

MEMORANDUM OF AGREEMENT

between

VERIZON NORTH, INC.

and

I.B.E.W., LOCALS 21, 51, & 702

LIVING BENEFIT RIDER (LBR)

1. Verizon North, Inc., agrees to continue a Living Benefit Rider (LBR) to employees and their spouses who are presently enrolled in Group Universal Life (GUL) Insurance.
2. The Company and the Union recognize that long term care will continue to be the most likely catastrophic illness risk facing employees. As a result of these concerns and for these reasons, the LBR option to GUL is established to provide protection against the financial ravages of declining health.
3. The LBR provides a benefit equal to 2% of the face value of the policy (excluding any cash value amounts) per month for a period up to 25 months. In effect, the LBR can pay out a maximum of 50% of the face value of the policy (25 months x 2%). The maximum potential benefit is \$10,000 per month with a minimum potential monthly benefit of \$400.
4. Eligibility for the benefit shall be based on the following conditions.
 - A. Employees or spouses must be continuously unable to care for themselves in a minimum of three activities of daily living for at least six months. Activities of daily living are defined as eating, getting around, transferring, toileting, bathing, and dressing.
 - B. Employees or spouses must submit written medical evidence that shows the inability to perform the activities of daily living.
 - C. The condition causing the inability to care for oneself cannot be a condition for which the individual received medical care or treatment during the six months immediately before LBR coverage became effective (pre-existing condition clause).
 - D. GUL must remain in force.

- E. The LBR is paid for a maximum of 25 months and permanently reduces any amount of life insurance proceeds by the total amount of the LBR paid.
5. No matter concerning the Living Benefit Rider or any differences arising thereunder shall be subject to the grievance or arbitration procedure set forth in the Collective Bargaining Agreement.
6. This Memorandum of Agreement is effective on March 15, 2004~~2009~~, and shall expire on ~~March 14, 2009~~ **December 31, 2009**. The parties specifically agree that the terms and conditions set forth in this Memorandum of Agreement, including the Living Benefit Rider, shall also terminate on ~~March 14, 2009~~ **December 31, 2009**, and shall not survive the expiration of this Memorandum of Agreement unless agreed to by the parties in writing.

Verizon North, Inc.

I.B.E.W. Local 21

 Michael D. Kruger
 Sr. Staff Consultant – Labor Relations

 Ronald E. Kastner
 Business Manager – I.B.E.W., Local 21

I.B.E.W. Local 51

I.B.E.W. Local 702

 Jim Bates
 Business Manager – I.B.E.W., Local 51

 Paul Noble
 Business Manager – I.B.E.W., Local 702

MEMORANDUM OF AGREEMENT

between

VERIZON NORTH, INC.

and

I.B.E.W., LOCALS 21, 51, & 702

HOURLY EMPLOYEES' PENSIONS PLAN-PENSION MINIMUMS

1. Verizon North, Inc., and International Brotherhood of Electrical Workers, Locals 21, 51, & 702, agree to the provisions of the Plan for Hourly Employees' Pensions.
2. The following provisions continue to be in place:

<u>Years of Accredited Service</u>	<u>Annual Minimum Pension</u>
40 or more years	\$12,200
35 but less than 40 years	\$10,700
30 but less than 35 years	\$ 9,300
25 but less than 30 years	\$ 7,800
20 but less than 25 years	\$ 6,300
15 but less than 20 years	\$ 4,900

3. For employees who retire on or after ~~May 1, 2004~~ **January 1, 2010**, the present Plan for Hourly Employees' Pensions will be modified to effect the following:

<u>Years of Accredited Service</u>	<u>Annual Minimum Pension</u>
40 or more years	\$12,900
35 but less than 40 years	\$11,300
30 but less than 35 years	\$ 9,800
25 but less than 30 years	\$ 8,200
20 but less than 25 years	\$ 6,600
15 but less than 20 years	\$ 5,200

4. This Agreement shall become effective as of March ~~15, 2004~~ **2009**, and shall remain in effect until midnight, March ~~10, 2009~~ **2012**, and shall automatically continue in full force and effect thereafter until terminated, or amended, in accordance with the following procedure:

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.

5. 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.

Verizon North, Inc.

I.B.E.W. Local 21

Michael D. Kruger
Sr. Staff Consultant – Labor Relations

Ronald E. Kastner
Business Manager – I.B.E.W., Local 21

I.B.E.W. Local 51

I.B.E.W. Local 702

Jim Bates
Business Manager – I.B.E.W., Local 51

Paul Noble
Business Manager – I.B.E.W., Local 702

MEMORANDUM OF AGREEMENT

between

VERIZON NORTH, INC.

and

I.B.E.W., LOCALS 21, 51, & 702

HOURLY SAVINGS PLAN (HSP) MATCH

Verizon North, Inc., and International Brotherhood of Electrical Workers, Locals 21, 51, & 702, agree to increase the company matching contribution to the Hourly Savings Plan (HSP).

- ~~Effective May 2, 2004, the company matching contribution will increase from 66 cents to 75 cents for every \$1 contributed by the employee, up to a maximum of six percent of pay.~~
- Effective July 10, 2005, the company matching contribution will increase from 75 cents to 82 cents for every \$1 contributed by the employee, up to a maximum of six percent of pay.

This Memorandum of Agreement is effective on March ~~15, 2004~~**2009**, and shall expire on March ~~10, 2009~~**2012**. The parties specifically agree that the terms and conditions set forth in this Memorandum of agreement shall also terminate on March ~~10, 2009~~**2012**, and shall not survive the expiration of this Memorandum of Agreement unless agreed to by the parties in writing.

Verizon North, Inc.

I.B.E.W. Local 21

Michael D. Kruger
Sr. Staff Consultant – Labor Relations

Ronald E. Kastner
Business Manager – I.B.E.W., Local 21

I.B.E.W. Local 51

I.B.E.W. Local 702

Jim Bates
Business Manager – I.B.E.W., Local 51

Paul Noble
Business Manager – I.B.E.W., Local 702

MEMORANDUM OF AGREEMENT

between

VERIZON NORTH, INC.

and

I.B.E.W., LOCALS 21, 51, & 702

LONG TERM CARE PLAN

- 1. Effective January 1, 2010, Verizon North, Inc., agrees to make available, without endorsement, the opportunity for employees to enroll in the Long Term Care Plan.**
- 2. For a summary of details refer to the Long Term Care Summary Plan Description (SPD).**
- 3. The Long Term Care Plan will be administered solely in accordance with its provisions, and no matter concerning the Long Term Care Plan or any difference arising thereunder shall be subject to the grievance or arbitration procedure of the Collective Bargaining Agreement. The administration of the Long Term Care 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 Insurance Carrier.**
- 4. This Memorandum of Agreement is effective on March 15, 2009, and shall expire on March 10, 2012. The parties specifically agree that the terms and conditions set forth in this Memorandum of Agreement, including Long Term Care Insurance, shall also terminate on March 10, 2012, and shall not survive the expiration of this Memorandum of Agreement unless agreed to by the parties in writing.**

Verizon North, Inc.

I.B.E.W. Local 21

Michael D. Kruger
Sr. Staff Consultant – Labor Relations

Ronald E. Kastner
Business Manager – I.B.E.W., Local 21

I.B.E.W. Local 51

I.B.E.W. Local 702

Jim Bates
Business Manager – I.B.E.W., Local 51

Paul Noble
Business Manager – I.B.E.W., Local 702

MEMORANDUM OF AGREEMENT

between

VERIZON NORTH, INC.

and

I.B.E.W., LOCALS 21, 51, & 702

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 North, Inc., and International Brotherhood of Electrical Workers, Locals 21, 51, & 702, 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 the date of hire or the date which the employee enrolls, whichever is later.**
 - ~~Completion of ninety (90) days of continuous employment (new hires)~~
 - 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** ~~on the date LTD coverage began. Coverage for Pre-Existing or does not result in an absence from work because of the pre-existing condition for ninety (90) consecutive days~~ **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 ~~of~~ 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 twelve (12) 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 twelve (12) 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
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 North, Inc., and International Brotherhood of Electrical Workers, Locals 21, 51, & 702. 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 ~~1415, 2004~~2009, and shall expire on March ~~1410, 2009~~2012. 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 ~~1410, 2009~~2012, and shall not survive the expiration of this Memorandum of Agreement, unless agreed to by the parties in writing.

Verizon North, Inc.

I.B.E.W. Local 21

Michael D. Kruger
Sr. Staff Consultant – Labor Relations

Ronald E. Kastner
Business Manager – I.B.E.W., Local 21

I.B.E.W. Local 51

I.B.E.W. Local 702

Jim Bates
Business Manager – I.B.E.W., Local 51

Paul Noble
Business Manager – I.B.E.W., Local 702

MEMORANDUM OF AGREEMENT

between

VERIZON NORTH, INC.

And

I.B.E.W., LOCALS 21, 51, & 702

LUMP SUM PAYMENT OPTION

1. Verizon North, Inc., and International Brotherhood of Electrical Workers, Locals 21, 51, & 702, agree to ~~modify~~ **continue** the Plan for Hourly Employees' Pensions (hereinafter referred to as the Plan). Such ~~modifications are conditional upon the approval from the appropriate Board of Directors and a favorable determination from the Internal Revenue Service that the Plan is and continues to be qualified under Section 401(a) of the Internal Revenue Code. Therefore, the effective date of March 14, 2004, for the following modification will be contingent upon the receipt of the necessary approvals.~~
2. 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.
3. The amount and availability of benefits under the Plan are governed by the provisions of the Plan and are 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 separate from service. 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.
4. This Memorandum of Agreement is effective on March ~~14~~ **15, 2004** ~~2009~~, and shall expire on March ~~14~~ **10, 2009** ~~2012~~. 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 ~~14~~ **10, 2009** ~~2012~~, and shall not survive the expiration of this Memorandum of Agreement unless agreed to by the parties in writing.

Verizon North, Inc.

I.B.E.W. Local 21

Michael D. Kruger
Sr. Staff Consultant – Labor Relations

Ronald E. Kastner
Business Manager – I.B.E.W., Local 21

I.B.E.W. Local 51

I.B.E.W. Local 702

Jim Bates
Business Manager – I.B.E.W., Local 51

Paul Noble
Business Manager – I.B.E.W., Local 702

MEMORANDUM OF AGREEMENT

between

VERIZON NORTH, INC.

and

I.B.E.W., LOCALS 21, 51, & 702

MAIL ORDER PRESCRIPTION PLAN (MOPP)

1. Verizon North, Inc., and International Brotherhood of Electrical Workers, Locals 21, 51, & 702, agree to extend the provisions of the Mail Order Prescription Plan (MOPP) to employees and their eligible dependents enrolled in the ~~Comprehensive-sponsored~~ Medical Plan.
- ~~2.~~ ~~A 90-day prescribed supply of medication will be provided at \$5.00 per generic prescription or \$15.00 per brand name prescription co-payment. This co-payment cannot be reimbursed through the Comprehensive Medical Plan and does not apply to deductibles or out-of-pocket maximums. Generic drugs will be provided when available and permissible by law.~~
- ~~3.~~ ~~2.~~ Employees and dependents currently covered under the ~~Comprehensive sponsored~~ Medical Plan will be eligible to participate in the Mail Order Prescription Plan. Once employees (who are covered under the ~~Comprehensive-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).
- ~~4.~~ ~~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.
- ~~5.~~ ~~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.

- 6. This Memorandum of Agreement is effective on March 15, 20042009,
- 5. and shall expire on March 10, 20092012. 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 10, 20092012, and shall not survive the expiration of this Memorandum of Agreement unless agreed to by the parties in writing.

Verizon North, Inc.

I.B.E.W. Local 21

Michael D. Kruger
Sr. Staff Consultant – Labor Relations

Ronald E. Kastner
Business Manager – I.B.E.W., Local 21

I.B.E.W. Local 51

I.B.E.W. Local 702

Jim Bates
Business Manager – I.B.E.W., Local 51

Paul Noble
Business Manager – I.B.E.W., Local 702

MEMORANDUM OF AGREEMENT

between

VERIZON NORTH, INC.

and

I.B.E.W., LOCALS 21, 51, & 702

PENSION ACCRUAL SERVICE

1. Verizon North, Inc., and International Brotherhood of Electrical Workers, Locals 21, 51, & 702, agree to modify the Pension treatment for hourly employees who leave a former GTE company and subsequently are employed by a former Bell Atlantic company.
2. Hourly employees who on or after June 01, 2004, leave the employ of a fGTE company and who subsequently are employed by a former Bell Atlantic company will begin participation in the applicable Verizon Pension Plan for New York and New England Associates (the New York/New England plan) or the Verizon Pension Plan for Mid-Atlantic Associates (the Mid-Atlantic plan) in accordance with the participation eligibility provisions of the applicable plan. The hourly employee will continue to earn Vesting Service and Accredited Service for purposes of retirement eligibility under the (fGTE) Hourly Pension Plan while employed by the fBA company, subject to any applicable bridging requirements. Accredited Service for pension accrual purposes under the (fGTE) Hourly Pension Plan will stop as of the date the hourly employee stops working for the fGTE company.
3. Employees who begin working for a fBA company will begin participation in the New York/New England or Mid-Atlantic plan, whichever is applicable, on the date specified by the participation eligibility provisions of those plans. Service recognition under the New York/New England or Mid-Atlantic pension plan will be based on the provisions of those plans.
4. Verizon will provide a defined pension plan benefit based upon:
 - (a) The Verizon (fGTE) Hourly Pension Plan accrued benefit as of the date of termination with the fGTE company, determined using the average annual compensation earned at the fGTE company for the five consecutive highest paid years earned up to the date employment with the fGTE company ended and Accredited Service earned up to the date employment with the fGTE

company ended.

PLUS

(b) The accrued benefit earned under the New York/New England plan or the Mid-Atlantic plan, whichever is applicable, based upon Verizon service credited under the applicable plan.

5. The amount and availability of benefits under the Pension Plan are governed by the provisions of the Pension Plans and are subject to ERISA, the Internal Revenue Code and related regulations. Any payments received will be determined under the terms of the Pension Plans in effect at the time employees separate from service, except as required by applicable law or a subsequent plan amendment. The operation and administration of the Pension Plans, eligibility requirements, all terms and conditions related thereto and the resolution of any disputes involving the terms, conditions, interpretation, and administration of the Pension Plans shall rest with the applicable plan fiduciaries of the Pension Plans and shall not be subject to the grievance or arbitration procedure set forth in the Collective Bargaining Agreement.

~~This Agreement shall become effective March 14, 2004, and shall remain in effect until midnight, March 14, 2009, and shall automatically continue in full force and effect thereafter until terminated, or amended, in accordance with the following procedure:~~

~~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.~~

~~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 of March 14, 2009. The written notice shall contain a full statement as to the amendments or modifications desired.~~

6. The parties specifically agree that the terms and conditions set forth in the Memorandum of Agreement shall terminate on March 14~~10~~, 2009~~2012~~, and shall not survive the expiration of this Memorandum of Agreement, unless agreed to by the parties in writing.

Verizon North, Inc.

I.B.E.W. Local 21

Michael D. Kruger
Sr. Staff Consultant – Labor Relations

Ronald E. Kastner
Business Manager – I.B.E.W., Local 21

I.B.E.W. Local 51

I.B.E.W. Local 702

Jim Bates
Business Manager – I.B.E.W., Local 51

Paul Noble
Business Manager – I.B.E.W., Local 702

INTRACOMPANY CORRESPONDENCE

GTE Telephone Operations

November 2, 1997

Reply To
INIFA7A
Ft. Wayne, IN

To: See Distribution List

Subject: PERSONAL DAY AND VACATION SCHEDULING
(IBEW - LOCALS 21, 51, ~~496~~, & 702)

The Company and the Union, IBEW, Locals 21, 51, ~~496~~ and 702, agree to the following procedure when previously bid Personal Days and Vacation Days become available.

1. Personal Days and Vacation Days that become available shall be posted five (5) calendar days in the appropriate Reporting Center.
2. Employees may indicate their interest by signing the posting.
3. Selection will be determined beginning with the most senior person immediately below the employee who selected the original Personal Day or Vacation Days. However, the employees new to the group should be canvassed based on their seniority. This is whether or not the employee(s) new to the group have less seniority or more than the employee(s) who selected the original Personal Day or Vacation Day because they did not previously have an opportunity to bid.
4. Also, if more than one employee had been awarded a particular week of vacation and that week later becomes available, the most senior person immediately below the less senior of the two or more who selected the original Personal Day or Vacations will begin the selection. The only exception to this would be as stated in the above paragraph. (A more senior person than any of them who has not had an opportunity for that time that has joined the work group.)
5. In the absence of selection by the above method, other employees will be considered by seniority.

This procedure will be subject to provisions of Article 6 or 7.

Please call Labor Relations if you have any questions.

Les E. Voyles
Regional Director – HR Services

MEMORANDUM OF AGREEMENT

between

VERIZON NORTH, INC.

and

I.B.E.W., LOCALS 21, 51, & 702

PRESCRIPTION IDENTIFICATION CARD (PIC)

1. Verizon North, Inc., and International Brotherhood of Electrical Workers, Locals 21, 51, & 702, agree to continue the Prescription Identification Card for employees and their eligible dependents enrolled in the Comprehensive-sponsored Medical Plan.
2. Once employees (who are covered under the ~~Comprehensivesponsored~~ 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 (HMO's) and ~~Point of Service (POS) plans.~~
3. ~~Eligible employees may purchase prescription medications from participating network pharmacies at a Verizon discounted rate. Employees who use participating network pharmacies will have an annual \$25.00 deductible and a twenty (20) percent (%) co-payment.~~
4. ~~Eligible employees purchasing prescription medications from non-network pharmacies will have an annual \$75.00 deductible and a twenty (20) percent (%) co-payment.~~
5. ~~The deductible and co-payment do not apply to the deductible or out-of-pocket maximums of the Comprehensive Medical Plan. The out-of-pocket maximum for PIC is \$300 per person.~~
6. 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.

7. 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.
- 4.
8. This Memorandum of Agreement is effective on March ~~15, 2004~~2009, and shall expire on March ~~10, 2009~~2012. 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 ~~10, 2009~~2012, and shall not survive the expiration of this Memorandum of Agreement unless agreed to by the parties in writing.
- 5.

Verizon North, Inc.

I.B.E.W. Local 21

Michael D. Kruger
Sr. Staff Consultant – Labor Relations

Ronald E. Kastner
Business Manager – I.B.E.W., Local 21

I.B.E.W. Local 51

I.B.E.W. Local 702

Jim Bates
Business Manager – I.B.E.W., Local 51

Paul Noble
Business Manager – I.B.E.W., Local 702

MEMORANDUM OF AGREEMENT

between

VERIZON NORTH, INC.

and

I.B.E.W., LOCALS 21, 51, & 702

REQUIRED OVERTIME

As a result of 2009 negotiations between Verizon North Inc. (Illinois Operations) and the International Brotherhood of Electrical Workers, Locals 21, 51 & 702, and in furtherance of the positive working relationship between the parties, the company and the union have agreed to the following to address the concerns voiced by the union regarding overtime and the impact of overtime on employee work/life balance. These commitments balance the need for the company to retain operational flexibility in the face of unprecedented competitive and economic pressures with the sincere desire of many Illinois associates to relieve the pressures of overtime.

- 1. Management will provide as much advance notice of the requirement to work overtime as is reasonably possible under the circumstances then existing.**
- 2. When service conditions and time constraints so allow, prior to requiring overtime on a non-scheduled day within a classification and location, management will:**
 - a. seek qualified volunteers within that classification and location to work the overtime;**
 - b. seek qualified volunteers from within the same supervisory workgroup; and then, if necessary,**
 - c. request assistance from other departments in that location who may reasonably have qualified employees available and interested in volunteering to work the overtime.**

3. **The following procedure will be implemented on a trial basis:**
 - a. **When an employee works six (6) consecutive ten (10) or more hour days immediately prior to a scheduled day off, and the company is requiring overtime in the employee's classification and location on that scheduled day off, the employee shall be given the option to be excused from the overtime requirement in order to take that scheduled day off as a day of rest. It shall be the responsibility of the employee to provide as much advance notice as is reasonably possible of the request to be excused from the overtime requirement.**
 - b. **This provision is entered into on a trial basis. Either party may cancel the trial, by classification, with one (1) weeks written notice to the other party.**
4. **The company and the union will establish a committee on overtime for the Customer Operations organization. The guidelines for this overtime committee will be as follows:**
 - a. **The overtime committee will consist of four (4) union representatives and four (4) company representatives. Company representatives will initially include the Customer Operations Manager – Illinois North, Customer Operations Manager – Illinois South, the Illinois Dispatch Center Manager and one additional Company representative to be appointed by management. IBEW Locals 21, 51 & 702 will identify and notify the company of the four (4) initial union representatives by April 30, 2009;**
 - b. **The overtime committee will hold their first meeting no later than June 30, 2009, and will meet at either parties request on a quarterly basis thereafter. Overtime committee meetings will be "face-to-face" meetings;**
 - c. **The overtime committee will be charged with engaging in open dialogue to review collective (rather than individual) issues and concerns regarding the administration of associate overtime within Customer Operations in Illinois. These discussions may include possible measures that may alleviate the need for overtime scheduling anomalies and ways to improve and expedite communication between management and employees/union leadership regarding overtime requirements.**

It is the intent of the company and the union that this committee will use their time and effort to engage in full and open communication, involvement, adaptability, integrity, trust and respect in this effort.

- d. The overtime committee is not meant to replace ongoing dialogue regarding overtime-related issues and concerns. Both the union and associates should continue to bring overtime-related issues and concerns to management as they arise so that the parties may discuss and, if possible, resolve the issues/concerns as promptly as possible.

Customer Operations Director Tim Smith will also send a letter to the Illinois associates in his organization with information regarding the steps he has already taken (such as the recent hiring of 25 additional Customer Zone Technician II in Illinois) and the steps he currently still plans to take to reduce both volumes and overtime. This correspondence will be sent as soon as administratively practical following the conclusion of negotiations.

Verizon North, Inc.

I.B.E.W. Local 21

Michael D. Kruger
Sr. Staff Consultant – Labor Relations

Ronald E. Kastner
Business Manager – I.B.E.W., Local 21

I.B.E.W. Local 51

I.B.E.W. Local 702

Jim Bates
Business Manager – I.B.E.W., Local 51

Paul Noble
Business Manager – I.B.E.W., Local 702

MEMORANDUM OF AGREEMENT

between

VERIZON NORTH, INC.

and

I.B.E.W., LOCALS 21, 51, & 702

TEAM PERFORMANCE AWARD

1. Verizon North, Inc., and International Brotherhood of Electrical Workers, Locals 21, 51, & 702, agree to ~~continue implement~~ the Team Performance Award set forth in this Memorandum of Agreement. ~~The implementation date of this plan will be March 14, 2004.~~
2. For a summary of details, refer to the attachment entitled Team Performance Award.
3. This Memorandum of Agreement is effective on ~~March 14 15, 2004~~**2009**, and shall expire ~~March 14 10, 2009~~**2012**. The parties specifically agree that all the terms and conditions set forth in this Memorandum of Agreement shall also expire on ~~March 14 10, 2009~~**2012**, and shall not survive the expiration of this Memorandum of Agreement, unless agreed to by the parties in writing.

Verizon North, Inc.

I.B.E.W. Local 21

Michael D. Kruger
Sr. Staff Consultant – Labor Relations

Ronald E. Kastner
Business Manager – I.B.E.W., Local 21

I.B.E.W. Local 51

I.B.E.W. Local 702

Jim Bates
Business Manager – I.B.E.W., Local 51

Paul Noble
Business Manager – I.B.E.W., Local 702

TEAM PERFORMANCE AWARD

1. Verizon North, Inc., and International Brotherhood of Electrical Workers, Locals 21, 51, & 702 agree to develop and implement a Team Performance Award, which will provide participating employees the opportunity to earn compensation based upon collective/team performance results.

2. ELIGIBILITY

All full-time and part-time regular hourly employees are eligible to receive an award if they are on a TPA Team for 30 calendar days or more. Employees on other Incentive plans are not eligible, i.e., BSG, Consumer Sales, National Sales, Retail, LiveSource.

3. AWARDS

Awards are based on performance toward objectives over the period of a calendar year. An award amount is determined for the applicable calendar year, a percentage of which may be earned by eligible employees, depending on team performance during that calendar year. The payout ranges from 0% to 120% of an established target.

The range of the Team Performance Award payout is as follows:

Each annual target award is 4%, payable in April of the following year. The range is 0% to 120% based on achievement of objectives.

Employees transferring between or changing teams for any reason during the year will receive an award based upon the team in which they reside at the end of the calendar year (December 31). Awards will not be prorated based on time spent with each team.

- A. ~~The 2004 target award is 4% payable in 2005. The range of 0% to 120% based on achievement of objectives.~~
- B. ~~The 2005 target award is 4% payable in 2006. The range of 0% to 120% based on achievement of objectives.~~
- C. ~~The 2006 target award is 4% payable in 2007. The range of 0% to 120% based on achievement of objectives.~~
- D. ~~The 2007 target award is 4% payable in 2008. The range of 0% to 120% based on achievement of objectives.~~

E. ~~The 2008 target award is 4% payable in 2009. The range of 0% to 120% based on achievement of objectives.~~

~~The payout percentage is applied to an employee's highest hourly basic rate of pay during the 26 pay periods of the calendar year.~~

~~Employees transferring between teams shall have their award prorated according to the time on each team.~~

~~In the event of reorganization which results in employees changing teams, awards shall be prorated based upon each team's performance.~~

An employee who resigns, is laid off, terminated, dies or retires during the calendar year is eligible for a prorated Team Performance Award if all other eligibility requirements have been met. *

* In case of Termination for Cause the individual situation will be reviewed to determine if the individual is eligible for an award.

~~* Temporary and seasonal employees are eligible for a prorated Team Performance award if all other eligibility requirements are met.~~

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

4. TIME OFF FOR UNION ACTIVITIES

Excused time off for union activity will be counted as time worked when computing Team Performance Awards.

5. BENEFITS TREATMENT

Team Performance Award payments are recognized in the calculation of Pension Plan benefits, Group Life Insurance, and the Hourly Savings Plan. Such payments will be applicable in the year payment is received. This is in accordance with 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.

6. 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 Performance Awards in accordance with standard payroll procedure.

7. **OVERTIME**

The Team Performance Award payouts are for hours worked and must be included in overtime payments.

The overtime payment will be calculated as follows:

The Team Performance Award payout divided by the total hours worked equals the award hourly rate. This rate is then multiplied times .5 x number of overtime hours in the same calendar year for which the Team Performance Award was paid. The result of this calculation is the award overtime payment due the employee.

EXAMPLE:

Team Performance Award	\$500
divided by	
Total Hours Worked	1,880
equals	
Award Hourly Rate	\$0.2659
times	
Overtime Rate (1/2)	.5
equals	
Hourly Overtime Rate of Pay	\$0.1329
times	
Total Overtime Hours	100
equals	
Award Overtime Payment	\$13.29

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

A Team Performance Award overtime payment will be included in the award payout.

8. **OBJECTIVES/MEASURES**

All hourly employees normally will 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 of these performances areas:

Quality/Value of services delivered
Productivity
Expense Budget
Revenue

Teams that satisfy a minimum level of performance will receive an incentive payment. If that minimum level of performance is exceeded, the incentive payment will be larger. Each member of a team will receive the same percentage of target award that the team achieved. An example would be as follows.

<u>Level of Performance</u>	<u>Percentage of Target Award</u>
Below Minimum	0%
Minimum to Target	10 - 99%
Target	100%
Over Target to Maximum	101 - 120%

9. The Company reserves the right to establish objectives and determine performance results. The objectives, the performance results, or any part of the Team Performance Award shall not be subject to the grievance or arbitration provisions of the collective bargaining agreement.
10. Prior to the announcement of objectives and performance targets for the applicable year, company representatives will meet with Union representatives to review the rationale for such objectives and targets.

11. **MODIFICATION OF THE TEAM PERFORMANCE PLAN**

Verizon may at any time modify, in part or in whole, the Team Performance Award Plan. Any modification shall not affect awards already earned under this plan. ~~The Company reserves the right to modify team structure as may be necessary.~~

12. **TERMINATION OF THE TEAM PERFORMANCE PLAN**

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

MEMORANDUM OF AGREEMENT

between

VERIZON NORTH, INC.

and

I.B.E.W., LOCALS 21, 51, & 702

VACATION DONATION ~~— TRIAL~~

Verizon North, Inc., and International Brotherhood of Electrical Workers, Locals 21, 51, & 702, 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 15, Section 15.5, 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 (20) days, unless expanded by mutual agreement.
4. Each employee may donate up to the maximum number of days provided for by Company policy. 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 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 ~~15, 2004~~2009, and shall remain in effect up to and including March ~~10, 2009~~2012. The parties specifically agree that the terms and conditions set forth in this Memorandum of Agreement shall also terminate on March ~~10, 2009~~2012, and shall not survive the expiration of this Memorandum of Agreement unless agreed to by the parties in writing.

Verizon North, Inc.

I.B.E.W. Local 21

Michael D. Kruger
Sr. Staff Consultant – Labor Relations

Ronald E. Kastner
Business Manager – I.B.E.W., Local 21

I.B.E.W. Local 51

I.B.E.W. Local 702

Jim Bates
Business Manager – I.B.E.W., Local 51

Paul Noble
Business Manager – I.B.E.W., Local 702

MEMORANDUM OF AGREEMENT

between

VERIZON NORTH, INC.

and

I.B.E.W., LOCALS 21, 51, & 702

VOLUNTARY EMPLOYEES BENEFICIARY ASSOCIATION (VEBA)

Verizon North, Inc. (hereinafter referred to as the Company), and International Brotherhood of Electrical Workers, Locals 21, 51, & 702, (hereinafter referred to as the Union) hereby mutually agree to the establishment of an Internal Revenue Code Section 501 (c) (9) trust (also known as Voluntary Employees Beneficiary Association trust) to provide for the payment of medical or other permissible welfare benefits and administrative service costs ("Retiree Medical Benefits") for eligible employees who retire between July 1, 1995, and March 1410, 20092012, with a service or disability pension under the GTE North Pension Plan and their beneficiaries (hereinafter referred to as the Eligible Participants). This trust is being established to provide benefit security for the term of this Memorandum of Agreement.

1. The funding and operation of this trust will be determined by the Company based on reasonable financial standards (and where applicable, regulatory approval for recovery).
2. The Company agrees that funds placed into this trust will be used exclusively to pay for the benefits and administrative costs described below or for any other purpose permitted by law.
3. During the term of this Memorandum of Agreement, the level and type of Retiree Medical Benefits for the Eligible Participants shall be governed by the Verizon RETIREE OPTIONS Summary Plan Description, which may be amended or discontinued by the Company at its discretion subject to paragraph 8 below.
4. In order to receive Retiree Medical Benefits, the retiree must pay a percentage/amount of the Retiree Medical premium ("Retiree Contribution Percentage/Amount"). Similarly, the Company will pay a percentage of the premium ("Company Contribution Percentage/Amount"), subject to Section 5 below. During the term of this Memorandum of Agreement, the Company and Retiree Contribution Percentages/Amount will be based on the following contribution

schedule:

- A. For eligible employees who, prior to November 6, 1994, were covered by the Collective Bargaining Agreement between CONTEL and IBEW, Locals 196, 21, & 702:

<u>Years of Accredited Service at Retirement</u>	<u>Company Contribution Percentage</u>	<u>Retiree Contribution Percentage</u>
Less than 10	0	100
10 through 14	20	80
15 through 19	40	60
20 through 24	60	40
25 through 29	80	20
30 and over	90	10

- B. For all other eligible retirees:

- (1) For all other eligible retirees who retire prior to January 1, 2002:

<u>Age at Retirement</u>	<u>Company Contribution Percentage/Amount</u>	<u>Retiree Contribution Percentage/Amount</u>
Less than 60	0%	100%
Non-Medicare covered, 60 though 65	100%	0%
Medicare covered Retiree (per eligible life)		\$15 per month

- (2) For all other eligible retirees who retire between January 1, 2002, and December 31, 2004:

<u>Age at Retirement</u>	<u>Company Contribution Percentage/Amount</u>	<u>Retiree Contribution Percentage/Amount</u>
Less than 59	0%	100%
Non-Medicare covered, 59+	100%	0%
Medicare covered Retiree (per eligible life)		\$20 per month

(3) For all other eligible retirees who retire between January 1, 2005, and March 10, 2012:

<u>Years of Accredited Service at Retirement</u>	<u>Company Contribution Percentage</u>	<u>Retiree Contribution Percentage</u>
Less than 10	0	100
10 through 14	20	80
15 through 19	40	60
20 through 24	60	40
25 through 29	80	20
30 and over	90	10

5. (a) The Company shall determine the cost of providing Retiree Medical Coverage ("Retiree Medical Benefits Premiums"). Further, it is the Company's intention to cap the amount it pays toward such Retiree Medical Benefits Premiums for employees who retire on or after July 1, 1995.

(b) When the Retiree Medical Benefits Premiums for the \$350 deductible coverage option under RETIREE OPTIONS reach the figures set forth in the chart below ("Capped Retiree Medical Benefits Premiums") during the period through December 31, 2009, or when the Retiree Medical Benefits Premiums for the \$400 deductible coverage option reach the figures set forth in the chart below during the period from January 1, 2010, through March 10, 2012, the Company Contribution Amount shall be capped and the Company shall make no additional contributions towards Retiree Medical Benefits Premiums.

<u>Coverage Category</u>	<u>Capped Retiree Medical Benefits Premium</u>	
	<u>Through December 31, 2009</u>	<u>As of January 1, 2010</u>
Retiree only (primary coverage)	\$5,556 (Annual)	\$11,500 (Annual)
Retiree plus one dependant coverage	\$11,112 (Annual)	\$23,000 (Annual)
Family coverage	\$12,446 (Annual)	\$26,000 (Annual)
Medicare covered Retiree (per eligible life)	\$1,506 (Annual)	\$4,900 (Annual)

- (c) The Maximum Company Contribution Amount applicable to each Coverage Category shall be determined by multiplying the applicable Company Contribution Percentage times the Capped Retiree Medical Benefits Premium as set forth above for that coverage. The applicable Maximum Company Contribution Amount shall not increase when the Retiree Medical Benefits Premium exceeds the amount set forth in the chart above.
6. In order to receive Retiree Medical Benefits, the retiree must pay the Company the amount the Retiree Medical Premium exceeds the Company Contribution Amount as described in paragraphs 4 and 5 above ("Retiree Contribution Amount"). When the Retiree Medical Benefits Premium reaches or exceeds the Capped Retiree Medical Benefit Premium, the retiree must pay the Company the amount the Retiree Medical Benefits Premium exceeds the Maximum Company Contribution Amount.
7. The Capped Retiree Medical Benefits Premium and the Maximum Company Contribution Amount set forth in paragraph 5 above is based upon the \$350 deductible coverage option for the period through **December 31, 2009, and the \$400 deductible coverage option for the period from January 1, 2010 through March 10, 2012.** If the retiree elects the \$150 deductible coverage option **during the period through December 31, 2009,** the Retiree Contribution Amount will increase by the amount the \$150 deductible coverage option exceeds the \$350 deductible coverage option **during that period.** If the retiree elects the \$200 deductible coverage option, **during the period from January 1, 2010 through March 10, 2012,** the Retiree Contribution Amount will increase by the amount the \$200 deductible coverage option exceeds the \$400 deductible coverage option **during that period.** If the retiree elects the \$1000 deductible coverage option, the Retiree Contribution amount will decrease by the amount the \$1000 deductible coverage option is less than the \$350 deductible coverage option (not to exceed zero) **during the period through December 31, 2009, and by the amount it is less than the \$400 deductible coverage option during the period from January 1, 2010, through March 10, 2012.** When the Retiree Medical Benefit Premiums for the \$350 deductible coverage option reach the amounts set forth in the chart in paragraph 5, **during the period through December 31, 2009, or when the Retiree Medical Benefit Premiums for the \$400 deductible coverage option reach the amounts set forth in the chart in paragraph 5 during the period from January 1, 2010, through March 10, 2012,** the Company Contribution Amount for all coverage options, including the \$150 deductible coverage option, available through December 31, 2009, the \$200 deductible coverage option, available from January 1, 2010, through March 10, 2012, and

the \$1000 deductible coverage options, shall be capped at that time and the Company shall make no additional contributions toward Retiree Medical Benefits.

8. The Company agrees to notify the Union and to discuss its actions should the Company determine that the funding or operation of the trust and/or applicable sections of this Memorandum of Agreement, other than pooling of claims experience and those sections relating to the level and type of Retiree Medical Benefits, need to be modified or rescinded prior to the expiration of the Articles of Agreement. This notification will take place, in writing, within fifteen (15) calendar days prior to the date of modification or rescission. This notification will specify the cause for and affect of this action. If the parties are unable to reach agreement on such changes, the funding or operation of the trust and/or applicable sections of this Memorandum of Agreement, other than pooling of claims experience and those sections relating to the level and type of Retiree Medical Benefits, will be modified or rescinded at the Company's discretion.
9. The funding and operation of the trust; the level and administration of the Retiree Medical Benefits; amount or cost of premiums; premium pricing mechanisms; the attainment of the Maximum Company Contribution Amount; the selection of the claims administrator, alternate health carrier or insurance carrier; eligibility for the benefits; all terms and conditions related hereto, 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 procedure set forth in the Collective Bargaining Agreement.
- 10 This Memorandum of Agreement is effective on March 1415, 20042009, and shall be in effect for the duration of this Agreement. The parties specifically agree that this Memorandum of Agreement, the Retiree Medical Benefits described herein, and the terms and conditions set forth in this Memorandum of Agreement relating to Retiree Medical Benefits, including but not limited to the Maximum Company Contribution Amount and the level and type of Retiree Medical Benefits shall terminate on March 1410, 20092012, and shall not survive the expiration of this Memorandum of Agreement unless agreed to by the parties in writing.

Verizon North, Inc.

I.B.E.W. Local 21

Michael D. Kruger
Sr. Staff Consultant – Labor Relations

Ronald E. Kastner
Business Manager – I.B.E.W., Local 21

I.B.E.W. Local 51

I.B.E.W. Local 702

Jim Bates
Business Manager – I.B.E.W., Local 51

Paul Noble
Business Manager – I.B.E.W., Local 702

MEMORANDUM OF AGREEMENT

between

VERIZON NORTH, INC.

and

I.B.E.W., LOCALS 21, 51, & 702

VOLUNTARY LAYOFF LEAVE OF ABSENCE (VLLOA)

1. Verizon North, Inc., and International Brotherhood of Electrical Workers, Locals 21, 51, & 702, agree to the provisions concerning a Voluntary Layoff Leave of Absence (VLLOA) set forth in this Memorandum of Agreement.
2. The purpose of a Voluntary Layoff Leave of Absence shall be to provide an alternative method of temporarily adjusting the size of the work force for up to four (4) months in a calendar year. The Voluntary Layoff Leave of Absence would be in lieu of the layoff provisions as provided for in Article 21 of the Collective Bargaining Agreement.
3. The total period of a Voluntary Layoff Leave of Absence will not exceed four months. Voluntary Layoff Leaves of Absence will be offered by seeking volunteers from the affected classification and reporting location. This will be done at least 30 days prior to the effective date. The decision to offer Voluntary Layoff Leaves of Absence, the time frame or duration of the leave, the number of Voluntary Layoff Leaves of Absence authorized, and the location and the classification affected will be at the sole discretion of Management.
4. If the number of volunteers is not sufficient, Management will then layoff the excess remaining employees in accordance with Article 21 of the Collective Bargaining Agreement. If more employees volunteer than needed Management will allow the most senior of the volunteers to take the Voluntary Layoff Leave of Absence.
5. While on a Voluntary Layoff Leave of Absence, eligible employees shall continue to receive Company paid life insurance, medical/dental insurance and telephone concession benefits to the extent provided to active employees.

6. Employees granted a Voluntary Layoff Leave of Absence will be required to take all unused or remaining vacation (or bank if eligible) and personal holiday time prior to the end of the calendar year in which the leave is to begin. In addition, employees will be required to use all vacation time (or bank if eligible) scheduled during the month(s) of the calendar year in which the Voluntary Layoff Leave of Absence ends.
7. All Voluntary Layoff Leave of Absences are without pay and are subject to approval by Management. Application of unemployment compensation will not be contested by the Company.
8. This agreement shall in no way limit Management from using other company employees to perform work assignments of the nature performed previously by an employee who may be on a Voluntary Layoff Leave of Absence.
9. Upon return to work, employees granted a Voluntary Layoff Leave of Absence shall receive accredited service and seniority for the period of the Voluntary Layoff Leave of Absence.
10. At the end of the approved Voluntary Layoff Leave of Absence, employees will be guaranteed reinstatement to a job within their previous classification and reporting location.
11. Employees are required to return to work on the agreed upon date. Failure to return on the expected return date, for other than a personal compelling reason as determined by management, will result in termination of employment. Should an employee be unable to return to work due to personal illness or injury and that illness or injury would be covered by the Company's sickness disability benefits, the employee may apply for sickness disability benefits for the remainder of the time that would normally be covered by sickness disability benefits.
12. Reinstatement is subject to any contractual provisions of the Collective Bargaining Agreement which covers adjustments to the work force that may have occurred during the Voluntary Layoff Leave of Absence of affected employees.
13. As a condition of Voluntary Layoff Leave of Absence, employees are required to maintain their membership in good standing in the Union or alternatively arrange to pay to the Union a service fee equal to the amount of membership dues uniformly required for all members of the same status.

- ~~13.~~ This Memorandum of Agreement is effective on March ~~1415, 2004~~**2009**,
14. and shall expire on March ~~1410, 2009~~**2012**. The parties specifically agree that the terms and conditions set forth in this Memorandum of Agreement shall also terminate on March ~~1410, 2009~~**2012**, and shall not survive the expiration of this Memorandum of Agreement unless agreed to by the parties in writing.

Verizon North, Inc.

I.B.E.W. Local 21

Michael D. Kruger
Sr. Staff Consultant – Labor Relations

Ronald E. Kastner
Business Manager – I.B.E.W., Local 21

I.B.E.W. Local 51

I.B.E.W. Local 702

Jim Bates
Business Manager – I.B.E.W., Local 51

Paul Noble
Business Manager – I.B.E.W., Local 702

MEMORANDUM OF AGREEMENT

between

VERIZON NORTH, INC.

and

I.B.E.W., LOCALS 21, 51, & 702

LUMP SUM IN LIEU OF WAGES

- 1. Verizon North, Inc., and International Brotherhood of Electrical Workers, Locals 21, 51, & 702, agree to modify the Plan for Hourly-Paid Employees' Pensions and the GTE Hourly Savings Plan. Such modifications are subject to approvals by the Company's Board of Directors and the United States Department of the Treasury.**
- 2. Specific language will be prepared to modify the present Plan for Hourly Employees' Pensions to provide for lump sum payments in lieu of wages to be included in Monthly Compensation for pension purposes . . .**
- 3. Specific language will be prepared to modify the present GTE Hourly Savings Plan to provide for lump sum payments in lieu of wages to be included in Compensation for savings plan contributions.**
- 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.**
- 5. This Memorandum of Agreement is effective on March 15, 2009, and shall expire on March 10, 2012. The parties specifically agree that the terms and conditions set forth in this Memorandum of agreement shall also terminate on March 10, 2012 and shall not survive the expiration of this Memorandum of Agreement unless agreed to by the parties in writing.**

Verizon North, Inc.

I.B.E.W. Local 21

Michael D. Kruger
Sr. Staff Consultant – Labor Relations

Ronald E. Kastner
Business Manager – I.B.E.W., Local 21

I.B.E.W. Local 51

I.B.E.W. Local 702

Jim Bates
Business Manager – I.B.E.W., Local 51

Paul Noble
Business Manager – I.B.E.W., Local 702

Appendix A. Wage Schedules

1. The rates of pay outlined herein shall apply in accordance with Article 19 to the employees of the Service, Construction, and Supply Departments who are assigned to work under the job title classification listed as follows:

Classifications/Titles

- | | |
|---|--|
| <p>P1 – Utility Worker</p> | |
| <p>P2 – Dispatch Clerk
Special Service Clerk</p> | <p>P2B – Lead Dispatch Clerk</p> |
| <p>P3 – Courier
Collector/Maintainer
Facility Projects Associate
Facility Provisioning Specialist
Public Access Sales Technician
Shop Repairer</p> | |
| <p>P4 – Storekeeper
Cable Splicer's Helper</p> | <p>P4B – Cable Technician</p> |
| <p>P5 – Business Zone Technician II
Cable Splicer
Customer Zone Technician II
Facility Technician – Projects
Facility Technician – Test
Fiber Network Field Technician
Sr. Cable Technician
Tractor – Trailer Driver</p> | <p>P5A – Facility Technician-Assignment</p> |
| <p>P6 – Equipment Installer
Business Zone Technician I
Customer Zone Technician I</p> | |
| <p>P7 – Switching Support Technician</p> | <p>P7A – Transmission Technician</p> |
| <p>P8 – Customer Engineer-Data Applications</p> | |

Note: Wage rates for **P5A** and **P7A** are the same as the rates for **P5** and **P7**, respectively.

Wage Schedule: P1

Interval	1.0% Lump Sum Effective 3/15/2009	2.0% GWI Effective 3/15/2009	2.0% GWI Effective 3/14/2010	2.5% GWI Effective 3/13/2011
Start	\$178.00	\$8.71	\$8.89	\$9.11
6 Mo.	\$192.00	\$9.44	\$9.62	\$9.86
12 Mo.	\$209.00	\$10.23	\$10.44	\$10.70
18 Mo.	\$226.00	\$11.10	\$11.32	\$11.60
24 Mo.	\$245.00	\$12.02	\$12.26	\$12.56
30 Mo.	\$265.00	\$13.02	\$13.28	\$13.61
36 Mo.	\$288.00	\$14.11	\$14.39	\$14.75
42 Mo.	\$312.00	\$15.28	\$15.59	\$15.97
Top	\$338.00	\$16.56	\$16.90	\$17.32

Job Title(s): Utility Worker

Wage Schedule: P2

Interval	1.0% Lump Sum Effective 3/15/2009	2.0% GWI Effective 3/15/2009	2.0% GWI Effective 3/14/2010	2.5% GWI Effective 3/13/2011
6 Mo.	\$203.00	\$9.94	\$10.14	\$10.40
12 Mo.	\$221.00	\$10.83	\$11.05	\$11.33
18 Mo.	\$241.00	\$11.81	\$12.05	\$12.35
24 Mo.	\$263.00	\$12.89	\$13.15	\$13.48
30 Mo.	\$287.00	\$14.07	\$14.35	\$14.71
36 Mo.	\$313.00	\$15.33	\$15.64	\$16.03
42 Mo.	\$341.00	\$16.72	\$17.05	\$17.48
Top	\$372.00	\$18.24	\$18.60	\$19.07

Job Title(s): Dispatch Clerk, Special Services Clerk

Wage Schedule: P2B

Interval	1.0% Lump Sum Effective 3/15/2009	2.0% GWI Effective 3/15/2009	2.0% GWI Effective 3/14/2010	2.5% GWI Effective 3/13/2011
Start	\$213.00	\$10.47	\$10.67	\$10.94
6 Mo.	\$233.00	\$11.40	\$11.63	\$11.92
12 Mo.	\$254.00	\$12.44	\$12.69	\$13.01
18 Mo.	\$276.00	\$13.56	\$13.83	\$14.17
24 Mo.	\$301.00	\$14.78	\$15.08	\$15.45
30 Mo.	\$328.00	\$16.10	\$16.42	\$16.83
36 Mo.	\$358.00	\$17.55	\$17.91	\$18.35
42 Mo.	\$390.00	\$19.11	\$19.50	\$19.98
Top	\$427.00	\$20.94	\$21.36	\$21.89

Job Title(s): Lead Dispatch Clerk

Wage Schedule: P3

Interval	1.0% Lump Sum Effective 3/15/2009	2.0% GWI Effective 3/15/2009	2.0% GWI Effective 3/14/2010	2.5% GWI Effective 3/13/2011
Start	\$231.00	\$11.31	\$11.54	\$11.83
6 Mo.	\$251.00	\$12.33	\$12.58	\$12.89
12 Mo.	\$274.00	\$13.44	\$13.71	\$14.06
18 Mo.	\$299.00	\$14.67	\$14.96	\$15.33
24 Mo.	\$326.00	\$15.98	\$16.30	\$16.71
30 Mo.	\$356.00	\$17.44	\$17.79	\$18.24
36 Mo.	\$388.00	\$19.01	\$19.39	\$19.88
42 Mo.	\$423.00	\$20.75	\$21.16	\$21.69
Top	\$461.00	\$22.61	\$23.07	\$23.64

Job Title(s): Collector/Maintainer, Courier, Facility Project Associate, Facility Provisioning Specialist, Public Access Sales Technician, Shop Repairer

Wage Schedule: P4

Interval	1.0% Lump Sum Effective 3/15/2009	2.0% GWI Effective 3/15/2009	2.0% GWI Effective 3/14/2010	2.5% GWI Effective 3/13/2011
Start	\$245.00	\$12.04	\$12.28	\$12.58
6 Mo.	\$268.00	\$13.13	\$13.39	\$13.72
12 Mo.	\$292.00	\$14.31	\$14.60	\$14.96
18 Mo.	\$318.00	\$15.61	\$15.92	\$16.32
24 Mo.	\$347.00	\$17.01	\$17.35	\$17.79
30 Mo.	\$379.00	\$18.56	\$18.94	\$19.41
36 Mo.	\$413.00	\$20.25	\$20.65	\$21.17
42 Mo.	\$450.00	\$22.07	\$22.51	\$23.08
Top	\$491.00	\$24.08	\$24.56	\$25.18

Job Title(s): Cable Splicer's Helper, Storekeeper

Wage Schedule: P4B

Interval	1.0% Lump Sum Effective 3/15/2009	2.0% GWI Effective 3/15/2009	2.0% GWI Effective 3/14/2010	2.5% GWI Effective 3/13/2011
Start	\$252.00	\$12.36	\$12.61	\$12.92
6 Mo.	\$275.00	\$13.49	\$13.76	\$14.11
12 Mo.	\$300.00	\$14.72	\$15.01	\$15.39
18 Mo.	\$327.00	\$16.04	\$16.37	\$16.77
24 Mo.	\$357.00	\$17.49	\$17.84	\$18.29
30 Mo.	\$389.00	\$19.08	\$19.47	\$19.95
36 Mo.	\$425.00	\$20.82	\$21.23	\$21.77
42 Mo.	\$463.00	\$22.68	\$23.14	\$23.72
Top	\$505.00	\$24.75	\$25.24	\$25.87

Job Title(s): Cable Technician

Wage Schedule: P5

Interval	1.0% Lump Sum Effective 3/15/2009	2.0% GWI Effective 3/15/2009	2.0% GWI Effective 3/14/2010	2.5% GWI Effective 3/13/2011
Start	\$275.00	\$13.49	\$13.76	\$14.11
6 Mo.	\$300.00	\$14.72	\$15.01	\$15.39
12 Mo.	\$327.00	\$16.04	\$16.37	\$16.77
18 Mo.	\$357.00	\$17.50	\$17.85	\$18.30
24 Mo.	\$390.00	\$19.10	\$19.49	\$19.97
30 Mo.	\$425.00	\$20.82	\$21.23	\$21.77
36 Mo.	\$463.00	\$22.73	\$23.18	\$23.76
42 Mo.	\$505.00	\$24.75	\$25.24	\$25.87
Top	\$550.00	\$26.98	\$27.52	\$28.21

**Job Title(s): ~~Business Zone Technician II, Cable Splicer,~~
Customer Zone Technician II, Facility Technician - Projects,
Facility Technician - Test, Fiber Network Field Technician,
Senior Cable Technician, Tractor Trailer Driver**

Wage Schedule: P5A

Interval	1.0% Lump Sum Effective 3/15/2009	2.0% GWI Effective 3/15/2009	2.0% GWI Effective 3/14/2010	2.5% GWI Effective 3/13/2011
Start	\$275.00	\$13.49	\$13.76	\$14.11
6 Mo.	\$300.00	\$14.72	\$15.01	\$15.39
12 Mo.	\$327.00	\$16.04	\$16.37	\$16.77
18 Mo.	\$357.00	\$17.50	\$17.85	\$18.30
24 Mo.	\$390.00	\$19.10	\$19.49	\$19.97
30 Mo.	\$425.00	\$20.82	\$21.23	\$21.77
36 Mo.	\$463.00	\$22.73	\$23.18	\$23.76
42 Mo.	\$505.00	\$24.75	\$25.24	\$25.87
Top	\$550.00	\$26.98	\$27.52	\$28.21

Job Title(s): Facility Technician - Assignment

Wage Schedule: P6

Interval	1.0% Lump Sum Effective 3/15/2009	2.0% GWI Effective 3/15/2009	2.0% GWI Effective 3/14/2010	2.5% GWI Effective 3/13/2011
Start	\$292.00	\$14.30	\$14.59	\$14.95
6 Mo.	\$318.00	\$15.60	\$15.91	\$16.31
12 Mo.	\$347.00	\$17.00	\$17.34	\$17.78
18 Mo.	\$378.00	\$18.54	\$18.91	\$19.39
24 Mo.	\$412.00	\$20.23	\$20.63	\$21.15
30 Mo.	\$450.00	\$22.05	\$22.49	\$23.06
36 Mo.	\$490.00	\$24.05	\$24.53	\$25.15
42 Mo.	\$535.00	\$26.22	\$26.75	\$27.42
Top	\$583.00	\$28.60	\$29.17	\$29.90

Job Title(s): Business Zone Technician I, Customer Zone Technician I, Equipment Installer

Wage Schedule: P7

Interval	1.0% Lump Sum Effective 3/15/2009	2.0% GWI Effective 3/15/2009	2.0% GWI Effective 3/14/2010	2.5% GWI Effective 3/13/2011
Start	\$292.00	\$14.30	\$14.59	\$14.95
6 Mo.	\$318.00	\$15.60	\$15.91	\$16.31
12 Mo.	\$347.00	\$17.00	\$17.34	\$17.78
18 Mo.	\$378.00	\$18.54	\$18.91	\$19.39
24 Mo.	\$412.00	\$20.23	\$20.63	\$21.15
30 Mo.	\$450.00	\$22.05	\$22.49	\$23.06
36 Mo.	\$490.00	\$24.05	\$24.53	\$25.15
42 Mo.	\$535.00	\$26.22	\$26.75	\$27.42
Top	\$583.00	\$28.60	\$29.17	\$29.90

Job Title(s): Switching Support Technician

Wage Schedule: P7A

Interval	1.0% Lump Sum Effective 3/15/2009	2.0% GWI Effective 3/15/2009	2.0% GWI Effective 3/14/2010	2.5% GWI Effective 3/13/2011
Start	\$292.00	\$14.30	\$14.59	\$14.95
6 Mo.	\$318.00	\$15.60	\$15.91	\$16.31
12 Mo.	\$347.00	\$17.00	\$17.34	\$17.78
18 Mo.	\$378.00	\$18.54	\$18.91	\$19.39
24 Mo.	\$412.00	\$20.23	\$20.63	\$21.15
30 Mo.	\$450.00	\$22.05	\$22.49	\$23.06
36 Mo.	\$490.00	\$24.05	\$24.53	\$25.15
42 Mo.	\$535.00	\$26.22	\$26.75	\$27.42
Top	\$583.00	\$28.60	\$29.17	\$29.90

Job Title(s): Transmission Technician

Wage Schedule: P8

Interval	1.0% Lump Sum Effective 3/15/2009	2.0% GWI Effective 3/15/2009	2.0% GWI Effective 3/14/2010	2.5% GWI Effective 3/13/2011
Start	\$323.00	\$15.83	\$16.15	\$16.55
6 Mo.	\$352.00	\$17.26	\$17.60	\$18.04
12 Mo.	\$384.00	\$18.83	\$19.21	\$19.69
18 Mo.	\$418.00	\$20.52	\$20.93	\$21.46
24 Mo.	\$456.00	\$22.38	\$22.83	\$23.40
30 Mo.	\$498.00	\$24.43	\$24.92	\$25.54
36 Mo.	\$543.00	\$26.63	\$27.16	\$27.84
42 Mo.	\$592.00	\$29.04	\$29.62	\$30.36
Top	\$646.00	\$31.67	\$32.30	\$33.11

Job Title(s): Customer Engineer - Data Applications