

2008 MEMORANDUM OF UNDERSTANDING

BETWEEN

**VERIZON NEW ENGLAND, INC.
VERIZON ADVANCED DATA INC.
VERIZON AVENUE INC.
VERIZON CORPORATE SERVICES CORP.
AND VERIZON SERVICES CORP.**

and

**INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, AFL-CIO
LOCALS 2222, 2313, 2320, 2321, 2322, 2323, 2324, 2325**

This Memorandum of Understanding ("2008 MOU") is agreed to by and between the above-named companies (herein the "Company" or "Companies," as context requires) and the International Brotherhood of Electrical Workers Locals 2222, 2313, 2320, 2321, 2322, 2323, 2324, and 2325 (hereinafter the "Union" or "IBEW") with respect to the following IBEW-represented bargaining units:

1. IBEW Plant (Verizon New England Inc., VADI, Verizon Avenue, VCSC and VSC)
2. IBEW Traffic (Verizon New England Inc. and VSC)
3. IBEW Accounting (Verizon New England Inc., VCSC and VSC)
4. IBEW Sales (Verizon New England Inc., VADI, VCSC and VSC)

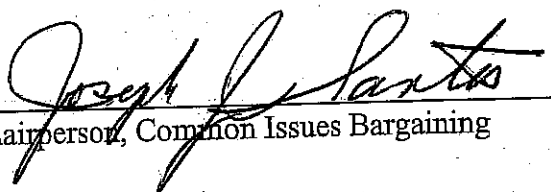
It is agreed that the existing collective bargaining agreements covering the above-named bargaining units will be terminated effective at 11:59 p.m. on August 2, 2008. New collective bargaining agreements covering the above-named bargaining units will become effective on August 3, 2008 and will remain in effect until 11:59 p.m. on August 6, 2011. Each of the new collective bargaining agreements shall consist of the provisions of the existing agreements,

including the provisions of the 2003 Memorandum of Understanding Between Verizon New England Inc., Verizon Advanced Data, Inc., Verizon Avenue Inc., Verizon Corporate Services Corp. and Telesector Resources Group, Inc. d/b/a Verizon Services Group and the International Brotherhood of Electrical Workers, AFL-CIO, Locals 2222, 2313, 2320, 2321, 2322, 2323, 2324, 2325, 2326, and 2327 effective August 3, 2003 ("2003 MOU") and the provisions of the 2003 Memorandum of Agreement ("2003 MOA"), as modified by the applicable provisions of this 2008 MOU and the modifications contained in the 2008 MOA. All letters of agreement in the parties' 2003 collective bargaining agreements (including without limitation the 2003 MOU) shall remain in full force and effect, unless the terms of such letters of agreement have been expressly modified by this 2008 MOU or by the parties' collective bargaining agreements. All letters of agreement or provisions in the parties' 2003 collective bargaining agreements (including without limitation the 2003 MOU) that contain an expiration date of August 2, 2008 will be changed to reflect an expiration date of August 6, 2011 unless the parties have expressly agreed that such letters or provisions will not remain in effect. Notwithstanding the above, it is agreed that the following Sections of the 2003 MOU and any associated attachments have been intentionally removed and shall not be renewed: Sections IX (Annual Discussions), X (Joint Mediation Sessions), XI (Joint Committee on Absence Control), XVIII (Limited Extension Agreement), Attachment B (Retiree Health Benefits Trust), Attachment C (Medical Expense Plan and Dental Expense Plan Provisions), Attachment E (Upgrade of Wage Table 13 to Wage Table 15), and Attachment H (Increase in Pension Bands of Certain Employees). Provisions of this 2008 MOU, including the 2008 MOA, the Settlement Agreement regarding Verizon Business dated August 3, 2008 and the Video Hub Technician Agreement dated August 3, 2008, which are attached herein, will be incorporated, by reference or otherwise, into the collective bargaining agreement between the

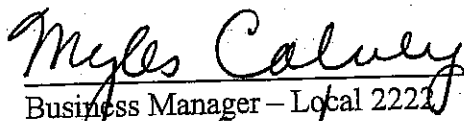
parties. Unless the parties have specified different effective dates in provisions of this 2008 MOU, such provisions will be effective August 3, 2008.

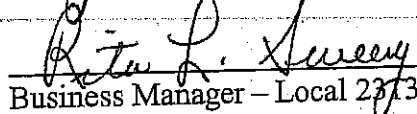
This 2008 MOU shall become effective if, and only if, ratified by the combined results of the voting in the bargaining units in the Companies represented by IBEW no later than September 19, 2008. Prior to the ratification vote on or before September 19, 2008 the terms of the parties' 2003 collective bargaining agreements will remain in effect.

FOR THE COMPANY

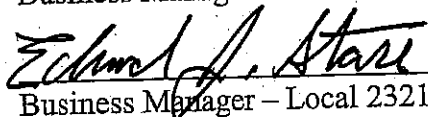

Chairperson, Common Issues Bargaining

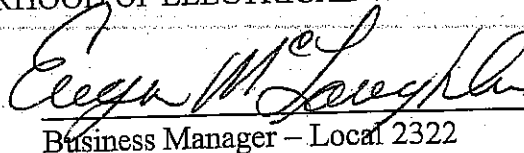
FOR INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS

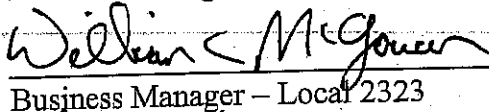

Business Manager – Local 2221

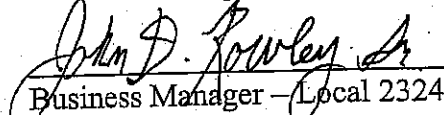

Business Manager – Local 2313

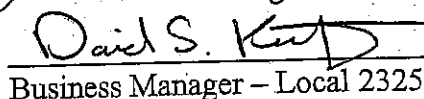
Business Manager – Local 2320


Business Manager – Local 2321


Business Manager – Local 2322


Business Manager – Local 2323


Business Manager – Local 2324


Business Manager – Local 2325

Dated: 8/13/08

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ATTACHMENTS FOLLOWING PAGE 18

I. WAGES

The schedule of wage increases for the term of this Agreement shall be as follows:

Effective Date	Percentage Increase	Applied to:
Sunday, 8/3/08	3.25%	all steps of the basic wage schedules
Sunday, 8/2/09	3.50%	all steps of the basic wage schedules
Sunday, 8/1/10	3.75%	all steps of the basic wage schedules

II. COST-OF-LIVING

During the term of this 2008 MOU, the existing Cost-of-Living provisions in the collective bargaining agreement will be deleted and replaced with the language set forth below:

- (1) Effective August 1, 2010, an adjustment will be made in basic weekly rates in each wage schedule in the amount of: (i) one-half of the increase above three and three-quarters percent (3.75%) in the "CPI-W" (1982-84 = 100) for May 2010 over May 2009, applied to (ii) the scheduled rates in effect in each wage schedule on July 31, 2010, (iii) rounded to the nearest 50 cents.
- (2) In no event shall a decrease in the CPI-W result in a reduction of any basic weekly wage rate.
- (3) In the event the Bureau of Labor Statistics does not issue the appropriate Consumer Price Indexes on or before the dates referred to in Paragraph 1, the cost-of-living adjustment required by such appropriate indexes shall be effective at the beginning of the first payroll week after receipt of the indexes.
- (4) No adjustment, retroactive or otherwise, shall be made as the result of any revision which may later be made in the first published figures for the CPI-W for May 2009 and May 2010.
- (5) ~~The cost-of-living adjustment is dependent upon the availability of the CPI-W in its present form and calculated on the same basis as the CPI-W for May 2008. In the~~

event the Bureau of Labor Statistics changes the form or the basis of calculating the CPI-W, the Company and the Union agree to request the Bureau to make available, for the life of this agreement, a CPI-W in its present form and calculate it on the same basis as the CPI-W for May 2008, which was 212.788 (1982-84 = 100).

III. CORPORATE PROFIT SHARING (CPS)

During the term of this 2008 MOU, the Corporate Profit Sharing (CPS) Plan shall continue in effect with the following modifications:

Section 2. Plan Years: The CPS will provide awards for results in calendar years 2008, 2009 and 2010 with awards payable in 2009, 2010 and 2011.

Section 6. CPS Distribution Calculations

(a) Standard Award: The "Standard" CPS Distribution shall be as follows:

Performance Year	Standard CPS Distribution	Year Payable
2008	\$500	2009
2009	\$500	2010
2010	\$500	2011

* * *

(c) Notwithstanding paragraphs (a) and (b) above, the minimum distribution for Performance Years 2008, 2009 and 2010 will be \$700, subject in all cases to prorating under Section 3.

IV. PENSION BAND INCREASES

The Verizon Pension Plan for New York and New England Associates (the "Pension Plan") will be amended to provide for increases in pension bands by the "Percentage Increase" amounts shown in the following table, as applied to participating employees whose "Pension Effective Date" (which is the first day following the last day on the payroll) is on or after the corresponding "Effective Date" shown below.

Effective Date	Percentage Increase
10/1/08	3.25%
10/1/09	3.50%
10/1/10	3.75%

V. PENSION LUMP SUM CASHOUT

The parties hereby re-state their agreement as modified regarding pension lump sum cashout.

1. An associate who separates from service during the term of this 2008 MOU, with eligibility for a vested pension or a service pension, shall be eligible to receive his or her vested or service pension under the Pension Plan as a total lump-sum cashout. The terms of the cashout program shall be the same as the terms of the cashout program set forth in the 2003 MOU for the period ending August 2, 2008, with the following provisions, some of which are updated from the 2003 MOU:

- (a) The cashout programs shall provide for payment of a lump-sum cashout on a commencement date elected by the associate that occurs on or after the date the associate's request is received by the Pension Plan administrator and that is either:
 - (i) the day following the associate's separation from service, or
 - (ii) the first day of any month following separation from service.
- (b) The calculation of a lump-sum cashout for an eligible associate who separates from service during the term of this 2008 MOU, shall be based on the largest of the amounts determined by the factors set forth in the Pension Plan on August 2, 2008, for the cashout trials in the 2003 MOU, in addition to any legally-mandated interest rate and mortality table set forth in section 417(e) of the Internal Revenue Code.

- (c) If the 30-year Treasury Bond rate ceases to be published before August 6, 2011, the parties will establish a joint committee which will review the historic relationship between the interest rates on 30-year Treasury Bonds and the interest rates on AAA Corporate Bonds and will agree on a factor which when applied to historic AAA Corporate Bond rates produces an interest rate equal to the historic 30-year Treasury Bond rate. This rate will be made available as another calculation standard for lump-sum cashouts under the Pension Plan following the last publication date for the 30-year Treasury Bond rate. For this purpose, "historic" rates shall be equal to the average rates over the 3-year period that ends six months before the last date on which the U.S. Treasury Department publishes the 30-year Treasury Bond rate. (Example: If historic 30-year Treasury Bond rates equal 6% and historic AAA Corporate Bond rates equal 8%, then the factor would be 75%. The new standard for calculating a lump sum would be 0.75 times the AAA Corporate Bond rate in effect on the lump sum commencement date.)

2. For a cashout-eligible associate who has separated from service before death:

- (a) If death occurs while the associate has in effect a valid election (with spousal consent) to receive a lump-sum cashout from the Pension Plan and before the commencement date specified in such election, the associate's beneficiary for the pre-retirement death benefit under the Pension Plan shall receive a death benefit equal to the larger of (i) the lump-sum cashout that would have been paid to the associate if he or she had survived until the elected commencement date, or (ii) the pre-retirement death benefit otherwise payable to such beneficiary under the Pension Plan.
- (b) If death occurs (i) before the associate makes a valid election to commence payment of his or her vested or service pension (in any form) under the Pension Plan or (ii) while the associate has in effect a valid election to receive payment of his or her vested or service pension in a form of payment other than a lump-sum cashout and before the commencement date specified in such election, the associate's beneficiary for the pre-retirement death benefit under the Pension Plan shall receive a death benefit equal to

the larger of (I) the lump-sum cashout that would have been paid to the associate if he or she had elected to receive payment on the beneficiary's commencement date (or, if the beneficiary is a spouse who elects an annuity, the actuarial equivalent of that lump sum in the form of a single life annuity), or (II) the pre-retirement death benefit otherwise payable to such beneficiary under the Pension Plan.

VI. VOLUNTARY TERMINATION BONUS

Any employee who makes a voluntary election to leave the service of the Company pursuant to any Income Protection Plan or Enhanced IPP offer made during the term of this 2008 MOU, and who does separate from the Company pursuant to that offer shall receive a Voluntary Termination Bonus consisting of, as applicable:

1. A lump-sum payment of \$10,000, less taxes and withholdings, in addition to any IPP/EIPP for which the employee is otherwise eligible,
2. 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.

VII. BENEFITS

1. CONTINUATION OF BENEFIT PLANS

The following employee benefit plans are continued in effect through the term of this 2008 MOU in accordance with their existing terms and the changes agreed to in this 2008 MOU. To the extent that any provision of this Benefits Section of this 2008 MOU is inconsistent with or contravenes the terms of the 2003 MOU, any local collective bargaining agreement, the 2003 MOA, or any other agreements between the parties, this Benefits Section of the 2008 MOU shall govern and shall supersede the 2003 MOU and/or the local collective bargaining agreements and/or the 2003 MOA and/or the other agreements.

Verizon Adoption Reimbursement Program for New York and New England Associates

Verizon Anticipated Disability Program for New York and New England Associates

Verizon Sickness and Accident Disability Benefit Plan for New England Associates

Verizon Sickness and Accident Disability Benefit Plan for New York Associates

Verizon Accidental Death and Dismemberment Plan for New York and New England Associates

Verizon Alternate Choice Plan for New York and New England Associates

Verizon Savings and Security Plan for New York and New England Associates

Verizon Dependent Care Spending Account for New York and New England Associates

Verizon Dependent Group Life Insurance Plan for New York and New England Associates

Verizon Health Care Spending Account for New York and New England Associates

Verizon Income Protection Plan for New York and New England Associates

Verizon Long Term Care Insurance Plan for New York and New England Associates

Verizon Long Term Disability Plan for New York and New England Associates

Verizon Medical Expense Plan for New York and New England Associates

Verizon Dental Expense Plan for New York and New England Associates

Verizon Group Life Insurance Plan for New York and New England Associates

Verizon Vision Care Plan for New York and New England Associates (including VDT User Eyecare Program)

Verizon Pension Plan for New York and New England Associates

Verizon Sickness and Accident Disability Benefit Plan for New York and New England Associates of Non-Regulated Companies

Verizon Stock Option Plan for New York and New England Associates

2. CHANGES TO EXISTING HEALTH CARE BENEFITS AND PRESCRIPTION DRUG COVERAGE FOR ACTIVE ASSOCIATES

A. Medical Benefit Changes.

Effective January 1, 2009 (the "Effective Date"), the provisions of the Verizon Medical Expense Plan for New York and New England Associates (the "Plan") regarding medical benefits and prescription drug coverage for active associates who participate in the Plan shall be amended as follows:

i. **Benefit Changes Applicable To All Plan Options**

The medical benefits provided to associates and their eligible dependents enrolled in any option offered under the Plan shall be as described in the Plan document, with the following modifications, effective on and after the Effective Date:

a. **Prescription Drug Coverage** (Amend the following provisions of the Plan: Sections 6.1, 6.4, and 12)

The prescription drug coverage currently offered under the Plan shall be replaced by the following prescription drug coverage:

- **In-Network Pharmacies.** The following prescription drug coverage shall apply for prescription drugs purchased at in-network pharmacies for up to a 30 day supply:
 - The pharmacies within the network shall be defined from time to time by the Pharmacy Benefit Manager, which shall be Medco.
 - For in-network pharmacies, an associate shall pay a percentage of the Discounted Network Price ("DNP"), as provided below.
 - The following copays will apply for up to a 30 day supply:
 - The copay for generic drugs shall be 15% of the DNP for the original prescription and each refill, with a \$25 maximum copay for up to a 30 day supply.
 - The copay for single-source brand name drugs shall be 25% of the DNP for the original prescription and each refill, with a \$40 maximum copay for up to a 30 day supply.
 - The copay for multi-source brand name drugs shall be 35% of the DNP for the original prescription and each refill, with a \$50 maximum copay for up to a 30 day supply. If a physician prescribes "dispense as written" or "DAW", the multi-source brand name drug copay will apply.
- **Out-of-Network Pharmacies.** The following prescription drug coverage shall apply for prescription drugs purchased at out-of-network pharmacies for up to a 30 day supply:
 - For out-of-network pharmacies, an associate shall pay a percentage of the retail cost, as provided below.
 - After a \$50 per person annual deductible is met, the following copays will apply for up to a 30 day supply:

- The copay for generic drugs shall be 15% of the retail cost for the original prescription and each refill, with a \$25 maximum copay for up to a 30 day supply.
- The copay for single-source brand name drugs shall be 25% of the retail cost for the original prescription and each refill, with a \$40 maximum copay for up to a 30 day supply.
- The copay for multi-source brand name drugs shall be 35% of the retail cost for the original prescription and each refill, with a \$50 maximum copay for up to a 30 day supply. If a physician prescribes "dispense as written" or "DAW", the multi-source brand name drug copay will apply.
- **Mail Order Pharmacy.** The prescription drug coverage for mail order drugs shall be as follows for up to a 90 day supply:
 - The copay for generic drugs shall be the lower of \$8 or the DNP for the original prescription and each refill for up to a 90 day supply.
 - The copay for single-source brand name drugs shall be: (i) in 2009, the lower of \$15 or the DNP; (ii) in 2010, the lower of \$20 or the DNP; and (iii) in 2011, the lower of \$25 or the DNP, for the original prescription and each refill for up to a 90 day supply.
 - The copay for multi-source brand name drugs shall be: (i) in 2009, the lower of \$20 or the DNP; (ii) in 2010, the lower of \$25 or the DNP; and (iii) in 2011, the lower of \$30 or the DNP, for the original prescription and each refill for up to a 90 day supply. If a physician prescribes "dispense as written" or "DAW", the multi-source brand name drug copay will apply.
- **HMO Prescription Drug Coverage.** For those participants enrolled in an HMO option, the above design shall only apply to HMOs where prescription drug coverage is "carved out" of the commercial plan design offered by the HMO.
- **Educational Opportunities.** The Company, in conjunction with the ACHC, will identify educational opportunities designed to increase medically appropriate generic drug utilization and implement programs beneficial to employees, retirees and the Company.

ii. HCN Benefit Changes

The medical benefits provided to associates and their eligible dependents enrolled in the HCN option on and after the Effective Date shall be as described in the Plan, with the following modifications:

a. Emergency Room Copay (Amend the following provision of the Plan: Section 6.1.2)

- The Company shall implement a \$15 copay for each in-network or out-of-network visit to an emergency room. The copay for an individual who is eligible for Medicare shall be five dollars (\$5). The applicable copay shall not apply if the associate or eligible dependent is admitted to the hospital.
- The in-network and out-of-network emergency room copays shall not count toward, and shall be excluded from, the HCN annual out-of-pocket expense maximum and shall not be used to satisfy the deductible under the HCN.

b. Referrals to Specialists (Amend the following provisions of the Plan: Sections 5.1.1 and 6.1)

- The Company shall eliminate the requirement for referrals to specialist providers with respect to the portion of the HCN option managed by Aetna. With respect to the portions of the HCN option managed by administrators other than Aetna, the Company shall eliminate the requirement for referrals to specialist providers, should this be permitted by such administrators at no additional cost to the Company.

iii. MEP-Indemnity Benefit Changes

As of the Effective Date, the Company shall eliminate the current MEP-Indemnity as an option under the Plan for all associates and any eligible dependents. Associates and any eligible dependents may enroll in any other option under the Plan.

iv. MEP-PPO Benefit Changes

As of the Effective Date, the Company shall eliminate the current MEP-PPO as an option under the Plan for all associates and any eligible dependents. Associates and any eligible dependents may enroll in any other option offered under the Plan.

v. New Health Care PPO Program

As of the Effective Date, the Company shall implement an actively managed PPO program, the Health Care PPO, under the Plan for associates and their eligible dependents. Effective January 1, 2009, the Administrator shall be Empire HealthChoice Assurance Inc. Prior to making any change to the Administrator, the Company and Union representatives who serve on the ACHC will discuss and agree upon such change. The medical benefits provided to associates and their eligible dependents enrolled in the Health Care PPO on and after the Effective Date shall be as follows:

a. Health Care PPO Services and Benefit Levels

- Except as specifically provided below and agreed to under the terms of this MOU, the in-network and out-of-network services and benefit levels for the Health Care PPO shall be the same as the plan provisions for the active PPO network provided under the 2003 MOU.

b. Coinsurance

- The Benefit Administrator for the Health Care PPO shall administer the out-of-network coinsurance provisions in accordance with their standard Reasonable and Customary Amount for these services.
- An associate shall not be responsible for any coinsurance amount for inpatient hospital room and board on an out-of-network basis; no deductible shall apply.
- An associate shall be responsible for a two (2) percent coinsurance amount for in-hospital physician's visits on an out-of-network basis; no deductible shall apply.
- An associate shall be responsible for a two (2) percent coinsurance amount for inpatient pre-natal and post-natal maternity care received on an out-of-network basis; no deductible shall apply.
- An associate shall not be responsible for any coinsurance amount for inpatient newborn baby care received on an in-network basis; no deductible shall apply. An associate shall be responsible for a two (2) percent coinsurance amount for inpatient newborn baby care received on an out-of-network basis; no deductible shall apply.
- An associate shall not be responsible for any coinsurance amount for second surgical opinions received on an in-network and out-of-network basis; no deductible shall apply.
- An associate shall be responsible for a two (2) percent coinsurance amount for inpatient surgery on an out-of-network basis; no deductible shall apply.
- An associate shall not be responsible for any copay or coinsurance amount for outpatient surgery on an in-network or out-of-network basis; no deductible shall apply.
- An associate shall be responsible for a two (2) percent coinsurance amount for anesthesia administered on an out-of-network basis; no deductible shall apply.
- An associate shall not be responsible for any coinsurance amount for ambulance services provided on an out-of-network basis; no deductible shall apply.

c. Out-of-Pocket Expense Maximum

- The out-of-pocket expense maximum for pharmacy prescription drug coverage shall be: (i) \$350 for 2009; (ii) \$350 for 2010; and (iii) \$400 for 2011.
- Copays for in-network and out-of-network emergency room and urgent care facility visits shall not count toward, and shall be excluded from, the Health Care PPO annual out-of-pocket expense maximum.

d. Emergency Room and Urgent Care Facility Copay

- The Company shall implement a \$15 copay for each in-network or out-of-network visit to an emergency room. The copay for an individual who is eligible for Medicare shall be five dollars (\$5). The applicable copay shall not apply if the associate or eligible dependent is admitted to the hospital.
- The in-network and out-of-network copay shall not be used to satisfy the deductible under the Health Care PPO.
- The Company shall implement a \$15 copay for each in-network or out-of-network visit to an urgent care facility. The copay for an individual who is eligible for Medicare shall be five dollars (\$5). The in-network and out-of-network copay shall not be used to satisfy the deductible under the Health Care PPO.

e. Preventive Care

- An associate shall be responsible for a twenty (20) percent coinsurance amount for out-of-network routine well-baby exams and for routine well-child exams; the deductible shall apply. The age and frequency schedule, which was attached as Exhibit 1 to the 2003 MOU, shall apply to out-of-network routine well-baby exams and to routine well-child exams.
- An associate shall be responsible for a twenty (20) percent coinsurance amount for out-of-network routine adult physical exams; the deductible shall apply. Provided, however, an associate shall not be responsible for any coinsurance amount for out-of-network well-woman exams, mammograms and pap tests; no deductible shall apply. The age and frequency schedule, which was attached as Exhibit 1 to the 2003 MOU, shall apply to out-of-network routine adult physical exams, well-woman exams, mammograms and pap tests.

f. Outpatient Substance Abuse Treatment

- Outpatient substance abuse benefits for counseling services that are not part of a day service program or an outpatient program shall be limited to 52 visits per plan year. A per week visitation limit shall not apply to the Health Care PPO.

vi. HMO Benefit Changes

The medical benefits provided to associates and their eligible dependents enrolled in an HMO option on and after the Effective Date shall be as described in the Verizon Alternate Choice Plan for New York and New England Associates (the "Verizon Alternate Choice Plan"), a component plan of the Plan, with the following modifications:

a. Prescription Drug Coverage (Amend the following provisions of the Verizon Alternate Choice Plan: Sections 5.2, 5.3, and 5.4)

- The changes to prescription drug coverage shall be the same as described in Section 2.A(i)(a).
- For those participants enrolled in an HMO option, the design described in Section 2.A(i)(a) shall only apply to HMOs where prescription drug coverage is "carved out" of the commercial plan design offered by the HMO.

B. Vision Benefit Changes.

Effective January 1, 2009 (the "Effective Date"), the provisions of the Verizon Vision Care Plan for New York and New England Associates (including VDT User Eye Care Program) (the "Plan") regarding vision benefits for active associates and their eligible dependents who participate in the Plan shall be as described in the Plan, with the following modifications:

i. Frequency of Vision Examination (Amend the following provision of the Plan: Section 5.1.1)

- The Plan shall cover a vision examination for an associate or eligible dependent once every calendar year. Eye examinations can be obtained at either in-network or out-of-network providers.

ii. Eyeglass Frames Cost Sharing (Amend the following provisions of the Plan: Section 5.1.1)

- An associate shall not be responsible for any copay or coinsurance amount for "fashion" or "designer" eyeglass frames obtained from Davis Vision's Tower collection purchased at an in-network provider.
- An associate shall be responsible for a \$25 copay for "premier" eyeglass frames obtained from Davis Vision's Tower collection purchased at an in-network provider.
- The maximum benefit allowable for any eyeglass frames that are not part of Davis Vision's Tower collection purchased from an in-network provider shall be \$60. If the cost of such eyeglass frames exceeds \$60, an associate or eligible dependent shall receive a twenty (20) percent discount on the remaining cost.

iii. Contact Lenses Cost Sharing (Amend the following provision of the Plan: Section 5.1.1)

- The maximum benefit allowable for a pair of prescription contact lenses purchased from an in-network provider shall be \$110. If the cost of such prescription contact lenses exceeds \$110, an associate or eligible dependent shall receive a fifteen (15) percent discount on the remaining cost.

C. Individualized Enrollment/Anytime Enrollment Processes.

Commencing with enrollment for the 2009 Plan Year, the following enrollment processes shall be used:

- The Company shall allow all associates an initial enrollment opportunity effective January 1, 2009. Thereafter, the Company shall allow all associates to enroll and/or modify their health care benefit coverage elections following their initial enrollment in the Plan, subject to the conditions described in this paragraph (the "Individualized Enrollment Process"). Under the Individualized Enrollment Process, an associate shall be permitted to modify the associate's health care benefit coverage elections during the plan year, provided the associate has not modified such benefit coverage elections in the previous twelve (12) months or as required by law. Any such modification to the associate's health care benefit coverage will be effective as of the first day of the month that is thirty (30) days after the associate has notified the Company, or as otherwise required by law. In addition, under the Individualized Enrollment Process, an associate may make a separate Flexible Spending Account election effective for January 1 of each calendar year. If no election is made, the prior calendar year's election shall apply. Notwithstanding the foregoing, an associate who has incurred a status change as described under Section 125 of the Internal Revenue Code shall be permitted to change coverage elections within ninety (90) days of such change in status.
- The Company shall allow eligible retirees who retired after August 9, 1986 ("Covered Retiree") an initial enrollment opportunity effective January 1, 2009. Thereafter, the Company shall allow a Covered Retiree to modify the retiree's health care benefit coverage elections following their initial enrollment in the plan, subject to the conditions described in this paragraph (the "Anytime Enrollment Process"). Under the Anytime Enrollment Process, a Covered Retiree shall be permitted to modify the retiree's health care benefit coverage elections during the calendar year at any time effective as of the first day of the month that is thirty (30) days after the retiree has notified the Company.

3. RETIREE HEALTH CARE BENEFITS AND PRESCRIPTION DRUG COVERAGE CHANGES

Any changes to the health care benefits and prescription drug coverage provided to active employees as set forth in Section 2 above shall also be made to the health care benefits and ~~prescription drug coverage provided to Covered Retirees and the applicable retiree health care~~ plans shall be amended in the same manner as those provisions are amended for active employees pursuant to Section 2 above. Any future changes to health care benefits and prescription drug

coverage provided to Covered Retirees shall be negotiated with the Union in the same manner as that for active employees and future retirees.

A. Non-Contributory Retiree Medical Coverage for Certain Retirees

For a Covered Retiree who is retired as of August 6, 2011, the Company shall pay 100% of the cost of coverage for the coverage category elected by such Covered Retiree enrolled in a retiree medical option, and no contributions shall be required of such Covered Retiree for Plan Years 2009, 2010 and 2011.

B. Company Contributions for 2012 and Later Plan Years

For Plan Years beginning on and after January 1, 2012 for Covered Retirees who are not described in Section 3.C below, the Company's annual contribution toward the cost of coverage for the coverage category elected by a Covered Retiree under any retiree medical option shall be capped as follows (the "2012 Company Contribution Cap"):

Coverage Category Elected by Retiree	Pre-Medicare Company Contribution Cap (Annual)	Medicare-Eligible Company Contribution Cap (Annual)
Retiree Only	\$12,580	\$6,330
Retiree + 1	\$25,160	\$12,660
Retiree + Family	\$31,450	\$18,990

The Covered Retiree shall pay the excess, if any, of the cost of the coverage for the coverage category elected by such Covered Retiree over the 2012 Company Contribution Cap.

C. Retiree Medical Coverage for Associates Whose Net Credited Service Date is On or After August 3, 2008 Who Otherwise Did Not Qualify for Any Company-Subsidized Retiree Medical Coverage

- (1) Eligibility - Effective August 3, 2008, any associate whose Net Credited Service date, as defined in the Pension Plan, is on or after August 3, 2008 and who otherwise did not qualify for any Company-subsidized retiree medical coverage upon his or her initial employment termination (a "New Hire"), shall be eligible for the benefit provisions described below upon retirement from the Company. Any Class I Dependents of a New Hire retiree who are enrolled under the Plan at the New Hire retiree's date of death shall continue receiving the benefit provisions described below in Section 3.C(2) until the last day of the twelfth month following the month in which the New Hire retiree's death occurs. Retirement eligibility for a New Hire shall be based on any of the following sets of Net Credited Service, as defined by the Pension Plan, and age:

- (a) 30 years and any age;
- (b) 25 years and age 50;
- (c) 20 years and age 55;
- (d) 15 years and age 60; or
- (e) 10 years and age 65.

(2) Benefit. The following benefit provisions will apply:

- (a) If a New Hire is eligible for retiree medical coverage under this provision, he or she shall receive upon retirement an annual benefit for medical coverage, for the rest of his or her life, of \$430 for each year of Net Credited Service that the New Hire completes (up to a maximum of 30 years); and
- (b) Once a New Hire retiree becomes eligible for Medicare or eligible for other future national healthcare opportunities, the Company's contribution shall be adjusted to reflect the relative cost of such coverage as compared to that for pre-Medicare retirees. In no case, however, shall the amount paid to a Medicare-eligible retiree be less than 50% of the amount paid to a similarly situated pre-Medicare retiree with equal Net Credited Service.
- (c) The parties agree that in the negotiations in 2011 over the successor agreement to this Agreement, they will discuss the contribution described in 2(a) and (b) above in consideration of changes in health care cost trends and other relevant circumstances.

4. ROTH 401(K) PROGRAM

The Company will amend the Savings and Security Plan for New York and New England Associates effective January 1, 2010 to allow employee contributions to the Plan to be made as "Roth contributions" in accordance with section 402A of the Internal Revenue Code of 1986, as amended. The administrative costs of implementing and maintaining such feature of the Plan shall be charged to the trust for the Plan and allocated as determined by the Verizon Employee Benefits Committee.

5. RETIREE LIFE INSURANCE

The Verizon Group Life Insurance Plan for New York and New England Associates shall be amended to freeze the level of the retiree Basic Life Insurance benefit at one (1) times the Benefit Bearing Wage, as defined in the plan, as of August 2, 2008, for eligible employees retiring on or after such date. The plan shall also be amended to provide employees who retire on or after August 3, 2008, with a minimum Basic Life Insurance benefit equal to \$20,000 upon their retirement from the Company, without any reduction after age 65. For a New Hire, as defined in Article VI.3.C.(1), the Basic Life Insurance benefit shall be equal to \$20,000 upon their retirement from the Company, without any reduction after age 65.

~~The Verizon Group Life Insurance Plan for New York and New England Associates shall be amended to increase the maximum Supplemental Retiree Life Insurance benefit that an active employee may carry forward into retirement from four (4) times to five (5) times the Benefit~~

Bearing Wage. This amendment shall be effective as soon as administratively feasible, but no later than January 1, 2009, for active employees who retire on or after the effective date of the amendment.

VIII. NATIONAL HEALTH CARE REFORM

The agreement of the Companies and the Unions regarding health care reform is set forth at Attachment I.

IX. DISCUSSIONS THREE TIMES ANNUALLY

The agreement of the Companies and the Unions regarding discussions three times annually is set forth at Attachment J.

X. VIDEO HUB TECHNICIANS

The agreement of the Companies and Unions regarding Video Hub Technicians is set forth at Attachment K.

XI. SETTLEMENT AGREEMENT (Verizon Business)

The settlement agreement among the Companies and the Unions settling certain matters is set forth at Attachment L.

XII. 2008 MOA

The 2008 MOA, which updates the dates in the 2003 MOA, is set forth as Attachment M.

XIII. DURATION

All provisions of the parties' agreements shall remain in full force and effect until 11:59 p.m. on August 6, 2011.

Attachments to 2008 Memorandum of Understanding

International Brotherhood of Electrical Workers

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- K. Video Hub Technicians
- L. Settlement Agreement (Verizon Business)
- M. 2008 Memorandum of Agreement

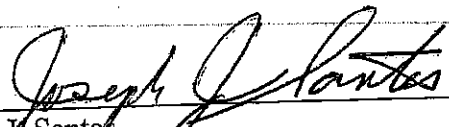
A. Pension and Social Security Supplement

August 3, 2008

Mr. Myles J. Calvey
Chairman, System Council T-6
International Brotherhood of Electrical Workers
1137 Washington Street
Dorchester, MA 02124

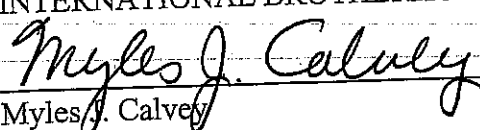
Dear Mr. Calvey:

This will confirm the parties' agreement regarding a Pension and Social Security Supplement for certain employees. Regular employees who were eligible for the 6 & 6 special incentive pension under the 1994 Labor Agreement, and who did not retire under that program, and who remained as regular employees until January 1, 2001, will receive upon retirement, the greater of the pension amount calculated as of the time of retirement or the pension amount with the 6 & 6 retirement incentive calculated as of August 8, 1998, with the 5% pension increase of August 8, 1998 included in the calculation, notwithstanding future amendments to the Pension Plan by the parties. Whichever option such employees choose, they will receive the Social Security Supplement calculated as of August 8, 1998, with the 5% pension increase of August 8, 1998 included in the calculation; provided that the employee is under the age of 62 at the time of retirement, and provided further that the Social Security Supplement shall cease when the employee attains the age of 62.


Joseph J. Santos
Chairperson, General Bargaining Committee

AGREED:

INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS


Myles J. Calvey

Chairman, System Council T-6

B. Automotive/Building Services Surplus Letter

August 3, 2008

Mr. Myles J. Calvey
Chairman, System Council T-6
International Brotherhood of Electrical Workers
1137 Washington Street
Dorchester, MA 02124

Dear Mr. Calvey:

This letter confirms the parties' agreement that the following job titles will not be declared surplus under the provisions of Article G25 ("Force Adjustment Plan") during the life of the Labor Agreement:

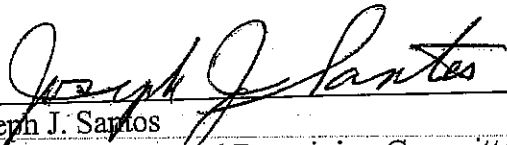
Automotive Equipment Mechanic
Automotive Mechanic
Building Attendant
Building Equipment Mechanic
Building Specialist
Garage Attendant
Head Building Attendant

However, when existing personnel in these job titles leave these positions, the Company retains the right not to backfill the positions.

The Company may offer the employees in these job titles a retirement incentive. Employees in these job titles may be offered training and transfer opportunities for other job titles and the Company retains all its other rights under the Labor Agreement.

Employees who do not elect to retire, transfer or otherwise choose to leave one of the above titles may remain in that title for the life of the 2008 Labor Agreement.

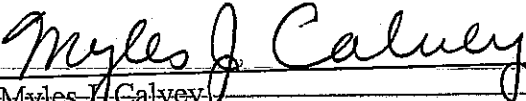
The Company and the Union will assist anyone in the above titles to find other suitable assignments. Such assistance shall include training for test taking and skills evaluation if agreed to by the employee.


Joseph J. Santos

Chairperson, General Bargaining Committee

AGREED:

INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS


Myles J. Calvey
Chairman, System Council T-6

C. Job Security Letter

August 3, 2008
Mr. Myles J. Calvey
Chairman, System Council T-6
International Brotherhood of Electrical Workers
1137 Washington Street
Dorchester, MA 02124

Dear Mr. Calvey:

Verizon New England Inc., Verizon Corporate Services Corp. and Verizon Services Corp. (hereinafter collectively call the "Company") and the IBEW agree that their Labor Agreement shall be considered to include the following which will be in effect for the life of the Agreement:

The Company and IBEW have carefully reviewed and will continue to review the Company's process reengineering plan, the demographics of the current work force, and the likely impact of the retirement incentive upon that work force. The parties have concluded that due to the above factors, and barring external events described below, layoffs or loss of compensation shall not occur during the term of this contract.

Specifically, the parties agree that there shall be no layoffs or loss of compensation of regular employees as a result of any Company initiated "process change" which is within the Company's control.

The parties also agree that an "external event" that is viewed as significant and that directly reduces the need for a large number of employees, shall not be considered "process change". An "external event" is an event that is not within the Company's control. An external event shall be subject to all the provisions of the Labor Agreement, which could include layoff.

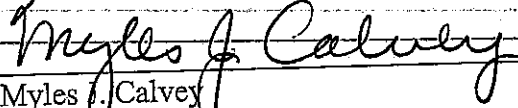
The parties also agree that when an "external event" occurs, the Company will, to the extent possible, give the Union thirty (30) days notice before the "Announcement Date", as defined in the Force Adjustment Plan Retirement Incentive, and the Company and the Union will review the force adjustment plan and the surplus created by the "external event" to determine what, if anything, can be done to avoid a layoff.

The parties agree further that the Company and the Union in administering the Force Adjustment Process will seek to maximize the voluntary force adjustments and minimize the home moves.


Joseph J. Santos
Chairperson, General Bargaining Committee

AGREED:

INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS


Myles J. Calvey
Chairman, System Council T-6

NE IBEW

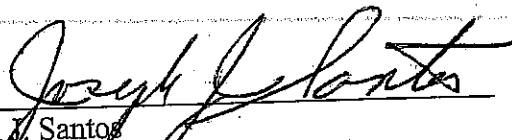
D. Job Security Letter – “New Employees”

August 3, 2008

Mr. Myles J. Calvey
Chairman, System Council T-6
International Brotherhood of Electrical Workers
1137 Washington Street
Dorchester, MA 02124

Dear Mr. Calvey:

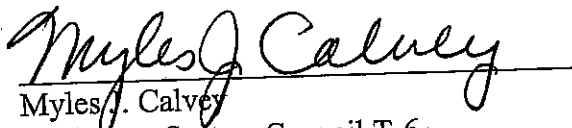
Employees with a NCSD, as defined in Article II of the Verizon Pension Plan for New York and New England Associates, of August 3, 2003 or later (“New Employees”) are not covered by the no layoff commitments contained in the Job Security Letter (“JSL”) in this 2008 MOU. For New Employees, paragraph G25.05 of the parties’ Force Adjustment Plan may apply regardless of the Company’s reason for the surplus declaration. If layoffs occur, the layoff provisions of the local collective bargaining agreements will apply.



Joseph J. Santos
Chairperson, General Bargaining Committee

AGREED:

INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS



Myles J. Calvey
Chairman, System Council T-6

E. Work & Family

August 3, 2008

Mr. Myles J. Calvey
Chairman, System Council T-6
International Brotherhood of Electrical Workers
1137 Washington Street
Dorchester, MA 02124

Dear Mr. Calvey:

This will confirm the agreement between the Company and the Union that the Company will provide funding to the Dependent Care Reimbursement Fund in the amount of \$ 825,000 for each one of the three (3) consecutive years beginning with the year August 3, 2008 to August 6, 2011. In addition to providing subsidies for employees who incur costs for approved child and/or elder care, the Fund may also be used to pay for other Work and Family projects as may be authorized by the Work and Family Committee.


All other provisions of the existing Work and Family contract provisions shall remain applicable.



Joseph J. Santos
Chairperson, General Bargaining Committee

AGREED:

INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS




Myles J. Calvey
Chairman, System Council T-6

August 3, 2008

Mr. Myles J. Calvey
Chairman, System Council T-6
International Brotherhood of Electrical Workers
1137 Washington Street
Dorchester, MA 02124

Dear Mr. Calvey:

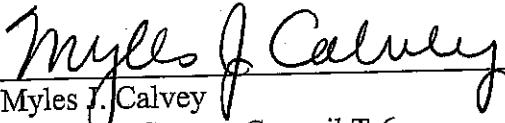
This will confirm the parties' agreement that any monies remaining in the IBEW Work and Family Fund provided for by the 2003 Agreement will be carried over to the Work and Family Fund provided for under the parties' 2008 Agreement. These monies shall be used for projects mutually agreed to by the Work and Family Committee.



Joseph J. Santos
Chairperson, General Bargaining Committee

AGREED:

INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS



Myles J. Calvey
Chairman, System Council T-6

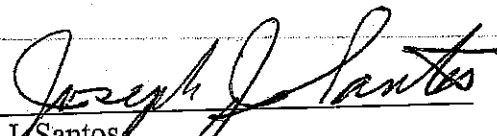
F. Employee Assistance Program

August 3, 2008

Mr. Myles J. Calvey
Chairman, System Council T-6
International Brotherhood of Electrical Workers
1137 Washington Street
Dorchester, MA 02124

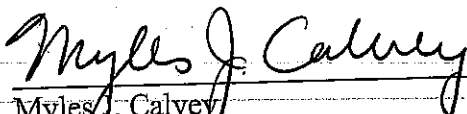
Dear Mr. Calvey:

The Employee Assistance Program (EAP) shall continue to offer expanded services and 24-hour coverage by means of a third-party administrator designated by the Company that specializes in providing access to professional EAP counseling and treatment services. The expanded EAP services shall be accessed via a toll-free number, with 24-hour 7-day per week coverage by specialists capable of providing referrals to EAP clinicians and counselors. The EAP program shall continue to be offered solely to active employees (and their eligible family members, if any). During the term of this Agreement, the Company will not reduce the existing number of internal EAP counselor positions (namely, two in New England).


Joseph J. Santos
Chairperson, General Bargaining Committee

AGREED:

INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS


Myles J. Calvey
Chairman, System Council T-6

G. Commuter Advantage Program

August 3, 2008


Mr. Myles J. Calvey
Chairman, System Council T-6
International Brotherhood of Electrical Workers
1137 Washington Street
Dorchester, MA 02124

Dear Mr. Calvey:

To the extent consistent with, and permitted by, IRS guidelines, the Company will continue to provide a Commuter Advantage Program (CAP) to Verizon employees, allowing them to set aside pre-tax dollars from their paychecks into CAP accounts to pay for eligible commuting expenses.

Two CAP 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 CAP accounts.

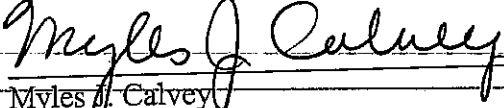
Employees will be permitted to make deductions for eligible transportation and parking expenses to the extent permitted by IRS regulations.



Joseph J. Santos
Chairperson, General Bargaining Committee

AGREED:

INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS



Myles J. Calvey
Chairman, System Council T-6

H. Making Temporary Pension Band Increase Permanent for Certain Employees

On and after July 31, 2008, the temporary Pension Band increase for Wage Table 31 employees will be made permanent. That Pension Band for zone one will be Pension Band 109 and for zone two will be Pension Band 108.

I. CWA, IBEW and Verizon Support National Health Care Reform

August 3, 2008

Mr. Myles J. Calvey
Chairman, System Council T-6
International Brotherhood of Electrical Workers
1137 Washington Street
Dorchester, MA 02124

Dear Mr. Calvey:

For decades CWA, IBEW, Verizon and its predecessors have negotiated quality health care plans for our members, our employees and our retirees. We have committed to this effort as a matter of social responsibility and because it makes good business sense.

American businesses that provide adequate health benefits are at a significant disadvantage, competing in the global marketplace with companies that operate in countries where employers do not directly bear this cost and domestically with employers that provide little or no coverage. Indeed, those employers who provide benefits are actually subsidizing the care of workers whose employers do not. Twenty-one million U.S. workers get their health coverage from an employer other than their own, while many industrialized nations provide significant public financing of health care for their citizens.

The time for talking about this crisis is past. CWA, IBEW and Verizon have come together in the belief that our nation must exert the political will to enact comprehensive health care reform nationwide, rather than state by state, and we must do it soon. It is time to mobilize America behind a concrete plan to enact legislation that will ensure quality health care for all. We are committed to leading the effort to that end. We will work together to achieve meaningful health care reform that meets the following goals:

Cover Everyone: Assure quality affordable health care with comprehensive benefits for all Americans.

Control Costs: Create a framework that allows insurance companies and the government to offer a choice of affordable public and private options, reduce bureaucracy, and promote prevention and cost-effective care.

Shared Responsibility: Spread financing through the system and assure that government, employers and individuals participate in paying their fair share.

Improve Quality: Promote preventive care, evidence-based care and safe staffing standards and expand use of Health Information Technology.

CWA, IBEW and Verizon agree to form a Labor and Management Partnership for Health Care Reform in order to support efforts to educate Verizon employees and the public about the health care crisis and options for solutions that meet our principles. The company agrees to make an annual contribution of \$2.0 million for each of the next three years to support that effort, unless federal legislation largely achieving the objectives is signed into law before then.


The purpose of the Partnership will be to conduct research and analysis of the current health care delivery system, including the financing of the employment-based group health insurance system that covers 160 million Americans, and to develop and support health care reform proposals that will meet our shared principles.

Among the tasks that the Partnership will undertake are:

- Research and analyze the means and mechanisms to:
- Effectively control health care costs in the broader economy
- Assess alternative approaches to providing health care for pre-65 workers and retirees
- Educate and publicize about health care issues and solutions.
- Participate in other coalitions which share our views.
- Mobilize political support for our position.

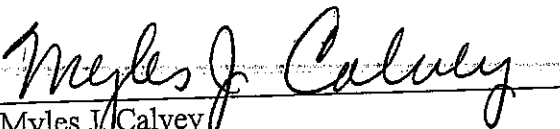
The first meeting of the Partnership will take place one month after the ratification of the collective bargaining agreement. The partnership shall be established under the authority of Sec (6b) of the Labor-Management Cooperation Act of 1978, 29 U.S.C. Sec. 175a and Sec. 302(c)(9) of the Labor-Management Relations Act, 29 U.S.C. Sec. 186(c)(9).

The Governing Board will consist of six members - three appointed by CWA and IBEW combined and three appointed by Verizon. The annual budget, work plan, coalition participation and public policy positions must be approved by a majority of the Board. Expenditures must be approved by the Board and any funds contributed by Verizon and not expended are to be returned to Verizon when the project ends.


Joseph J. Santos
Chairperson, General Bargaining Committee

AGREED:

INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS


Myles J. Calvey
Chairman, System Council T-6

J. Discussions Three Times Annually

The Union understands the Company's need to control costs and operate efficiently as we compete in the telecommunications industry. Verizon's future in the industry will be reflected in the efforts of its IBEW and CWA represented employees. In order for Verizon to succeed and for union members to have enhanced employment security, the parties will discuss changes in methods of operations in order to deal with this competitive situation. These discussions will include Verizon's use of outsourcing.

The Union (IBEW and CWA) and the Company will agree to meet three times a year to discuss these issues and the subject of jobs.

The Committee will be comprised of the eight members of the current Union bargaining team. The Company should have an equal number of decision-making managers. The Committee will address the following issues:

1. The competitiveness of the Telecommunications Industry.
2. The future of union jobs.
3. Work Flexibility , Cost structure, productivity, and growth.

The Company's operational results, including productivity and absence, changes in headcount, financial results, and the results and impact of our competitors will also be discussed at these meetings.

K. Video Hub Technician Agreement

VIDEO HUB TECHNICIAN AGREEMENT

Verizon New England Inc. ("VZNE"), Verizon New Jersey Inc. ("VZNJ"), Verizon Services Corp. ("VSC") and Verizon Corporate Services Corp. ("VCSC") (collectively "Company") and International Brotherhood of Electrical Workers, AFL-CIO Locals 827, 2222, 2321, 2322, 2323, 2324, 2325, and their District Councils ("IBEW" or "Union"), hereby agree that certain job duties currently performed by management employees in the job title Engineer -Network Engineering, also known as Video Engineer ("Video Engineer"), should be performed by employees who are part of the "plant" bargaining units in the various states where Video Engineers perform their duties. Accordingly, the parties agree as follows:

1. Effective December 28, 2008, the Company will create a new job title and/or occupational classification to be populated by its employees, Video Hub Technician ("VHT"), which will be added to each of the "plant" bargaining units covering New Jersey, Massachusetts and Rhode Island. The Company will initially hire new employees into, or permit existing Video Engineers to be employed in, the VHT job title and/or occupational classification, who will be assigned to existing Video Hub Offices ("VHO") listed on Attachment A, or any new VHOs that the Company establishes in New Jersey, Massachusetts or Rhode Island.
2. The Recognition clauses of each Plant contract covering a state where VHTs perform their duties shall be revised to provide the Union as exclusive representative for the purpose of collective bargaining with respect to rate of pay, wages, hours of employment or other conditions of employment of Video Hub Technicians who work in any Video Hub Office that is staffed with Video Hub Technicians, and that is located within the states of New Jersey, Massachusetts or Rhode Island.
3. Routine monitoring, troubleshooting, maintenance and repairs on the video network and equipment conducted in the VHO using established methods and procedures shall be performed by VHTs and shall be bargaining unit work. Any other work in the VHO may be assigned by management to VHTs or management or both (except that supervision of other employees is exclusively a management function). Assignment, change, or removal of the other work duties described in the immediately preceding sentence shall not be grieved, arbitrated or otherwise challenged in any proceeding, including but not limited to, before any court or state or federal agency such as the NLRB. This shall include, by way of example but not limitation, claims that such other work duties are exclusively bargaining unit work, or are exclusively management duties, or constitute a change in job duties requiring additional compensation.
4. All terms and conditions of employment set forth in the "Plant" agreements will apply to any employee working in the VHT job title and/or occupational classification, except as otherwise set forth herein or contained in Attachment C.
5. Video Engineers who become employed in the VHT job title and/or occupational classification and whose current base wage rate exceeds the maximum wage rate contained on the wage schedule set forth in Attachment B will be paid at their current base wage rate

and will receive the annual percentage increases to their base wage equal to the increases negotiated by the Union for all other technicians, commencing with the increase scheduled for August 2, 2009 under the 2008 Labor Agreements. A list identifying these particular employees will be provided to the Union no later than December 22, 2008. The Wage Rates and Progression Schedules for all other employees assigned or hired into the VHT job title and/or occupational classification for the period December 28, 2008 through August 6, 2011 are set forth in Attachment B, subject to the annual percentage increases commencing with the increase scheduled for August 2, 2009, negotiated by the Union in the 2008 Labor Agreements.

6. For an employee who becomes employed in the VHT job title and/or occupational classification, the net credited service date ("NCS Date") under the Verizon Pension Plan for New York and New England Associates or the Verizon Pension Plan for Mid-Atlantic Associates, as applicable:
 - (a) shall, for purposes of determining retirement pension eligibility, recognize prior service with any entity that is eighty percent (80%) or more owned directly or indirectly by Verizon Communications Inc. and prior service with MCI, Inc. (subject to any service bridging/break in service rules under the relevant plan); and
 - (b) shall, for purposes of pension accrual, be the initial date of employment in the VHT job title and/or occupational classification. Prior service with any entity will not be counted for purposes of pension accrual. To the extent existing pension plan provisions are more favorable for any particular employees, those plan provisions will be honored.
7.
 - (a) Except as described in paragraph (c) below, the initial complement of employees who become employed in the VHT job title and/or occupational classification on December 28, 2008 shall be eligible for the "New Hire" retiree medical coverage within the meaning of the retiree medical provisions of the applicable 2008 Memorandum of Understanding. For purposes of determining the level of the benefit under the "New Hire" retiree medical coverage, service shall be credited beginning with the date the employee is first employed by an entity which at that time is eighty percent (80%) or more owned directly or indirectly by Verizon Communications Inc. Prior service with any entity shall not be counted for this purpose if that service was with an entity prior to its becoming eighty percent (80%) or more owned directly or indirectly by Verizon Communications Inc.
 - (b) Except as described in paragraph (c) below, employees who become employed in the VHT job title and/or occupational classification after the initial complement of VHTs become employed on December 28, 2008, shall be eligible for the "New Hire" retiree medical coverage within the meaning of the retiree medical provisions of the applicable 2008 Memorandum of Understanding. For purposes of determining the level of the benefit under the "New Hire" retiree medical coverage, service shall be credited beginning with the initial date of employment with the Company in the VHT job title and/or occupational classification. Prior service with any entity will not be counted for purposes of retiree medical entitlement under the "New Hire" retiree medical coverage.

- (c) In lieu of the "New Hire" retiree medical provisions in (a) and (b), employees who become employed in the VHT job title and/or occupational classification after having been employed in another position under which the employee was entitled to participate in a Verizon company-subsidized retiree medical plan shall have their retiree medical benefit entitlement determined by the pension plan in which they participate upon their employment in the VHT job title and/or occupational classification, e.g., such employees covered by the Verizon Pension Plan for New York and New England Associates shall be eligible for retiree medical benefits provided by the Verizon Medical Expense Plan for New York and New England Associates, and their service under the prior retiree medical plan shall be credited and they shall continue to receive service credit while employed as a VHT.

8. The Union will withdraw with prejudice the grievances it has filed against Verizon Services Corp., Verizon Corporate Services Corp., Verizon New England Inc., and Verizon New Jersey Inc., that claim in any manner that such companies violated their respective collective bargaining agreements with the Union by not assigning to bargaining unit employees the work currently performed by the Video Engineer. The grievances are the following New England grievances: BCW1-1356-07, BCW1-1357-07, BCW1-1358-07.
9. The Union, as an organization and on behalf of its members, hereby waives and releases any claim existing at the time of execution of this agreement against any or all of Verizon Communications Inc., its local exchange carrier operating companies and their service companies including Verizon Services Corporation, and/or any of their current or future divisions, units, agents, subsidiaries or affiliates in New Jersey, Massachusetts or Rhode Island, that Video Engineers employed in Video Hub Offices should be accreted to any bargaining unit, or that IBEW-represented employees other than VHTs in any company are entitled to perform work in the Video Hub Offices, or that bargaining unit work was transferred to Video Hub Offices unlawfully or in violation of any agreement, or that the performance of work by management employees in Video Hub Offices violates any agreement.
10. This agreement shall not in any way be construed as an admission by Verizon Services Corp., Verizon Corporate Services Corp., Verizon New England Inc., or Verizon New Jersey Inc., that any or all of them, or any of the past, current or future divisions, units, agents, subsidiaries or affiliates of Verizon Communications Inc., acted wrongfully. Furthermore, the parties agree that this agreement does not constitute an adjudication of the merits of BCW1-1356-07, BCW1-1357-07, BCW1-1358-07 or any other matter. Accordingly, the parties agree that none of them has prevailed on the merits of BCW1-1356-07, BCW1-1357-07, BCW1-1358-07 or any other matter, and that this agreement shall not serve or be construed as evidence that any party has so prevailed.
11. This agreement supersedes all other agreements between the parties as pertains to the grievances identified in this agreement. The parties agree that they will work to amend any other current agreements between them as necessary to conform them to this agreement.

12. The parties agree that this agreement is without precedent and that neither party may refer to this agreement in any other grievance, arbitration, or other proceeding, except as necessary to enforce the terms of this agreement itself.
13. If the validity of one or more provisions of this agreement is challenged in a court of law or before the NLRB, the Company and the Union will cooperate and take all necessary steps to defend the validity of the agreement. If one or more of the provisions of the agreement is declared void, the parties will modify the agreement, if possible, in a manner consistent with the law and the parties' original intent. If the parties are unable to agree upon a modification of the agreement, the provision of the agreement declared void (other than Paragraph 1) will be deemed to be severed from the agreement, and the remaining provisions will remain in full force and effect. If Paragraph 1 is declared void, and the parties cannot agree upon a modification of the agreement which is consistent with the law and the parties' original intent, the agreement shall be void and without any effect.
14. This agreement shall be binding and effective upon the parties and upon their respective predecessors, successors, and assigns.
15. This agreement may be executed in two or more counterparts, each of which counterpart shall be deemed to be an original, and all such counterparts shall constitute one and the same instrument. Fax copies shall be deemed originals.

Peter P. Linder
Executive Director,
Labor Relation - NY-NE

[Signature]
pres./bus. mgr., [Title]
IBEW Local 821

Edmund L. Storr
Business Manager, [Title]
IBEW Local 2321

William C. McGowan
Business Manager, [Title]
IBEW Local 2323

Daniel S. Kurt
Business Manager, [Title]
IBEW Local 2325

[Signature] 8-10-08
Executive Director,
Labor Relations - Mid-Atlantic

Myles Culver
Business Mgr., [Title]
IBEW Local 2222

Eugene M. Laughlin
Plant Manager, [Title]
IBEW Local 2322

John D. Lowley, Jr.
Business Mgr., [Title]
IBEW Local 2324

ATTACHMENT A

VIDEO HUB OFFICE LOCATIONS

- Burlington, MA
51 South Bedford Street, Burlington, MA 01803
- Freehold, NJ
999 West Main Street, Freehold, NJ 07728

New England

Video Hub Technician (36 Mos)					
		Weekly Rates		Weekly Rates	
Wage Step	Next Increase Interval	Wage Rate Zone 1	Increase Amount	Wage Rate Zone 2	Increase Amount
Start	6 Mos.	\$ 871.00		\$ 860.50	
6 Mos.	6 Mos.	\$ 958.50	\$ 87.50	\$ 945.00	\$ 84.50
12 Mos.	6 Mos.	\$ 1,046.00	\$ 87.50	\$ 1,029.50	\$ 84.50
18 Mos.	6 Mos.	\$ 1,133.50	\$ 87.50	\$ 1,114.00	\$ 84.50
24 Mos.	6 Mos.	\$ 1,221.00	\$ 87.50	\$ 1,198.50	\$ 84.50
30 Mos.	6 Mos.	\$ 1,308.50	\$ 87.50	\$ 1,283.00	\$ 84.50
36 Mos. (Maximum)		\$ 1,397.00	\$ 87.50	\$ 1,366.00	\$ 84.50
Pension Band		123		122	

New Jersey

Video Hub Technician (36 Mos)			
		Weekly Rates	
Wage Step	Next Increase Interval	Wage Rate	Increase Amount
Start	6 Mos.	\$ 912.50	
6 Mos.	6 Mos.	\$ 992.00	\$ 79.50
12 Mos.	6 Mos.	\$ 1,071.50	\$ 79.50
18 Mos.	6 Mos.	\$ 1,151.00	\$ 79.50
24 Mos.	6 Mos.	\$ 1,230.50	\$ 79.50
30 Mos.	6 Mos.	\$ 1,310.00	\$ 79.50
36 Mos. (Maximum)		\$ 1,389.00	\$ 79.00
Pension Band		124	

ATTACHMENT C

EXCEPTIONS TO CBAs

As stated in Paragraph 4 of this agreement, all terms and conditions of employment set forth in the "Plant" agreements will apply to any employee working in the VHT job title and/or occupational classification, except as otherwise set forth in the agreement or contained in this Attachment C. Where any provision in the agreement or in this Attachment C contradicts, conflicts with, or is inconsistent with the existing collective bargaining agreements (collectively "Labor Agreements"), including any Labor Agreements entered into during the 2008 contract negotiations, the provisions set forth in the agreement and this Attachment C shall apply and shall supersede any such contradictory, conflicting or inconsistent provision in the applicable Labor Agreements for employees in the VHT job title and/or occupational classification.

A. JOB TITLES

- In making determinations regarding assignment of work, the Company shall consider the individual's performance, demonstrated skills, abilities, knowledge, education, training, experience and competencies.

B. STAFFING

- The workforce in the VHT job title and/or occupational classification may be drawn from the following categories of individuals:
 - Existing video hub employees;
 - Employees of the operating telephone companies who may be eligible to be considered for employment in the VHT job title and/or occupational classification and are, as determined by the Company, qualified for it;
 - Applicants who are not employees of the operating telephone companies and are qualified for the VHT position.
- When filling any VHT positions, except as otherwise provided for in this agreement, the Company:
 - shall not be required to satisfy any existing contractual internal or external posting requirements or preferential hiring requirements;
 - shall provide notice of job openings in the VHO to existing Company employees through existing processes;

- shall consider the candidates' performance, demonstrated skills, abilities, knowledge, education, training, experience and competencies. The Company will give existing Company employees equal consideration as is given to other candidates in filling new positions and shall hire the Company employee when the qualifications of Company and non-Company candidates are substantially equal;
- may make use of knowledge tests and interviews;
- will apply the same selection standards in considering surplus employees of the Company as it does in considering those who are not surplus employees of the Company;
- may pay any new hire at a rate that is higher than the start rate under the applicable wage schedule on Schedule B.
- No pre-test training shall be provided by the Company for the VHT job title and/or occupational classification.
- Generally, seniority will only be used as a tiebreaker when all other qualifications are substantially equal.

C. JOB SECURITY

- No person employed by the Company in the VHT job title and/or occupational classification shall be covered by the Job Security Letter in the Labor Agreements or by the provisions with respect to "No Involuntary Layoffs, etc." and "Change in Business Conditions" contained in the "Agreement Concerning Issues Related to the Bell Atlantic-GTE Merger," which is an attachment to the parties' Memorandum of Agreement covering the Mid-Atlantic states in the Labor Agreements (collectively with the Job Security Letter, "JSL") during the period in which they are so employed. Any employee of the Company who, immediately prior to becoming employed by the Company in the VHT job title and/or occupational classification was covered by the JSL in the Labor Agreements shall not forfeit coverage under the JSL for the period of their employment with the Company in such job title and/or occupational classification, provided that if a VHT would otherwise be laid off were it not for the individual's coverage under the JSL, the VHT shall be reassigned to another non-VHT position (with the same general wage rate in the same geographical area) in the Company for which the individual is qualified.

D. TRANSFER OF JOBS

- NE, NY -- The "Transfer of Jobs" Agreement, which is an attachment to the parties' Memorandum of Agreement, does not apply to any of the job classifications or positions covered by the Settlement Agreement.
- Mid-Atlantic -- The provisions contained in the "Agreement Concerning Issues Related to the Bell Atlantic-GTE Merger," which is an attachment to the parties' Memorandum of Agreement, with respect to Limitations on Transfers of Jobs, do not apply to any of the job classifications or positions covered by the Settlement Agreement.

E. LAYOFFS

- In the event of the layoff of any employee of any Verizon Communications Inc. subsidiaries or affiliates, persons occupying the VHT job title and/or occupational job classification:
 - shall not be subject to being displaced or bumped by any employee; and
 - shall not be permitted to displace or bump any employee in another job title and/or occupational classification.
- Any force adjustment plan or similar or related provisions of the Labor Agreements or any other labor agreements shall not apply to persons occupying the VHT job title and/or occupational classification.
- When the Company determines, in its discretion, to declare a surplus of VHTs within a VHO, the following will apply:
 - The Company will give the Union 15 days advance notice of a surplus which could lead to a layoff.
 - Following the 15-day notification period, the Company will solicit VHTs within the VHO, by seniority order, to volunteer to leave the business with the layoff allowance specified in the Labor Agreement. VHTs will have 14 calendar days to decide whether to take the volunteer offer to leave the business. The Company will determine the off-payroll date for those VHTs who volunteer to leave the business.
 - To the extent there are insufficient volunteers to relieve the surplus, the Company shall lay off VHTs by inverse order of seniority. Those VHTs who are laid off will receive the layoff allowance specified in the Labor Agreement.
 - Laid off employees shall be recalled in the inverse order in which such laid off employees were laid off to a vacancy in the job title and/or classification from which the layoff occurred, or to a vacancy in a lower job title or classification for which the employee is qualified, within two years of the layoff.

F. SENIORITY

- For persons in the VHT job title and/or occupational classification, seniority for all purposes under the Labor Agreements other than as specified in Paragraphs 6 and 7 of this agreement, shall be determined by reference to NCS Date for pension eligibility purposes under the Verizon Pension Plan for New York and New England Associates or the Verizon Pension Plan for Mid-Atlantic Associates, as applicable.

G. WORK SCHEDULES

- Persons in the VHT job title and/or occupational classification may be assigned to a normal tour consisting of any five 8-hour days within a calendar week. Such persons may,

at the Company's discretion, be assigned to a normal tour consisting of any four 10-hour days within a calendar week, with daily overtime (where such would otherwise be required by the local collective bargaining agreement) applying only to time worked in excess of 10 hours in any day. Such persons will not be eligible for Saturday differentials and/or premiums, but will receive a fifty percent (50%) differential for Sunday.

- The Company may assign tours to employees occupying the VHT title and/or occupational classification based upon the performance, demonstrated skills, abilities, knowledge, education, training, experience and competencies of employees. By Thursday of any week, the Company shall post any changes in tours for the succeeding calendar week.
- The Company may take into account performance, demonstrated skills, abilities, knowledge, education, training, experience and competencies in the assignment and distribution of overtime. To the extent practical and consistent with business needs, the Company, before requiring employees to work overtime, will request volunteers from among the qualified VHTs in the VHO in which overtime will be worked. The Company shall make a good faith effort to allot overtime equally among VHTs over the course of a calendar quarter.
- In assigning work schedules and the assignment and distribution of overtime, seniority will only be used as a tiebreaker when all other qualifications are substantially equal.

H. WORK BY MANAGEMENT

- Supervisors and other management employees may occasionally perform work normally done by employees represented by the Union. Supervisors and other management employees shall not perform such work where it would result in any long term reduction of bargaining unit work. However, supervisors and other management employees may perform work normally done by Union employees in limited and unusual situations in which the available work force is insufficient to meet work needs, emergencies, training activities (which may be performed by supervisors or assigned to represented employees), and assistance incidental to a supervisory review of subordinates' work or assisting in resolving problems.

I. OTHER

- The Company may use contractors to perform any of the work performed by VHTs, provided that the Company may not use contractors to perform such work if it would currently and directly cause layoffs or part-timing of VHTs. Any provisions of the Labor Agreements that can or may otherwise restrict the use of contract labor or the contracting out of work shall not apply to the work performed by the VHTs.
- Where the grievance procedure of the labor agreements covering the VHTs exceeds two steps, those labor agreements shall be modified to provide for only two steps, the second or top step of which will be heard at the Labor Relations level.

L. Settlement Agreement (Verizon Business)

SETTLEMENT AGREEMENT

This Settlement Agreement ("Agreement") is made and entered into by International Brotherhood of Electrical Workers, AFL-CIO Locals 827, 1944, 2213, 2222, 2313, 2320, 2321, 2322, 2323, 2324, 2325, and their District Councils ("IBEW"), Verizon New York Inc. ("VZNY"), Verizon New England Inc. ("VZNE"), Verizon Services Corp. ("VSC"), Verizon Corporate Services Corp. ("VCSC"), Verizon Pennsylvania Inc. ("VZPA"), Verizon New Jersey Inc. ("VZNJ"), Verizon Business Global LLC ("VZB"), and MCI Communications Services, Inc. ("MCS"). For purposes of this Agreement, "Service Company" shall mean VSC or another company designated by VZNY, VZNE, VSC, VCSC, VZPA, or VZNJ to perform the work described in Paragraph 1 below, that is or becomes party to a collective bargaining agreement with the IBEW.

WHEREAS, the company parties to this Agreement other than VZB and MCS ("Companies"), on the one hand, and the IBEW, on the other, are parties to certain collective bargaining agreements ("Labor Agreements");

WHEREAS, the IBEW represents employees in bargaining units ("Bargaining Units") covered by the above-mentioned Labor Agreements, including: plant employees in various technical and related occupations, commercial employees in various sales, customer care and related occupations, operators in various operator and related occupations, and accounting employees in various accounting, billing and related occupations;

WHEREAS, prior to January 6, 2006, the Companies served their largest business customers ("Enterprise Customers") through an organization known as the Enterprise Solutions Group ("ESG");

WHEREAS, the Companies' employees in the Bargaining Units performed services on behalf of ESG prior to January 6, 2006;

WHEREAS, on January 6, 2006, Verizon Communications Inc, the parent company of the Companies, acquired MCI, Inc. ("MCI");

WHEREAS, after January 6, 2006, MCI, renamed as VZB, became the organization responsible for serving the Enterprise Customers of the Companies;

WHEREAS, MCS is the subsidiary of VZB engaged in the installation, maintenance and operation of VZB's network throughout the United States;

WHEREAS, in 2006 and 2007, the IBEW filed a number of grievances against certain of the Companies pursuant to the CBAs, alleging that Bargaining Unit work was transferred to Verizon Business in violation of the Labor Agreements, including but not limited to Grievance Nos. 318-06 (New England), P-98-07 (New England), C-790-06 (New England), and 1-06-446 (New Jersey);

WHEREAS, the Companies denied and continue to deny the allegations of the IBEW's grievances;

WHEREAS, the parties now desire to settle these and all of the matters referred to herein on a non-precedential basis, they agree as follows:

- Work By Service Company. The work described below in this Paragraph 1(a) and 1(b) performed on the VZB network, within the Thirteen-State/DC Area where the IBEW represents employees of the Companies performing the same or equivalent work shall be contracted to a Service Company that is or becomes a party to a Labor Agreement with the IBEW. For purposes of this Agreement, "Thirteen-State/DC Area" shall mean the area comprised of the thirteen states of Maine, New Hampshire, Vermont, Rhode Island, Massachusetts, Connecticut, New York, New Jersey, Pennsylvania, Delaware, Maryland, Virginia, West Virginia, and the District of Columbia:

(a) effective as of December 28, 2008, the work of the Thirteen-State/DC Area Apprentice Technicians, Technicians, Advanced Technicians, and Senior Technicians currently employed by MCS, including the performance of wiring, the making of physical connections, the installation and testing of equipment and circuits, in the central offices, outside plant, and on customer premises, required for purposes of filling customer orders, the repair or maintenance of malfunctioning circuits, and connecting customer premises to the network. Service Company shall be the sole contractor for this work and shall perform this work exclusively. Currently there are approximately 445 MCS employees in such positions in the Thirteen-State/DC Area, but that number may fluctuate based upon business needs;

(b) effective as of December 28, 2008, the work of the Thirteen-State/DC Area Apprentice Technicians, Technicians, Advanced Technicians, and Senior Technicians currently employed by MCS in its Operation Support Centers, including the performance of remote on-net local metro private line circuit activation, LD DS-3 remote connections in SONET and DXC platforms, LD switch IMT and FG-D activations, repair of LD switch and DS-3 level circuits, escalation and coordination of LEC DS-3 repair, statusing customers regarding installation or repair activity, and field force coordination as required for the above described activities. Service Company shall be the sole contractor for this work and shall perform this work exclusively. Currently there are approximately 145 MCS employees in such positions in the Thirteen-State/DC Area, but that number may fluctuate based upon business needs.

2. Performance of Work at Service Company. The Labor Agreements between the IBEW and Service Company shall provide that IBEW bargaining unit employees of Service Company shall perform the work described in Paragraph 1 within the Thirteen-State/DC Area where the IBEW currently represents employees of the Companies performing the same or equivalent work. Service Company shall create one or more new job title(s) and/or job classification(s) for the performance of the work described in subparagraphs 1(a) and 1(b), and shall recognize the IBEW as the bargaining representative of the employees in those new job title(s) and/or job classification(s). Employees within these job title(s) and/or classification(s) shall be included in the applicable Labor Agreements that cover "Plant" employees, and shall be paid in accordance with attached Schedule A. The provisions of the appropriate "Plant" Labor Agreements shall apply to Service Company employees within these job title(s) and/or classification(s), except as modified as set forth in Schedule B, attached hereto.

3. Hiring at Service Company. With respect to the work described in subparagraphs 1(a) and 1(b) above, at a designated time prior to December 28, 2008, MCS employees performing such work shall have the opportunity, if they so choose, to express an interest in being hired into the positions at Service Company to be created in connection with this Agreement that are the same as or equivalent to the position that they currently hold. During this period, and notwithstanding the provisions of any other agreement, such employees who express an interest and are on the payroll on December 27, 2008 shall be hired to perform work described in subparagraphs 1(a) and 1(b) above. Positions will be filled pursuant to the applicable provisions set forth in Schedule B.

4. Dismissal of Grievance. The parties agree to the dismissal with prejudice of Grievance Nos. 318-06 (New England), P-98-07 (New England), C-790-06 (New England), 1-06-446 (New Jersey), and any other case of any kind or nature in the Thirteen-State/DC Area raising the issue of whether the transfer of any work to, or the performance of any work by, VZB or MCS violates the Labor Agreements.

5. Waiver of Claims. The parties agree as follows:

1) The IBEW promises and agrees that, in connection with any arbitration, and in connection with any other legal, equitable or administrative suit, proceeding or charge arising subsequent to the effective date of this Agreement between the IBEW and Verizon Communications Inc., VZNY, VZNE, VSC, VCSC, VZPA, VZNJ, VZB, MCS, or Service Company, including but not limited to any proceeding before the National Labor Relations Board or its delegate, the IBEW hereby waives any claim, allegation, or argument, and agrees to refrain from presenting this Agreement, or any action or information related to it, as evidence in support of any claim, allegation or argument, that any or all of Verizon Communications Inc., VZNY, VZNE, VSC, VCSC, VZPA, VZNJ, VZB, MCS, Service Company and/or any of their past, current or future subsidiaries and/or their divisions, units, agents, or affiliates, are or have been a single employer, joint employers, alter-egos, or that any employees should be accreted to any bargaining unit, or that IBEW-represented employees in any company are entitled to perform any work, to the extent that any such claim, allegation or argument is based upon:

(1) the claims underlying Grievance Nos. 318-06 (New England), P-98-07 (New England), C-790-06 (New England), 1-06-446 (New Jersey), any case dismissed in accordance with this Agreement, or any claims made or any action taken in connection with, in relation to, or as a result of this Agreement;

(2) access to systems, equipment, accounts or training associated with this Agreement or its implementation, or the management, supervision or direction of employees associated with this Agreement or its implementation, or any changes in the administration and/or control of labor relations by Verizon Communications Inc., VZNY, VZNE, VSC, VCSC, VZPA, VZNJ, VZB, MCS, Service Company and/or any of their past, current or future subsidiaries and/or their divisions, units, agents, or affiliates as a result of this Agreement or its implementation; or

- (3) any change in the scope, availability in employees, or administration by management of any program or practice for the effectuation of employee-initiated transfers between or among different subsidiaries or bargaining units as a result of this Agreement or its implementation; provided, however that this subparagraph (3) shall not be construed as having any effect on the IBEW's right or the Companies' obligation, to the extent the same may exist under applicable law and/or any pre-existing CBAs, to negotiate changes in the terms and conditions applicable to such transfers.

2) The IBEW, as an organization and on behalf of its members, hereby waives and releases any claim in existence at the time of this Agreement in the Thirteen-State/DC Area alleging that VZNY, VZNE, VSC, VCSC, VZPA, VZNJ, Service Company and/or any of the past or current subsidiaries and/or divisions, units, agents, or affiliates of Verizon Communications Inc., transferred work to VZB or MCS unlawfully or in violation of any agreement or that the performance of any work by VZB or MCS violates the Labor Agreements.

(6) Non-Admission of Liability. This Agreement shall not in any way be construed as an admission by VZNY, VZNE, VSC, VCSC, VZPA, VZNJ, VZB, MCS and/or Service Company that any or all of them, or any of the past, current or future divisions, units, agents, subsidiaries or affiliates of Verizon Communications Inc., acted wrongfully. Furthermore, the parties agree that this Agreement does not constitute an adjudication of the merits of Grievance Nos. 318-06 (New England), P-98-07 (New England), C-790-06 (New England), 1-06-446 (New Jersey) or any other matter. Accordingly, the parties agree that none of them has prevailed on the merits of Grievance Nos. 318-06 (New England), P-98-07 (New England), C-790-06 (New England), 1-06-446 (New Jersey) or any other matter, and that this Agreement shall not serve or be construed as evidence that any party has so prevailed.

(7) Effect on Other Agreements. This Agreement supersedes all other agreements between the parties as pertains to the grievances identified in this Agreement. The parties agree that they will work to amend any other current agreements between them as necessary to conform them to this Agreement.

(8) Non-Precedential Settlement. The parties agree that this Agreement is without precedent and that neither party may refer to this Agreement in any other grievance, arbitration, or other proceeding, except as necessary to enforce the terms of the Agreement itself.

(9) Severability. If the validity of one or more provisions of this Agreement is challenged in a court of law or before the NLRB, the Company and the IBEW will cooperate and take all necessary steps to defend the validity of the Agreement. If one or more of the provisions of the Agreement is declared void, the parties will modify the Agreement, if possible, in a manner consistent with the law and the parties' original intent. If the parties are unable to agree upon a modification of the Agreement, the provision of the Agreement declared void (other than Paragraphs 1 or 2 above) will be deemed to be severed from the Agreement, and the remaining provisions will remain in full force and effect. If Paragraph 1 or 2 is declared void, and the parties cannot agree upon a modification of the Agreement which is consistent with the law and the parties' original intent, the Agreement shall be void and without any effect.

For: IBEW Local 827 _____ Date: <u>8/10/08</u>	For: Verizon New York Inc. <u>John Navarro</u> Date: <u>8/10/08</u>
For: IBEW Local 1944 <u>Jorge B. Smith</u> Date: <u>8-10-08</u>	For: Verizon New England Inc. <u>John Navarro</u> Date: <u>8/10/08</u>
For: IBEW Local 2213 <u>[Signature]</u> Date: <u>8/11/08</u>	For: Verizon Services Corporation <u>John Navarro</u> Date: <u>8/10/08</u>
For: IBEW Local 2222 <u>Nyles Calvey</u> Date: <u>August 13, 2008</u> For: IBEW Local 2313 <u>Pete L. Loney</u> Date: <u>8-13-08</u>	For: Verizon Corporate Services Corp. <u>John Navarro</u> Date: <u>8/10/08</u>
For: IBEW Local 2320 _____ Date: _____	For: Verizon Pennsylvania Inc. <u>John Navarro</u> Date: <u>8/10/08</u>
For: IBEW Local 2321 <u>Edward J. Atan</u> Date: <u>8/10/08</u>	For: Verizon New Jersey Inc. <u>John Navarro</u> Date: <u>8/10/08</u>
_____ Date: _____	For: Verizon Business Global I.L.C. <u>[Signature]</u> Date: <u>8/10/08</u>

For: IBEW Local 2322

Eugene McLaughlin
Date: 8/13/08

For: MCI Communications Services, Inc.

[Signature]
Date: 8/10/08

For: IBEW Local 2323

William McGowan
Date: 8-13-08

For: IBEW Local 2324

John P. Rowley Jr.
Date: 8/13/08

For: IBEW Local 2325

Daniel S. Kent
Date: 8/13/08

SCHEDULE A - WAGE RATES

New Jersey Wage Schedules

New Jersey
Apprentice Technician - Business/Government

Wage Step	Next Increase Interval	Weekly Rates	
		Wage Rate	Increase Amount
Start	6 Mos.	\$ 532.50	
6 Mos.	6 Mos.	\$ 561.00	\$ 28.50
12 Mos.	6 Mos.	\$ 589.50	\$ 28.50
18 Mos.	6 Mos.	\$ 618.00	\$ 28.50
24 Mos.	6 Mos.	\$ 646.50	\$ 28.50
30 Mos.	6 Mos.	\$ 675.00	\$ 28.50
36 Mos.	6 Mos.	\$ 703.50	\$ 28.50
42 Mos.	6 Mos.	\$ 732.00	\$ 28.50
48 Mos. (Maximum)		\$ 760.50	\$ 28.50
Pension Band		104	

New Jersey
Technician - Business/Government

Wage Step	Next Increase Interval	Weekly Rates	
		Wage Rate	Increase Amount
Start	6 Mos.	\$ 783.50	
6 Mos.	6 Mos.	\$ 825.50	\$ 42.00
12 Mos.	6 Mos.	\$ 867.50	\$ 42.00
18 Mos.	6 Mos.	\$ 909.50	\$ 42.00
24 Mos.	6 Mos.	\$ 951.50	\$ 42.00
30 Mos.	6 Mos.	\$ 993.50	\$ 42.00
36 Mos.	6 Mos.	\$ 1,035.50	\$ 42.00
42 Mos.	6 Mos.	\$ 1,077.50	\$ 42.00
48 Mos. (Maximum)		\$ 1,119.50	\$ 42.00
Pension Band		117	

New Jersey
Sr. Technician - Business/Government

Wage Step	Next Increase Interval	Weekly Rates	
		Wage Rate	Increase Amount
Start	6 Mos.	\$ 1,017.00	
6 Mos.	6 Mos.	\$ 1,071.50	\$ 54.50
12 Mos.	6 Mos.	\$ 1,126.00	\$ 54.50
18 Mos.	6 Mos.	\$ 1,180.50	\$ 54.50
24 Mos.	6 Mos.	\$ 1,235.00	\$ 54.50
30 Mos.	6 Mos.	\$ 1,289.50	\$ 54.50
36 Mos.	6 Mos.	\$ 1,344.00	\$ 54.50
42 Mos.	6 Mos.	\$ 1,398.50	\$ 54.50
48 Mos. (Maximum)		\$ 1,453.00	\$ 54.50
Pension Band		129	

New England Wage Schedules

New England Apprentice Technician - Business/Government

Wage Step	Next Increase Interval	Weekly Rates		Weekly Rates	
		Wage Rate Zone 1	Increase Amount	Wage Rate Zone 2	Increase Amount
Start	6 Mos.	\$ 532.50		\$ 484.50	
6 Mos.	6 Mos.	\$ 561.00	\$ 28.50	\$ 510.50	\$ 26.00
12 Mos.	6 Mos.	\$ 589.50	\$ 28.50	\$ 536.50	\$ 26.00
18 Mos.	6 Mos.	\$ 618.00	\$ 28.50	\$ 562.50	\$ 26.00
24 Mos.	6 Mos.	\$ 646.50	\$ 28.50	\$ 588.50	\$ 26.00
30 Mos.	6 Mos.	\$ 675.00	\$ 28.50	\$ 614.50	\$ 26.00
36 Mos.	6 Mos.	\$ 703.50	\$ 28.50	\$ 640.50	\$ 26.00
42 Mos.	6 Mos.	\$ 732.00	\$ 28.50	\$ 666.50	\$ 26.00
48 Mos. (Maximum)		\$ 760.50	\$ 28.50	\$ 692.50	\$ 26.00
Pension Band		103		101	

New England Technician - Business/Government

Wage Step	Next Increase Interval	Weekly Rates		Weekly Rates	
		Wage Rate Zone 1	Increase Amount	Wage Rate Zone 2	Increase Amount
Start	6 Mos.	\$ 783.50		\$ 712.50	
6 Mos.	6 Mos.	\$ 825.50	\$ 42.00	\$ 750.50	\$ 38.00
12 Mos.	6 Mos.	\$ 867.50	\$ 42.00	\$ 788.50	\$ 38.00
18 Mos.	6 Mos.	\$ 909.50	\$ 42.00	\$ 826.50	\$ 38.00
24 Mos.	6 Mos.	\$ 951.50	\$ 42.00	\$ 864.50	\$ 38.00
30 Mos.	6 Mos.	\$ 993.50	\$ 42.00	\$ 902.50	\$ 38.00
36 Mos.	6 Mos.	\$ 1,035.50	\$ 42.00	\$ 940.50	\$ 38.00
42 Mos.	6 Mos.	\$ 1,077.50	\$ 42.00	\$ 978.50	\$ 38.00
48 Mos. (Maximum)		\$ 1,119.50	\$ 42.00	\$ 1,017.00	\$ 38.50
Pension Band		116		112	

New England Sr. Technician - Business/Government

Wage Step	Next Increase Interval	Projected Weekly Rates		Weekly Rates	
		Wage Rate Zone 1	Increase Amount	Wage Rate Zone 2	Increase Amount
Start	6 Mos.	\$ 1,017.00		\$ 925.00	
6 Mos.	6 Mos.	\$ 1,071.50	\$ 54.50	\$ 974.50	\$ 49.50
12 Mos.	6 Mos.	\$ 1,126.00	\$ 54.50	\$ 1,024.00	\$ 49.50
18 Mos.	6 Mos.	\$ 1,180.50	\$ 54.50	\$ 1,073.50	\$ 49.50
24 Mos.	6 Mos.	\$ 1,235.00	\$ 54.50	\$ 1,123.00	\$ 49.50
30 Mos.	6 Mos.	\$ 1,289.50	\$ 54.50	\$ 1,172.50	\$ 49.50
36 Mos.	6 Mos.	\$ 1,344.00	\$ 54.50	\$ 1,222.00	\$ 49.50
42 Mos.	6 Mos.	\$ 1,398.50	\$ 54.50	\$ 1,271.50	\$ 49.50
48 Mos. (Maximum)		\$ 1,453.00	\$ 54.50	\$ 1,322.00	\$ 50.50
Pension Band		127		123	

SCHEDULE B – EXCEPTIONS TO CBAs

As stated in Paragraph 2 of the Settlement Agreement, all provisions of the applicable Labor Agreements between the IBEW and Service Company shall apply to employees in Service Company job title(s) and/or classification(s) performing the work described in Paragraph 1 of the Settlement Agreement, with the exception of the provisions set forth in Schedule B. Where any provision in Schedule B contradicts, conflicts with, or is inconsistent with the existing Labor Agreements, the provisions set forth in Schedule B shall apply and shall supersede any such contradictory, conflicting or inconsistent provision in the applicable Labor Agreements for employees in Service Company job title(s) and/or classification(s) performing the work described in Paragraph 1 of the Settlement Agreement.

SCHEDULE B

A. WAGES

- The wage schedules applicable to the job title(s) and/or classification(s) created in accordance with the Settlement Agreement, shall be as set forth in Schedule A to the Settlement Agreement.
- Employees of MCS who become employed in the job title(s) and/or classification(s) created in accordance with the Settlement Agreement and whose current base wage rate equals or exceeds the maximum wage rate contained on the wage schedule set forth in Schedule A to the Settlement Agreement will be paid at their current base wage rate and will receive the annual percentage increases to their base wage equal to the increases negotiated by the IBEW for all other technicians commencing with the increase scheduled for August 2, 2009 under the 2008 Labor Agreements. The wage rates contained on the wage schedules set forth in Schedule A shall also be adjusted annually to reflect the annual percentage increases negotiated by the IBEW for all other technicians commencing August 2, 2009. A list identifying these particular employees, as well as a list of all of the employees as of the date of the list who are expected to be employed in the job title(s) and/or classification(s) created in accordance with the Settlement Agreement will be provided to the IBEW no later than November 15, 2008.
- Service Company shall have the right, in its discretion, to pay any new hire at a rate that is higher than the start rate under the applicable wage schedule on Schedule A.

B. JOB TITLES

- Service Company shall create the following new job title(s) and/or classification(s) in accordance with the Settlement Agreement.

○ Apprentice Technician – Business/Government

○ Technician – Business/Government

- Senior Technician – Business/Government
- Employees in the new job title(s) and/or classification(s) will be placed in work groups as determined by Service Company.
- In making determinations regarding assignment of work, Service Company shall consider the individual's performance, demonstrated skills, abilities, knowledge, education, training, experience and competencies. Seniority will be used as a tiebreaker when all other qualifications are substantially equal.
- Employees may be promoted from one Technician position to another (e.g., from Technician to Senior Technician) when there is no vacant or new position to be filled. In making determinations regarding these in-place promotions, Service Company shall consider the individual's performance, demonstrated skills, abilities, knowledge, education, training, experience and competencies. Seniority will be used as a tiebreaker when all other qualifications are substantially equal.

C. STAFFING

- The workforce in the new job title(s) and/or classification(s) to be created under the Settlement Agreement may be drawn from the following categories of individuals:
 - MCS employees who satisfy the requirements of Paragraph 3 of the Settlement Agreement;
 - Employees of the Companies who may be eligible to be considered for employment in the new job title(s) and/or classification(s) and are qualified for them;
 - Applicants who are not employees of the Companies and are qualified for them.
- When filling any positions in the new job title(s) and/or classification(s) to be created under the Settlement Agreement, except as otherwise provided for in the Settlement Agreement, Service Company:
 - shall not be required to satisfy any existing contractual internal or external posting requirements or preferential hiring requirements;
 - shall provide notice of job openings to employees of Service Company and the Companies through existing processes;
 - shall consider the candidates' performance, demonstrated skills, abilities, knowledge, education, training, experience and competencies. Service Company will give existing Service Company employees equal consideration as is given to other candidates in filling new positions and shall hire an employee of Service Company or the Companies when the qualifications of Service Company/Companies and non-Company candidates are substantially equal;

- may make use of knowledge tests and interviews;
- generally will use local staffing practices if it determines to post such vacancies internally. Surplus employees of the Companies will be subject to consideration under the same selection standards as those who are not surplus employees of the Companies;
- may pay any new hire at a rate that is higher than the start rate under the applicable wage schedule on Schedule A.
- No pre-test training shall be provided by the Service Company for the job title(s) and/or job classification(s) created in accordance with the Settlement Agreement.
- Seniority will only be used as a tiebreaker when all other qualifications are substantially equal.

D. PENSION AND RETIREE MEDICAL

- For an employee who becomes employed by Service Company in the new job title(s) and/or classification(s) to be created under the Settlement Agreement, the net credited service date ("NCS Date"), under the Verizon Pension Plan for New York and New England Associates or the Verizon Pension Plan for Mid-Atlantic Associates, as applicable:
 - shall, for purposes of determining retirement pension eligibility, recognize prior service with any entity that is eighty percent (80%) or more owned directly or indirectly by Verizon Communications Inc. and prior service with MCI, Inc. (subject to any service bridging/break in service rules under the relevant plan); and
 - shall, for purposes of pension accrual, be the initial date of employment with Service Company in the new job title(s) and/or classification(s) to be created under the Settlement Agreement. Prior service with any entity will not be counted for purposes of pension accrual.

To the extent existing pension plan provisions are more favorable for any particular employees, those plan provisions will be honored.

- Employees who become employed on December 28, 2008 (initial complement of employees) by Service Company in the new job title(s) and/or classification(s) to be created under the Settlement Agreement shall be eligible for retiree medical coverage upon retirement to the same extent as a "New Hire" within the meaning of the retiree medical provisions of the applicable 2008 Memorandum of Understanding. For purposes of determining the retiree medical benefit for the initial complement of employees, prior service back to January 1, 2006 with any entity that is eighty percent (80%) or more owned directly or indirectly by Verizon Communications Inc., including MCI, Inc. and MCS as of their January 6, 2006 acquisition by Verizon shall be recognized. For employees hired after December 28, 2008 (later hires), prior service with any entity shall not be recognized and their service date for the "New Hire" retiree medical coverage shall be the initial date

of employment with Service Company in the new job title(s) and/or classification(s) to be created under the Settlement Agreement. Provided, however, in lieu of the "New Hire" retiree medical provisions, employees who become employed by Service Company in the new job title(s) and/or classification(s) to be created under the Settlement Agreement after being employed in another position under which the employee was entitled to participate in a company-subsidized retiree medical plan, shall have their retiree medical benefit entitlement determined by the pension plan in which they participate upon their employment by Service Company in the new job title(s) and/or classification(s) to be created under the Settlement Agreement, e.g., such employees covered by the Verizon Pension Plan for New York and New England Associates shall be eligible for retiree medical benefits provided by the Verizon Medical Expense Plan for New York and New England Associates. Accordingly, for any such employees, the retiree medical benefits to which they will be entitled will be those in effect under the applicable plan as of the date of their retirement. For any such employees, their service under the predecessor retiree medical plan shall be credited and they shall continue to receive service credit while employed with Service Company.

E. JOB SECURITY

- No person employed by Service Company in the new job title(s) and/or classification(s) to be created under the Settlement Agreement shall be covered by the Job Security Letter in the Labor Agreements or by the provisions with respect to "No Involuntary Layoffs, etc." and "Change in Business Conditions" contained in the "Agreement Concerning Issues Related to the Bell Atlantic-GTE Merger," which is an attachment to the parties' Memorandum of Agreement covering the Mid-Atlantic states in the Labor Agreements (collectively with the Job Security Letter, "JSL") during the period in which they are so employed. Any employee of the Companies who, immediately prior to becoming employed by Service Company in the new job title(s) and/or classification(s) to be created under the Settlement Agreement, was covered by the JSL in the Labor Agreements shall not forfeit coverage under the JSL for the period of their employment with Service Company in such job title and/or classification, provided that if an employee employed by Service Company in the new job title(s) and/or classification(s) to be created under the Settlement Agreement would otherwise be laid off were it not for the individual's coverage under the JSL, the individual shall be reassigned to another position (with the same general wage rate in the same geographical area) in Service Company or Companies for which the individual is qualified.

F. TRANSFER OF JOBS

- NY, NE -- The "Transfer of Jobs" agreement, which is an attachment to the parties' Memoranda of Agreement, does not apply to any of the job classifications or positions covered by the Settlement Agreement.
- Mid-Atlantic -- The provisions contained in the "Agreement Concerning Issues Related to the Bell Atlantic-GTE Merger," which is an attachment to the parties' Memorandum of Agreement, with respect to Limitations on Transfers of Jobs, do not apply to any of the job classifications or positions covered by the Settlement Agreement.

G. LAYOFFS

- In the event of the layoff of any employee occupying a Service Company job title(s) and/or job classification(s) created in accordance with the Settlement Agreement, employees occupying the Service Company job title(s) and/or job classification(s) created in accordance with the Settlement Agreement:
 - shall be considered a separate seniority pool for layoff purposes;
 - shall not be subject to being displaced or bumped by any employee;
 - shall not be permitted to displace or bump any employee in another job title and/or occupational classification.
- Any force adjustment plan or similar or related provisions of the Labor Agreements shall not apply to persons occupying Service Company job title(s) and/or job classification(s) created in accordance with the Settlement Agreement.
- When Service Company determines, in its discretion, to declare one or more job title(s) and/or job classification(s) created in accordance with the Settlement Agreement surplus in a work group or location, the following will apply:
 - Service Company will give the IBEW 15 days advance notice of a surplus which could lead to a layoff.
 - Following the 15-day notification period, the Service Company will solicit employees in the job title(s) and/or job classification(s) created in accordance with the Settlement Agreement, by seniority order, to volunteer to leave the business with the layoff allowance specified in the Labor Agreement. Employees will have 14 calendar days to decide whether to take the volunteer offer to leave the business. The Company will determine the off-payroll date for those employees who volunteer to leave the business.
 - To the extent there are insufficient volunteers to relieve the surplus, Service Company shall lay off employees in the job title(s) and/or job classification(s) created in accordance with the Settlement Agreement by inverse order of seniority. Those employees who are laid off will receive the layoff allowance specified in the Labor Agreement.

- Laid off employees shall be recalled in the inverse order in which such laid-off employees were laid off to a vacancy in the job title and/or classification from which the layoff occurred, or to a vacancy in a lower job title or classification for which the employee is qualified, within two years of the layoff.

H. SENIORITY

- For an employee who becomes employed by Service Company in the new job title(s) and/or classification(s) to be created under the Settlement Agreement, seniority for all purposes under the Labor Agreements other than as specified in Section D. Pension and Retiree Medical above, shall be determined by reference to NCS Date for pension eligibility purposes under the Verizon Pension Plan for New York and New England Associates or the Verizon Pension Plan for Mid-Atlantic Associates, as applicable.

I. WORK SCHEDULES

- Persons hired into Service Company job title(s) and/or job classification(s) created in accordance with the Settlement Agreement may be assigned to a normal tour consisting of any five 8-hour days within a calendar week on any shift. Such persons may, at Service Company's discretion, be assigned to a normal tour consisting of any four 10-hour days within a calendar week, with daily overtime (where such would otherwise be required by the local collective bargaining agreement) applying only to time worked in excess of 10 hours in any day. Such persons will not be eligible for Saturday differentials and/or premiums, but will be paid one and one-half times the basic hourly wage rate for hours worked on Sunday.
- Service Company may assign tours to employees occupying job title(s) and/or job classification(s) created in accordance with the Settlement Agreement based upon the performance, demonstrated skills, abilities, knowledge, education, training, experience and competencies of employees. By Thursday of any week, Service Company shall post any changes in tours for the succeeding calendar week.
- Service Company may take into account performance, demonstrated skills, abilities, knowledge, education, training, experience and competencies in the assignment and distribution of overtime. To the extent practical and consistent with business needs, Service Company, before requiring employees to work overtime, will request volunteers from among the qualified employees in the work location in which overtime will be worked. Service Company shall make a good faith effort to allot overtime equally over the course of a calendar quarter.
- In assigning work schedules and the assignment and distribution of overtime, seniority will only be used as a tiebreaker when all other qualifications are substantially equal.

J. WORK BY MANAGEMENT

- Supervisors and other management employees may perform work normally done by IBEW-represented employees in emergencies, training activities (which may be performed

by supervisors or assigned to represented employees), and assistance incidental to a supervisory review of subordinates' work.

K. OTHER

- Service Company may use contractors to perform any of the work described in Paragraphs 1(a) and 1(b) of the Settlement Agreement, provided that Service Company may not use contractors to perform such work if it would currently and directly cause layoffs or part-timing of employees. Any provisions of the Labor Agreements that can or may otherwise restrict the use of contract labor or the contracting out of work shall not apply to the work performed by the job title(s) and/or job classification(s) created in accordance with the Settlement Agreement. The parties shall establish one Service Company Contracting and Competitiveness Initiatives Committee to discuss the IBEW's concerns about how contracting out of work can be reduced and the work provided to Service Company employees. As part of these discussions, issues impacting the competitiveness and efficient operation of Service Company will be discussed.
- Employees of Service Company in the job title(s) and/or job classification(s) created in accordance with the Settlement Agreement performing the work described in Paragraph 1(a) may continue to be assigned to perform such work throughout the Thirteen-State/DC Area under the temporary transfer, travel, board and lodging, and other similar relevant provisions of the Labor Agreements that cover "Plant" employees to the same extent that MCS technicians were assigned to perform that work prior to December 28, 2008.
- As of the date of the Settlement Agreement, the type of technician work described in Paragraph 1(b) is performed both inside and outside of the Thirteen-State/DC Area. This work may continue to be distributed on and after December 28, 2008 among MCS and Service Company Operations Support Centers both inside and outside of the Thirteen-State/DC Area. Within a calendar year, no more than 22 percent of the total amount of such work will be performed outside of the Thirteen-State/DC Area. For example, if 145 technicians' worth of work were performed inside the Thirteen-State/DC Area, then 40 technicians' worth of work ($21.7\% \times 185$) could be performed outside the Thirteen-State/DC Area.
- The grievance procedure of the Labor Agreements covering the job title(s) and/or job classification(s) created in accordance with the Settlement Agreement shall be modified to provide for only two steps, the second or top step of which will be heard at the Labor Relations level.
- Stand-by pay – one hour of pay at the regular straight time rate shall be paid for each day assigned. Unless specifically assigned to stand-by duty, wearing a pager or carrying a cell phone does not constitute "being available" for purposes of receiving Stand-by pay.

M. 2008 Memorandum of Agreement

MEMORANDUM OF AGREEMENT

This Agreement is made and entered into, the 3rd day of August, 2008, by and between all present and future In-BA-Region subsidiaries, or operating units thereof, of Verizon Communications Inc. ("VZ"), except Celco Partnership, its subsidiaries, and its affiliates d/b/a Verizon Wireless, Verizon Information Services BA - Region Directory South Sales (NTD/PDD/CDS), and all entities (and all of their subsidiaries) with a market capitalization or value of more than \$3 billion, acquired or merged with Bell Atlantic Corporation, Verizon Communications Inc., or their subsidiaries, with a closing date after August 9, 1998 (hereinafter "Company"), and International Brotherhood of Electrical Workers, AFL-CIO, Local 2222, 2313, 2320, 2321, 2322, 2323, 2324, 2325, ("IBEW"), addressing certain issues, as follows:

1. The Agreement entitled TRANSFER OF JOBS by and between the Companies and IBEW (copy of which is attached hereto and incorporated herein by reference) will be included within the new collective bargaining agreements which will be effective for the period August 3, 2008 to August 6, 2011.
2. The Company and IBEW will execute the attached Memorandum of Agreement Regarding Neutrality and Card Check Recognition.
3. Whenever the Company assigns employees of VZ Companies (hereinafter "VZ employees") to perform work for the Data Solutions Group (DSG, including Verizon Network Integration Corp., Inc., formerly named BANI) which is currently, has been historically, or is substantially comparable to work performed by VZ IBEW bargaining unit employees, such work will be exclusively performed by VZ IBEW operating telephone company (hereinafter "OTC") bargaining unit employees covered by the existing collective bargaining agreements.

Operational work associated with the data network which the Company assigns to VZ employees shall be exclusively performed by IBEW OTC bargaining unit employees covered by the existing collective bargaining agreements. Central offices and associated control centers will be staffed exclusively by IBEW OTC bargaining unit employees covered by the existing collective bargaining agreements carrying titles such as COT/CSA/SST/TA or their equivalents.

4. All plant work associated with digital subscriber lines (i.e., xDSL, a generic term which includes ADSL, HDSL, SHDSL, RADSL, IDSL, and all similar and subsequent technologies) between and including the central office and the network interface device shall be performed exclusively by IBEW OTC bargaining unit employees covered by the existing collective bargaining agreements. All work associated with the xDSL splitter shall be exclusively performed by IBEW OTC bargaining unit employees covered by the existing collective bargaining agreements. The Company shall not contract out any of the xDSL work discussed above.

When an end user customer purchases Verizon-on-Line DSL Service™ directly from Verizon Internet Services Inc. ("VISI") and uses Verizon as its ISP and the end user customer contracts with VISI to have it perform the installation and maintenance of the inside-data-wiring and jack, the digital modem, the Network Interconnection Card, and/or the software and configuration of the computer on the end user customer's premises ("Customer's Premise DSL I&M Work") for the Verizon-on-Line DSL Service™, the Customer's Premise DSL I&M Work for that service will be assigned to IBEW OTC bargaining unit employees. That Customer's Premise DSL I&M Work shall not be contracted out in the former BA Region.

When an end user customer purchases Verizon InfoSpeed DSL Service™ directly from Verizon Advanced Data Inc. ("VADI") and does not use Verizon as its ISP and the end user customer contracts with VADI to have it perform the installation and maintenance of the inside-data-wiring and jack, the digital modem, the Network Interconnection Card, and/or the software and configuration of the computer on the end user customer's premises ("Customer's Premise DSL I&M Work") for the Verizon InfoSpeed DSL Service™, the Customer's Premise DSL I&M Work for that service will be assigned to IBEW OTC bargaining unit employees. That Customer's Premise DSL I&M Work shall not be contracted out in the former BA Region.

The Company may designate a select group of IBEW OTC bargaining unit employees to perform the Customer's Premise DSL I&M Work. The Company will first seek input from the Union but reserves the right to establish training requirements, selection, certification, attire, scheduling which is consistent with the parties' collective bargaining agreements, and other requirements for those employees. In making its designations of employees to perform that work, the Company will consider an employee's seniority but reserves the right to make the designations solely on the basis of qualifications. The Company shall begin transitioning the above work to the

OTC bargaining unit employees as soon as August, 2000 and shall have completed the transition no later than April 30, 2001.

5. Whenever the Company assigns VZ employees to perform work which is currently, or which has been historically, performed by IBEW OTC employees such work shall be performed exclusively by IBEW OTC employees covered by the existing collective bargaining agreements.

Whenever the Company assigns VZ employees to service or sell bundled services which include any service which is currently, or historically has been, serviced or sold by IBEW-represented employees, then such work shall be performed exclusively by IBEW-represented employees, and the primary service and sales channel for such services shall be the OTC Business and Residence office, to the extent permitted by law or regulation.

If the work assignment or other practices of a company which is merged with or acquired by VZ and which is covered by this Agreement are inconsistent with one or more terms of this Agreement, there shall be a reasonable transition period, not to exceed six months from the date of the closing of the merger or acquisition, to eliminate such inconsistency.

6. Whenever the Company assigns VZ employees to perform long distance work that is similar to work which is currently, or historically has been, performed by IBEW-represented employees then such work shall be assigned to IBEW-represented employees covered by the existing OTC collective bargaining agreements.

To the extent permitted by law or regulation, the primary sales and service channel for long distance services shall be the OTC Business and Residence office.

Whenever the Company assigns VZ employees within IBEW jurisdiction to perform work associated with video, alarm monitoring, customer contact, or the Internet, that is similar to work which is currently, or historically has been, performed by IBEW-represented employees, then such work shall be performed exclusively by IBEW-represented employees.

7. Whenever any employee engaged by the Company within the IBEW jurisdiction is assigned to perform data services work permitted by FCC 706 exceptions, then such work shall be performed by IBEW OTC employees covered by the existing collective bargaining agreements; however, if the FCC requires the Company to assign such work to a separate subsidiary or affiliate,

then the work shall be performed by IBEW-represented employees working under an equivalent collective bargaining agreement.

8. Nothing in this agreement is intended to limit, diminish, or infringe upon the letter incorporated in the collective bargaining agreements by and between NYNEX Corporation on behalf of itself, and New York Telephone, New England Telephone, Empire City Subway, Telesector Resources Group, and NYNEX Information Resources, and the IBEW entitled "New Business", dated April 3, 1994, (a copy of which, adapted to apply under this Agreement, is attached hereto and incorporated herein by reference) (the "New Business Agreement"). The New Business Agreement is amended and renewed and will be included, as amended, within the new collective bargaining agreements between parties to the 2008 MOU. The terms Bell Atlantic Corporation ("BAC") and Verizon Communications Inc. ("VZ") as defined and used in the New Businesses Agreement means the Company as defined in the introductory paragraph of this Agreement, which is controlling.

INTERPRETIVE COMMENTS

1. Work will be considered to have been "historically performed" by IBEW-represented employees if it has been performed by such employees within the last seven years and over a significant period of time.
2. "Current work" includes any evolution of such work.
3. This agreement is not intended to affect any issue regarding a claim that management employees are performing bargaining unit work. It is also recognized that IBEW will continue to press such claims.
4. It is not the intent of this Agreement that existing work being performed by Verizon Connected Solutions, Inc. ("VCSI"), formerly named Bell Atlantic Communications and Construction Services, Inc. (BACCSI), is to be returned to the OTCs. However, it is the intent of this Agreement to not transfer more OTC work to VCSI.
5. This Agreement applies only to work assigned to and performed by VZ employees within the former Bell Atlantic footprint. Due to the merger between BA and GTE, the names of certain companies in this Agreement have changed from the 1998 Agreement between the parties. This Agreement is not intended to expand the meaning or scope of the 1998 Agreement, except as noted in paragraphs 1, 4 and 5 of this Agreement, and the deletion of paragraph 9 of the Interpretive Comments of 1998 MOA. For that reason, the following terms are defined:

VZ Companies are subsidiaries of VZ, covered by the Agreement, operating within the former BA footprint;

VZ Employees are employees of VZ Companies performing work in the former BA footprint.

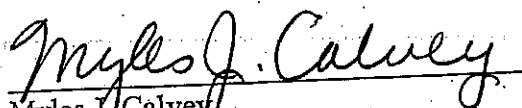
6. Any provisions of this Memorandum of Agreement are subject to legal and regulatory requirements.

7. Any obligation to have work performed by IBEW-represented employees is limited to areas within IBEW jurisdiction in the former BA footprint.

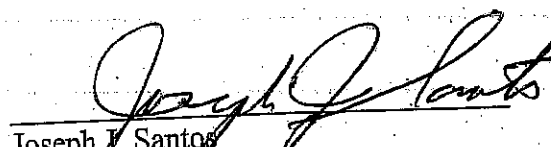
8. It is not the intent of paragraph 4 of this Agreement to affect work by suppliers in the Central Office prior to the operational phase of a service or product.

This Agreement expires at 11:59 p.m. on August 6, 2011.

For: International Brotherhood of
Electrical Workers, AFL-CIO


Myles J. Calvey
Chairman, System Council T-6

For: Company


Joseph J. Santos
Chairperson, Common Issues Bargaining

Date: August 13, 2008

Date: 8/13/2008

TRANSFER OF JOBS

This Agreement is between Verizon ("VZ") New England, Inc. and the Verizon Services Corp. (the "Companies") and the International Brotherhood of Electrical Workers, AFL-CIO, Locals 2222, 2313, 2320, 2321, 2322, 2323, 2324, 2325, ("IBEW").

A. Limitations on Transfer of Jobs

The following limitations on permanent transfers of jobs shall be effective August 3, 2008 and terminate concurrently with the labor agreements, August 6, 2011.

- (1) During each contract year of the parties' current collective bargaining agreements ("CBA"), from August 3, 2008 to August 6, 2011, a Company may not permanently transfer more than .7% of IBEW represented jobs from any of the universes described below to an area outside the New England States ("NES").

(a) Plant Bargaining Unit - Each Union local in the Plant bargaining unit constitutes a universe.

(b) All Bargaining Units Except Plant - For bargaining units other than Plant, each bargaining unit shall be a company-wide universe.

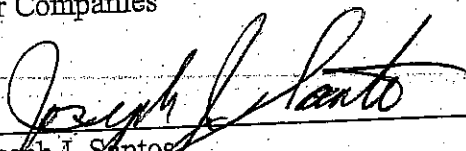
- (2) The percentage of jobs permanently transferred to an area outside NES will be calculated for each universe as follows:

- a. Total IBEW Represented Jobs in each universe in the NES permanently transferred to an area outside NES.
b. (divided by) Total IBEW Represented Jobs in that universe.

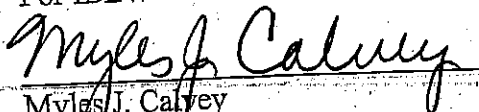
- (3) If an employee voluntarily transfers from a job in NES to a job outside NES, the transfer of that employee shall not be included in the calculation of the percentage of jobs permanently transferred for purposes of determining whether .7% per year limit has been exceeded.

B. This Agreement does not limit or restrict Employee Transfer Plans.

For Companies


Joseph J. Santos
Chairperson, Common Issues Bargaining

For IBEW


Myles J. Calvey
Chairman, System Council T-6

August 3, 2008

Mr. Myles J. Calvey
Chairman, System Council T-6
International Brotherhood of Electrical Workers
122 Quincy Shore Drive
North Quincy, MA 02171

Dear Mr. Calvey:

This will confirm our agreement of August 3, 2008, associated with the section of the 2008 Memorandum of Agreement dealing with the "Limitations on Transfer of Jobs", as follows:

1. The total IBEW represented jobs in each bargaining unit, or each Local Union in the Plant Bargaining Unit, within the New England States to be utilized for calculating the gross amount of job transfers, outside of the New England States, are as follows:

(a)	Plant Local Union 2222	2307
(b)	Plant Local Union 2321	1109
(c)	Plant Local Union 2322	954
(d)	Plant Local Union 2323	1032
(e)	Plant Local Union 2324	504
(f)	Plant Local Union 2325	1027
(g)	Traffic Bargaining Unit	435
(h)	Accounting Bargaining Unit	131
(i)	Sales Bargaining Unit	858
	Total IBEW Represented Employees	8357

This census of IBEW represented jobs is based on the total represented jobs in the IBEW bargaining units as of August 13, 2008. The calculation of the gross amount of job transfers outside of the New England states will be based on this frozen census for the entire period of the 2008 Labor Agreement.

2. The Company will notify the Union whenever jobs are transferred outside of the New England States from any Local Union area in the Plant Bargaining Unit or from the Traffic, Accounting or Sales bargaining units, by job title(s) and work location(s).
3. The Company will furnish to the Union a quarterly status report of the total number of jobs transferred outside of the New England states, by Local Union area in the Plant Bargaining Unit and the Traffic, Accounting and Sales bargaining units. This report will also provide a comparison of the gross percentage of job transfers to the agreed upon % limit on gross transfers for each Union Local are in the Plant Bargaining Unit and the Traffic, Accounting and Sales bargaining units.

Yours truly,


Chairperson, General Bargaining Committee

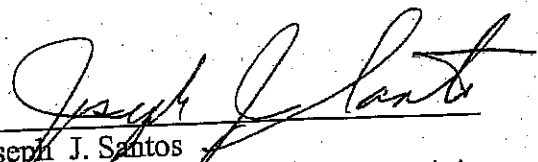
August 3, 2008

Mr. Myles J. Calvey
Chairman, System Council T-6
International Brotherhood of Electrical Workers
1137 Washington Street
Dorchester, MA 02124

Dear Mr. Calvey:

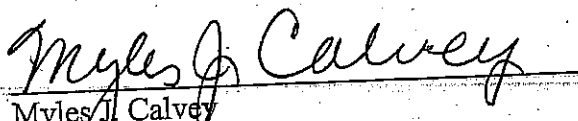
In paragraph 8 of our Memorandum of Agreement ("Agreement") dated August 3, 2008, we agreed that the Agreement was not intended to limit, diminish or infringe upon the NYNEX New Businesses Letter. With this letter, we confirm that the Union's access rights to the Companies in the operating area of the former BA North Footprint for purposes of organizing employees under the Memorandum of Agreement Regarding Neutrality and Card Check Recognition, which is a part of this Agreement, shall not provide any less access to the Companies than the access rights contained in the NYNEX Neutrality Agreement, which is a part of the parties' 1994 Memorandum of Agreement and which is attached to this letter.

This letter agreement shall be added to the Agreement as an attachment.


Joseph J. Santos
Chairperson, Common Issues Bargaining

AGREED TO:

International Brotherhood of Electrical Workers,
AFL-CIO


Myles J. Calvey
Chairman, System Council T-6