
Military Leave of Absence Guidelines

New York/New England Bargained for Employees

1.0 General

This policy applies to regular full time and part time associate/union represented employees of Verizon Communications. It also applies to Military Leaves where employees have at least one year of “on the job service” or have less than one year of “on the job service” as described in Section 2.0. Reemployment rights are in accordance with the Uniformed Services Employment and Reemployment Rights Act (USERRA) and state law. Applicability of this Policy for associates/union-represented employees is further subject to their collective bargaining agreement.

2.0 Eligibility

Employees with less than one year of “on the job service” will be eligible for Verizon’s Regular Military Leave. In order to be eligible for Enhanced Military Leave (EML), employees need at least one year of on the job service prior to departure for military leave. “On the job service” is defined as employment at work excluding any time not at work in connection with any leaves of absence of any kind (i.e. leaves of absence such as, but not limited to, Education Leave, Regular Military Leave, Family Medical Leave of Absence (FMLA), Short Term Disability, etc.). Time off for vacations or holidays, however, will be counted in calculating “on the job service”.

2.1 Application Procedure

To request paid Military Leave, submit Military Orders and Leave & Earnings Statement (LES) to:

Verizon Global Payroll – Military Pay
899 Heathrow Park Lane
Lake Mary, FL 432746
Fax: (866) 255-4840

You can send an email by going to About You>>Your Payroll Info>>Select the Email icon

3.0 Military Differential Pay

If you are eligible for Verizon’s Regular Military Leave, the Company will pay the difference between the employee’s company base pay and government’s base pay for a maximum of 10 days, unless provided otherwise by an employee’s collective bargaining agreement. For those employees who are eligible for Verizon’s Enhanced Military Leave, the Company will pay the difference between the employee’s company base pay and government’s base pay for up to a maximum of 36 months of active duty. Company base pay is defined as current base salary as well as any shift differential that the employee is receiving under the collective bargaining agreement at the time he/she commences his/her military leave. Military base pay is defined as base pay received from the government and does not include any other types of payments.

Payments made to individuals while on active military duty, where the employment relationship continues as it does under this policy, are employee wages as defined by U.S. Tax Law. As employee wages, Verizon is required by U.S. tax regulations, to withhold Employee Individual Income and Social Security Taxes from these payments.

In the event that the government’s base pay is equal to or greater than Verizon’s base pay, (including eligible differentials) no company payment will be made.

To the extent that an employee's collective bargaining agreement provides for a bonus/incentive payment (e.g. Corporate Profit Sharing) that payment will be made irrespective of the employee's base company pay or their base government pay.

For associates/union-represented sales employees, Military Differential Pay will be based upon your Base Pay (including eligible differentials under the applicable collective bargaining agreements, but not commissions).

Employees are not eligible to receive full Verizon pay and full military pay at the same time, under any circumstances.

4.0 Coordination of Emergency Military Leave and Enhanced Military Leave

To the extent that an employee received any pay continuation benefits under predecessor Verizon plans such as the Emergency Military Leave agreements for any Anti-Terrorist military orders or Hurricane Relief duty, such payments will count towards the thirty-six (36) month maximum of pay continuation under the Enhanced Military Leave Agreement. For example, an employee who received pay continuation benefits for six (6) months under the Emergency Military Leave policy would be eligible for only thirty (30) months of pay continuation benefits under this Enhanced Military Leave policy.

5.0 Return to Work Rights

Return to Work Rights will be governed by federal as well as state law.

Generally, the federal law provides that an employee on Military Leave for less than 91 days will be reemployed to the job that he/she would have had if the employee had not gone on Military Leave. The employee must have been honorably discharged or reverted to reservist status. An employee on Military Leave for more than 90 days will be reemployed to the job that he/she would have had if the employee had not gone on Military Leave, or a position of like seniority, status and pay. In either circumstance, the employee must be qualified to perform the duties of their job. If the employee is not qualified to perform the position identified above, the employee will be reemployed consistent with federal and state law. Subject to certain exceptions provided for under federal law, an employee's reinstatement rights only apply if their cumulative military leave with Verizon do not exceed five years.

In order to be eligible for reinstatement, employees must report to work as follows:

- Period of service less than 31 days - the employee must report back to the employer by the beginning of the first full regularly-scheduled work period on the next full calendar day following the completion of service (allowing for an 8-hour rest period after the employee arrives home from military duty).
- Period of service more than 30 days but less than 181 days – the employee must submit an application for reemployment not later than 14 days after completing his/her military service.
- Period of service more than 180 days – the employee must submit an application for reemployment not later than 90 days after completing his/her military service.

6.0 Seniority

Upon reinstatement, employees will receive all seniority and other rights and benefits determined by seniority that the employee had on the date he or she began Verizon's Regular or Enhanced Military Leave. Returning employees will also receive the additional rights and benefits that he or she would have attained had he or she not left military leave.

Conditions for Leave

Employee Benefits during a Military Leave of Absence

Health Care Coverage

Regular Military Leave

Your medical, dental and vision coverage continues until the end of the calendar month of your last day of work before your leave begins. Then, you can elect to continue coverage through COBRA while you are on leave. If you elect to continue coverage through COBRA, you will be required to pay the premium costs. The COBRA administrator will send you the necessary information to enroll. For more information on COBRA, refer to your Summary Plan Description (SPD).

Enhanced Military Leave

Your medical, dental and vision coverage continues for up to a cumulative maximum of 36 months. If applicable, you may continue coverage through COBRA by paying the full cost of coverage.

Basic Life and Accidental Death and Dismemberment (AD&D)

Regular Military Leave

Basic Life and AD&D Insurance coverage automatically continues during your leave for up to 24 months from the exact date that the employee commences his/her military leave (e.g., April 5, 2018 to April 5, 2020).

Enhanced Military Leave

Basic Life coverage automatically continues during your leave for up to a cumulative maximum of 36 months. AD&D does not continue under Enhanced Military Leave.

Supplemental Life, Dependent Life, Dependent AD&D and Supplemental AD&D

Regular Military Leave

You may continue coverage for Supplemental Life and Supplemental AD&D Insurance during your leave for up to 12 months provided you pay the required premiums, which will be billed monthly. You may also continue coverage for Dependent Life and Dependent AD&D for up to 24 months provided you pay the required premiums which will be billed to you monthly. You also can reduce the amount of your Supplemental Life and Dependent Life Insurance coverages or stop your coverages while you are on leave. You may enroll for or increase your coverage for Supplemental Life and Dependent Life Insurance any time after you return to work and submit the Statement of Health Form (also referred to as "Evidence of Insurability" [EOI]) of the Survivor Benefits Program. Your insurance will become effective on the day the insurance company approved the Statement of Health. If you continue paying the required premiums while on leave, when you return to work your contributions resume automatically with no Statement of Health Form requirements. If you do not pay your premiums while on leave through the monthly billing process, coverage will terminate. If you re-enroll, you will be subject to EOI noted above.

Enhanced Military Leave

Your Supplemental and Dependent Life Insurance coverage ends after 36 months. After 36 months, you may continue coverage by paying the required premiums, which will be billed to you monthly. You may also reduce the amount of your Supplemental Life and Dependent Life Insurance coverages or stop your coverages while you are on leave. You may enroll for or increase your coverage for Supplemental Life and Dependent Life Insurance any time after you return to work and submit a Statement of Health Form (also referred to as "Evidence of Insurability" [EOI]) of the Survivor Benefits Program. Your insurance will become effective on the day the insurance company approves the Statement of Health. If you continue paying the required premiums while on leave, when you return to work your contributions resume automatically with no Statement of Health Form requirements. If you do not pay

your premiums while on leave through the monthly billing process, coverage will terminate. If you re-enroll, you will be subject to EOI noted above.

AD&D does not continue under Enhanced Military Leave.

Service Credit

Upon reinstatement, you will receive service credit as provided under federal and state law. If you are not reinstated to work, then no service credit is given.

Health Care and Dependent Care Spending Accounts

If you participate in the Health Care Spending Account prior to your unpaid leave, your payroll deductions stop when your leave begins. If the loss of coverage is greater than thirty days, you will be treated as a newly hired/newly eligible employee for this benefit. If the loss of coverage is less than thirty days, coverage will be reinstated. Health Care Spending Account (HCSA) and Dependent Care Spending Account (DCSA) will be reinstated if the return from Leave is in the same calendar year as the Leave started. If you elect not to participate, you can elect to have your payroll deductions reinstated when you return to work.

If you do not return to work following your unpaid leave, you can elect to continue contributions through COBRA. You may submit claims for expenses incurred while COBRA coverage continues through the end of the calendar year in which your leave ends. You cannot continue the DCSA through COBRA, however you can submit claims for expenses incurred prior to your leave date.

If you participate in the Dependent Care Account prior to your leave, your contributions are suspended during your leave. However, you may continue to submit claims in accordance with the Plan for expenses incurred during the period of the Plan year for which you have made contributions. Your deposits end with your last paycheck prior to your leave. If the loss of coverage is less than thirty days and in the same calendar year, coverage will be reinstated.

Refer to Your Health Care and Dependent Care Accounts SPD for details.

Savings Plan Contributions

Employee contributions and the Company match on eligible employee contributions will continue, provided that Company pay received is sufficient to continue active participation in the Savings Plan. Otherwise, the returning employee may be eligible to make up any missed contributions. Company matching contributions will be made to the extent the employee has made eligible contributions and subject to the requirements of Internal Revenue Code regulations.

Employees will have up to three times the period of military service to make up any missed contributions but not more than five years, except as otherwise provided by law.

Savings Plan Loans

If you have an existing loan when your leave begins, loan repayments will continue to be made through normal payroll deduction, provided Verizon pay is sufficient for full repayment. Partial repayments will not be deducted. If pay is insufficient, the loan will be re-amortized to monthly repayments and a loan coupon booklet will be generated automatically and mailed to you. However, there is no obligation to repay the loan while you are out on Regular or Enhanced Military Leave. The loan will be re-amortized and started up for payroll deduction upon your return from leave with interest continuing to accrue on the unpaid loan balance according to the terms of your loan but not greater than 6% per year. Repayment of your loan can be made over three times your military service period, but not more than the maximum term of the loan (for general purpose loans the maximum is five years/ for primary residence loans the maximum period is fifteen years).



Savings Plan Transactions

While you are actively employed on Military Leave at Verizon, there will be no change in your ability to make transactions to your Savings Plan Account. For example, your eligibility to take withdrawals and make changes to your contribution/investment elections will remain the same.

Sickness Disability Benefits

If you become disabled by sickness or injury during your leave, you may be eligible to receive benefits under the Verizon Sickness and Accident Disability Benefit Plan. Contact Verizon's Short-Term Disability Vendor for more information and review your Summary Plan Description for eligibility.

Sickness Death Benefits

A Sickness Death Benefit may be payable to your mandatory beneficiaries if you die during your leave and you were eligible for these benefits on the day prior to the beginning of your leave. Review your Summary Plan Description for eligibility.

Concession Telephone Service

Concession Telephone Service continues during your leave on the same basis as before your leave began. If you return to work after 36 months of active enhanced military duty your eligibility for concession telephone service will be based on the eligibility for these benefits of the work group that you are in.

Other Available Leave

If you are eligible for leave under any applicable law, including the Family and Medical Leave Act (FMLA), or other plan or policy, this leave will run concurrently with any and all other leaves to the full extent permitted by law.

Additional Information

Refer to your collective bargaining agreement for additional information. This policy is a general summary and to the extent that there are any inconsistencies or errors, federal and state law, the terms set forth in the benefit plans and the collective bargaining agreements will control over the guidelines set forth in this policy.

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