMOs, EPOs, or any other non-sponsored medical option) for the employees it represents at Verizon California Inc.:

National EPO West  
HealthNet  
Kaiser Permanente

2. At such a time as it may be necessary to add or delete from the above mentioned list the Company will, consistent with the rights and obligations set forth in Paragraph 2 of the Healthcare Contributions MOA, consult with the CWA before making such changes.
3. This Memorandum of Agreement is effective on March 10, 2013 and shall expire on March 4, 2017. The parties specifically agree that the terms and conditions set forth in this Memorandum of Agreement, including the Comprehensive Medical Plan, shall also terminate on March 4, 2017, and shall not survive the expiration of this Memorandum of Agreement unless agreed to by the parties in writing.

**MEMORANDUM OF AGREEMENT**  
**PENSION BENEFITS**

The GTE California Incorporated Plan for Hourly-Paid Employees' Pensions, which is now component of the Verizon Pension Plan for Associates, will be amended with respect to associates covered by this 2013 MOA, as follows:

1. Any associate who is first hired as a union-represented associate on or after November 24, 2013 ("Pension New Hire") will not be eligible to participate in the Pension Plan. Any associate who returns from layoff on or after November 24, 2013 pursuant to contractual recall rights, other than a Pension New Hire, will be eligible to continue participation in the Pension Plan as of

the date of recall, subject to the Pension Plan changes described in this MOA.

2. Pension benefits will be subject to a transition on March 1, 2014 (“Transition Date”), as described below in paragraphs a, b (if applicable), c (if applicable), d (if applicable) and e (if applicable).
  - a. An associate’s pension until the Transition Date will be referred to as the “A” benefit. The A benefit will be calculated and frozen based on the pension formula and the associate’s service and compensation, all in effect as of the Transition Date. Immediately after the Transition Date, eligible associates will continue to earn pension benefits. The benefits earned after the Transition Date will be referred to as the “B” benefit. The B benefit will be calculated based on (i) an associate’s eligible service after the Transition Date, and (ii) an associate’s applicable compensation under the pension formula frozen as of the Transition Date. The 2% increase in the basic wage rate scheduled for March of 2014 will be deemed to be in effect January 1, 2014 for the sole purpose of determining the basic wage rate component of an associate’s applicable compensation under the pension formula frozen as of the Transition Date. This 2% adjustment will increase an associate’s applicable compensation under the pension formula frozen as of the Transition Date with respect to both the “A” and the “B” benefit. For promotions after the Transition Date, there will be a special rule for both the “A” and the “B” benefit. If an associate is promoted to a higher wage schedule after the Transition Date and during the remaining term of this Pension Benefits Memorandum of Agreement, then once the associate has remained in that higher wage schedule for 24 months following the effective date of the promotion, the associate’s applicable compensation under the pension formula frozen as of the Transition Date will be increased by 6%.
  - b. Special Rule for Associates with Fewer Than 60 Months of Pension Compensation as of the Transition Date. For associates with fewer than 60 months of pension compensation as of the Transition Date, the calculation of the frozen compensation under the pension formula will be subject to a special rule for both “A” and “B” benefit. The frozen pension compensation will be calculated effective as of the Transition Date by recognizing (i) scheduled progression increases in the basic wage rate under the applicable wage progression schedule and (ii) the monthly average of the applicable pension compensation (exclusive of basic wages) as of the Transition Date. With respect to both (i) and (ii) in the preceding sentence this special rule will only apply for the period of time necessary to permit each associate covered by this special rule to have 60 months of pension compensation. Other than the adjustments in (i) and (ii), this calculation will not take into account scheduled annual general wage increases or any other items of actual compensation (e.g., sales bonuses and commissions, any before tax contributions made to a 401(k) plan and any team-oriented short-term incentives) on or after the Transition Date.

- c. The associates identified on the attachment hereto, all of whom have more than 60 months of pension compensation but are expected to be in the wage progression schedule as of the Transition Date, will be subject to a special "roll forward" determination of their frozen pension compensation as of the Transition Date. The frozen pension compensation will be calculated effective as of the Transition Date by recognizing (i) scheduled progression increases in the basic wage rate under the applicable wage progression schedule until the end of the month in which the associate has attained the highest wage progression and (ii) the monthly average of the applicable pension compensation (exclusive of basic wages) as of the Transition Date for the same months to which the roll forward in (i) applies. With respect to both (i) and (ii) in the preceding sentence, this special roll forward determination will only apply until the end of the month in which each associate covered by this special determination attains the highest wage progression in the applicable wage progression schedule, and then that month will define the end of the 60 months of pension compensation for the associate. This calculation of the frozen compensation under the pension formula will be used for both the "A" and "B" benefit in paragraph 2(a) above. Other than the adjustments in (i) and (ii), this calculation will not take into account scheduled annual general wage increases or any other items of actual compensation (e.g., sales bonuses and commissions, any before tax contributions made to a 401(k) plan and any team-oriented short-term incentives) on or after the Transition Date.
- d. Contingent upon ratification on or before November 20, 2013 of the 2013 Proposal for Settlement the following will apply. There will be a special imputed compensation calculation for associates participating in the Sales Incentive Compensation Program, with respect to the calculation of their frozen compensation under the pension formula as of the Transition Date. (This special calculation will not affect actual payments under the Sales Incentive Compensation Program.) The frozen pension compensation will be calculated effective as of the Transition Date by comparing (x) all of an associate's actual pension compensation under the Sales Incentive Compensation Program within the 60 months preceding the Transition Date and (y) imputed pension compensation for the same period of time under the Sales Incentive Compensation Program at an assumed attainment of 100% of the applicable targets for that associate under the Sales Incentive Compensation Program until the Transition Date. The better of (x) and (y) in the prior sentence will be used for each associate in calculating the associate's frozen pension compensation as of the Transition Date. If an associate is subject to either paragraph 2(b) or 2(c) above, the calculation under this section 2(d) will be undertaken first. Then the calculation under paragraph 2(b) or 2(c) will be undertaken, inclusive of any favorable adjustment to an associate resulting from this paragraph 2(d). That calculation will be the frozen pension compensation amount as of the Transition Date which will then be used for both the "A" and "B" benefit in paragraph 2(a) above.
- e. Also contingent upon ratification on or before November 20, 2013 of the

2013 Proposal for Settlement the following will apply. For associates eligible for awards under the Team Performance Award, the Team Incentive Plan or the LiveSource Incentive Compensation Plan, actual awards under these three plans after the Transition Date will be considered in determining an associate's frozen pension compensation amount as of the Transition Date, if any such actual award would increase that component of an associate's frozen pension compensation amount as of the Transition Date. Any adjustment under this paragraph (e) to an associate's frozen pension compensation amount as of the Transition Date will then be used for both the "A" and "B" benefit in paragraph 2(a) above.

Except as noted above, this Memorandum of Agreement is effective on March 10, 2013 and shall expire on March 4, 2017 and shall not survive the expiration of the Memorandum of Agreement unless agreed to by the parties in writing.

**MEMORANDUM OF AGREEMENT  
PENSION PLAN – PENSION MINIMUMS**

1. Verizon California Inc. and Communications Workers of America agree to the provisions of the GTE California Incorporated Plan for Hourly Paid Employees' Pensions ("Pension Plan"), which is now a component of the Verizon Pension Plan for Associates, subject to certain changes set forth in 2013 bargaining agreements between the parties.
2. Subject to the new Memorandum of Agreement entitled PENSION BENEFITS, dated March 10, 2013, the following provisions continue to be in place:

<u>Years of Accredited Service</u>	<u>Annual Minimum Pension</u>
40 or more years	\$13,700
35 but less than 40 years	\$12,000
30 but less than 35 years	\$10,400
25 but less than 30 years	\$ 8,700
20 but less than 25 years	\$ 7,000
15 but less than 20 years	\$ 5,500

3. This Agreement shall become effective as of March 10, 2013, and shall remain in effect until midnight, March 4, 2017, and shall automatically continue in full force and effect thereafter until terminated, or amended, in accordance with regularly scheduled bargaining related to contract expiration or the following procedure or paragraph 4 below:

If this Agreement is to be terminated, a written notice must be sent by either party to the other not less than sixty (60) days prior to any date thereafter on which such cancellation is to become effective.

- 4 This Agreement may be amended or modified by either party giving written notice to the other of such desire to so amend or modify at least sixty (60) days and not more than ninety (90) days prior to the termination date set forth above. The written notice shall contain a full statement as to the amendments or modifications desired.

**MEMORANDUM OF AGREEMENT**  
**PENSION PLAN SURVIVOR BENEFITS**

1. Verizon National Buried Service Wire Group and the Communications Workers of America agree to modify the Plan for Hourly Employees' Pensions. Such modifications are subject to approvals by the Company's Board of Directors and the United States Department of the Treasury. Therefore, the modifications will be contingent upon receipt of necessary approvals, and the effective date will be the earlier of January 1 or July 1 following six months after this Memorandum of Agreement is signed. **This MOA shall not apply to employees identified as Pension New Hires in the Pension Benefits MOA dated March 10, 2013.**
2. Specific language will be prepared to modify the present Plan for Hourly Employees' Pensions to provide a survivor benefit to an employee who is actively employed on the effective date and who is vested in the Plan.
3. For married employees, the spouse will automatically be considered the beneficiary. However, subject to the requirements regarding non-spouse beneficiaries and with spousal consent, a married employee may name a beneficiary other than the spouse. For unmarried employees, a valid beneficiary designation must be on file for the pre-retirement survivor benefit to be paid. A single individual must be named as beneficiary; an estate or trust may not be named, nor may multiple individuals.
4. Subject to the small benefits provision contained in the Plan, the survivor will have the option of choosing between a 50% survivor annuity or the lump sum equivalent in the event of the death of the employee.
5. If a vested employee terminates employment on or after the effective date, the named survivor will be eligible for the survivor pension payable on the date the employee would have reached the age 65. An actuarially reduced benefit may be payable before age 65 if the vested employee would have been eligible for an earlier commencement.
6. This Memorandum of Agreement is effective on March 10, 2013, and shall expire with the applicable telephone company collective bargaining agreement. The parties specifically agree that all the terms and conditions set forth in this Memorandum of Agreement shall also expire with the applicable telephone company collective bargaining agreement and shall not survive the expiration of this Memorandum of Agreement unless agreed to by the parties in writing.

**MEMORANDUM OF AGREEMENT**  
**PERSONAL LINES OF INSURANCE**

1. Verizon California Inc. agrees to continue, without endorsement, the opportunity for regular full-time or part-time hourly employees of the Company who are covered by the Collective Bargaining Agreement to purchase automobile, home and other personal property and casualty insurance through payroll deduction.
2. Personal Lines of Insurance will be administered solely in accordance with its provisions, and no matter concerning Personal Lines of Insurance or any difference arising thereunder shall be subject to the grievance or arbitration procedure of the Collective Bargaining Agreement. The administration of Personal Lines of Insurance and all the terms and conditions relating thereto, and the resolution of any disputes involving the terms, conditions, interpretation, administration, or benefits payable shall be determined by and at the sole discretion of the Insurance Carrier.
3. The Company reserves the right at any time, and from time to time, to modify or amend in whole or part, any and all provisions of the agreement with the Insurance Carrier, to change Insurance Carriers, or to terminate the agreement with the Insurance Carrier.
4. This Memorandum of Agreement is effective on March 10, 2013, and shall expire on March 4, 2017. The parties specifically agree that the terms and conditions set forth in this Memorandum of Agreement, including Personal Lines of Insurance, shall also terminate on March 4, 2017, and shall not survive the expiration of this Memorandum of Agreement unless agreed to by the parties in writing.

**MEMORANDUM OF AGREEMENT**  
**PRESCRIPTION PLAN:**  
**MAIL ORDER PRESCRIPTION PLAN (MOPP)**

1. Effective July 1, 2005, Verizon California Inc. and Communications Workers of America agree to extend the provisions of the Mail Order Prescription Plan (MOPP) to employees and their eligible dependents enrolled in the sponsored Medical Plan.
2. Employees and dependents currently covered under the sponsored medical plan will be eligible to participate in the Mail Order Prescription Plan. Once employees (who are covered under the sponsored medical plan) retire, they and their eligible dependents may continue to participate in this Mail Order Prescription Plan on the same basis as active employees. MOPP is not available to participants in Health Maintenance Organizations (HMO's).
3. MOPP will be administered solely in accordance with its provisions, and no matter concerning MOPP or any difference arising thereunder shall be subject to the grievance or arbitration procedure of the Collective Bargaining Agreement. The selection of the MOPP Carrier, the administration of MOPP and all of the terms and conditions relating thereto, and the resolution of any disputes involving the terms, conditions, interpretation, or administration shall be determined by and at the sole discretion of the Company.
4. The Company shall have the right to amend MOPP in any way, including the selection of the MOPP Carrier. However, any amendment diminishing the level of benefits contained in this Memorandum of Agreement or increasing the cost per prescription to the employee/dependent will be limited to those changes applicable to salaried employees.
5. This Memorandum of Agreement is effective on March 10, 2013, and shall expire on March 4, 2017. The parties specifically agree that the terms and conditions set forth in this Memorandum of Agreement, including the Mail Order Prescription Plan, shall also terminate on March 4, 2017, and shall not survive the expiration of this Memorandum of Agreement unless agreed to by the parties in writing.



**MEMORANDUM OF AGREEMENT**  
**PRESCRIPTION PLAN:**  
**PRESCRIPTION IDENTIFICATION CARD (PIC)**

1. Verizon California Inc. and Communications Workers of America agree to offer the Prescription Identification Card, effective July 1, 2005, for employees and their eligible dependents enrolled in the sponsored medical plan.
2. Once employees who are covered by the sponsored medical plan retire, they and their eligible dependents may continue to participate in this PIC plan on the same basis as active employees. PIC is not available to participants in Health Maintenance Organizations (HMOs).
3. PIC will be administered solely in accordance with its provisions and no matter concerning PIC or any difference arising thereunder shall be subject to the grievance or arbitration procedure of the Collective Bargaining Agreement. The selection of the PIC carrier, the administration of PIC and all of the terms and conditions relating thereto, and the resolution of any disputes involving the terms, conditions, interpretation, or administration shall be determined by and at the sole discretion of the Company.
4. The Company shall have the right to amend PIC in any way, including the selection of the PIC carrier. However, any amendment diminishing the level of benefits contained in this Memorandum of Agreement or increasing the cost per prescription to the employee/dependent will be limited to those changes applicable to salaried employees.
5. This Memorandum of Agreement is effective on March 10, 2013, and shall expire on March 4, 2017. The parties specifically agree that the terms and conditions set forth in this Memorandum of Agreement, including the Prescription Identification Card, shall also terminate on March 4, 2017, and shall not survive the expiration of this Memorandum of Agreement unless agreed to by the parties in writing.

**MEMORANDUM OF AGREEMENT**  
**STAFFING ACTIVITY REPORT**

The parties agree to the following regarding union notification of staffing activity in compliance with Article 34, section 3.2:

The company will provide the CWA District office with a report with the required staffing activity details on each closed job requisitions by the 25th of the month after the staffing is complete and the requisition(s) is closed.

This Memorandum of Agreement is effective on March 10, 2013 and shall expire on March 4, 2017. The parties specifically agree that the terms and conditions set forth in this Memorandum of Agreement shall also terminate on March 4, 2017 and shall not survive the expiration of this Memorandum of Agreement unless agreed to by the parties in writing.

**MEMORANDUM OF AGREEMENT**  
**SUPPLEMENTAL TERM LIFE INSURANCE**

1. Verizon California Inc. agrees to make available, without endorsement, the opportunity for employees to enroll in Supplemental Term Life Insurance.
2. For a summary of details refer to the Life Insurance Summary Plan Description (SPD).
3. Supplemental Term Life Insurance will be administered solely in accordance with its provisions, and no matter concerning Supplemental Term Life Insurance or any difference arising thereunder shall be subject to the grievance or arbitration procedure of the Collective Bargaining Agreement. The administration of Supplemental Term Life Insurance and all the terms and conditions relating thereto, and the resolution of any disputes involving the terms, conditions, interpretation, administration, or benefits payable shall be determined by and at the sole discretion of the Insurance Carrier.
4. This Memorandum of Agreement is effective on March 10, 2013, and shall expire on March 4, 2017. The parties specifically agree that the terms and conditions set forth in this Memorandum of Agreement, including Supplemental Term Life Insurance, shall also terminate on March 4, 2017, and shall not survive the expiration of this Memorandum of Agreement unless agreed to by the parties in writing.

**MEMORANDUM OF AGREEMENT**  
**SURVIVOR BENEFIT - MEDICAL CONTINUATION**

An eligible surviving spouse, registered domestic partner, and dependent(s) of an active employee who participate in a Verizon medical plan, shall be provided medical coverage continuation at no charge for twenty-four (24) months following the death of the employee.

This Memorandum of Agreement shall be effective March 10, 2013, and shall expire on March 4, 2017. The parties specifically agree that the terms and conditions set forth in this Memorandum of Agreement shall also terminate on March 4, 2017, and shall not survive the expiration of this Memorandum of Agreement unless agreed to by the parties in writing.

**MEMORANDUM OF AGREEMENT**  
**TEAM INCENTIVE PLAN**

1. Verizon National Buried Service Wire Group and Communications Workers of America agree to implement the team incentive plan set forth in this Memorandum of Agreement.
2. For a summary of details, refer to the attachment entitled "Team Incentive Plan".
3. This Memorandum of Agreement is effective on March 10, 2013 and shall expire on March 4, 2017. The parties specifically agree that the terms and conditions set forth in this Memorandum of Agreement shall also terminate on March 4, 2017 and shall not survive the expiration of this Memorandum of Agreement unless agreed to by the parties in writing.

**TEAM INCENTIVE PLAN**

1. Verizon National Buried Service Wire Group and Communications Workers of America agree to implement a team incentive plan, which will provide participating employees the opportunity to earn additional compensation based upon predetermined objectives and result measurements identified by the company.
2. **ELIGIBILITY**

All regular full-time, regular part-time and seasonal hourly employees are eligible to receive an incentive payment if they are on a designated team for 30 calendar days or more.

3. **INCENTIVE PAYMENTS**

Incentive payments will be based on year end results of those objectives identified by the company.

The range of the incentive payment is as follows:

The target payout will be \$275 annually payable in March of the following year. The payout range is 0% to 120% of target based on achievement of objective results. The maximum payout will be capped at 120% of target.

Employees transferring between or changing teams for any reason during the year will receive an incentive payment based upon the team in which they reside at the end of the Incentive Plan year. Incentive payments will not be prorated based on time spent with each team.

An employee who is hired, laid off, dies, retires, or transfers to another Verizon organization during the Incentive Plan year is eligible for a prorated incentive payment if all other eligibility requirements have been met.

An employee who resigns or is terminated during the Incentive Plan year will not be eligible for a prorated payout.

Employees on approved military leave of absence who have one year or more of service will be given up to three months of credit toward the incentive payment. Employees on any other unpaid leave will have cumulative leave time excluded from incentive computation.

4. BENEFITS TREATMENT

Incentive Plan payments are recognized in the calculation of Pension Plan benefits and the Hourly Savings Plan. Such payments will be applicable in the year payment is received. This is in accordance with Verizon benefit plan definitions.

All other benefits are in accordance with the collective bargaining agreement and are based on rates shown in the hourly wage schedules.

5. TAXES, PERSONAL ALLOTMENT

Deductions for federal, state, and local tax liabilities will be made in accordance with lump sum distribution tax laws.

Personal allotments such as savings bonds and United Way contributions will not be made. Applicable union dues will be deducted from Team Incentive Plan payouts in accordance with standard payroll procedures.

6. OVERTIME PAYMENT DETERMINATION

Incentive dollars are payment for hours worked and must be included in the regular rate for overtime payment purposes.

The overtime payment will be calculated as follows:

Incentive dollars paid divided by total hours worked x .5 x number of overtime hours in the same period of time for which the incentive dollars were paid.

Example Calculation:

Incentive Award	\$275.00	÷
Total Hours Worked	1,880	=
Incentive Hourly Rate	\$0.1463	x
½ Overtime Rate	0.5	=
Hourly Overtime Rate of Pay	\$0.0731	x
Total Overtime Hours	100	=
Incentive Overtime Payment	\$7.31	

The incentive overtime payment is not included in benefit plan calculations.

The incentive overtime payment will be paid at the same time as the award payout.

7. OBJECTIVES/MEASURES

All hourly employees will normally be assigned to teams based on their functional area of responsibility. Teams may consist of a few employees or many.

Each team will be given a set of objectives linked to, but not limited to, one or more performance areas to be determined by the company.

Teams that achieve minimum level results will receive an incentive payout. If the minimum level is exceeded, the payout will be larger. An example would be as follows.

<u>Results</u>	<u>Percent Target Award</u>
Below Minimum	0%
Minimum to Target	80-99% of weighted amount
Target	100% of weighted amount
Over Target to Maximum	101-120% of weighted amount

8. The Company reserves the right to establish objectives and determine performance results. The objectives, the performance results, or any part of the Incentive Plan shall not be subject to the grievance or arbitration provisions of the Collective Bargaining Agreement.

9. MODIFICATION OF THE INCENTIVE PLAN

Verizon may at any time modify, in part or in whole, the Incentive Plan. Any modification shall not affect awards already earned under this plan.

10. TERMINATION OF THE INCENTIVE PLAN

The suspension or termination must be by mutual agreement of the parties.

**MEMORANDUM OF AGREEMENT**  
**VACATION DONATION**

The Company and the Union agree to permit employees, on a trial basis to donate their vacation time to their coworkers subject to the following guidelines:

1. The need to receive donated vacation time must be related to the catastrophic illness or injury of the employee or a member of their immediate family as defined in Article 32, Section 3.2.1 or due to an unexpected dire situation.
2. Employees must exhaust all eligible paid time prior to utilizing donated vacation.
3. The maximum number of donated vacation days an employee can receive is twenty days, unless expanded by mutual agreement.
4. Each employee may donate up to five vacation days. Donating employees must be from the same department as the receiving employee.
5. Once the Company determines that an employee's situation qualifies to receive donated vacation, the Department Manager and local Union Representative will let employees know about the option to donate a vacation day(s) to their coworker. The situation should be handled as discreetly as possible to avoid embarrassment to the employee in need and to avoid coworkers feeling obligated to donate their time.
6. The employee in need cannot personally solicit other employees to donate their vacation.
7. None of the provisions of this agreement are subject to the grievance or arbitration process.
8. This agreement can be cancelled by either party with 30 days notice.

This Agreement is effective March 10, 2013 and shall remain in effect up to and including March 4, 2017. The parties specifically agree that the terms and conditions set forth in this Memorandum of Agreement shall also terminate on March 4, 2017 and shall not survive the expiration of this Memorandum of Agreement unless agreed to by the parties in writing.

**MEMORANDUM OF AGREEMENT**  
**VISION PLAN**

Verizon California Inc. and the Communications Workers of America agree to implement the provisions of the Vision Plan as set forth in this Memorandum of Agreement. .

For a summary of details, refer to the attachment entitled Vision Plan Highlights.

Some of the major provisions include:

- No annual deductible.
- Eye exam every twelve (12) months.
- One pair of prescription eyeglasses or contact lenses every twelve (12) months

Employees are automatically eligible for the Vision Plan after enrollment in any Verizon medical option. If the employee should waive Verizon medical coverage, the employee will not be enrolled in the Vision Plan.

The cost of the Vision Plan coverage will be paid by the Company.

The amount and availability of benefits under the Vision Plan are governed by the provisions of the Plan and the insurance contract. Any benefits received will be determined under the terms of the Plan in effect at the time eligible employees receive the benefits in questions. The operation and administration of the Vision Plan, selection of the insurance carrier, eligibility for benefits, eligibility requirements, all terms and conditions related thereto and the resolution of any disputes involving Vision Plan terms, conditions, interpretation, administration or benefits payable, shall rest with the Company and shall not be subject to the grievance or arbitration procedures set forth in the Collective Bargaining Agreement.

This Memorandum of Agreement is effective on March 10, 2013, and shall expire on March 4, 2017. The parties specifically agree that the terms and conditions set forth in this Memorandum of Agreement including the Vision Plan shall also terminate on March 4, 2017, and shall not survive the expiration of this Memorandum of Agreement unless agreed to by the parties in writing.

## VISION PLAN HIGHLIGHTS

Feature	Participating Provider	Non-participating Provider
Annual Deductible	None	None
Eye Exam (Once every 12 months)	You pay the network provider a \$25 copay  No claim filing is required.	You pay the expense in full and file a claim with EyeMed.  The Plan reimburses you up to \$42.
Lenses* (Once every 12 months)*	You pay the network provider \$0 co-pay for just lenses.	You pay the expense in full and file a claim with EyeMed.  The Plan reimburses you after copay as follows:  Single vision – up to \$40 Bifocal – up to \$60 Trifocal – up to \$80 Lenticular – up to \$125
Standard Progressive Lens	\$65 co-pay	Plan reimburses up to \$60
Premium Progressive Lens	20% off retail price, then apply a \$55 allowance, and you pay the remaining amount.	Plan reimburses up to \$60
Frames* (Once every 12 months)*	\$0 copay, \$115 allowance, then 20% off balance over \$115, and you pay the remaining amount.	Reimbursement up to \$45. You pay the expense in full and file a claim with EyeMed.
Contact Lenses (Once every 12 months – allowances cover material only)*		You pay the expense in full and file a claim with EyeMed.
	Conventional: \$0 Co-pay, \$105 allowance, then 15% off balance over \$105 and you pay the remaining amount	The plan reimburses you up to \$105 after co-pay
	Disposable: \$0 Co-pay, \$105 allowance	The plan reimburses you up to \$105 after co-pay
	Medically Necessary: \$0 Co-pay, plan pays in full	The plan reimburses you up to \$210
Laser Vision Correction	Discounts available.	No discounts available.

\* Limited to one pair of prescription eyeglasses or one pair of prescription contact lenses every twelve (12) months.



**MEMORANDUM OF AGREEMENT**  
**VOLUNTARY TERMINATION BONUS**

Verizon California Inc. and the Communications Workers of America agree to the following:

1. Any employee who makes a voluntary election to leave the service of the Company pursuant to an Income Security Plan offer made during the life of this agreement and who does separate from the Company pursuant to that offer shall receive a Voluntary Termination Bonus consisting of, as applicable:
  - A lump-sum payment of \$10,000, less taxes and withholdings, in addition to the ISP for which the employee is otherwise eligible; and,
  - For those not otherwise eligible, six months of continuation medical coverage under the terms of the plan and the employee's coverage in effect at the time of separation.
2. No matter concerning the Voluntary Termination Bonus or differences arising thereunder shall be subject to the grievance or arbitration procedure set forth in the Collective Bargaining Agreement.
3. This Memorandum of Agreement is effective on March 10, 2013, and shall expire on March 4, 2017. The parties specifically agree that all the terms and conditions set forth in this Memorandum of Agreement shall also expire on March 4, 2017, and shall not survive the expiration of this Memorandum of Agreement, unless agreed to by the parties in writing.

MEMORANDUM OF AGREEMENT  
between  
THE VERIZON/GTE COMPANIES  
and  
COMMUNICATIONS WORKERS OF AMERICA (CWA)

WHEREAS the Communications Workers of America, AFL-CIO (hereafter "CWA" or "the Union"), and Verizon Communications companies, which were subsidiaries of the former GTE Corporation (hereafter the "Verizon/GTE Companies" or "the Companies" or "the Company"), have collective bargaining relationships throughout the United States;

NOW THEREFORE THE VERIZON/GTE COMPANIES AND CWA agree as follows:

1. Understandings set forth in Exhibits I through X as listed below become effective August 1, 2013, according to their terms. These Agreements shall supersede or replace existing provisions and shall be deemed to be incorporated into the existing Collective Bargaining Agreements between the Verizon/GTE Companies and their CWA bargaining units except where the included companies or bargaining units may be expressly limited by the Understandings.

Exhibits I through X are:

Exhibit I	Domestic Partner Benefits
Exhibit II	Education And Life-Long Learning
Exhibit III	Holidays <b>(not applicable to Buried Service Wire)</b>
Exhibit IV	Hourly Savings Plan (HSP)
Exhibit V	Hourly Savings Plan Match
Exhibit VI	Neutrality And Consent Elections
Exhibit VII	Union Leave Of Absence
Exhibit VIII	Vacation Carry Forward (Banking)
Exhibit IX	Service and Seniority Recognition
Exhibit X	Commuter Advantage Program

2. These provisions shall be effective on August 1, 2013. The parties specifically agree that the terms and conditions set forth in Exhibits I through X shall terminate on July 31, 2017, or as otherwise extended and agreed in writing by the parties. If, however, the parties do not reach agreement on successors to Exhibits I through X, they shall renew for one year.
3. A successor agreement to Exhibit VII Vacation Carry Forward (Banking) was not agreed to, therefore, this agreement shall renew for one year and shall terminate on July 31, 2014.

Exhibit I

**MEMORANDUM OF AGREEMENT**  
**DOMESTIC PARTNER BENEFITS**

WHEREAS the Communications Workers of America, AFL-CIO (hereafter "CWA" or "the Union"), and Verizon Communications companies, which were subsidiaries of the former GTE Corporation (hereafter the "Verizon/GTE Companies" or "the Companies" or "the Company"), have collective bargaining relationships throughout the United States;

NOW THEREFORE THE VERIZON/GTE COMPANIES AND CWA agree as follows:

1. The Company and the Union agree to extend benefits, as set forth below, to employees' domestic partners and children of domestic partners.
2. Employees may elect health and welfare benefits coverage of domestic

partners and children of domestic partners as described below. Employees who have been (or will be) identified by the Company as employed as part of an operation that is to be divested as part of former GTE's Video Services/Media Ventures Repositioning program are excluded from this Memorandum of Agreement.

3. The Company and the Union agree that a domestic partner of an employee will be eligible for health and welfare benefits only if the employee and the domestic partner meet one of the following relationship categories: (A) same-sex marriage, (B) same-sex domestic partnership by governmental registration, (C) same-sex domestic partnership by "company registry," or (D) a limited exception for opposite-sex partners in California or as notified by Verizon due to equal benefits ordinance, as described below:
  - A. Same-sex marriage. The employee and the domestic partner have entered into a valid, same-sex marriage recognized under the laws of the state in which they currently reside. If the employee and domestic partner move to a state that does not recognize same-sex marriage, the employee will need to (1) register his or her same-sex domestic partnership by government registration, or (2) satisfy the "company registry" requirements of a same-sex domestic partnership, as explained below.
  - B. Same sex domestic partnership by government registration. The employee and domestic partner have entered into a valid, same-sex domestic partnership registered with a governmental entity under the laws of the state, county or municipality in which they currently reside.
  - C. Same-sex domestic partner by "company registry." The employee and the domestic partner attest they meet all of the following requirements:
    - The employee and the domestic partner are same-sex, adult partners.
    - Neither the employee nor the domestic partner is married or a domestic partner of a third party.
    - Both the employee and the domestic partner are at least eighteen (18) years of age and mentally competent to contract.
    - The employee and the domestic partner are not related by blood to a degree of closeness that would prohibit legal marriage in their state of residence.
    - The employee and the domestic partner live together at the same permanent residence.
    - The employee and the domestic partner are jointly responsible for each other's welfare and basic living expenses.
    - The domestic partner is the employee's sole domestic

partner and intends to remain so indefinitely.

- D. Special rule for opposite-sex partners: Generally, an opposite-sex relationship other than a valid, legal marriage does not meet the domestic partnership requirements. However, an employee may cover an opposite-sex partner if the employee satisfies one of the following requirements:
- California residence: The employee and the domestic partner both reside in the state of California and are registered as domestic partners with the California Secretary of State or with a local government agency that legally recognizes domestic partner relationships through an official registration process; or
  - Equal benefits ordinance. Verizon notifies the employee that he or she is eligible to cover an opposite-sex domestic partner as a result of the company's contractual obligation with a governmental entity with an "equal benefits ordinance" that requires the coverage of an opposite-sex domestic partner. The notification will outline the eligibility requirements that pertain to the particular "equal benefits ordinance."
- E. The employee and the domestic partner agree to notify the Company and any other appropriate party of any changes in the above conditions.
- F. The employee and domestic partner agree to attest verbally, electronically or upon request, in writing, that they both satisfy the eligibility requirements for domestic partnership.
4. The Company and the Union agree that eligibility of children of domestic partners for health and welfare benefits shall be based on the following conditions:
- A. An eligible domestic partner is the natural parent, adoptive parent or legal guardian of the child.
  - B. For purposes of eligibility for health and welfare benefits, the child of a domestic partner may qualify as an eligible dependent child according to the same eligibility terms and conditions as an employee's natural or adoptive child.
5. An employee may elect coverage of a domestic partner and any children of a domestic partner for the following benefits. The amount and

availability of benefits are governed by the provisions of the applicable plan and are subject to the Internal Revenue Code and related regulations.

- A. Medical
  - B. Dental
  - C. Health care continuation coverage
  - D. Flexible Reimbursement Plan Healthcare Reimbursement Account (for IRS Tax Dependents)
  - E. Dependent Care Reimbursement Account (for IRS Tax Dependents)
  - F. Retiree Medical (Domestic Partners and children of Domestic Partners will continue to be limited to those who are covered by the medical plan at the time of the employee's retirement however, a retiree may enroll a new Domestic Partner (or new child of a Domestic Partner) after retirement, so long as the retiree and the Domestic Partner are legally married in a state that permits same-sex marriage. Coverage for the retiree's Domestic partner (and eligible Child of a Domestic Partner) shall apply wherever the legally married Retired Participant and the Domestic partner live.
  - G. Supplemental Term Life
6. Employees are entitled to Bereavement Leave in the event of the death of a domestic partner, children of the domestic partner and other domestic partner family members as specified in the relevant Collective Bargaining Agreement.
7. Family and Medical Leave
- A. Employees are entitled to Family and Medical Leave for the care of a seriously ill child of a domestic partner, subject to general eligibility requirements.
  - B. Employees are entitled to leave equivalent to that provided under the Family and Medical Leave Act for the care of a seriously ill domestic partner, subject to the same general eligibility requirements as are contained in the Family Medical Leave Act. Should there be a change in federal law permitting Family and Medical Leave to be used for the care for a seriously ill domestic partner, then this section 7B shall be null and void.

8. Other benefit programs are also available to domestic partners and/or their children, as applicable. Availability and amount of benefit is governed by the applicable plan or policy.
  - A. Event Travel Expense (one guest accommodated)
  - B. Financial Counseling
  - C. Survivor Support
  - D. Dependent Scholarships (children of domestic partner only)
  - E. Adoption Assistance (employee must be adoptive parent)
  - F. Company Discounts (recipient is employee)
  - G. Childcare Discounts (recipient is employee)
  - H. Employee Assistance Program
  
9. In the event that any of the above Domestic Partner Benefits are found to be discriminatory against non-eligible, unmarried employees in any jurisdiction, then these Domestic Partner Benefits will not be available in that jurisdiction.
  
10. To the extent that the terms of any plan conflict with the provisions of this Memorandum of Agreement, the terms of such plan shall govern. Notwithstanding the foregoing, this Memorandum of Agreement shall constitute part of the plan to which it relates; provided, however, it may be elaborated upon in other plan materials, such as employee bulletins and enrollment materials, by the Company. To the extent that any provision of this Memorandum of Agreement conflicts with any federal, state or local law, the parties agree to discuss the applicability of such federal, state or local law.

**MEMORANDUM OF AGREEMENT  
EDUCATION AND LIFE-LONG LEARNING**

WHEREAS the Communications Workers of America, AFL-CIO (hereafter "CWA" or "the Union"), and Verizon Communications companies, which were subsidiaries of the former GTE Corporation (hereafter the "Verizon/GTE Companies" or "the Companies" or "the Company"), have collective bargaining relationships throughout the United States;

NOW THEREFORE THE VERIZON/GTE COMPANIES AND CWA agree as follows:

The Company and the Union agree to continue joint efforts which allow employees additional opportunities to learn and enhance their knowledge. This includes, but is not limited to, participation in the Verizon Tuition Assistance Plan (VZ TAP) for Associate Employees which includes the 100% prepaid tuition feature. Effective January 1, 2012, there will be a maximum annual Company payment for tuition and fees of \$8,000.

**MEMORANDUM OF AGREEMENT  
HOURLY SAVINGS PLAN (HSP)**

WHEREAS the Communications Workers of America, AFL-CIO (hereafter "CWA" or "the Union"), and Verizon Communications companies, which were subsidiaries of the former GTE Corporation (hereafter the "Verizon/GTE Companies" or "the Companies" or "the Company"), have collective bargaining relationships throughout the United States;

NOW THEREFORE THE VERIZON/GTE COMPANIES AND CWA agree as follows:

1. The Company and the Union will make the Hourly Savings Plan (HSP) available to regular full or part-time hourly employees of the Company who are covered by a Collective Bargaining Agreement.
2. The Company reserves the right at any time, and from time to time, by action of the Board of Directors, to modify or amend in whole or part, any or all of the provisions of the HSP, but no such amendment or modification shall have the effect of reducing the accrued benefits of members, retired members, former members or their beneficiaries or of diverting any part of the Trust Fund to any purpose other than for the exclusive benefit of members, former members, or their beneficiaries and the payment of reasonable HSP administration expenses.
3. The Company reserves the right, by action of the Board of Directors, to

terminate or partially terminate the HSP at any time. Upon termination or partial termination of the HSP or upon the complete discontinuance of contributions under the HSP, the member accounts of the members affected by the termination, partial termination, or complete discontinuance of contributions as the case may be shall be non-forfeitable.

4. The HSP may be merged into or consolidated with another plan, and its assets or liabilities may be transferred to another plan; provided, however, that no such merger, consolidation, or transfer shall be consummated unless each member and beneficiary under the HSP would receive a benefit immediately after the merger, consolidation, or transfer, if the transferee plan then terminated, that is equal to or greater than the benefit he/she would have been entitled to receive immediately before the merger, consolidation or transfer, if the HSP had then terminated.
5. The Company and the Union agree that every provision heretofore contained in this Agreement is contingent upon the Company's receipt of a favorable determination that the HSP, as amended, continues to be qualified under Section 401 (a) et. seq., of the Internal Revenue Code. In the event any recession in the HSP is necessary to obtain or maintain a favorable determination from the Internal Revenue Service, the Company will make the revisions, adhering as closely as possible to the level of benefits contained in the HSP.
6. In the event any portion of this Agreement is determined by a court or government agency to be in violation of existing law or is voided by a change in existing laws, the Company retains the unilateral right to make whatever modifications it deems necessary and appropriate to comply with the law, including the right to rescind the Agreement, if it deems no such modification is feasible. The Company shall have no obligation to bargain or negotiate with the Union in the event that this Agreement is modified or eliminated or in the event the Company does not implement any or all of the provisions of this Agreement because it does not receive Internal Revenue Service approval, any or all of these plans are deemed not qualified, or because of a change in existing laws.
7. The HSP will be administered solely in accordance with its provisions and no matter concerning the HSP or any difference arising thereunder shall be subject to the grievance or arbitration procedure of the Collective Bargaining Agreement but rather shall be governed by the terms and conditions of the HSP and the interpretation of the HSP Committee.



**MEMORANDUM OF AGREEMENT**  
**HOURLY SAVINGS PLAN COMPANY CONTRIBUTIONS**

WHEREAS the Communications Workers of America, AFL-CIO (hereafter "CWA" or "the Union"), and Verizon Communications companies, which were subsidiaries of the former GTE Corporation (hereafter the "Verizon/GTE Companies" or "the Companies" or "the Company"), have collective bargaining relationships throughout the United States;

NOW THEREFORE THE VERIZON/GTE COMPANIES AND CWA agree as follows:

Hourly Savings Plan (HSP) Contributions for non-Pension New Hires

For eligible associates covered by this Agreement other than "Pension New Hires" as defined below, the Company and the Union agree to continue the company matching contribution of 82 cents for every \$1 contributed by the employee, up to a maximum of six percent of pay, to the Hourly Savings Plan (HSP).

HSP Contributions for Pension New Hires

The following provisions apply only to associates who are covered by this Agreement, who are first hired as union-represented associates on or after August 1, 2013, and who are not eligible to earn pension benefits ("Pension New Hires"). No other associates covered by this Agreement will be entitled to the increased Company matching contributions or the Discretionary Contributions described below.

The Company will amend the HSP effective August 1, 2013 to increase Company matching contributions for the balance of the 2013, 2014, 2015, 2016 and 2017 plan years to 100% of the eligible contributions of each Pension New Hire Agreement up to 6% of eligible compensation.

The Company will also amend the HSP effective August 1, 2013 to permit an additional performance-related, discretionary Company contribution for the balance of 2013, 2014, 2015, 2016 and 2017 plan years ("Discretionary Contribution") for Pension New Hires, subject to the additional requirements described below. An eligible associate would not have to contribute to the HSP to be eligible for the Discretionary Contribution. Eligible associates would have to be employed as eligible associates on the last day of the plan year to be eligible for the Discretionary Contribution. The Discretionary Contribution would be between 0-3% of eligible compensation actually paid during the plan year to each such eligible associate and would be set at the same percentage as the performance-related contribution for wireline management employees under the management savings plan for the same plan year. The Company would determine each applicable plan year whether the Discretionary

Contribution would be made in cash and/or Verizon stock invested in the Verizon stock fund under the HSP. Discretionary Contributions invested in the Verizon stock fund would be subject to participant investment diversification in accordance with the current terms of the HSP. Discretionary Contributions would not be available for in-service withdrawal, and they would be subject to the same vesting schedule as Company matching contributions.

Exhibit VI

**MEMORANDUM OF AGREEMENT  
NEUTRALITY AND CONSENT ELECTION**

WHEREAS the Communications Workers of America, AFL-CIO (hereafter "CWA" or "the Union"), and Verizon Communications companies, which were subsidiaries of the former GTE Corporation (hereafter the "Verizon/GTE Companies" or "the Companies" or "the Company"), have collective bargaining relationships throughout the United States;

NOW THEREFORE THE VERIZON/GTE COMPANIES AND CWA agree as follows:

This Agreement between the Company and the Union covers all understandings between the parties concerning union organizing; access to employees and code of conduct applicable to union organizing efforts.

The Union and the Company recognize that it is in their mutual interest to enhance the success and image of the Company, to acknowledge the Union as a valued partner, and to foster the pride and commitment of the employees. The parties also share the mutual goals of building a world class, high performance enterprise and addressing employment security through business success and employee development. As a means to enhance these goals, the parties will mutually support regulatory and legislative efforts, marketing/sales and service efforts and other business initiatives leading to employment security and Verizon's business success.

The parties also recognize that the Union's goal of growing membership is intrinsically linked to the successful growth of the business. In order to maintain this perspective and to avoid unnecessary confrontation, the parties agree that the following principles regarding neutrality and consent election will be applicable to Verizon's former "GTE Network Services Companies" (Incumbent Local Exchange Carriers and Logistics) and Verizon Enterprise Delivery, formerly Verizon Select Services. This shall be the exclusive means by which the Union, their locals, or individuals acting on their behalf, will conduct an effort to organize eligible employees in the covered Verizon's former "GTE Network Services Companies" (Incumbent Local Exchange Carriers and Logistics) and Verizon Enterprise Delivery, formerly Verizon Select Services as defined by the National Labor Relations Act.

## 1. Employee Choice

Both the Union and the Company support and agree with the principle that the decision as to whether or not to become represented by a union is one that does not belong to either the Union or to the Company. Rather, it is an individual decision that belongs to the employee. With the parties' mutual recognition of this fundamental tenet, the following provisions are intended to establish, encourage and nurture an environment during a union organizing drive that will allow employees to choose whether or not to become represented in a fully informed and uncoerced manner. All negotiations concerning appropriate unit, access, conduct and voting will be performed by Verizon Labor Relations Staff in conjunction with local management and designated Union representatives.

## 2. Neutrality

The Company and the Union agree that an organizing drive will be met by a neutral position by the Company. This statement is consistent with and reinforces the previously established principle of employee choice. It should follow that an environment intended to foster employee choice would be a neutral environment and that information communicated by either party would be fact based and not misleading, distorted or disparaging. Neutrality means the following:

- (a) Management will not be anti-union nor will the Union be anti-management.
- (b) Management will not advocate that employees should not vote for a union to represent them.
- (c) The Unions will be afforded reasonable opportunities for access to employees to get their message communicated.
- (d) Management will respond to employee questions and is obligated to correct inaccurate or misunderstood information by employees.
- (e) The Union(s) will be referred to by name and will not be characterized as a "third party" or "outsider".
- (f) Any written information distributed to employees by either party relative to the organizing campaign will be shared with the other. The parties' communications with employees will be shared with the other. The parties' communications with employees will be in accordance with this Agreement.

- (g) Neither party will hire consultants who encourage an adversarial relationship.
- (h) Neither managers nor Union representatives will be personally attacked.
- (i) Neither the Union nor the Company will be attacked as institutions.
- (j) The Company will not conduct meetings for the sole purpose of discussing organizing activities without inviting appropriate Union representatives to attend.

Allegations of violations of these provisions will be handled via the dispute resolution process contained in this Agreement.

### 3. Rules

The procedures to be followed are listed below:

- (a) The Union must show a minimum of 50% + 1 show of interest on signature cards of the appropriate unit.
- (b) A vote of 50% + 1 of those votes, validated by the Third Party Neutral (TPN), will determine the outcome.
- (c) If the Union is not successful, another election will not be scheduled for twelve months.
- (d) The TPN will resolve any issue concerning challenged ballots in similar fashion to the National Labor Relations Board (NLRB) process.

### 4. Time Bound

It is in the interest of both parties that the organizing campaign be conducted expeditiously. The Union is therefore obligated to notify management of its intention to conduct a formal organizing drive before it begins. The date of this notification will "start the clock". The entire campaign, including the consent election, will be concluded in 90 days. It is the intent of the parties that the 90-day time frame will include discussion and agreement on the unit. In the event the parties are unable to agree on the unit, the dispute resolution process set forth below will be utilized and the time period will be extended by the number of days required to reach agreement on the unit, but in no event will the total campaign, including resolution of the scope of the bargaining unit and the consent election process exceed 120 days. If employees vote

not to be represented, the Union agrees not to initiate another campaign (nor continue the current campaign) in that same work group for 12 months from the date of the conclusion of the campaign. This would not preclude the local Union from having contact with the workers in the group. If employees vote to be represented, collective bargaining over the terms and conditions of employment will commence within 60 days and will be limited to the agreed upon unit.

5. Informed Decision

Both parties agree that employees should be fully informed about all aspects of Union representation. The Union will provide fact-based information to employees as it endeavors to convince prospective members of the merits of being represented by a labor union. Management's role during this process will include:

- (a) responding to individual employee inquiries;
- (b) explaining the organizing process, including obligations and responsibilities; and
- (c) correcting any inaccuracies, misstatements or misunderstandings disseminated by the Union.

6. Free from Coercion

Consistent with the basic tenet of employee choice, the parties want to ensure that employees have expressed their choice from an informed position and are completely free from any coercion by the Company, the Union or any other party or parties. One way to ensure this objective is to have a NLRB conducted election.

In the alternative, the Company and the Union agree to use a process that is called "Consent Election." This process will work as follows:

- (1) As part of the access discussions, the parties agree to use "Consent Election".
- (2) The Unions shall initiate the consent election process by providing to a TPN proof of support by means of show of interest cards from 50% + 1 of the employees in the unit. The TPN will then notify Verizon Labor Relations Staff and request a list of names, job titles and home addresses. The Company will furnish the list within five working days. The Union will also be furnished with the list. The "show of interest" cards will clearly state their purpose and that a secret ballot consent election will be conducted to determine the will of the unit. If the TPN determines that the Union has a sufficient show of interest, he/she will schedule a Consent Election process in accordance with this

## Agreement.

- (3) The election process will be supervised by a mutually selected TPN, whose role is to ensure the integrity of the process itself, and will be conducted within two weeks of the submission of the Union's show of interest to the TPN. Employees will be asked to express their individual preference in a manner that will ensure that their choice will not be known to either party. The TPN will count the votes and advise the parties of the outcome. Consistent with this Agreement, a vote of 50% + 1 of those who vote will control. The parties may have an observer present when the TPN counts the ballots.
- (4) In all cases, the election process shall take place within 14 days of receipt and verification of the Union's show of interest cards by the TPN. In those cases where there is no dispute about the composition of the unit, the election process will be held within seven days. The election may be held at the Company location or at a neutral site as agreed by the parties. The cost of using a neutral site will be split equally by the parties.

If there is a dispute as to composition of the unit, the TPN shall decide the issue within an additional seven days.

## 7. Access Agreement

As soon as reasonably practicable after a request by the CWA for access, Verizon Labor Relations Staff, in conjunction with local management and CWA representatives, will meet to discuss the details related to reasonable access to the unit by the CWA representatives. The Union will be allowed reasonable opportunities for access to Verizon facilities. It is the intent and commitment of Verizon and the CWA that the access agreed upon will not interfere with the operation and other normal and routine business activities, plans and programs of Verizon generally, and specifically, the selected unit. Access agreed upon will be in non-working areas and during employee non-working times. Agreements as to eventful access, such as access to conference rooms, will be reasonable in length and there will be reasonable periods between requests for eventful access. However, an uneventful access, such as a prearranged meeting with an individual employee, will not be affected.

If Verizon and the CWA are unable to agree on reasonable access, the TPN will be asked to resolve the issue. Successful access agreements utilized at other units will be looked to for guidance as to what works and is reasonable. Verizon and the CWA commit that they will reach such an access agreement in each instance in an expeditious manner.

## 8. Dispute Resolution

- (a) Questions or disputes arising during the course of an organizing effort within a particular unit of non-represented employees will, in all cases, be addressed first by and between the parties themselves and, in particular, Labor Relations Staff in conjunction with local Verizon management and appropriate CWA representatives. It is the intent and desire of Verizon and the CWA that such matters are dealt with by and between the parties themselves, particularly at the local level, without having to resort to the assistance of a third party. It is also agreed, however, that if every good faith and reasonable effort has been made, but the matter unresolved, the process described below will be utilized.
- (b) The TPN will resolve disputes in the manner set forth in this Agreement. Either Verizon or the CWA can refer a question or dispute, unresolved after good faith efforts have been made to resolve the dispute locally, to the chosen TPN by providing three working days' written notice to both the other party and the TPN. The notice will provide concise statement of the question or dispute to be addressed and a statement that the parties have attempted in good faith but have been unable to resolve the matter by and between them.
- (c) If the question or dispute involves a matter related to access (i.e., the nature, event, time, location, individuals involved, etc.) the TPN will fully investigate all relevant facts surrounding the question or dispute. The TPN will then call the parties together and attempt to facilitate resolution of or otherwise mediate the matter.

If, after a good faith attempt at facilitated resolution or mediation, the access question or dispute is still not resolved, the TPN will attempt to render an immediate decision, which includes a method or alternative methods of resolving the perceived problem. However, in no event will the TPN take longer than five days thereafter to render a decision. The decision of the TPN will be final and binding and the parties agree to abide by his/her decision. This process, from the time the TPN is contacted to the time his or her opinion is issued, will not take more than 15 days unless the parties agree otherwise.

- (d) If the dispute involves the appropriateness of the bargaining unit the Union seeks to organize and the parties are unable to agree, after negotiating in good faith for a reasonable time, upon the description of an appropriate unit for bargaining, the issue of the description of such unit shall be submitted to TPN and a hearing

shall be conducted consistent with the rules of the American Arbitration Association. The TPN shall be confined solely to the determination of the appropriate unit for bargaining and shall be guided in such deliberations by the statutory requirements of the National Labor Relations Act and the decisions of the NLRB and Appellate reviews of such Board decisions.

- (e) Regardless of the type of question or dispute that is submitted to the TPN, the parties will each be given a full opportunity to present their positions and supporting factual information prior to the issuance of any opinion. No written briefs will be submitted. There shall be no ex parte contact with the TPN without the concurrence of all parties. Verizon and CWA believe that matters pertaining to these values are best handled by and between the parties themselves and resort to a TPN should be necessary in only a limited number of cases.

Verizon and the CWA agree that the parties may distribute a decision of the TPN to employees in the selected unit but not outside to the public such as the press.

- (f) The parties agree that the process set forth herein shall be the exclusive means for resolving disputes covered by this dispute resolution process, and neither party will utilize any other forum (e.g. NLRB, federal court, etc.) to address issues subject to resolution pursuant to this process.
- (g) All expenses, resulting from the use of the TPN process, shall be split equally by Verizon and CWA.

## 9. Acquisitions and Ventures

The parties recognize the rapidly changing nature and structure of the communications industry. Verizon may acquire (or be acquired by) another entity. It has and may in the future form joint ventures or strategic alliances, may license its brand or technology, or may be a financial investor in other entities. The employees in those entities may be non-represented, represented in whole or in the part of the CWA, or represented in whole or in part by some other labor organization. It is not possible to structure a single rule which will apply to all such circumstances and the Company cannot compel other entities to abide by this Agreement.



**MEMORANDUM OF AGREEMENT**  
**UNION LEAVE OF ABSENCE**

WHEREAS the Communications Workers of America, AFL-CIO (hereafter "CWA" or "the Union"), and Verizon Communications companies which were subsidiaries of the former GTE Corporation (hereafter the "Verizon/GTE Companies" or "the Companies" or "the Company"), have collective bargaining relationships throughout the United States;

WHEREAS former GTE/CWA bargaining unit employees have become full-time employees of the CWA:

WHEREAS the treatment of such CWA employees for Verizon/GTE pension benefit credit varies; and

WHEREAS other employers in Verizon's industry permit similarly situated employees greater pension benefits credit than does Verizon/GTE:

NOW THEREFORE THE VERIZON/GTE COMPANIES AND CWA agree as follows:

1. Any full-time employee of a Verizon/GTE Company in a CWA bargaining unit who becomes a full-time employee of CWA (a "Verizon/GTE-Union employee") shall be entitled to be on leave of absence status from Verizon/GTE. While on such leave status, the Verizon/GTE-Union employee shall continue to accumulate seniority and shall retain return rights to the bargaining unit.
2. Subject to the terms of the Pension Benefits MOA which is incorporated in the respective Collective Bargaining Agreements, Pension New Hires as set forth in the Pension Benefits MOA are not eligible for pension. Pension New Hires do not actively participate in the pension plan.
3. While on leave of absence status, a Verizon/GTE-Union employee shall accrue Accredited Service under the Verizon/GTE Pension Plan in which the employee actively participated while a bargaining unit employee until either:
  - a. The Verizon/GTE-Union employee ends his/her full-time employment with the CWA; or
  - b. The Verizon/GTE-Union employee retires from Verizon/GTE or otherwise affirmatively relinquishes his/her leave of absence; or
  - c. The aggregate length of all such leaves of absence equals fifteen (15) years

- i. Effective January 1, 2002, the aggregate length of all such leaves of absence equals eighteen (18) years.
  - ii. Effective January 1, 2004, the aggregate length of all such leaves of absence equals twenty (20) years.
4. This provision will apply retroactively, providing that to be eligible for retroactive leave of absence status and pension benefit credits as described hereinabove, the Verizon/GTE-Union employee must have been a current full-time CWA employee on March 1, 2000, and must not have as of that date retired or received a voluntary separation benefit from Verizon/GTE.
5. In the event that any court of competent jurisdiction finds this Agreement to be unlawful, it shall be null and void as of the date of its execution, but Verizon/GTE and the CWA will immediately negotiate in good faith to provide the most equivalent lawful benefit for Verizon/GTE-Union employees.

Exhibit VIII

**MEMORANDUM OF AGREEMENT  
VACATION CARRY FORWARD (BANKING)**

**Expired SEE REPLACEMENT MOA FOLLOWING**

WHEREAS the Communications Workers of America, AFL-CIO (hereafter "CWA" or "the Union"), and Verizon Communications companies which were subsidiaries of the former GTE Corporation (hereafter the "Verizon/GTE Companies" or "the Companies" or "the Company"), have collective bargaining relationships throughout the United States;

NOW THEREFORE THE VERIZON/GTE COMPANIES AND CWA agree as follows:

1. The Company and the Union agree that eligible employees may carry forward into future years and bank a limited number of weeks of vacation for each vacation year as set forth in this Memorandum of Agreement.
2. Employees who, as of August 1, 2010, are eligible for four (4) weeks of vacation may carry forward and bank up to one (1) vacation week for each vacation year; employees who, as of August 1, 2010, are eligible for five (5) weeks of vacation may carry forward and bank up to two (2) vacation weeks for each vacation year. This section does not affect employees' eligibility to carryover vacation (without banking) if provided in the respective Collective Bargaining Agreement.

3. Such banked vacation shall be subject to supervisory approval.
4. Future scheduling of such banked vacation time is subject to advanced written application and approval.

**MEMORANDUM OF AGREEMENT**  
**VACATION CARRY FORWARD (BANKING)**  
**EFFECTIVE AUGUST 7, 2014**

WHEREAS the Communications Workers of America, AFL-CIO (hereafter "CWA" or "the Union") and Verizon Communications companies which were subsidiaries of the former GTE Corporation (hereafter the "Verizon/GTE Companies" or "the Companies" or "the Company"), have collective bargaining relationships throughout the United States;

NOW THEREFORE THE VERIZON/GTE COMPANIES AND CWA agree as follows:

1. This Vacation Carry Forward (Banking) MOA shall be effective on August 7, 2014. This MOA shall supersede or replace existing provisions and shall be deemed to be incorporated into the existing Collective Bargaining Agreements between the Verizon/GTE Companies and their CWA bargaining units except where the included companies or bargaining units may be expressly limited by the Understandings.
2. The Company and the Union agree that eligible employees may carry forward into future years and bank a limited number of weeks of vacation for each vacation year as set forth in the Memorandum of Agreement.
3. Employees, who as of August 1, 2010, are eligible for four (4) weeks of vacation may carry forward and bank up to one (1) vacation week for each vacation year; employees who, as of August 1, 2010, are eligible for five (5) weeks of vacation may carry forward and bank up to one (1) vacation week for each vacation year. This section does not affect employees' eligibility to carryover vacation (without banking) if provided in the respective Collective Bargaining Agreement.
4. Such banked vacation shall be subject to supervisory approval.
5. Future scheduling of such banked vacation time is subject to advanced written application and approval.

The parties specifically agree that the terms and conditions set forth in this MOA (Exhibit VIII) shall terminate on July 31, 2017, or as otherwise extended and agreed in writing by the parties. If, however, the parties do not reach agreement on a successor to this MOA (Exhibit VIII) it shall renew for one year.

**MEMORANDUM OF AGREEMENT  
SERVICE AND SENIORITY RECOGNITION**

WHEREAS the Communications Workers of America, AFL-CIO (hereafter "CWA" or "the Union"), and Verizon Communications companies, which were subsidiaries of the former GTE Corporation (hereafter the "Verizon/GTE Companies" or "the Companies" or "the Company"), have collective bargaining relationships throughout the United States;

NOW THEREFORE THE VERIZON/GTE COMPANIES AND CWA agree as follows:

- A This MOA will be subject to the terms of the Pension Benefits MOA which is incorporated in the respective Collective Bargaining Agreements. Thus, Pension New Hires will not be eligible for pension benefits and any pension provisions of this MOA will not apply to them. The pension changes in applicable CBAs will apply to pension eligible employees subject to this MOA.
- B SERVICE RECOGNITION
1. Effective with the merger of fGTE and the former Bell Atlantic (fBA) on June 30, 2000, all service will be recognized prospectively at all "affiliate" companies for retirement eligibility and vesting purposes.
  2. Effective January 1, 2002, any service previously recognized by pre-merger fBA for Net Credited Service (NCS) and ERISA Service of at least 1,000 hours will be recognized by the fGTE "affiliate" companies for eligibility and vesting in pension plans (but not for calculation of pension benefits) and for eligibility for health and welfare plans and retiree medical plans.
  3. Effective January 1, 2002, Verizon (fGTE) will recognize service for pension eligibility and vesting purposes (but not for calculation of pension benefits), for eligibility for health and welfare plans, and for retiree medical plans that meets the definition of eligible Portability service as described briefly below:
    - The employee must have been working at a Portability Company on December 31, 1983.
    - The employee had to be a non-supervisory employee (or a supervisory employee with a base pay of \$50,000 or less) on December 31, 1983, and at termination. The pay limit is adjusted monthly for inflation and it is based on the Consumer Price Index (CPI).
    - The employee must not have elected to waive Portability

treatment at any point in their career at any company.

4. Individuals who are subsequently rehired will be eligible for recognition of prior service, as identified in paragraphs 1, 2 and 3 above, upon completion of 1,000 hours of continuous active service.
5. Employees will have until February 1, 2002, to request a review of prior service – subject to research and verification of employee records. In the event the employee's request is received after February 1, 2002, bridging will be effective upon verification.

#### C. SENIORITY RECOGNITION

Effective January 1, 2002, it is further agreed that all service recognized for pension and vesting eligibility and health and welfare benefits is recognized by all parties to this Agreement for seniority purposes for all represented employees subject to the following conditions:

1. Service, as defined in this Memorandum of Agreement, with a Verizon Company that is earned while the employee is represented by the Communications Workers of America is recognized for seniority purposes in all Verizon/CWA Collective Bargaining Agreements covered by this Memorandum of Agreement.
2. Service, as defined in this Memorandum of Agreement, with a Verizon Company that is earned while the employee is represented by a union(s) other than the Communications Workers of America is recognized for seniority purposes in all Verizon/CWA Collective Bargaining Agreements covered by this Memorandum of Agreement where the seniority provisions of that other union(s) are reciprocal.
3. Service, as defined in the Memorandum of Agreement, with a Verizon Company that is earned while the employee is not represented by a union will be recognized for seniority purposes in all Verizon/CWA Collective Bargaining Agreements covered by this Memorandum of Agreement after the employee has been represented by the Communications Workers of America for one year, but in no event earlier than January 1, 2003.

This Agreement shall supersede or replace existing relevant provisions and shall be deemed to be incorporated into the existing Collective Bargaining Agreements between the Verizon/GTE Companies and their Communications Workers of America bargaining units.

**MEMORANDUM OF AGREEMENT  
COMMUTER SPENDING ACCOUNT (CSA)**

WHEREAS the Communications Workers of America, AFL-CIO (hereafter "CWA" or "the Union"), and Verizon Communications companies, which were subsidiaries of the former GTE Corporation (hereafter the "Verizon/GTE Companies" or "the Companies" or "the Company"), have collective bargaining relationships throughout the United States;

NOW THEREFORE THE VERIZON/GTE COMPANIES AND CWA agree as follows:

1. Effective August 1, 2005, the Verizon/fGTE Companies agree to make available to the extent consistent with and permitted by IRS guidelines, the Commuter Spending Account (CSA) to Verizon employees allowing them to set aside pre-tax dollars from their paychecks into CSA accounts to pay for eligible commuting expenses.
2. For regular full-time and regular part-time employees hired after August 1, 2005, coverage under the Plan begins ninety (90) days from date of hire or the date which the employee enrolls, whichever is later.
3. Two CSA accounts will be available: a Transportation Reimbursement Account and a Parking Reimbursement Account. The Transportation Reimbursement Account will allow employees to set aside pre-tax dollars to cover certain eligible mass transit or vanpooling commuter vehicle transportation expenses associated with travel to and from work. The Parking Reimbursement Account will allow employees to set aside pre-tax dollars to cover certain eligible parking expenses associated with their travel to and from work. Employees may elect to participate in one or both of the CSA accounts. Employees will be permitted to make deductions for eligible transportation and parking expenses to the extent permitted by IRS regulations.
4. The CSA will be administered solely in accordance with its provisions and no matter concerning the CSA or any difference arising thereunder shall be subject to the grievance or arbitration procedure of the Collective Bargaining Agreement. The selection of the CSA Administrator, the administration of the CSA and all the terms and conditions relating thereto, and the resolution of any disputes involving the terms, conditions, interpretation, administration, or reimbursements shall be determined by and at the sole discretion of the Company.
5. This Memorandum of Agreement is effective on August 1, 2013, and shall expire on July 31, 2017. The parties specifically agree that the terms and conditions set forth in this Memorandum of Agreement, including the Commuter Spending Account, shall also terminate on July 31, 2017 and shall not survive the expiration of this Memorandum of Agreement unless agreed to by the parties in writing.