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May 29, 2016

**2016 COMMON ISSUES
MEMORANDUM OF UNDERSTANDING**

Between

**VERIZON NEW YORK INC.
EMPIRE CITY SUBWAY COMPANY (LIMITED)
VERIZON ADVANCED DATA INC.
VERIZON CORPORATE SERVICES CORP.
VERIZON NEW ENGLAND INC.
VERIZON SERVICES CORP.**

AND

COMMUNICATIONS WORKERS OF AMERICA, AFL-CIO

This Memorandum of Understanding (the "2016 MOU") is agreed to by and between the above-named companies (herein the "Company" or "Companies," as context requires) and the Communications Workers of America, AFL-CIO (herein the "Union" or "CWA") with respect to the following CWA-represented bargaining units:

1. CWA Plant (Verizon New York, VSC, ECS, VZAD, VCSC)
2. CWA District 1 (VSC)
3. CWA Local 1104 (Downstate Accounting) (Verizon New York, VCSC)
4. CWA Local 1105 (Downstate Commercial) (Verizon New York, VCSC, VSC)
5. CWA Local 1108 (Downstate Traffic) (Verizon New York, VCSC, VSC)
6. CWA Local 1104 (Upstate Traffic) (Verizon New York)
7. CWA Local 1113 (Upstate Accounting) (Verizon New York, VCSC, VSC)
8. CWA Local 1302 (Central Order Bureau) (Verizon New England)
9. CWA Local 1395 (VSC)
10. CWA Local 1400 (New England Service Centers) (Verizon New England, VCSC, VSC)

New collective bargaining agreements covering the above-named bargaining units (including without limitation this 2016 MOU, to the extent the parties have not specified

MP YMS

May 29, 2016

different effective dates in provisions of this 2016 MOU) will become effective immediately upon ratification of this 2016 MOU ("Effective Date") and will remain in effect until 11:59 p.m. on August 3, 2019. This 2016 MOU will become effective if, and only if, ratified by the combined results of the voting in the bargaining units in the Companies represented by CWA no later than thirty calendar days after the date of this 2016 MOU.

Each of the new collective bargaining agreements will consist of the provisions of the existing agreements, including the provisions of the 2012 Common Issues Memorandum of Understanding Between Verizon New York Inc., Empire City Subway Company (Limited), Verizon Advanced Data, Inc., Verizon Corporate Services Corp., Verizon New England Inc. and Telesector Resources Group, Inc. and the Communications Workers of America, AFL-CIO effective October 19, 2012 ("2012 MOU"), which shall be deemed extended to the Effective Date, and all attachments to the 2012 MOU that were valid and enforceable immediately prior to the Effective Date, as modified by the applicable provisions of this 2016 MOU and by provisions agreed to at local bargaining tables. All letters of agreement in the parties' 2012 collective bargaining agreements (including without limitation the 2012 MOU), all letters of agreement in the parties' 2012 collective bargaining agreements, and all international union, district and local agreements that were valid and enforceable immediately prior to the Effective Date, will remain in full force and effect, unless the terms of such letters of agreement have been modified or eliminated by this 2016 MOU or by the parties' collective bargaining agreements (including without limitation terms agreed to at local bargaining tables). All letters of agreement or provisions in the parties' 2012 collective bargaining agreements (including without limitation the 2012 MOU and all attachments to the 2012 MOU) that contain an expiration date of August 1,

MP YMS

May 29, 2016

2015 will be changed to reflect an expiration date of August 3, 2019 unless the parties have expressly agreed to a different expiration date or that such letters or provisions will not remain in effect. All letters of agreement or provisions in the parties' 2012 collective bargaining agreements (including without limitation the 2012 MOU and all attachments to the 2012 MOU) that were valid and enforceable immediately prior to the Effective Date that contain dates other than expiration dates will be changed as necessary to ensure the continued enforceability of such agreements unless the parties have expressly agreed that such letters or provisions will not remain in effect. Provisions of this 2016 MOU, including the attachments, will be incorporated, by reference or otherwise, into the appropriate collective bargaining agreements.

To the extent that any provision of this 2016 MOU is inconsistent with or contrary to any provision of the 2012 MOU, any local collective bargaining agreement, or any other agreement, policy or past practice, such 2016 MOU provision will govern and will supersede the inconsistent or contrary provision of the 2012 MOU, any local collective bargaining agreement, or any other agreement, policy or past practice, except that a written agreement regarding a specific term newly agreed to, modified or eliminated in 2015-2016 negotiations at a local bargaining table will govern and supersede an inconsistent or contrary provision in this 2016 MOU with respect to that specific term if the local parties specify in such specific term that it supersedes the 2016 MOU.

MP

May 29, 2016

Dated:

FOR THE COMPANIES

FOR COMMUNICATIONS WORKERS OF
AMERICA, AFL-CIO

By: *Patrick Prindle*
PATRICK PRINDEVILLE
Chairperson, Common Issues Bargaining

By: *Gladys M. Finnigan*
GLADYS FINNIGAN
Assistant to the Vice President

MP *ymj*

May 29, 2016

TABLE OF CONTENTS

	Page
I. WAGES.....	1
II. COST-OF-LIVING	1
III. CORPORATE PROFIT SHARING.....	1
IV. RATIFICATION BONUS.....	2
V. PENSION BENEFIT AND OTHER CHANGES	2
VI. 401(K) PLAN PROVISIONS AND CHANGES	4
VII. FAMILY CARE LEAVE.....	4
VIII. BENEFITS.....	5
IX. SHARING OF CALLS AMONG CENTERS.....	35
X. SETTLEMENT AGREEMENT (VERIZON BUSINESS).....	43
XI. TRANSFERS.....	44
XII. TUITION ASSISTANCE.....	45
XIII. WORK AND FAMILY	45
XIV. SPECIAL ENHANCED INCOME PROTECTION PLAN.....	46
XV. ADDITIONAL CENTER JOBS AGREEMENT.....	48
XVI. 2016 MEMORANDUM OF AGREEMENT	49
XVII. WITHDRAWAL OF FNT/FCSA NCI NOTICE.....	49
XVIII. WITHDRAWAL OF THE IDC NCI NOTICE	49
XIX. WITHDRAWAL OF THE POLE NCI	49
XX. LETTER REGARDING DIRECT DISTRIBUTION INITIATIVE.....	49
XXI. LETTER REGARDING TEMPORARY DRIVER RECLASSIFICATION.....	49
XXII. LETTER REGARDING CFS WORK	49
XXIII. LETTER REGARDING QAR/PERFORMANCE REVIEWS	49
XXIV. LETTER REGARDING STRESS RELIEF	49
XXV. DURATION	50

MP
FNT

May 29, 2016

ATTACHMENTS

1. Change In Eligibility – Same Sex Domestic Partnerships
2. TAP – Excluded Studies Chart
3. Additional Center Jobs Agreement
4. 2016 Memorandum of Agreement
5. Letter withdrawing the FNT/FCSA NCI
6. Letter withdrawing the IDC NCI
7. Letter withdrawing the pole NCI
8. Letter regarding Direct Distribution Initiative
9. Letter regarding Temporary Drivers Reclassified to Regular Employees
10. Letter regarding CFS Work
11. Letter regarding QARs/Performance Reviews
12. Letter regarding Stress Relief

I. WAGES

The schedule of wage increases for the term of this 2016 MOU will be as follows:

Effective Date	
The first Sunday after the Effective Date	3% increase applied to all steps of the basic wage schedule
The first Sunday following the first annual anniversary of the Effective Date	2.50% increase applied to all steps of the basic wage schedule
The first Sunday following the second annual anniversary of the Effective Date	2.50% increase applied to all steps of the basic wage schedule
The first Sunday following the third annual anniversary of the Effective Date	2.50% increase applied to all steps of the basic wage schedule

II. COST-OF-LIVING

The Company will continue the Cost-of-Living provisions set forth in Section II of the 2008 MOU during the term of this 2016 MOU. Notwithstanding the continuation of these provisions, there will be no cost-of-living adjustment during the term of this 2016 MOU.


III. CORPORATE PROFIT SHARING

The Corporate Profit Sharing ("CPS") Plan is modified as follows:

- (a) The CPS plan will provide awards for results in calendar years 2015, 2016, 2017 and 2018 with the awards payable in 2016, 2017, 2018 and 2019.
- (b) The "Standard" CPS Distribution will be as follows:

Performance Year	Standard CPS Distribution	Year Payable
2015*	\$500	2016
2016	\$500	2017
2017	\$500	2018
2018	\$500	2019

*The Company distributed the CPS Award for Performance Year 2015 prior to the Effective Date.


May 29, 2016

(c) Notwithstanding paragraphs (a) and (b) above, the minimum distribution for Performance Years 2015, 2016, 2017 and 2018 will be \$700, subject in all cases to prorating under Section 3.

IV. RATIFICATION BONUS

A one-time, single Ratification Bonus payment of \$1,000 will be paid within thirty (30) days after ratification of this 2016 MOU to full-time and part-time Regular and Temporary employees on payroll as of the ratification date. Ratification Bonus payments will be subject to all applicable federal, state and local tax withholdings. These payments will only be included in calculations relating to Union dues, or their equivalent, as authorized by the employee and the Union. Ratification Bonus payments will not be included in wages for computations of overtime, benefits or for any other purpose.

V. PENSION BENEFIT AND OTHER CHANGES

A. Pension Plan Changes.

The New York and New England Associate component of the Pension Plan will be amended for pension eligible associates covered by this 2016 MOU as follows:

If a non-married, vested participant dies prior to his or her pension commencement date without having designated a pension beneficiary, the Pension Plan will pay a lump sum to the estate of the deceased participant equal to the amount that would have been paid to a beneficiary if there had been a designated pension beneficiary of the same age as the participant at the time of the participant's death.

B. Pension Lump Sum Cashout.

An associate covered by the cashout program set forth in the 2008 MOU who separates from service during the term of this 2016 MOU, with eligibility for a vested pension or a service



May 29, 2016

pension, will be eligible to receive his or her vested pension or service pension under the Pension Plan as a total lump-sum cashout. The terms of the cashout program will be the same as the terms of the cashout program set forth in the 2008 MOU for the period ending August 6, 2011, except that the GATT lump sum basis will be revised as described below effective 180 days after the Effective Date. The revised GATT lump sum basis will be the same as the GATT lump sum basis in the 2008 MOU, except the mortality table will be based on "the applicable mortality table" pursuant to section 417(e) of the Internal Revenue Code in effect for 2016. The mortality table for the revised GATT lump sum basis will not be updated even if the mortality table pursuant to section 417(e) of the Internal Revenue Code is updated. The revised GATT lump sum basis will be effective for pension commencement dates on and after the date that is 180 days after the Effective Date. In addition, the GATT lump sum basis will be modified in this same manner with respect to anyone else eligible for a pension lump sum who has not commenced that pension by the effective date of the revised GATT lump sum basis.

C. Pension Band Increases.

The New York and New England Associate component of the Pension Plan will be amended to provide for increases in the Pension Band Amounts by the "Percentage Increase" amounts shown below for pension eligible associates whose "Pension Effective Date" (which is the first day following the last day on the payroll) is on or after the corresponding "Pension Band Effective Date" shown below. In addition, the amendment will provide for the acceleration of the next scheduled Percentage Increase under this 2016 MOU for pension eligible associates who leave the service of the Company pursuant to a Special Enhanced Income Protection Plan ("Special EIPP") under Section XIV of this 2016 MOU.

May 29, 2016

Pension Band Effective Date	Percentage Increase
Ninety (90) Days After Ratification ("Pension Increase Date")	1%
First Anniversary of Pension Increase Date	1%
Second Anniversary of Pension Increase Date	1%

VI. 401(K) PLAN PROVISIONS AND CHANGES

The Associate 401(k) Savings Plan will be amended effective within ninety (90) days following the Effective Date, to increase the maximum employee contributions from 16% to 25% of Compensation as defined in the Plan for any combination of pre-tax, after-tax and/or Roth 401(k) contributions.

VII. FAMILY CARE LEAVE

A. As of the Effective Date of the 2016 MOU:

1. The minimum duration of any period of Family Care Leave ("FCL") will be three (3) calendar days;

2. Employees on FCL may request to return to work prior to the approved expiration date of the leave and the Company may, in its sole discretion, approve or deny such requests;

3. If any employee on FCL requests to return to work because the family member that he/she has cared for under FCL has died, that request will be approved;

4. If an employee is eligible for FCL and is also eligible for leave under any applicable law, or other plan or policy, to the extent that FCL and any of those leaves do not already run concurrently then to the full extent permitted by law, FCL and any and all other leaves will run concurrently; and

PP *YMS*
May 29, 2016

5. If an employee takes leave under any applicable law, or other plan or policy and the reason for an employee's leave under any applicable law, or other plan or policy, is a reason that would qualify for FCL, to the full extent permitted by law, that leave will reduce the amount of an employee's available FCL, regardless of the increment of the leave taken.

VIII. BENEFITS

1. CONTINUATION OF BENEFIT PLANS

The following employee benefit plans are continued in effect through the term of this 2016 MOU in accordance with their existing terms and the changes agreed to in this 2016 MOU.

- 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

May 29, 2016

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

Verizon Pension Plan for Associates (to the extent that it covers New York and New England Associates)

Verizon Post-1995 Collectively Bargained Retiree Health Plan (Pre-1993 Retirees)

Verizon Post-1995 Collectively Bargained Retiree Health Plan (Post-1992 Retirees)

2. CHANGES TO EXISTING HEALTH CARE AND LIFE INSURANCE BENEFITS, INCLUDING PRESCRIPTION DRUG AND DENTAL AND VISION COVERAGE, FOR ACTIVE ASSOCIATES

The provisions of the Verizon Medical Expense Plan for New York and New England Associates (the "VMEP") regarding medical and prescription drug benefits, the Verizon Alternate Choice Plan for New York and New England Associates (a component or subplan of the VMEP), the Verizon Dental Expense Plan for New York and New England Associates ("VDEP") regarding dental benefits, the Verizon Vision Care Plan for New York and New England Associates (including VDT User Eye Care Program) ("VVCP") regarding vision benefits, and the Verizon Dependent Group Life Insurance Plan for New York and New England Associates regarding life insurance benefits for active associates who participate in the VMEP, VDEP, VVCP and the Verizon Dependent Group Life Insurance Plan for New York and New England Associates will be amended as follows effective August 1, 2016, except where otherwise noted:

A. Changes to VDEP and VVCP.

Effective as of the Effective Date, Section 3.3 of the VDEP and Section 3.3 of the VVCP regarding the election of dental and/or vision coverage for newly hired associates shall be amended so that the waiting period for eligibility for coverage shall no longer apply. A newly hired associate will have thirty-one (31) days from the associate's date of hire to

MP yms

May 29, 2016

elect coverage under the VDEP or the VVCP. If the associate elects coverage within such thirty-one (31) day period or if the associate is defaulted into coverage under the terms of the VDEP or the VVCP, coverage shall be effective as of the associate's date of hire and such associate will be required to pay his or her portion of the cost of coverage, to the extent applicable, commencing with the first date of coverage.

B. Dependent Eligibility Changes.

Effective as of the Effective Date, the eligibility rules applicable to same sex domestic partners under the VMEP, VDEP, VVCP and the Verizon Dependent Group Life Insurance Plan for New York and New England Associates will be modified as set forth in Attachment 1.

C. Medical and Prescription Drug Benefit Changes Applicable to VMEP.

The provisions of the VMEP regarding medical benefits and prescription drug coverage for active associates who participate in the VMEP shall be amended as set forth in this Section VIII.2.C. of this 2016 MOU.

Effective as of the Effective Date, Section 3.3 of the VMEP regarding the election of medical and prescription drug coverage for newly hired associates shall be amended so that the waiting period during which associates must pay the full cost of coverage shall no longer apply. A newly hired associate will have thirty-one (31) days from the associate's date of hire to elect coverage under the VMEP. If the associate elects coverage within such thirty-one (31) day period or if the associate is defaulted into coverage under the terms of the VMEP after failing to make a timely election, coverage shall be effective as of the associate's date of hire and such associate will be required to pay his or her portion of the cost of coverage commencing with the first date of coverage.

MP ymt

May 29, 2016

- 1) **HCN Benefit Changes.** The medical benefits provided to associates and their eligible dependents enrolled in the HCN Option on and after August 1, 2016 will be as described in the VMEP, with the following modifications:
 - a. **Maximum Allowed Amount ("MAA").** The MAA will be defined as 240% of the national Medicare schedule. (Amend the following section of the VMEP: Section 2.)
 - b. **Deductible.** For associates and their eligible dependents enrolled in the HCN Option, an annual deductible will apply for covered services or supplies obtained on an in-network basis of \$250 for 2016, \$275 for 2017, \$325 for 2018 and \$345 for 2019 per individual and \$625 for 2016, \$687.50 for 2017, \$812.50 for 2018 and \$862.50 for 2019 per family. For associates and their eligible dependents enrolled in the HCN Option, an annual deductible will apply for covered services or supplies obtained on an out-of-network basis of \$775 for 2016, \$825 for 2017, \$900 for 2018 and \$960 for 2019 per individual and \$1,937.50 for 2016, \$2,062.50 for 2017, \$2,250 for 2018 and \$2,400 for 2019 per family. Expenses that apply towards the deductible are aggregated between in-network and out-of-network expenses to reach the applicable deductible. The family annual deductible is satisfied when any combination of individual family member deductibles equals the applicable family annual deductible within a calendar year; however, an enrolled associate or eligible dependent will never satisfy more than his or her own individual amounts. (Amend the following section of the VMEP: Section 6.1.1.)
 - c. **Out-of-Pocket Maximum.** The out-of-pocket expense maximum applicable to covered services or supplies obtained on an in-network basis under the HCN Option during any calendar year will be \$1,400 for 2016, \$1,550 for 2017, \$1,700 for 2018 and \$1,815 for 2019 per individual and \$3,500 for 2016, \$3,875 for 2017, \$4,250 for 2018 and \$4,537.50 for 2019 per family. The out-of-pocket expense maximum applicable to covered services or supplies obtained on an out-of-network basis under the HCN Option during any calendar year will be \$2,300 for 2016, \$2,600 for 2017, \$2,800 for 2018 and \$2,990 for 2019 per individual and \$5,750 for 2016, \$6,500 for 2017, \$7,000 for 2018 and \$7,475 for 2019 per family. Expenses that apply towards the out-of-pocket maximum are aggregated between in-network and out-of-network expenses to reach the applicable out-of-pocket maximum. The family annual out-of-pocket maximums can be satisfied by any combination of family members within a calendar year; however, an enrolled associate or eligible dependent will never satisfy more than his or her own individual amounts. Amounts paid towards the deductible will apply towards the annual out-of-pocket maximum. (Amend the following section of the VMEP: Section 6.1.4.)
 - d. **Covered Medical Services and Supplies.**
 - i. **Physicians' Services.** The Company will implement a copay of \$30 for each specialist's home or office visit on an in-network basis. Primary care

physician's or specialist's home and office visits will be covered on an out-of-network basis at 60% of the MAA after the deductible is met. (Amend the following sections of the VMED: Sections 6.1.2 and 6.1.3.)

- ii. **Radiation Therapy, Chemotherapy, Electroshock Therapy and Hemodialysis.** The Company will implement a copay of \$30 for each visit for radiation therapy, chemotherapy, electroshock therapy and hemodialysis provided in a specialist's office on an in-network basis. Radiation therapy, chemotherapy, electroshock therapy and hemodialysis performed at an outpatient facility will be covered after the deductible is met on an in-network basis at 90% of the NNF. Radiation therapy, chemotherapy, electroshock therapy and hemodialysis provided in a physician's office or at an outpatient facility will be covered on an out-of-network basis at 60% of the MAA after the deductible is met. (Amend the following sections of the VMED: Sections 6.1.2 and 6.1.3.)
- iii. **Physical, Occupational and Speech Therapy.** The Company will implement a copay of \$20 for each outpatient physical, occupational and speech therapy visit on an in-network basis. Outpatient physical, occupational and speech therapy facility charges will be covered after the deductible is met on an in-network basis at 90% of the NNF. Provider and facility charges for outpatient physical, occupational and speech therapy will be covered on an out-of-network basis at 60% of the MAA after the deductible is met. (Amend the following sections of the VMED: Sections 6.1.2, 6.1.3 and 9.13.)
- iv. **Chiropractic Services.** The Company will continue to implement a copay of \$20 for each visit with a licensed chiropractor on an in-network basis. Coverage for services with a licensed chiropractor will be covered on an out-of-network basis at 60% of the MAA after the deductible is met. The maximum benefit payable for covered chiropractic services will be limited to \$750 per plan year per individual, regardless of whether coverage is provided in-network or out-of-network. (Amend the following sections of VMED: Sections 6.1.2, 6.1.3 and 9.4.)
- v. **Home Health Care.** Home health care will be covered on an out-of-network basis at 60% of the MAA after the deductible is met. (Amend the following sections of the VMED: Sections 6.1.3 and 7.2.)
- vi. **Inpatient Hospital Services.** Semi-private hospital room and board will be covered after the deductible is met on an in-network basis at 90% of the NNF; and, after the deductible is met on an out-of-network basis at 60% of the MAA. Any in-patient hospital physician's visits, newborn baby care, x-rays, diagnostic laboratory tests and other medically necessary ancillary services and supplies provided during a covered hospital confinement will be covered after the deductible is met on an in-network basis at 90% of the NNF; and, after the deductible is met on an out-of-network basis at 60% of

MP *Ymt*
May 29, 2016

the MAA. (Amend the following sections of the VMED: Sections 6.1.3, 7.1 and 9.9.)

- vii. **Maternity and Newborn Care.** The Company will continue to implement a copay of \$20 for maternity care (pre- and post-natal), at the initial visit only, on an in-network basis. Maternity care (pre- and post-natal) will be covered after the deductible is met on an in-network basis at 90% of the NNF; and, after the deductible is met on an out-of-network basis at 60% of the MAA. Birthing center charges will be covered after the deductible is met on an in-network basis at 90% of the NNF; and, after the deductible is met on an out-of-network basis at 60% of the MAA. Newborn baby care will be covered after the deductible is met on an in-network basis at 90% of the NNF; and, after the deductible is met on an out-of-network basis at 60% of the MAA. (Amend the following sections of the VMED: Sections 6.1.2, 6.1.3 and 9.9.)
- viii. **Skilled Nursing Facility Services.** Care in a skilled nursing facility will be covered on an out-of-network basis at 60% of the MAA after the deductible is met. (Amend the following sections of the VMED: Sections 6.1.3 and 7.2.)
- ix. **Hospice Care.** Hospice care will be covered on an out-of-network basis at 60% of the MAA after the deductible is met. (Amend the following sections of the VMED: Sections 6.1.3 and 7.2.)
- x. **Surgery and Anesthesia.**
 - Inpatient surgery will be covered after the deductible is met on an in-network basis at 90% of the NNF; and, after the deductible is met on an out-of-network basis at 60% of the MAA. (Amend the following section of the VMED: Section 6.1.3.)
 - The Company will implement a copay of \$30 for each outpatient surgery performed in a specialist's office on an in-network basis. Outpatient surgery performed in a facility will be covered after the deductible is met on an in-network basis at 90% of the NNF; and, after the deductible is met in a physician's office or in a facility on an out-of-network basis at 60% of the MAA. (Amend the following sections of the VMED: Sections 6.1.2, 6.1.3 and 8.5.)
 - Anesthesia will be covered after the deductible is met on an in-network basis at 90% of the NNF; and, after the deductible is met on an out-of-network basis at 60% of the MAA. (Amend the following section of the VMED: Section 6.1.3.)



May 29, 2016

- The Company will implement a copay of \$30 for each second opinion provided by a specialist on an in-network basis. (Amend the following section of the VMEP: Section 6.1.2.)

- xi. **Emergency Care.** The Company will implement a copay of \$100 for 2016, \$110 for 2017, \$120 for 2018 and \$130 for 2019 for each in-network or out-of-network visit to an emergency room. However, the applicable emergency room copay will be waived if the associate or eligible dependent is admitted to the hospital. (Amend the following sections of the VMEP: Sections 6.1.2 and 6.1.3.)

- xii. **Urgent Care.** The Company will implement a copay of \$30 for each in-network or out-of-network visit to an urgent care facility. (Amend the following sections of the VMEP: Sections 6.1.2 and 6.1.3.)

- xiii. **Ambulance Services.** Ambulance services for emergency services will be covered after the deductible is met on an in-network and out-of-network basis at 90% of the submitted amount. Ambulance services for non-emergency services will be covered on an in-network basis at 80% of the NNF after the deductible is met; and, on an out-of-network basis at 80% of the MAA after the deductible is met. (Amend the following sections of the VMEP: Sections 6.1.3 and 9.1.)

- xiv. **Durable Medical Equipment and Prosthetic Devices.** Durable medical equipment (DME) and prosthetic devices will be covered after the deductible is met on an in-network basis at 90% of the NNF; and, after the deductible is met on an out-of-network basis at 60% of the MAA. Pre-certification on an in-network and out-of-network basis will be required if the cost of purchase or rental of durable medical equipment, or the cost of a prosthetic device, is more than \$5,000. (Amend the following sections of the VMEP: Sections 6.1.3, 9.7 and 9.18.)

- xv. **Infertility Treatment.** Advanced reproduction technologies and fertility treatments will be covered after the deductible is met on an in-network basis at 90% of the NNF. (Amend the following sections of the VMEP: Sections 6.1.3 and 9.19.)

- xvi. **Covered Mental Health/Substance Abuse Services and Supplies.** Mental health/substance abuse services and supplies will be covered as follows:
 - Inpatient mental health care and substance abuse treatment will be covered after the deductible is met on an in-network basis at 90% of the NNF; and, after the deductible is met on an out-of-network basis at 60% of the MAA. Precertification will be required regardless of whether coverage is provided in-network or out-of-network. (Amend the following sections of the VMEP: Sections 6.1.3, 6.3 and 11.4.)



May 29, 2016

- Outpatient mental health care and substance abuse treatment will be covered on an out-of-network basis at 60% of the MAA after the deductible is met. (Amend the following sections of the VMEP: Sections 6.1.2, 6.1.3, 6.3 and 11.4.)

- xvii. **Radiology and Diagnostic Laboratory Tests.** For outpatient radiology and diagnostic laboratory tests on an in-network basis, the Company will implement a copay of \$30 for each visit if performed in a specialist's office. Outpatient radiology and diagnostic laboratory tests will be covered on an out-of-network basis at 60% of the MAA after the deductible is met. (Amend the following sections of the VMEP: Sections 6.1.2, 6.1.3 and 9.6.)

- 2) **Health Care PPO Benefit Changes.** The medical benefits provided to associates and their eligible dependents enrolled in the Health Care PPO Option on and after August 1, 2016 will be as described in the VMEP, with the following modifications:
 - a. **Maximum Allowed Amount.** The MAA will be defined as 240% of the national Medicare schedule. (Amend the following section of the VMEP: Section 2.)

 - b. **Deductible.** For associates and their eligible dependents enrolled in the Health Care PPO Option, an annual deductible will apply for covered services or supplies obtained on an in-network basis of \$525 for 2016, \$575 for 2017, \$625 for 2018 and \$670 for 2019 per individual and \$1,312.50 for 2016, \$1,437.50 for 2017, \$1,562.50 for 2018 and \$1,675 for 2019 per family. For associates and their eligible dependents enrolled in the Health Care PPO Option, an annual deductible will apply for covered services or supplies obtained on an out-of-network basis of \$775 for 2016, \$825 for 2017, \$900 for 2018 and \$960 for 2019 per individual and \$1,937.50 for 2016, \$2,062.50 for 2017, \$2,250 for 2018 and \$2,400 for 2019 per family. Expenses that apply towards the deductible are aggregated between in-network and out-of-network expenses to reach the applicable deductible. The family annual deductible is satisfied when any combination of individual family member deductibles equals the applicable family annual deductible within a calendar year; however, an enrolled associate or eligible dependent will never satisfy more than his or her own individual amounts. (Amend the following section of the VMEP: Section 6.2.1.)

 - c. **Out-of-Pocket Maximum.** The out-of-pocket expense maximum applicable to covered services or supplies obtained on an in-network basis under the Health Care PPO Option during any calendar year will be \$1,400 for 2016, \$1,550 for 2017, \$1,700 for 2018 and \$1,815 for 2019 per individual and \$3,500 for 2016, \$3,875 for 2017, \$4,250 for 2018 and \$4,537.50 for 2019 per family. The out-of-pocket expense maximum applicable to covered services or supplies obtained on an out-of-network basis under the Health Care PPO Option during any calendar year will be \$2,300 for 2016, \$2,600 for 2017, \$2,800 for 2018 and \$2,990 for 2019 per individual and \$5,750 for 2016, \$6,500 for 2017, \$7,000 for 2018 and \$7,475 for 2019 per family. Expenses that apply towards the out-of-pocket

MP YMS

May 29, 2016

maximum are aggregated between in-network and out-of-network expenses to reach the applicable out-of-pocket maximum. The family annual out-of-pocket maximums can be satisfied by any combination of family members within a calendar year; however, an enrolled associate or eligible dependent will never satisfy more than his or her own individual amounts. Amounts paid towards the deductible will apply towards the annual out-of-pocket maximum. (Amend the following section of the VMEP: Section 6.2.3.)

d. Covered Medical Services and Supplies.

- i. **Physicians' Services.** The Company will implement a copay of \$25 for each specialist's home or office visit on an in-network basis. Physician's office visits will be covered on an out-of-network basis at 60% of the MAA after the deductible is met. (Amend the following sections of the VMEP: Sections 6.2, 6.2.2, 6.2.4 and 9.14.)
- ii. **Radiation Therapy, Chemotherapy, Electroshock Therapy and Hemodialysis.** The Company will implement a copay of \$25 for each visit for radiation therapy, chemotherapy, electroshock therapy and hemodialysis provided in a specialist's office on an in-network basis. Radiation therapy, chemotherapy, electroshock therapy and hemodialysis provided at an outpatient facility will be covered after the deductible is met on an in-network basis at 90% of the NNF. Radiation therapy, chemotherapy, electroshock therapy and hemodialysis provided in a physician's office or performed at a hospital outpatient facility will be covered after the deductible is met on an out-of-network basis at 60% of the MAA. (Amend the following sections of the VMEP: Sections 6.2.2, 6.2.4 and 9.20.)
- iii. **Physical, Occupational and Speech Therapy.** The Company will implement a copay of \$20 for each outpatient physical, occupational and speech therapy visit on an in-network basis. Outpatient physical, occupational and speech therapy facility charges will be covered on an in-network basis at 90% of the NNF after the deductible is met. Provider and facility charges for outpatient physical, occupational and speech therapy will be covered on an out-of-network basis at 60% of the MAA after the deductible is met. (Amend the following sections of the VMEP: Sections 6.2.2, 6.2.4 and 9.13.)
- iv. **Chiropractic Services.** The Company will continue to implement a copay of \$20 for services with a licensed chiropractor on an out-of-network basis. The maximum benefit payable for services with a licensed chiropractor will be limited to \$60 per visit on an out-of-network basis. In addition to an associate's responsibility for the copay, an associate will be responsible for the cost of the visit, if any, in excess of \$60. Chiropractic services will continue to be subject to an aggregate limit of sixty (60) visits per plan year regardless of whether coverage is provided in-network

May 29, 2016

or out-of-network (chiropractic service visits will not exceed 1 visit per day). (Amend the following sections of the VMEP: Sections 6.2, 6.2.2 and 9.4.)

- v. **Home Health Care.** Home health care will be covered on an out-of-network basis at 60% of the MAA after the deductible is met. (Amend the following sections of the VMEP: Sections 6.2.2 and 7.2.)
- vi. **Inpatient Hospital Services.** Semi-private hospital room and board will be covered after the deductible is met on an in-network basis at 90% of the NNF and on an out-of-network basis at 60% of the MAA. Any in-patient hospital physician's visits, newborn baby care, x-rays, diagnostic laboratory tests and other medically necessary ancillary services and supplies provided during a covered hospital confinement will be covered after the deductible is met on an in-network basis at 90% of the NNF and on an out-of-network basis at 60% of the MAA. (Amend the following sections of the VMEP: Sections 6.2, 6.2.2, 7.1, 9.9 and 9.14.)
- vii. **Maternity and Newborn Care.** The Company will continue to implement a copay of \$20 for maternity care (pre- and post-natal), at the initial visit only, on an in-network basis. Maternity care (pre- and post-natal) will be covered after the deductible is met on an in-network basis at 90% of the NNF and on an out-of-network basis at 60% of the MAA. Birthing center charges will be covered after the deductible is met on an in-network basis at 90% of the NNF and on an out-of-network basis at 60% of the MAA. Newborn baby care will be covered after the deductible is met on an in-network basis at 90% of the NNF and on an out-of-network basis at 60% of the MAA. (Amend the following sections of the VMEP: Sections 6.2, 6.2.2, 6.2.4, and 9.9.)
- viii. **Skilled Nursing Facility Services.** Care in a skilled nursing facility will be covered on an out-of-network basis at 60% of the MAA, after the deductible is met. (Amend the following sections of the VMEP: Sections 6.2.2 and 7.2.)
- ix. **Hospice Care.** Hospice care will be covered on an out-of-network basis at 60% of the MAA after the deductible is met. (Amend the following sections of the VMEP: Sections 6.2.2 and 7.2.)

MP YMS

May 29, 2016

- x. **Surgery and Anesthesia.**
- Inpatient surgery will be covered after the deductible is met on an in-network basis at 90% of the NNF and on an out-of-network basis at 60% of the MAA. (Amend the following section of the VMEP: Section 6.2.2.)
 - The Company will implement a copay of \$25 for each outpatient surgery performed in a specialist's office on an in-network basis. Outpatient surgery performed in a facility will be covered after the deductible is met on an in-network basis at 90% of the NNF. Outpatient surgery performed in a physician's office or a facility will be covered on an out-of-network basis at 60% of the MAA after the deductible is met. (Amend the following sections of the VMEP: Sections 6.2.2, 6.2.4 and 8.5.)
 - Anesthesia will be covered after the deductible is met on an in-network basis at 90% of the NNF and on an out-of-network basis at 60% of the MAA. (Amend the following sections of the VMEP: Sections 6.2.2 and 8.5.)
 - The Company will implement a copay of \$25 for each second opinion provided by a specialist on an in-network basis. Second opinions will be covered on an out-of-network basis at 60% of the MAA after the deductible is met. (Amend the following sections of the VMEP: Sections 6.2, 6.2.2, 6.2.4, and 8.4.)
- xi. **Emergency Care.** The Company will implement a copay of \$100 for 2016, \$110 for 2017, \$120 for 2018 and \$130 for 2019 for each in-network or out-of-network visit to an emergency room. However, the applicable emergency room copay will be waived if the associate or eligible dependent is admitted to the hospital. (Amend the following sections of the VMEP: Sections 6.2, 6.2.2, and 6.2.4.)
- xii. **Urgent Care.** The Company will implement a copay of \$25 for each in-network or out-of-network visit to an urgent care facility. (Amend the following sections of the VMEP: Sections 6.2, 6.2.2, and 6.2.4.)
- xiii. **Ambulance Services.** Ambulance services for emergency services will be covered after the deductible is met on an in-network basis and out-of-network basis at 90% of the submitted amount. Ambulance services will be covered for non-emergency services on an in-network basis at 70% of the NNF and on an out-of-network basis at 70% of the MAA, in each case, after the deductible is met. (Amend the following sections of the VMEP: Sections 6.2.2 and 9.1.)

- xiv. **Durable Medical Equipment and Prosthetic Devices.** Durable medical equipment (DME) and prosthetic devices will be covered on an out-of-network basis at 60% of the MAA after the deductible is met. Pre-certification on an in-network and out-of-network basis will be required if the cost of purchase or rental of durable medical equipment, or the cost of a prosthetic device, is more than \$5,000. (Amend the following sections of the VMEP: Sections 6.2.2, 9.7 and 9.18.)
- xv. **Infertility Treatment.** Advanced reproduction technologies and fertility treatments will be covered after the deductible is met on an in-network basis at 90% of the NNF and on an out-of-network basis at 60% of the MAA. (Amend the following sections of the VMEP: Sections 6.2.2 and 9.19.)
- xvi. **Covered Mental Health/Substance Abuse Services and Supplies.** Mental health/substance abuse services and supplies will be covered as follows:
- Inpatient mental health care and substance abuse treatment will be covered after the deductible is met on an in-network basis at 90% of the NNF and on an out-of-network basis at 60% of the MAA. Precertification will be required regardless of whether coverage is provided in-network or out-of-network. (Amend the following sections of the VMEP: Sections 6.2.2 and 9.11.)
 - Outpatient mental health care and substance abuse treatment will be covered on an out-of-network basis at 60% of the MAA after the deductible is met. (Amend the following sections of the VMEP: Sections 6.2, 6.2.2, 6.2.4 and 9.11.)
- xvii. **Radiology and Diagnostic Laboratory Tests.** For outpatient radiology and diagnostic laboratory tests on an in-network basis the Company will implement a copay of \$25 for each visit if performed in a specialist's office. Outpatient radiology and diagnostic laboratory tests will be covered on an out-of-network basis at 60% of the MAA after the deductible is met. (Amend the following sections of the VMEP: Sections 6.2, 6.2.2, 6.2.4, 8.5 and 9.6.)
- xviii. **Preventive Care Services.** Preventive care services and routine well-baby and well-child care (pediatric exams) will be covered on an out-of-network basis at 100% of the MAA, not subject to the deductible. (Amend the following sections of the VMEP: 6.1.3 and 9.16.)
- 3) **EPO Option.** (Amend the following section of the Verizon Alternate Choice Plan for New York and New England Associates: Section 4.)
- a. Copay for a specialist office visit will be \$30.

- b. Copay for an emergency room visit will be \$100 for 2016, \$110 for 2017, \$120 for 2018 and \$130 for 2019.

4) **HMO Options.** (Amend the following section of the Verizon Alternate Choice Plan for New York and New England Associates: Section 4.1.)

- a. Copay for a specialist office visit will be no greater than \$30.
- b. Copay for an emergency room visit will be no greater than \$100 for 2016, \$110 for 2017, \$120 for 2018 and \$130 for 2019.

5) **Prescription Drug Benefit Changes Applicable to Associates and Eligible Dependents.** The prescription drug coverage currently offered to associates and eligible dependents will be amended by the provisions outlined in Section VIII.2.C.5 of this 2016 MOU. The drugs and supplies that shall from time to time be covered under the Plan shall consist of at least the same drugs and supplies that are covered by the prescription drug plan then in effect for U.S.-based management employees of the Company and shall consist of at least the same drugs and supplies that are covered under the most prevalent formulary program of the TPA then in effect based on commercial lives covered; provided that compound drugs may be excluded only to the extent that such drugs are also excluded under the most prevalent compound exclusion program of the TPA then in effect based on commercial lives covered. Notwithstanding the foregoing, a participant may seek pre-authorization of a prescription for a compound drug that may have otherwise been excluded from the Plan. The standards and processes that will apply in that pre-authorization process, including the requirement that the participant's doctor establish medical necessity, will be equivalent to those that apply to an appeal of the denial of a prescription for a compound drug under the Plan.

The TPA shall from time to time designate whether a covered drug is preferred or non-preferred and the manner in which prescriptions may be filled; provided that the covered drugs that are designated as preferred shall consist of at least the same drugs that are designated as preferred under the prescription drug plan then in effect for U.S.-based management employees of the Company, and shall consist of at least the same drugs that are designated as preferred under the most prevalent formulary program of the TPA then in effect based on commercial lives covered.

With respect to the prescription drug benefits offered to associates and eligible dependents on and after January 1, 2018, the Plan Administrator may from time to time designate the TPA of the prescription drug program, provided that prior to each such designation, the Plan Administrator must: (i) prior to the issuance of a request for proposals or equivalent document soliciting bids for a TPA of the prescription drug program for associates (an "Active Rx RFP"), provide members of the Advisory Committee on Health Care (the "ACHC") the opportunity to sign a confidentiality agreement and for those who signed a confidentiality agreement, provide a copy of the proposed Active Rx RFP; (ii) provide the members of the ACHC who signed a confidentiality agreement with seven (7) days to review the Active Rx RFP and to

MP ymj

May 29, 2016

submit comments to the Company; (iii) provide the members of the ACHC who signed a confidentiality agreement with the final Active Rx RFP at the time it is issued by the Plan Administrator; (iv) provide members of the ACHC who signed a confidentiality agreement with seven (7) days to review the bids submitted by companies in response to the Active Rx RFP and to submit comments to the Plan Administrator; however, as to bidders who object to the members of the ACHC reviewing their entire bid, members of the ACHC who signed a confidentiality agreement will be provided seven (7) days to review the participant-impacting terms of the bid; (v) consult with the ACHC regarding the designation of two finalist candidates, provided the ACHC must make itself available to consult within seventy two (72) hours of the Plan Administrator's request; and (vi) arrange for the ACHC to meet with the two finalist candidates on dates and times designated by the candidates. Within seventy two (72) hours of the later of the dates designated by the candidates, the ACHC shall provide the Plan Administrator with its recommendation regarding which candidate to select for the designation.

If a majority of members of the ACHC cannot agree on a recommendation, the union members of the ACHC may within seventy two (72) hours of the later of the dates designated by the candidates submit their recommendation to the Plan Administrator. The Plan Administrator shall designate the insurer(s) or TPA(s) after having given due consideration to any such recommendation from the ACHC or the union members of the ACHC and must demonstrate that the designated TPA is either (a) among the three (3) largest Pharmacy Benefit Managers of group prescription drug plans measured by number of enrollees; or (b) the then-current TPA of the prescription drug program. (Amend the following sections of the VMEP: Sections 6.4, 12.3, 12.4 and 12.5.)

- a. **Out-of-Pocket Maximum.** An annual out-of-pocket expense maximum under the Health Care PPO Option will apply to prescription drugs purchased at mail order pharmacies of \$786.52 for 2016 and 2017, and for each calendar year thereafter, the annual out-of-pocket expense maximum will increase by 6% when compared to the annual out-of-pocket expense maximum for the prior year. Any expenses incurred as a result of the provisions of Section VIII.2.B.5)(b) of this 2016 MOU regarding a member paying the difference between the cost of a brand name and a generic drug when a generic equivalent is available will not count toward the out-of-pocket maximum.
- b. **In-Network Pharmacies.** The following prescription drug coverage will apply for prescription drugs purchased at in-network pharmacies for up to a 30-day supply:
 - The copay for generic drugs will be the Discounted Network Price ("DNP") for the original prescription and each refill, with a maximum copay of \$10 for 2016, 2017 and 2018, and for each calendar year thereafter, the maximum copay will increase when compared to the maximum copay for the prior calendar year by the percent equal to the percent increase in the per prescription cost of generic drugs in the prescription drug program for New

PP YmJ

May 29, 2016

York and New England active associates between the year that was three years prior and the year that was two years prior, up to a maximum of 4% (the "Generic Trend Percentage"). For example, and solely for avoidance of doubt, for calendar year 2019, the maximum copay for generic drugs will increase by the percent equal to the percent increase in the per prescription cost of generic drugs in the prescription drug program for New York and New England active associates between 2016 and 2017, up to a maximum of 4%. If between 2016 and 2017, the per prescription cost of generic drugs in the prescription drug program for New York and New England active associates increases by 3%, then the Generic Trend Percentage for 2019 shall be 3% and the 2019 maximum copay for generic drugs shall be an amount that is 3% greater than the 2018 maximum copay for generic drugs.

- The copay for brand name preferred drugs will be 20% of the DNP for the original prescription and each refill, with a maximum copay of \$30 for 2016 and 2017, and for each calendar year thereafter, the maximum copay will increase when compared to the maximum copay for the prior calendar year by the percent equal to the percent increase in the per prescription cost of all non-compound brand name drugs (preferred and non-preferred) in the prescription drug program for New York and New England active associates between the year that was three years prior and the year that was two years prior, up to a maximum of 6% (the "Brand Trend Percentage"). For example, and solely for avoidance of doubt, for calendar year 2018, the maximum copay for brand name preferred drugs will increase by the percent equal to the percent increase in the per prescription cost of non-compound brand name drugs (preferred and non-preferred) in the prescription drug program for New York and New England active associates between 2015 and 2016, up to a maximum of 6%. If between 2016 and 2017, the per prescription cost of non-compound brand name drugs (preferred and non-preferred) in the prescription drug program for New York and New England active associates increases by 15%, then the Brand Trend Percentage for 2018 shall be 6% and the 2018 maximum copay for brand preferred drugs shall be an amount that is 6% greater than the 2017 maximum copay for brand preferred drugs.
- The copay for brand name non-preferred drugs will be 30% of the DNP for the original prescription and each refill, with a maximum copay of \$50 for 2016 and 2017, and for each calendar year thereafter, the maximum copay will increase when compared to the maximum copay for the prior calendar year by the applicable Brand Trend Percentage. For example, and solely for avoidance of doubt, for calendar year 2018, the maximum copay for brand name non-preferred drugs will increase by the percent equal to the percent increase in the per prescription cost of non-compound brand name drugs (preferred and non-preferred) in the prescription drug program for New York and New England active associates between 2015 and 2016, up to a maximum of 6%. If between 2015 and 2016, the per prescription cost of non-compound brand name drugs (preferred and non-preferred) in the prescription drug

MP YMS

May 29, 2016

program for New York and New England active associates increased by 20%, then the Brand Trend Percentage for 2018 shall be 6% and the 2018 maximum copay for brand non-preferred drugs shall be an amount that is 6% greater than the 2017 maximum copay for brand non-preferred drugs.

- If an associate purchases a brand name drug when a generic equivalent is available, the associate will pay an amount equal to (a) the DNP, up to a maximum of the maximum copay for the generic drug that applies for that year plus (b) 100% of the cost difference between the brand name and generic drug, and the fixed dollar maximum copays described above will not apply. If the associate's treating physician certifies that the associate is medically unable to take the generic medication and such exception is approved by the TPA's procedures for approval of treatment or services, then the brand name preferred or brand name non-preferred coverage will apply, as applicable.
 - Once an associate has obtained three fills of the prescription from an in-network pharmacy (i.e., the initial prescription plus two refills), then the associate must use the mail order pharmacy to obtain subsequent refills of long-term prescription medications. If an associate does not use the mail order pharmacy to obtain such subsequent refills of a long-term prescription medication, an associate will be responsible for 50% of the DNP cost for subsequent refills of a long-term prescription medication. The fixed dollar maximum copays described above will not apply.
- c. **Out-of-Network Pharmacies.** For out-of-network pharmacies, an associate will pay 100% of the cost difference between the retail cost and the DNP. In addition, an associate will pay a percentage of the DNP, as provided below. After the per person out-of-network annual deductible is met, the following prescription drug coverage will apply for prescription drugs purchased at out-of-network pharmacies for up to a 30-day supply:
- The copay for generic drugs will be 30% of the DNP for the original prescription and each refill.
 - The copay for brand name preferred drugs will be 40% of the DNP for the original prescription and each refill.
 - The copay for brand name non-preferred drugs will be 40% of the DNP for the original prescription and each refill.
 - If an associate purchases a brand name drug when a generic equivalent is available, the associate will pay 30% of the DNP plus 100% of the cost difference between the brand name and generic drug, unless the associate's treating physician certifies that the associate is medically unable to take the generic medication and such exception is approved by the TPA's procedures for approval of treatment or services, then the brand name preferred or brand name non-preferred coverage will apply, as applicable.

MP YMJ

May 29, 2016

- Once an associate has obtained three fills of the prescription from an out-of-network pharmacy (i.e., the initial prescription plus two refills), then the associate must use the mail order pharmacy to obtain subsequent refills of long-term prescription medications. If an associate does not use the mail order pharmacy to obtain such subsequent refills of a long-term prescription medication, an associate will be responsible for 50% of the DNP cost for subsequent refills of a long-term prescription medication.
- d. **Mail Order Pharmacy.** The prescription drug coverage for mail order drugs will be as follows for up to a 90-day supply:
- The copay for generic drugs will be the DNP for the original prescription and each refill, with a maximum copay of \$20 for 2016, 2017 and 2018, and for each calendar year thereafter, the maximum copay will be two times the maximum copay for that year for generic drugs purchased at in-network pharmacies.
 - The copay for brand name preferred drugs will be 20% of the DNP for the original prescription and each refill, with a maximum copay of \$60 for 2016 and 2017, and for each calendar year thereafter, the maximum copay will be two times the maximum copay for that year for brand name preferred drugs purchased at in-network pharmacies.
 - The copay for brand name non-preferred drugs will be 30% of the DNP for the original prescription and each refill, with a maximum copay of \$100 for 2016 and 2017, and for each calendar year thereafter, the maximum copay will be two times the maximum copay for that year for brand name non-preferred drugs purchased at in-network pharmacies.
 - If an associate purchases a brand name drug when a generic equivalent is available, the associate will pay an amount equal to (a) the DNP, up to a maximum of the maximum copay for the generic drug that applies for that year, plus (b) 100% of the cost difference between the brand name and generic drug, and the fixed dollar maximum copays described above will not apply. If the associate's treating physician certifies that the associate is medically unable to take the generic medication and such exception is approved by the TPA's procedures for approval of treatment or services, then the brand name preferred or brand name non-preferred coverage will apply.
- 6) **Contributions for Medical Coverage.** An associate who enrolls in the HCN Option, Health Care PPO Option, or any other option offered by the Company under the VMEP, including any one or more benefits options provided pursuant to any HMO Options described in the VMEP ("Other Medical Option"), will pay a monthly contribution on a before-tax basis towards the cost of coverage for the medical coverage category elected by such associate ("Monthly Employee Contribution").

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May 29, 2016

The Monthly Employee Contribution for the HCN Option and the Health Care PPO Option is set forth below. With respect to the Monthly Employee Contribution for any Other Medical Option offered by the Company under the VMEP, the Monthly Employee Contribution for the medical coverage category elected by such associate under such Other Medical Option may vary by option but will be no greater than the Monthly Employee Contribution for the Other Medical Option category as set forth below, which is 150% of the Monthly Employee Contribution of the HCN Option and Health Care PPO Option. An associate will be eligible for the non-tobacco user contribution rates (set forth below) for medical coverage if such associate and his or her covered dependents do not use tobacco products or satisfy a reasonable alternative standard as determined by the Company (e.g., complete an annual smoking cessation program). An associate will also be eligible to receive an annual credit of \$100 in 2016, 2017, 2018 and 2019, prorated on a pay-period basis toward the associate's contribution for healthcare if an associate completes a health risk assessment provided by the Company. For 2016, in order to receive the credit, an associate will only be required to complete a health risk assessment provided by the Company if he/she did not previously complete one. The 2016 credit will be prorated for the period between the first date that the Monthly Employee Contribution set forth in the chart below for 2016 is in effect and December 31, 2016. The Monthly Employee Contributions that appear in the charts below for 2017, 2018 and 2019 will be annualized, will reflect an additional \$.04 on an annual basis, and will apply and be prorated on a pay-period basis.

Effective on the first day of the first pay period in 2016 that the Company determines is administratively feasible, the Monthly Employee Contribution required by associates will be:

Coverage Category Elected	Health Care PPO Option and HCN Option Monthly Employee Contribution (Tobacco User Rate)	Health Care PPO Option and HCN Option Monthly Employee Contribution (Non-Tobacco User Rate)	Other Medical Option Monthly Employee Contribution (Tobacco User Rate) – Up to a maximum of the amounts below	Other Medical Option Monthly Employee Contribution (Non-Tobacco User Rate) – Up to a maximum of the amounts below
Employee Only	\$134.33	\$84.33	\$172.33	\$122.33
Employee + Family	\$210.33	\$160.33	\$286.33	\$236.33

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

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YMS

May 29, 2016

Coverage Category Elected	Health Care PPO Option and HCN Option Monthly Employee Contribution (Tobacco User Rate)	Health Care PPO Option and HCN Option Monthly Employee Contribution (Non-Tobacco User Rate)	Other Medical Option Monthly Employee Contribution (Tobacco User Rate) – Up to a maximum of the amounts below	Other Medical Option Monthly Employee Contribution (Non-Tobacco User Rate) – Up to a maximum of the amounts below
Employee Only	\$146.33	\$96.33	\$190.33	\$140.33
Employee + Family	\$234.33	\$184.33	\$322.33	\$272.33

Effective January 1, 2018, the Monthly Employee Contribution required by associates will be:

Coverage Category Elected	Health Care PPO Option and HCN Option Monthly Employee Contribution (Tobacco User Rate)	Health Care PPO Option and HCN Option Monthly Employee Contribution (Non-Tobacco User Rate)	Other Medical Option Monthly Employee Contribution (Tobacco User Rate) – Up to a maximum of the amounts below	Other Medical Option Monthly Employee Contribution (Non-Tobacco User Rate) – Up to a maximum of the amounts below
Employee Only	\$160.33	\$110.33	\$211.33	\$161.33
Employee + Family	\$262.33	\$212.33	\$364.33	\$314.33

Effective January 1, 2019, the Monthly Employee Contribution required by associates will be:

Coverage Category Elected	Health Care PPO Option and HCN Option Monthly Employee Contribution (Tobacco User Rate)	Health Care PPO Option and HCN Option Monthly Employee Contribution (Non-Tobacco User Rate)	Other Medical Option Monthly Employee Contribution (Tobacco User Rate) – Up to a maximum of the amounts below	Other Medical Option Monthly Employee Contribution (Non-Tobacco User Rate) – Up to a maximum of the amounts below
Employee Only	\$168.33	\$118.33	\$223.33	\$173.33
Employee + Family	\$278.33	\$228.33	\$388.33	\$338.33

 May 29, 2016

(Amend the following section of the VMEP: Section 3.)

3. HEALTH REIMBURSEMENT ACCOUNT

A. Effective as of January 1, 2013, the Company established a Health Reimbursement Account (HRA), within the meaning of IRS Notice 2002-45 and related guidance, and allocated a credit to certain eligible associates as specified in the 2012 MOU. Effective September 1, 2016, the Company will allocate a credit of \$250 to the HRA for eligible "Full-Time Employees" (as such term is defined in the VMEP) as of September 1, 2016 and eligible "Part-Time Employees" (as such term is defined in the VMEP) who are working at least 17 hours per week as of September 1, 2016 and who have at least 3 months of net credited service and who are enrolled in a medical coverage option under VMEP. To the extent an eligible associate was not provided with an HRA effective January 1, 2013 and is eligible for the 2016 HRA credit under this Section VIII.3, the Company will establish an HRA for such associate. Any such Full-Time Employee or Part-Time Employee who is not enrolled in a medical coverage option under the VMEP as of September 1, 2016 (an "Opt Out Associate") shall not be eligible for an HRA credit. Each Opt Out Associate will be paid a one time single bonus of \$250 by October 1, 2016. Such bonus shall be subject to the terms applicable to the Ratification Bonus set forth in Section IV of this MOU. An associate who is hired after September 1, 2016 will not be eligible for an HRA credit.

B. Amounts credited to the HRA may be used to reimburse otherwise unreimbursed eligible medical expenses (as defined in IRC section 213(d)) for the associate and his or her eligible IRS tax dependents who are enrolled in the VMEP, provided that the HRA may not be used to reimburse the associate for any premium or contribution under the VMEP or otherwise, including any Monthly Employee Contributions or premiums for any non-Company sponsored market based medical plan option. Amounts credited to the HRA may not be used to reimburse medical expenses incurred by an associate's dependents who are not also enrolled in a medical coverage option under the VMEP. Amounts credited to the HRA may only be used for eligible expenses incurred on or prior to December 31, 2018; accordingly, to the extent that an associate maintains a positive balance in his/her HRA after December 31, 2018, such amount shall be forfeited. Further, as required by IRS guidance, an associate is permitted to permanently opt out of and waiver future reimbursements from the HRA at least annually.

C. If prior to December 31, 2018, the associate terminates employment for any reason other than Retirement (as defined under the Pension Plan), claims incurred after the date of termination will not be eligible for reimbursement. Claims incurred before the date of termination but not paid shall be eligible for reimbursement for three months following the date of termination. Any remaining balance after the run off period will be forfeited, unless the associate elects continued coverage under COBRA.

D. Upon the death of an associate, the remaining balance of his or her HRA account shall be used to reimburse claims incurred before the associate's death for eligible medical expenses of the associate or his or her IRS tax dependents who are enrolled in a medical option under the VMEP. Claims incurred before the associate's death but not paid shall be eligible for

May 29, 2016

reimbursement for three months following the date of death. Any remaining balance after the run off period will be forfeited, unless the surviving IRS tax dependent elects continued coverage under COBRA and remains enrolled in a medical option under the VMEP. In the event an associate is on a leave of absence, he or she shall continue to be eligible for credits to and reimbursements from the HRA in the same manner as an eligible associate who is not on a leave of absence.

E. The Company will have the sole and exclusive right to determine and implement applicable administrative details with respect to the HRAs, which include, without limitation claims processing procedures, communications, and establishment of applicable COBRA rates. The HRAs will be established and operated in accordance with IRS guidance, including IRS Notice 2013-54 and IRS Notice 2015-87, and applicable law.

4. EXCISE TAX ON HIGH COST EMPLOYER-SPONSORED COVERAGE FOR EMPLOYEES

The Company shall have the full discretionary authority to amend, merge, restructure or terminate any legal plan(s) or any benefit option(s) (including without limitation, defining eligibility requirements) for the sole purpose of enabling the Company to utilize the applicable dollar limit for certain individuals who participate in a plan sponsored by an employer the majority of whose employees covered by the plan are employed to repair or install electrical or telecommunications lines, in accordance with Section 4980I(b)(3)(C)(iv) of the Internal Revenue Code of 1986, as amended and any U.S. Treasury regulations or other Internal Revenue Service guidance issued thereunder; provided that such actions shall not diminish the medical benefits then offered under such legal plans or benefit options.

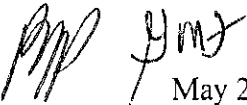
5. RETIREE HEALTH AND WELFARE BENEFITS AND PRESCRIPTION DRUG COVERAGE CHANGES

Except as otherwise provided below, any changes to the health care benefits and prescription drug coverage provided to active employees as set forth in Section 2 above will also be made to the health care benefits and prescription drug coverage provided to eligible retirees who retired after August 9, 1986 ("Covered Retirees") effective at the same time such changes are effective for active employees and the applicable retiree health care plans will 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 will be negotiated with the Union in the same manner as that for active employees and future retirees.

A. Changes for Covered Retirees Who Are Not Medicare Eligible.

1) Health Care PPO Option.

Notwithstanding the foregoing, for Covered Retirees and their dependents who are not Medicare eligible and who retired prior to January 1, 2017, the deductible provisions for the Health Care PPO Option set forth in Section VIII.2.C.2(b) of this 2016 MOU shall


May 29, 2016

not apply. Instead, the deductible for such Covered Retirees and their eligible dependents enrolled in the Health Care PPO Option shall remain as currently provided in the VMEP.

Covered Retirees and their dependents who are not Medicare eligible and who retired after December 31, 2016 who enroll in the Health Care PPO Option will be subject to the deductible provisions in effect on the date of the Covered Retiree's retirement.

2) HCN Option.

Notwithstanding the foregoing, for Covered Retirees and their dependents who are not Medicare eligible, the deductible provisions for the HCN Option set forth in Section VIII.2.C.1(b) of this 2016 MOU shall not apply. Instead, for 2016 and 2017, the deductible for such Covered Retirees and their eligible dependents will be as follows:

- Covered Retirees who retired on or before December 31, 2016 will have no deductible on an in-network basis. The annual deductible on an out-of-network basis will be \$725.
- Covered Retirees who retired after December 31, 2016 will be subject to the deductible provisions in effect on the date of the Covered Retiree's retirement.

The HCN Option will be eliminated effective December 31, 2017 for Covered Retirees and their dependents who are not Medicare eligible. The HCN Option will not be offered in 2018 or any subsequent plan year for Covered Retirees and their dependents who are not Medicare eligible.

B. Additional Medical Option(s) for Covered Retirees Who Are Not Medicare Eligible.

In addition to the medical options offered to Covered Retirees and dependents who are not Medicare eligible, for 2018 and each subsequent plan year, the Company will establish and offer additional medical option(s) sponsored by the Company for such retirees and their dependents, provided that the Company and the Union have agreed on the design of such medical option(s) no later than June 30 of the year prior to the plan year in which such medical option(s) will be available. Each year beginning in 2017, the Company and the Union will discuss, through the ACHC, the design of such medical option(s) for the subsequent plan year with the goal of designing medical option(s), in which the cost of coverage is no greater than the 2016 Company Contribution Cap as defined in Section VIII.4.E.2.b(iii) of the 2012 MOU for pre-Medicare retirees in the Health Care PPO Option for the coverage category elected (\$15,447 for single coverage; \$30,893 for single +1 coverage; and \$38,639 for family coverage). The ACHC will discuss the design of such option(s) beginning on or about May 1 of the year prior to each such plan year. The contributions for such medical option(s) shall be subject to Section VIII.4.E.2.b(iii) of the 2012 MOU. For purposes of applying Section VIII.4.E.2.b(iii) of the 2012 MOU in 2018 and each subsequent plan year, such option(s) shall be subject to the 2016 Company Contribution Cap for the Health Care PPO Option for the coverage category elected (\$15,447 for single coverage; \$30,893 for single +1 coverage; and \$38,639 for family coverage).

PPP YMS

May 29, 2016

Any such additional medical option(s) will be established and operated in accordance with IRS guidance and applicable law.

C. Changes for Covered Retirees Who Are Medicare Eligible Applicable for 2016.

- 1) **Deductibles.** Notwithstanding the foregoing, for Covered Retirees and their dependents who are Medicare eligible, the deductible provisions for 2016 for the HCN Option set forth in Section VIII.2.C.1(b) of this 2016 MOU and for the Health Care PPO Option set forth in Section VIII.2.C.2(b) of this 2016 MOU shall not apply. Instead, for 2016 the deductible provisions for Covered Retirees and their eligible dependents who are Medicare eligible shall remain as currently provided in the VMEP.
- 2) **Copays.** Notwithstanding the foregoing, for Covered Retirees and their dependents who are Medicare eligible, the copays for 2016 for the HCN Option set forth in Section VIII.2.C.1.(d) of this 2016 MOU and for the Health Care PPO Option set forth in Section VIII.2.C.2(d) of this 2016 MOU shall not apply. Instead, for 2016 the copays for such Covered Retirees and their eligible dependents will be no greater than \$10 for an office visit to a primary care provider (including OB-GYN), no greater than \$15 for a specialist office visit and no greater than \$25 for an emergency room visit, however, the applicable emergency room copay will be waived if the associate or eligible dependent is admitted to the hospital. For chiropractic services under the Health Care PPO, the copay for such Covered Retirees will be no greater than \$20 for services with a licensed chiropractor on an out-of-network basis.

D. Changes for Covered Retirees Who Are Medicare Eligible Applicable Beginning January 1, 2017 – Medicare Advantage Program. Effective January 1, 2017, Medicare-eligible Covered Retirees and dependents will participate in the Company-sponsored Medicare Advantage plan(s). The Medicare Advantage plan(s) will be a fully-insured or self-insured benefit. The Company shall from time to time designate the insurer(s) or TPA(s) of the Medicare Advantage plan(s), provided that prior to each such designation, the Company must: (i) prior to the issuance of a request for proposals or equivalent document soliciting bids for a TPA or an insurer for the Medicare Advantage plan(s) (a "MA RFP"), provide members of the ACHC the opportunity to sign a confidentiality agreement and for those who signed a confidentiality agreement, provide a copy of the proposed MA RFP; (ii) provide the members of the ACHC who signed a confidentiality agreement with seven (7) days to review the MA RFP and to submit comments to the Company; (iii) provide the members of the ACHC who signed a confidentiality agreement with the final MA RFP at the time it is issued by the Company; (iv) provide members of the ACHC who signed a confidentiality agreement with seven (7) days to review the bids submitted by companies in response to the MA RFP and to submit comments to the Company; however, as to bidders who object to the members of the ACHC reviewing their entire bid, members of the ACHC who signed a confidentiality agreement will be provided seven (7) days to review the participant-impacting terms of the bid; (v) consult with the ACHC regarding the designation of two finalist candidates, provided that the ACHC must make itself available to consult within seventy two (72) hours of the Company's request; and (vi) arrange for the ACHC

to meet with the two finalist candidates on dates and times designated by the candidates. Within seventy two (72) hours of the later of the dates designated by the candidates, the ACHC shall provide the Company with its recommendation regarding which candidate to select for the designation. If a majority of members of the ACHC cannot agree on a recommendation, the union members of the ACHC may within seventy two (72) hours of the later of the dates designated by the candidates submit their recommendation to the Company. The Company shall designate the insurer(s) or TPA(s) after having given due consideration to any such recommendation from the ACHC or the union members of the ACHC and must demonstrate that the designated insurer or TPA is either (a) among the three (3) largest Group Medicare Advantage insurers measured by number of enrollees (excluding any then-current TPA of the Medicare Advantage plan(s)); (b) the current or then-current TPA of the VMED; or (c) a then-current insurer or TPA of the Medicare Advantage plan(s).

The Medicare Advantage plan options offered to eligible Covered Retirees and dependents will provide medical benefits that are the same as those provided under the HCN Option and Health Care PPO Option on an in-network basis to active employees as set forth in Section VIII.2 of this 2016 MOU with the modifications set forth in this Section VIII.5.D. If an eligible Covered Retiree or dependent uses a provider/supplier who has "opted-out" of Medicare (i.e., does not provide services to anyone through Medicare), s/he will receive no reimbursement from the applicable Medicare Advantage plan option, unless specifically required by law, regulation or by the Centers for Medicare & Medicaid Services ("CMS"). If a provider who has not "opted-out" of Medicare does not contract with the Medicare Advantage plan insurer or TPA, the coinsurance amounts under the Medicare Advantage plan options will be based on whether the provider accepts Medicare assignment and will be determined using the applicable Medicare Fee Schedule established by CMS instead of the Network Negotiated Fee.

1) **HCN Benefit Changes.**

a. **Deductibles.** There will be no deductible.

b. **Out-of-Pocket Maximum.** The out-of-pocket expense maximum applicable to covered services or supplies during any calendar year will be \$1,050 per individual. No family out-of-pocket expense maximum will separately apply. Amounts paid toward copays for Medicare covered services will apply towards the out-of-pocket maximum.

c. **Copays.** The copay for an office visit to a primary care provider (including OB-GYN) will be no greater than \$10. The copay for a specialist office visit will be no greater than \$15. The copay for each visit to an emergency room will be \$25, however, the applicable emergency room copay will be waived if the associate or eligible dependent is admitted to the hospital.

d. **Chiropractic services.** To the extent that chiropractic services and supplies are covered by Medicare, the copay for each visit with a licensed chiropractor will be no greater than \$10 and there will not be a maximum benefit per plan year. To the extent that covered chiropractic services or supplies are not covered by Medicare, the maximum

PPP YMG

May 29, 2016

benefit payable for such covered chiropractic services will continue to be limited to \$750 per plan year per individual.

e. **Accidental injury dental services.** Dental services or supplies will be covered to the extent such services or supplies are covered by Medicare.

f. **Skilled Nursing Facility Services.** Skilled nursing facility services will be subject to a 120 day limit per benefit period (as defined by Medicare).

g. **Home Health Care.** The limit applicable to days of service (visit) for home health care will not apply.

2) **Health Care PPO Benefit Changes**

a. **Deductibles.**

- (i) For Covered Retirees an annual deductible will apply for covered services or supplies per individual as set forth below. No family annual deductible will separately apply. To the extent that a Medicare-eligible Covered Retiree's 2015 annual individual deductible was:
- Between \$25 and \$54, the annual deductible will be \$21 per individual.
 - Between \$55 and \$83, the annual deductible will be \$51 per individual.
 - Between \$84 and \$99, the annual deductible will be \$80 per individual.
 - Between \$100 and \$124, the annual individual deductible will be \$96 per individual.
 - Between \$125 and \$149, the annual deductible will be \$121 per individual.
 - \$150, the annual deductible will be \$146 per individual.
 - \$200, the annual deductible will be \$196 per individual.
 - \$250, the annual deductible will be \$246 per individual.
 - \$475 or greater, the annual deductible will be \$471 per individual.
- (ii) Charges incurred and applied towards the deductible will be limited to charges incurred during the plan year to which the deductible applies and will not carry over from one plan year to the next.

b. **Out-of-Pocket Maximum.** The out-of-pocket expense maximum applicable to covered services or supplies during any calendar year will be \$1,150 per individual. No family out-of-pocket expense maximum will separately apply. Amounts paid toward copays for Medicare covered services will apply towards the out-of-pocket maximum.

c. **Copays.** The copay for an office visit to a primary care provider (including OB-GYN) will be no greater than \$10. The copay for a specialist office visit will be no greater than \$15. The copay for each visit to an emergency room will be no greater than \$25, however, the applicable emergency room copay will be waived if the associate or

May 29, 2016

eligible dependent is admitted to the hospital.

d. **Chiropractic services.** To the extent that chiropractic services and supplies are covered by Medicare, there will not be a maximum benefit per plan year. To the extent that covered chiropractic services or supplies are not covered by Medicare, an aggregate limit of sixty (60) visits will apply (chiropractic service visits will not exceed 1 visit per day).

e. **Accidental injury dental services.** Dental services or supplies will be covered to the extent that such dental services and supplies are covered by Medicare.

f. **Physical, Occupational and Speech Therapy.** Provider and facility charges for outpatient physical, occupational and speech therapy will be covered at 90% after the deductible is met.

The Company will have the full discretionary authority to determine and implement applicable administrative details with respect to the Medicare Advantage plan(s) without diminishing the medical benefits then offered under such plan(s) unless required by applicable law. The Company may also modify the terms of the medical options offered under the Medicare Advantage plan(s) (including, but not limited to, plan design) to the extent necessary to comply with legal requirements applicable to Medicare Advantage plans; provided that such modifications shall be made in a manner most favorable to Covered Retirees.

In an effort to educate Medicare-eligible Covered Retirees and dependents about the Medicare Advantage plan, the Company and/or the insurer(s) or TPA(s) of the Medicare Advantage plan will conduct a pre-implementation education and communication program, which will consist of direct written communications to Medicare-eligible Covered Retirees and dependents and educational webinars. This education and communication program will commence no later than 90 days prior to the date the Medicare Advantage plan is implemented. The Company and/or the insurer(s) or TPA(s) will bear the cost of such program. The Company agrees to discuss the education and communication program with the ACHC. In addition, the Company, the insurers(s) and/or TPA(s) of the Medicare Advantage plan will from time to time conduct a satisfaction survey of the Medicare-eligible Covered Retirees and dependents enrolled in the Medicare Advantage plan and the Company will provide the ACHC with a report summarizing the results of such surveys.

If a Company-sponsored Medicare Advantage plan has become financially less favorable than offering the design provisions of the Company-sponsored medical options that would have otherwise been offered on a self-insured basis to Medicare-eligible Covered Retirees and dependents or is no longer feasible as a result of a change in the applicable law or regulations, the Company will terminate the Medicare Advantage plan options and offer medical coverage to such Covered Retirees and dependents under one or more Company-sponsored medical plans that substantially mirror the medical plan design that exists within the Medicare Advantage plan option at the time of its termination and that coordinates with Medicare.

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May 29, 2016

E. HMO Option. To the extent that the Company determines to offer or retain any particular HMO at any time that is not part of the Medicare Advantage Plan but covers Medicare-eligible retirees that require governmental approval, any such HMO will not be subject to the limitations on copays set forth in Section VIII.2.C.4(a),(b) and (c) of the 2016 MOU.

F. Same Sex Domestic Partner Eligibility Changes. The changes to eligibility rules applicable to same sex domestic partners set forth in Section VIII.2.B as set forth in Attachment I shall not apply to Covered Retirees.

G. Prescription Drug Provisions for Medicare Beneficiaries.

1) Notwithstanding Section VIII.2.C.5, for Medicare-eligible Covered Retirees, the drugs and supplies that shall from time to time be covered under the Plan shall consist of at least the same drugs and supplies that are covered by the prescription drug plan then in effect for U.S.-based management Medicare-eligible retirees of the Company and shall consist of at least the same drugs and supplies that are covered under the most prevalent Medicare formulary program of the TPA then in effect based on Medicare lives covered and are in compliance with CMS requirements; provided that compound drugs may be excluded only to the extent that such drugs are also excluded under the most prevalent Medicare-eligible compound exclusion program of the TPA then in effect based on Medicare lives covered. Notwithstanding the foregoing, a participant may seek pre-authorization of a prescription for a compound drug that may have otherwise been excluded from the Plan. The standards and processes that will apply in that pre-authorization process, including the requirement that the participant's doctor establish medical necessity, will be equivalent to those that apply to an appeal of the denial of a prescription for a compound drug under the Plan.

The TPA shall from time to time designate whether a covered drug is preferred or non-preferred and the manner in which prescriptions may be filled; provided that the covered drugs that are designated as preferred shall consist of at least the same drugs that are designated as preferred under the prescription drug plan then in effect for U.S.-based management Medicare-eligible retirees of the Company, and shall consist of at least the same drugs that are designated as preferred under the most prevalent Medicare formulary program of the TPA then in effect based on Medicare lives covered and are in compliance with CMS requirements.

With respect to the prescription drug benefits offered to Medicare-eligible Covered Retirees on and after January 1, 2018, the Plan Administrator may from time to time designate the TPA of the prescription drug program, provided that prior to each such designation, the Plan Administrator must: (i) prior to the issuance of a request for proposals or equivalent document soliciting bids for a TPA of the prescription drug program for Medicare-eligible Covered Retirees (a "Retiree Rx RFP"), provide members of the ACHC the opportunity to sign a confidentiality agreement and for those who signed a confidentiality agreement, provide a copy of the proposed Retiree Rx RFP; (ii) provide the members of the ACHC who signed a confidentiality agreement with seven (7) days to review the Retiree Rx RFP and to submit comments to the Company; (iii)

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May 29, 2016

provide the members of the ACHC who signed a confidentiality agreement with the final Retiree Rx RFP at the time it is issued by the Plan Administrator; (iv) provide members of the ACHC who signed a confidentiality agreement with seven (7) days to review the bids submitted by companies in response to the Retiree Rx RFP and to submit comments to the Plan Administrator; however, as to bidders who object to the members of the ACHC reviewing their entire bid, members of the ACHC who signed a confidentiality agreement will be provided seven (7) days to review the participant-impacting terms of the bid; (v) consult with the ACHC regarding the designation of two finalist candidates, provided the ACHC must make itself available to consult within seventy two (72) hours of the Plan Administrator's request; and (vi) arrange for the ACHC to meet with the two finalist candidates on dates and times designated by the candidates. Within seventy two (72) hours of the later of the dates designated by the candidates, the ACHC shall provide the Plan Administrator with its recommendation regarding which candidate to select for the designation. If a majority of members of the ACHC cannot agree on a recommendation, the union members of the ACHC may within seventy two (72) hours of the later of the dates designated by the candidates submit their recommendation to the Plan Administrator. The Plan Administrator shall designate the insurer(s) or TPA(s) after having given due consideration to any such recommendation from the ACHC or the union members of the ACHC and must demonstrate that the designated TPA is either (a) among the three (3) largest Pharmacy Benefit Managers of group prescription drug plans measured by number of enrollees; or (b) the then-current TPA of the prescription drug program.

2) Notwithstanding the provisions of Sections VIII.2.C.5(a)(b) and (d) the out-of-pocket maximum and copayment amounts for retail pharmacies and mail order pharmacies for Medicare-eligible Covered Retirees will be as follows:

a. **Out-of-Pocket Maximum**

An annual out-of-pocket expense maximum under the Health Care PPO Option will apply to prescription drugs purchased at mail order pharmacies of \$786.52.

b. **Retail Pharmacies**

- The copay for generic drugs for in-network retail pharmacies will be the DNP with a maximum copay of \$9.
- The copay for brand name preferred drugs for in-network retail pharmacies will be 20% of the DNP for the original prescription and each refill, with a maximum copay of \$25.
- The copay for brand name non-preferred drugs for in-network retail pharmacies will be 30% of the DNP for the original prescription and each refill, with a maximum copay of \$30.

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YMS

May 29, 2016

c. Mail Order Pharmacies

- The copay for generic drugs for mail order pharmacies will be the DNP with a maximum copay of \$18.
- The copay for brand name preferred drugs for mail order pharmacies will be 20% of the DNP for the original prescription and each refill, with a maximum copay of \$50.
- The copay for brand name non-preferred drugs for mail order pharmacies will be 30% of the DNP for the original prescription and each refill, with a maximum copay of \$60.

H. Changes to Contributions.

1) Retirees with Net Credited Service Date Before August 3, 2008 and who Retired After January 1, 1992.

a. Contributions for Retiree Medical Coverage.

- (i) The chart set forth in Section VIII.4.E.2.a.i of the 2012 MOU shall be replaced with the following chart:

	2016	2017	2018	2019
Retiree Only	\$114	\$132	\$153	\$165
Retiree + 1	\$175	\$200	\$230	\$250
Retiree + Family	\$228	\$264	\$306	\$330

- (ii) Section VIII.4.E.2.a.ii of the 2012 MOU shall be replaced with the following:

(ii) Each Covered Retiree who retires on or after January 1, 2013 and who enrolls in the HCN Option or the Health Care PPO Option will pay a monthly contribution, on an after-tax basis, towards the cost of coverage for the medical coverage category elected by such Covered Retiree ("Retiree Monthly Contribution"), as specifically provided below.

(A) The Retiree Monthly Contribution for Plan Year 2016 shall be as follows:

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May 29, 2016

	Pre-Medicare Retiree Monthly Contribution	Medicare-Eligible Retiree Monthly Contribution
Retiree Only	\$39.33	\$19.66
Retiree + 1	\$67.42	\$33.71
Retiree +Family	\$67.42	\$33.71

(B) For each Plan Year beginning on and after January 1, 2017, the Retiree Monthly Contribution shall be as follows:

	Pre-Medicare Retiree Monthly Contribution
Retiree Only	\$39.33
Retiree + 1	\$67.42
Retiree +Family	\$67.42

(iii) Each Covered Retiree shall continue to remain subject to the provisions of Section VIII.4.E.2.b(iii) of the 2012 MOU.

F. Health Reimbursement Account for Covered Retirees with Net Credited Service Date Before August 3, 2008 and who Retired After January 1, 1992 Who Are Not Medicare Eligible.

Each Covered Retiree with a Net Credited Service Date before August 3, 2008 and who retired after January 1, 1992 may elect during the annual enrollment period for that plan year to obtain medical coverage under a medical plan option sponsored by the Company (the Health Care PPO Option, any option under Section VIII.5.B or any option under the Verizon Alternate Choice Plan) or to opt out of such coverage.

For 2018 and each subsequent plan year, for each such Covered Retiree who opts out of such coverage during annual enrollment and provides proof that he/she has obtained medical coverage under a non-Company sponsored medical plan option, the Company shall establish an HRA within the meaning of IRS Notice 2002-45 and related guidance and allocate a credit in the amount set forth below to such HRA for such plan year, provided that the Company and the Union have agreed on the other terms applicable to such HRAs no later than June 30 of the year prior to the plan year in which such credit will be allocated (e.g., what type(s) of non-Company sponsored plans a Covered Retiree may be enrolled in, in order to receive an HRA credit; whether the credit may be used for eligible expenses incurred after the plan year to which the HRA credit relates; etc.)

If the Company and the Union have agreed on the other terms applicable to such HRAs by September 30 of the year prior to the plan year in which such credit will be allocated, the amount of the Company credit to the HRA for the plan year will equal the 2016 Company Contribution Cap as defined in Section VIII.4.E.2.b(iii) of the 2012 MOU for pre-Medicare

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May 29, 2016

retirees for the Health Care PPO Option for the coverage category elected (\$15,447 for single coverage; \$30,893 for single +1 coverage; and \$38,639 for family coverage).

The amount credited to the HRA may be used to reimburse otherwise unreimbursed eligible medical expenses (as defined in IRC section 213(d)) for the non-Medicare eligible retiree and his or her eligible IRS tax dependents, including the cost of any premium to obtain medical coverage under a non-Company sponsored medical plan option for such plan year.

The HRAs will be established and operated in accordance with IRS guidance and applicable law.

G. Modification to Legal Plan Structure for Covered Retirees.

The Company shall have the discretion to modify the structure of the Verizon Post-1995 Collectively Bargained Retiree Health Plan (Pre-1993 Retirees) and the Verizon New York and New England Retiree Health (Post-1992 Retirees) and Group Life Insurance Plan for Active and Retired Associates, including the VMEP, so that certain or all Covered Retirees participate in a legal group health plan with less than two (2) participants who are current employees on the first day of the plan year in accordance with Section 732(a) of ERISA.

IX. SHARING OF CALLS AMONG CENTERS

The Sharing of Calls Among Centers provision in the 2012 MOU is amended as follows (references to "this Article" below refer to Article X – Sharing of Calls Among Centers in the 2012 MOU):

A. Section 1 is modified as follows:

1. The Companies may implement and expand upon call routing capabilities allowing for the routine transfer and/or routing of calls between and among centers in any location performing like functions, and between and among non-like centers subject to Section 3 of this Article, on a next available agent, balanced load or any other basis determined by the Companies, consistent with the terms of this Article X – Sharing of Calls Among Centers. For example, a routine routing of a call between Customer Sales and Service Centers ("CSSCs") is between centers performing like functions. A routine routing of a call from an Enhanced

BPP YMG

May 29, 2016

Verizon Resolution Center (“EVRC”) to a Fiber Solutions Center (“FSC”) is another example of a routing between centers performing like functions, as is a routine routing of a call from an FSC to an EVRC if qualified employees are available at the EVRC to handle the call. On the other hand, a routing of a call from a CSSC to a Business Sales and Billing Center (“BSBC”) is not an example of a routing between centers performing like functions.

B. Section 2 is replaced with the following:

2. The centers (“Centers”) subject to this Article X – Sharing of Calls Among Centers include: CSSCs, BSBCs, Multilingual Sales and Service Centers (“MSSCs”) and the Verizon Center for Customers with Disabilities (the “VCCD”) (collectively referred to in this provision as “Sales and Service Centers”), the FSCs and EVRCs (collectively referred to in this provision as “Tech Support Centers”), and any other or future center designed to combine or integrate the work of these existing Centers.

C. Section 3 is replaced with the following:

3. Except as provided in this provision, there will be no limitations, geographic or otherwise, on the Companies’ right to transfer and route calls between and among the Centers, contractor locations and/or individuals working at home, performing like functions. Such calls (other than HSI technical support) subject to the 2016 MOU shall first be routed to available union-represented employees at like-function call centers located in the Northeast and Mid-Atlantic footprints. If no union-

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May 29, 2016

represented employees at like-function call centers in the Northeast and Mid-Atlantic footprints are available to handle calls the calls may be routed to contractors. In the event that no union-represented employees at like-function call centers in the Northeast and Mid-Atlantic footprints are available to handle calls, the Companies may choose to route sales and service calls to any other union-represented employees selected by the Companies at non-like sales and service centers in the Northeast or Mid-Atlantic footprints that the Companies determine are appropriately skilled prior to routing to contractors, except that: (a) the MSSC will not receive calls from a non-like function call center if any MSSC calls are being sent to a contractor during normal MSSC operating hours; (b) the VCCD will not receive calls from a non-like function call center if any VCCD calls are being sent to a contractor during normal VCCD operating hours.

D. Section 18 is replaced with the following:

18. Beginning after ratification of this 2016 MOU, all Customer Service Administrators (“CSAs”) will be trained for the Computer and Internet Knowledge Test (“CIKT”) two times (unless an associate passes training after one time) during normal work hours. Once an associate successfully passes the CIKT, training for the Fiber Customer Support Analyst (“FCSA”) position will be scheduled and classes will begin once enrollment meets the minimum class size requirement at the Companies’ discretion, consistent with business needs.

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May 29, 2016

E. **Section 20 is replaced with the following:**

20. CSAs in the EVRCs will be tested for FCSA positions, and CSAs who test qualify and pass training will become FCSAs and will be assigned FCSA work, which can support fiber or copper network customers. As set forth in paragraph 18, prior to such testing the Companies will offer CSAs training for the CIKT. Effective January 1, 2019, the CSA title will be eliminated in the Tech Support Centers and any CSA who has not previously test qualified as an FCSA shall be assigned to the FCSA title. In connection with the foregoing, current CSAs in the EVRCs will not be required to participate in a Fiber Customer Support Analyst Structured Interview Revised.

F. **Section 22 is replaced with the following:**

22. During the term of this 2016 MOU the Company will maintain a CSSC, BSBC and MSSC presence in CWA Local 1105, a CSSC and VCCD presence in CWA Local 1400, an FSC presence in CWA Local 1123, and a Tech Support Center presence in CWA Locals 1118 and 1104. The Company's obligation to maintain a CSSC, BSBC and MSSC presence in CWA Local 1105, a CSSC and VCCD presence in CWA Local 1400, an FSC presence in CWA Local 1123, and a Tech Support Center presence in CWA Locals 1118 and 1104 will terminate with the expiration of this 2016 MOU and at that time the parties' rights and obligations with respect to maintaining a CSSC, BSBC and MSSC presence in CWA Local 1105, a CSSC and VCCD presence in CWA

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May 29, 2016

Local 1400, an FSC presence in CWA Local 1123, and a Tech Support Center presence in CWA Locals 1118 and 1104 will return to those in effect prior to the effective date of the 2012 MOU.

G. Add new Section 23 as follows:

23. Beginning on January 1, 2017 (the "Percentage Commencement Date"), the Companies shall be subject to aggregate regional call volume percentages for the New York/New England footprint Sales and Service Centers as follows:

- a. For 2017 and each subsequent year, Sales and Service Centers in the New York/New England footprint will together handle an aggregate regional call volume that is equivalent to at least 83% of all calls originating from New York/New England footprint customers in that year that are routed through the electronic routing system ("ERS") to Sales and Service Centers and contractor locations.
- b. For the six month period that begins on the Percentage Commencement Date and for each subsequent six month period (each a "Measuring Period"), the Companies shall calculate the aggregate regional call volume handled by Sales and Service Centers in the New York/ New England footprint. If in any Measuring Period, the aggregate regional call volume is equivalent to less than 83% of the calls originating from New York/New England footprint customers during that Measuring Period that are

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May 29, 2016

routed through the ERS to Sales and Service Centers, contractor locations and/or individuals working at home, then in the six month period subsequent to that Measuring Period there shall be no layoffs of New York/New England footprint Sales and Service Center associates holding a job title that handles calls that are subject to this paragraph.

c. The Companies will provide the Union quarterly with the following information broken out by month: (i) the aggregate regional call volume percentage as described above, (ii) the total number of New York/New England footprint Sales and Service calls handled in Sales and Service Centers, contractor locations and/or by individuals working at home, and (iii) the total number of calls handled by Sales and Service Centers in the New York/New England footprint and/or employees working at home in the New York/New England footprint. Upon request of the Local Union the Company will meet quarterly to discuss the information provided.

H. **Add new Section 24 as follows:**

24. Beginning on the Percentage Commencement Date, the Companies shall be subject to aggregate regional call volume percentages for the New York/New England footprint Tech Support Centers as follows:

a. For 2017 and each subsequent year, Tech Support Centers in the New York/New England footprint will together handle an

May 29, 2016

aggregate regional call volume that is equivalent to at least 68% of all calls originating from New York/New England footprint customers in that year that are routed through the ERS to Sales and Service Centers, contractor locations and/or individuals working at home.

b. For each Measuring Period, the Companies shall calculate the aggregate regional call volume handled by the Tech Support Centers in the New York/New England footprint. If in any Measuring Period, the aggregate regional call volume is equivalent to less than 68% of the calls (other than HSI calls that are initially routed by the ERS to contractors) originating from New York/New England footprint customers during that Measuring Period that are routed through the ERS to Tech Support Centers, contractor locations and/or individuals working at home, then in the six month period subsequent to that Measuring Period there shall be no layoffs of New York/New England footprint Tech Support Center associates holding a job title that handles calls that are subject to this paragraph.

c. The Companies will provide the Union quarterly with the following information broken out by month: (i) the aggregate regional call volume percentage as described above, (ii) the total number of New York/New England footprint Tech Support calls (other than HSI calls that are initially routed by the ERS to

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May 29, 2016

contractors) handled in Tech Support Centers, contractor locations and/or by individuals working at home, and (iii) the total number of calls handled by Tech Support Centers in the New York/New England footprint and/or employees working at home in the New York/New England footprint. Upon request of the Local Union the Company will meet quarterly to discuss the information provided.

I. Sections 23 and 24 replace Sections 4-11; provided, however, through the first Measuring Period there shall be no layoffs of New York/New England Sales and Service Center or New York/New England Tech Support Center associates holding a job title that handles calls that are subject to this Article X.

J. **Add new Section 25 as follows:**

25. Notwithstanding Section 16 of this Article X – Sharing of Calls Among Centers the Companies will not add additional cross functional duties in calendar year 2016. If the Companies wish to add additional cross functional duties after December 31, 2016, they will follow the procedure set forth in Section 16 of this Article X.

K. **Add new Section 26 as follows:**

26. For purposes of this article, a calculation of “aggregate regional call volume,” shall include all calls, regardless of geographic origin, handled by applicable Centers and/or employees working at home during the applicable time period, and “aggregate regional call volume percentage” shall include calls handled by both IBEW and CWA-represented employees in the New York/New England footprint. For example, if the regional call volume originating in the

 May 29, 2016

New York/New England footprint for calls routed through the ERS to Sales and Service Centers, contractor locations and/or individuals working at home is 40 million in 2017, Sales and Service Centers in the New York/New England footprint and/or New York/New England employees working at home will handle an aggregate of at least 33.2 million calls (83%) in 2017, which may originate anywhere in the country, provided those calls are routed consistent with the call routing provisions of this Article X – Sharing of Calls Among Centers. Nothing in this provision should be construed or interpreted as a guarantee that a certain amount of work will be performed in any single Center or location.

- L. All provisions of Article X of the 2012 MOU shall remain in effect, unless expressly modified or replaced by the 2016 MOU.

X. SETTLEMENT AGREEMENT (VERIZON BUSINESS)

Schedule B.1, Section G of the settlement agreement among the Companies and the Union settling certain matters set forth at Attachment 6 of the 2008 MOU is modified as follows:

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:
 - o shall be considered a separate seniority pool for layoff purposes;
 - o shall not be subject to being displaced or bumped by any employee;
 - o 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.

PPP YMS

May 29, 2016

- 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~~ **unit identified in Article 8 (Section 8.02) of the CWA Plant Agreement ("Unit")**, the following will apply:
 - Service Company will give CWA 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 **in a Unit**, to volunteer to leave the business with the layoff allowance **or the EIPP, whichever is greater**, 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 **in a Unit**. Those employees who are laid off will receive the layoff allowance **or the EIPP, whichever is greater**, 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.

The remaining provisions of Attachment 6 to the 2008 MOU will remain in full force and effect.

XI. TRANSFERS

Notwithstanding anything to the contrary in any collective bargaining agreements including, but not limited to, the Force Adjustment Plan ("FAP"), the Non-surplus Transfer letter or the Home Relocation Letter, the Companies may transfer associates employed at the Oneonta Live Source Center (17-19 Elm Street) to the Verizon facility located at 245 River Street,

PJP yme
May 29, 2016

Oneonta, or to another location agreed to by the Union, either in their current job classifications or into another job classification. Pursuant to this Article the Company may also transfer associates employed at the Rome Live Source (17 N. Washington Street) to the Verizon facility located at 321 Harbor Way, Rome, or to another location agreed to by the Union, either in their current job classifications or into another job classification. If the Company assigns an associate who is transferred pursuant to Article XI to a job classification that has a lower wage table and/or pension band than the associate's current job classification, the associate shall be "evergreened." Prior to transferring any of the associates to the locations identified above or to any other locations agreed to by the Union, the Company will offer the associates a Special EIPP.

XII. TUITION ASSISTANCE

As of the Effective Date, except as otherwise provided for herein, the Tuition Assistance Plan ("TAP") and every other tuition assistance plan or program will be modified as follows:

A. **Exclusions.** The following exclusions are added to the existing exclusions set forth in the TAP:

1. Any course in any of the areas set forth on Attachment 2 (the "Excluded Studies") will not be covered, except in the case of associates approved for any course in the Excluded Studies as of the Effective Date of the 2016 MOU, in which case any such course shall remain covered until the course is completed.

XIII. WORK AND FAMILY

The Work and Family Committee ("WFC") will continue with the following modifications set forth herein. Funding will be provided annually on or about August 2 of each year in the amount of one million four hundred thousand dollars (\$1,400,000) during the term of this 2016 MOU (which will include funding for the period from August 2015 to August 2016).

PJP YMS
May 29, 2016

year in the amount of one million four hundred thousand dollars (\$1,400,000) during the term of this 2016 MOU (which will include funding for the period from August 2015 to August 2016). This funding will be allocated between CWA NY/NE and IBEW NY 2213. There will be no WFC funding contribution in the year that this MOU expires. Any funds contributed by the Companies for this committee that has not been expended by the original scheduled expiration date of the 2016 MOU, will be returned to the Companies, except as required to satisfy bills and charges incurred prior to that date.

XIV. SPECIAL ENHANCED INCOME PROTECTION PLAN

A. The Company may make Special EIPP offers to associates to voluntarily leave the service of the Company with the benefits listed below. The Special EIPP offers may be made whenever under the applicable collective bargaining agreement the Company is permitted to offer either an IPP or an EIPP, except that each associate may only be offered one Special EIPP offer per calendar year unless the associate moves to a different title or to a different FAA (NY)/ITA (NE). For a period of twelve (12) months after an associate leaves the payroll as a result of accepting a Special EIPP offer, the Company cannot permanently force transfer or temporarily transfer associates into the occupational classification in the FAA (NY) or ITA (NE) to which the associate, who accepted the Special EIPP, was assigned. This limitation does not apply to temporary transfers for emergencies.

B. Associates who elect to voluntarily leave the service of the Company pursuant to a Special EIPP and are accepted by the Company shall receive the benefits of the EIPP and the following additional benefits:

1. Supplemental Voluntary Termination Bonus.
Associates who leave the service of the Company pursuant to a Special EIPP will receive a lump sum amount of \$40,000, less taxes and withholdings, in addition to the EIPP payment and

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May 29, 2016

related benefits, the voluntary termination bonus, and continuation of medical coverage to which the associate is otherwise eligible under the terms of the applicable collective bargaining agreement.

2. Raising of Caps on EIPP Payment. Those associates with greater than 30 years of net credited service will have their EIPP payment capped at 40 years of service rather than 30 years pursuant to [attachment to come at time of Special EIPP].

3. Waiver of Age-Based Pension Reductions for Early Commencement. The Pension Plan will be amended such that Service Pension eligible associates who leave the service of the Company pursuant to a Special EIPP will not have the age-based reduction for early commencement, if any, applied to the calculation of their pension.

4. Acceleration of Next Pension Band Increase. The Pension Plan will be amended such that pension eligible associates who leave the service of the Company pursuant to a Special EIPP will be eligible for the next scheduled Pension Band Increase, to the extent there is another Pension Band Increase scheduled pursuant to Section V.C of this 2016 MOU, in the calculation of their pension.

5. Interest Rate Protection. The Pension Plan will be amended such that, regardless of the specific date on which an employee leaves the service of the Company pursuant to a Special EIPP, the determination of the interest rate and mortality basis used for converting such employee's single life annuity to a lump sum amount will be based on the better of (a) the applicable interest rate and mortality basis as of such employee's elected pension commencement date following his or her actual separation from service or (b) the applicable interest rate and mortality basis as of the earliest possible commencement date for an employee who leaves the service of the Company under that Special EIPP, provided that such employee's age will be determined in accordance with his or her elected pension commencement date rather than a pension commencement date set to the date referenced in this (b) clause.

C. Associates who elect to voluntarily leave the service of the Company pursuant to a Special EIPP offer and are accepted by the Company will be separated from the Company on either (i) one date, or (ii) more than one date, to be selected at the discretion of the

YMP ymz

May 29, 2016

Company not to exceed six (6) months from the date the associate elects to leave pursuant to the Special EIPP. The Company, in its discretion, will determine how many associates will be separated on each date in each job title, work group and work location. The Company will honor requests by seniority, to the extent consistent with the requirements of the business, when assigning the date on which each associate will be separated. Notwithstanding the provisions of the parties' collective bargaining agreement, there shall be no layoffs in a title, work group and work location subject to a Special EIPP during the time period between the first and last off payroll dates if there are associates in the title, work group and work location who are designated by the Company to be separated as part of that Special EIPP.

D. A Special EIPP may not be offered simultaneously to associates (i) in the same title, (ii) the same bargaining unit, and (iii) the same or contiguous FAA(NY)/ITA(NE) as other associates who are declared surplus and are receiving an EIPP or IPP offer.

E. Except as modified by this Section XIV the applicable collective bargaining agreements will apply to Special EIPPs. The terms of the Force Adjustment Plan letter dated September 19, 2012 in the CWA NY Plant, VSC, Local 1104 Downstate Accounting, Local 1105 Downstate Commercial, Local 1108 Downstate Traffic, Local 1104 Upstate Traffic, Local 1113 Upstate Accounting and IBEW Local 2213 Upstate Commercial Agreements in NYNE, including the terms relating to the frequency with which and the geographic areas in which IPP and EIPP may be offered, shall not apply to the Company's right to offer Special EIPPs pursuant to this Article XXXV.

XV. ADDITIONAL CENTER JOBS AGREEMENT

The Agreement Regarding Additional Center Jobs is set forth in Attachment 3.

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May 29, 2016

XVI. 2016 MEMORANDUM OF AGREEMENT

The 2016 Memorandum of Agreement, which updates the 2012 Memorandum of Agreement, is set forth in Attachment 4.

XVII. WITHDRAWAL OF FNT/FCSA NCI NOTICE

The letter of agreement regarding withdrawal of the FNT/FCSA NCI notice is set forth in Attachment 5.

XVIII. WITHDRAWAL OF THE IDC NCI NOTICE

The letter of agreement regarding withdrawal of the IDC NCI notice is set forth in Attachment 6.

XIX. WITHDRAWAL OF THE POLE NCI

The letter of agreement withdrawing the pole NCI is set forth in Attachment 7.

XX. LETTER REGARDING DIRECT DISTRIBUTION INITIATIVE

The letter of agreement regarding the direct distribution initiative is set forth in Attachment 8.

XXI. LETTER REGARDING TEMPORARY DRIVER RECLASSIFICATION

The letter of agreement regarding the reclassification of temporary drivers to regular employees is set forth in Attachment 9.

XXII. LETTER REGARDING CFS WORK

The letter of agreement regarding CFS work is set forth in Attachment 10.

XXIII. LETTER REGARDING QAR/PERFORMANCE REVIEWS

The letter of agreement regarding QAR/Performance Reviews is set forth in Attachment 11.

XXIV. LETTER REGARDING STRESS RELIEF

The letter of agreement regarding stress relief is set forth in Attachment 12.

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May 29, 2016

XXV. DURATION

All provisions of the parties' agreement will remain in full force and effect until 11:59 p.m. on August 3, 2019.

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CWA NY/NE
May 29, 2016

ATTACHMENT 1

CHANGE IN ELIGIBILITY – SAME-SEX DOMESTIC PARTNERSHIPS

In recognition of the U.S. Supreme Court ruling in the case *Obergefell v. Hodges*, 135 S. Ct. 2584, on the Effective Date, the definition of Dependent in Article 2 of the VMEP, the VDEP and the VVCP and the Verizon Dependent Group Life Insurance Plan for New York and New England Associates (“Dependent Life Plan” and collectively, the “Plans”) will be amended to modify the definition of Partner, so that an associate will only be permitted to enroll (or maintain enrollment of) a same-sex domestic partner after December 31, 2016 if the associate is legally married to the same-sex domestic partner. Accordingly, after December 31, 2016 the Partners of associates will no longer be eligible for coverage unless the Partner is legally married to the associate (i.e. the Partner is the associate’s Spouse). An associate will no longer be eligible to cover any Partner (including a new Partner) who is not the associate’s Spouse after December 31, 2016. Notwithstanding the foregoing, in the event of a U.S. Supreme Court ruling or an amendment to the U.S. Constitution that grants states the ability to end recognition of same-sex marriages, associates residing in a state* that does not legally recognize same-sex marriage will not be required to be married to their same-sex domestic partner in order to enroll (or maintain enrollment of) their same-sex domestic partner in the Plans and the modification to the definition of Partner under the Plans set forth above shall no longer apply for such associates.

Note: The term “state” means any domestic or foreign jurisdiction having the legal authority to sanction marriages*

ATTACHMENT 2

Excluded Studies
Captain
Cosmetology
Culinary
Dog Garments
Farming
Florist
Forest Conservation
Guitar Repair
Gunsmith
High Performance Vehicle Repair
Hospitality Management
Interior Design
Landscape Maintenance
Lifeguard
Long Term Care Professional
Outboard Motors
Personal Trainer
Professional Diving
Seamstress
Soil & Fertilization
Tourism
Turf Management
Wedding Planner

CWA NY/NE
May 29, 2016

ATTACHMENT 3

ADDITIONAL CENTER JOBS AGREEMENT

This agreement ("Agreement") is made and entered into by the Communications Workers of America, AFL-CIO and its local unions and affiliates ("CWA" or "Union") and Verizon New York Inc. ("VZNY"), Verizon Advanced Data Inc. ("VZAD"), Verizon New England Inc. ("VZNE"), Empire City Subway Company (Limited) ("ECS"), Verizon Services Corp. ("VSC"), Verizon Corporate Services Corp. ("VCSC") (company parties herein collectively referred to as "Companies").

WHEREAS, the Companies and the Union are parties to various collective bargaining agreements ("Labor Agreements");

WHEREAS, the Union represents employees in a number of bargaining units in New York and New England ("Bargaining Units") covered by the above-mentioned Labor Agreements;

WHEREAS, the Companies employ Bargaining Unit employees in, among others, Customer Sales and Service Centers ("CSSCs"), Business Sales and Billing Centers ("BSBCs"), Multilingual Sales and Service Centers ("MSSCs"), and the Verizon Center for Customers with Disabilities ("VCCD") (CSSCs, BSBCs, MSSCs and VCCD will collectively be referred to herein as "Sales and Service Centers"), Fiber Solutions Centers ("FSCs"), and Enhanced Verizon Resolution Centers ("EVRCs") (Sales and Service Centers, FSCs and EVRCs will collectively be referred to herein as "Centers");

WHEREAS, the Union and the Companies, in conjunction with their negotiation of successor agreements to the Labor Agreements that the parties agreed to in 2012, desire to provide for the addition of newly hired employees into certain Centers during the term of said successor Labor Agreements as provided for herein;

THEREFORE, for good and valuable consideration, the parties agree as follows:

1. The Companies agree that, in return for the Union's agreement to the Companies' current Sharing of Calls Among Centers proposal, they will add 366 regular full-time, newly hired employees ("Additional Hires") during the term of the successor contract to the 2012 Labor Agreements, into one or more Centers that employ Bargaining Unit employees covered by the Labor Agreements, contingent upon obtaining sufficient qualified and successfully trained candidates.

(a) The Companies will hire 216 of the Additional Hires into Bargaining Unit positions in Sales and Service Centers located in NY/NE.

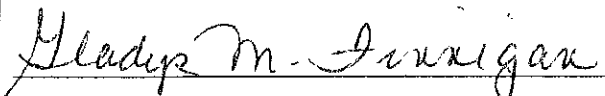
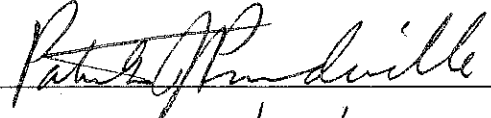
(b) The Companies will hire 150 of the Additional Hires into the Fiber Customer Support Analyst ("FCSA") position in FSCs and EVRCs located in NY.

(c) The 366 Additional Hires requirement is a single, aggregate number of Additional Hires to be hired pursuant to this Agreement. The Companies will have no obligation pursuant to this Agreement to either maintain any particular headcount or backfill in the event that Additional Hires leave employment or transfer from the Centers.

(d) Initial staffing of the 150 Additional Hires for the EVRCs and FSCs will be applied proportionately to each Union Local based on the current number of employees in the EVRCs and FSCs in each Local. In addition, initial staffing of the 216 Additional Hires for the Sales and Service Centers will be applied proportionately based on the current number of employees in the Sales and Service Centers in each Local. Initial staffing placement may be adjusted if there is insufficient space to accommodate the additional headcount.

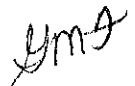
2. All Additional Hires will be subject to existing testing, training and other pre- and post-hire procedures as appropriate, except that any internal staffing obligation, such as the 50% internal staffing obligation, shall not apply to the hiring of Additional Hires pursuant to this Agreement. Individuals who do not successfully complete training will not be counted towards the 366 Additional Hires requirement.

3. The terms and conditions of Additional Hires will be based on the provisions of the 2016 MOU applicable to employees first hired or rehired on or after the Effective Date.

For: Communications Workers of America	For: The Companies
	
Date: 5-29-16	Date: 5/29/16



CWA NY/NE
May 29, 2016



ATTACHMENT 4

MEMORANDUM OF AGREEMENT

This Agreement is made and entered into, on the Effective Date, by and between all present and future In-BA-Region subsidiaries, or operating units thereof, of Verizon Communications Inc. ("VZ"), except Cellco 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 the Communications Workers of America, AFL-CIO (hereinafter called "CWA"), addressing certain issues, as follows:

1. The two agreements by and between NYNEX and Bell Atlantic Companies and the CWA entitled "Agreement concerning Issues related to the Bell Atlantic-NYNEX Merger" (copies of which are attached hereto and incorporated herein by reference) are amended and will be included, as amended, within the new collective bargaining agreements which will be effective for the period between the Effective Date and August 3, 2019.
2. The Company and the CWA will execute the attached Memorandum of Agreement Regarding Neutrality and Card Check Recognition.

CWA NY/NE
May 29, 2016

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 CWA bargaining unit employees, such work will be exclusively performed by CWA 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 CWA OTC bargaining unit employees covered by the existing collective bargaining agreements. Central offices and associated control centers will be staffed exclusively by CWA OTC bargaining unit employees covered by the existing collective bargaining agreements carrying titles such as COT/SET/TTA/CSA 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 CWA OTC bargaining unit employees covered by the existing collective bargaining agreements. All work associated with the xDSL splitter shall be exclusively performed by CWA OTC bargaining unit employees covered by the existing collective bargaining

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CWA NY/NE
May 29, 2016

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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 CWA 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 CWA OTC bargaining unit

CWA NY/NE
May 29, 2016

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 CWA 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 CWA OTC employees such work shall be performed exclusively by CWA 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 CWA-represented employees, then such work shall be

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CWA NY/NE
May 29, 2016

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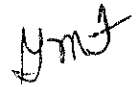
performed exclusively by CWA-represented employees, and the primary service and sales channel for such services shall be the OTC Business and Residence office, to the extent permitted by law or regulation.

Existing Bell Atlantic (BA Plus) accounts will begin to be transferred back to CWA OTC bargaining unit locations on October 1, 1998. There will be no new promotions to transfer accounts or to transfer the servicing of accounts started for BA Plus. CWA-represented service representatives/consultants will not be impacted adversely in any way by the transfer of BA Plus accounts. All accounts must be transferred to CWA OTC bargaining units no later than March 30, 1999. Such BA Plus accounts shall be transferred to broadly defined appropriate OTC organizational areas, such as the Electronic Traffic/Transfer Zone or the area served by the ACD in which the work was performed in the OTC. The commitment regarding BA Plus accounts shall have no effect on the parties' rights with respect to the transfer, movement or assignment of any work under the OTC contracts under which such work is then performed.

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.



CWA NY/NE
May 29, 2016



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 CWA-represented employees then such work shall be assigned to CWA-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 CWA 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 CWA-represented employees, then such work shall be performed exclusively by CWA-represented employees.

7. Whenever any employee engaged by the Company within the CWA jurisdiction is assigned to perform data services work permitted by FCC 706 exceptions, then such work shall be performed by CWA 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 CWA-represented employees working under an equivalent collective bargaining agreement.

CWA NY/NE
May 29, 2016

8. Nothing in this agreement is intended to limit, diminish, or infringe upon the two letters 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 CWA entitled respectively "New Business" and "Old Business Letter," dated April 3, 1994, (copies of which, adapted to apply under this Agreement, are attached hereto and incorporated herein by reference) (the "Old and New Business Agreements"). The Old and New Business Agreements are amended and renewed and will be included, as amended, within the new collective bargaining agreements between parties to the 20122016 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.

CWA NY/NE
May 29, 2016

INTERPRETIVE COMMENTS

1. Work will be considered to have been "historically performed" by CWA-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 CWA 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, except as specifically provided in the amended Broadband Network / Employment Security Provisions of the 2000 MOU between the former BA South Region OTC's and the CWA. (Copy attached and incorporated herein.)
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 paragraph 4 of the Interpretive

Comments of the 1998 MOA, 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;

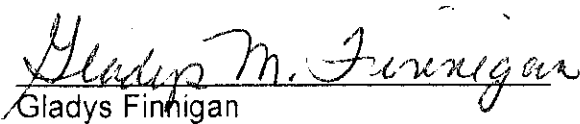
VZ Employees are employees of VZ Companies performing work in the former BA footprint.


6. Any provisions of this Memorandum of Agreement are subject to legal and regulatory requirements.
7. Any obligation to have work performed by CWA-represented employees is limited to areas within CWA 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 3, 2019.

For: Communications Workers of America

For: Company


Gladys Finnigan


Patrick Pripdeville

Date: 5-29-16

Date: 5/29/16

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CWA NY/NE
May 29, 2016

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AGREEMENT CONCERNING ISSUES RELATED TO THE BELL ATLANTIC-GTE MERGER

This Agreement, by and between Verizon ("VZ")-New York, Inc., VZ New England, Inc., Verizon Services Corp. ("VSC"), Empire City Subway Company (Limited), and NYNEX Information Resources Company, (hereinafter collectively called "the Companies" and individually called a "Company"), and Communications Workers of America, AFL-CIO (hereinafter "CWA") addresses the permanent transfer of jobs relating to the Bell Atlantic-GTE merger.

Limitations on Transfer of Jobs

The following limitations on permanent transfers of jobs shall be effective on the Effective Date and terminate concurrently with the labor agreements, August 3, 2019.

- (1) During each contract year of the parties' current collective bargaining agreements ("CBA"), from the Effective Date to August 3, 2019, a Company may not permanently transfer more than .7% of the CWA represented jobs from any of the universes described below to an area outside of New York State ("NYS").
 - (a) Plant Bargaining Unit - The universes for the Plant bargaining unit within NYS are the counties of NYS.
 - (b) Commercial Bargaining Unit - The universes for the Commercial bargaining unit within NYS are the counties of NYS.
 - (c) Traffic Bargaining Unit - The universes for the Traffic bargaining unit within NYS are the individual Traffic bargaining units within NYS.
 - (d) Accounting Bargaining Unit - The universes for the Accounting bargaining units within NYS are the individual Accounting bargaining units within NYS.
 - (e) VSC Bargaining Unit - The universe for the VSC bargaining unit within NYS is the Company-wide bargaining unit in NYS.
- (2) The percentage of jobs permanently transferred from NYS to an area outside NYS will be calculated as follows:
 - a. Total CWA Represented Jobs in a universe in NYS permanently transferred to an area outside NYS.
 - b. (divided by) Total CWA Represented Jobs in that universe.
- (3) During each contract year of the parties' current collective bargaining agreements ("CBA"), from the Effective Date to August 3, 2019, a Company may not permanently transfer more than .7% of the CWA

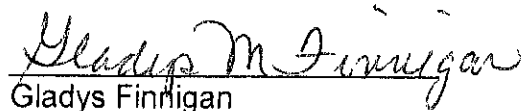
represented jobs from the universes described below to an area outside the New England States.

- (a) New England Directory Sales and New England Directory Clerical Bargaining Units - The universes for the New England Directory Sales ("NE Dir. Sales") and Directory Clerical ("NE Dir. Clerical") bargaining units in New England ("NE") are those bargaining units within NE.
 - (b) New England CWA Locals 1302, 1395 and CWA 1400 Bargaining Units - The universes for the New England CWA Locals 1302, 1395 and 1400 bargaining units are those bargaining units within NE.
- (4) The percentage of jobs permanently transferred from NES to an area outside NES will be calculated for each universe as follows:
- a. Total CWA Represented Jobs in a NES universe permanently transferred outside NES;
 - b. (divided by) Total CWA Represented Jobs in that universe.
- (5) If an employee voluntarily transfers from a job in NYS to a job outside NYS, or from a job in NES to a job outside the NES, the transfer of that employee shall not be included in the calculation of the percentage of jobs permanently transferred for purposes determining whether the .7% per year limit has been exceeded.

For The Companies


Patrick Priodeville

For The CWA


Gladys Finnigan

**MEMORANDUM OF AGREEMENT
REGARDING NEUTRALITY AND CARD CHECK RECOGNITION**

The Verizon Communications Inc. ("VZ") Companies Covered by this Memorandum of Agreement ("the Companies") and Communications Workers of America ("the Union"), for and in consideration of the mutual promises and agreements set forth below, hereby enter into this Memorandum of Agreement Regarding Neutrality and Card check Recognition ("Agreement") as of the Effective Date.

1. Duration. This Agreement is effective as of the date stated above, and shall remain in effect until 11:59 PM on August 3, 2019, unless extended, modified or terminated by mutual written agreement of the parties. The parties expressly understand, however, that in the event this Agreement is terminated before August 3, 2019 all of the terms hereof nevertheless shall survive said termination and remain in effect with respect to any reorganization or restructuring of any bargaining unit as a result of which management creates any new in-region subsidiary, division, or operating entity as to which no Union representation then exists.

2. Applicability.

(a) All card check procedures and any Union recognition provided for by this Agreement shall be applicable as of the Effective Date, for non-management employees of the Companies "In the former BA Region" ("In-Region"), i.e., within the former BA operating region in thirteen state and District of Columbia region comprised of Maine, New Hampshire, Vermont, Rhode Island, Massachusetts, Connecticut, New York, New Jersey, Pennsylvania, Delaware, Maryland, Virginia, West Virginia and the District of Columbia.

(b) As used herein, "the Companies" means all present and future In-Region subsidiaries, or operating units thereof, of VZ, except Celco Partnership, its subsidiaries, and its affiliates d/b/a Verizon Wireless, Verizon Network Integration Corp., Inc., Verizon Information Services BA-Region Directory South - Sales (CDSC/NTD/PDD), and all entities (and all of their subsidiaries) with a market capitalization or value of more than \$3 billion, acquired by or merged with Bell Atlantic Corporation, Verizon Communications Inc., or their subsidiaries, with a closing date after August 9, 1998. [Includes for all of the above Companies, all In-Region operations in the thirteen state and D.C. region. Staff operations in an "out of region" organization, even if located within the thirteen state "In-region" territory, or any other operations outside this thirteen state territory, are not included.]

(c) As used herein, "non-management" means employees who normally perform work in non-management job titles, as determined by the Companies, in accordance with the statutory requirements of

CWA NY/NE
May 29, 2016

the National Labor Relations Act, as amended, and applicable decisions of the National Labor Relations Board and reviewing courts. If the Union disagrees with any such determination, the parties agree to submit the Issues of unit definition to arbitration as set forth in paragraph 3, below, using the aforesaid statutory requirements and decisions as the governing principles.

(d) In addition to the foregoing, the parties further agree that any proposed bargaining unit shall exclude, but not by way of limitation, all professional, confidential, and managerial employees, guards and supervisors as defined in the National Labor Relations Act.

3. Card Check Recognition Procedure.

(a) When requested by the Union, the Companies agree to furnish the Union lists of employees in the bargaining units. This list of employees will include the work location, job title and home address.

(b) The Union will give twenty one (21) days' notice for access to Company locations. Access will be limited to one sixty (60) day period in any twelve months for each unit agreed upon or determined as provided herein.

(c) (1) The Union and the Companies shall meet within a reasonable period, but not to exceed ninety (90) days, after the effective date hereof for the purpose of defining appropriate bargaining units for all presently existing potential bargaining units. In the event that the parties are unable to agree, after negotiating in good faith for a reasonable time, upon the description of an appropriate unit for bargaining, the issue of the description of such unit shall be submitted to arbitration administered by, and in accordance with, the rules of the American Arbitration Association (AAA). The arbitrator shall be confined solely to the determination of the appropriate unit for bargaining and shall be guided in such deliberations by the statutory requirements of the National Labor Relations Act and the precedential decisions of the National Labor Relations Board and Appellate reviews of such Board decisions. The parties agree that the decision of the Arbitrator shall be final and binding. The Companies and the Union agree to select by agreement a permanent arbitrator and an alternate within 30 days of signing this Agreement to hear disputes under this Agreement. If the parties cannot agree, they shall select the arbitrators from list(s) provided by the AAA.

(2) If either the Companies or the Union believes that the bargaining unit as agreed or determined in (c) (1), above, is no longer appropriate due to organizational changes, then the parties shall meet and confer in good faith for the purpose of re-defining the appropriate unit. In the event that the parties are unable to agree, after negotiating in good faith for a reasonable time, upon the re-definition of an appropriate unit, the issue of the description of such unit, shall be submitted to arbitration as provided in (c) (1).

CWA NY/NE
May 29, 2016

(d) The Companies agree that the Union shall be recognized as the exclusive bargaining agent for any agreed-upon or otherwise determined bargaining unit(s) not later than ten (10) days after receipt by the Companies of written notice from the American Arbitration Association ("AAA") that the Union has presented valid authorization cards signed by a majority of the employees in such unit(s).

(e) For the purposes of determining the number of employees that constitute a majority of the bargaining unit, the employee population will be composed of only those employees employed in the bargaining unit on the earliest date which appears on the cards presented to the AAA. The cards so presented must be dated within sixty (60) days of each other, but no earlier than the date of execution of this Agreement, and each card so presented must contain at least the language set forth in Attachment 1 hereto. The Companies shall provide the AAA all employees, job title and other information required for the AAA to verify the existence of more than 50% of employee authorizations as provided for in this Agreement.

(f) In the event the Union fails to deliver to AAA valid authorization cards signed by a majority of employees in any aforesaid bargaining unit upon completion of its card-signing effort, the Union agrees not to begin any further card-signing effort in such unit for a period of one year from the date on which access was first granted as provided in (b), above.

(g) As soon as practicable after the aforesaid recognition and upon written request by the Union, the Companies, or the appropriate subsidiary, division or operating unit thereof, shall commence bargaining in good faith with the Union with respect to wages, hours, and other terms and conditions of employment for the employees employed within the agreed upon or otherwise determined appropriate bargaining unit.

Neutrality.

(a) The Companies agree, and shall so instruct all appropriate managers, that the Companies will remain neutral and will neither assist nor hinder the Union on the issue of Union representation.

(b) For purposes of this Agreement, "neutrality" means that management shall not, within the course and scope of their employment by the Companies, express any opinion for or against Union representation of any existing or proposed new bargaining unit, or for or against the Union or any officer, member or representative thereof in their capacity as such. Furthermore, management shall not make any statements or representations as to the potential effects or results of Union representation on the Companies or any employee or group of employees. The Union also agrees that, in the course of any effort by the Union to obtain written authorizations from employees as provided for in paragraph 3(b), above, neither the Union nor any of its officers,

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CWA NY/NE
May 29, 2016
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representatives, agents or employees will express publicly any negative comment concerning the motives, integrity or character of the Companies, Verizon Communications Inc., or any of their officers, agents, directors or employees.

(c) This Agreement supersedes and terminates any and all other agreements, Memoranda of Understanding, commitments or statements of intent regarding neutrality, card-check procedures or union organizing rights that may exist as of the date hereof between the Union and any of the Companies, including but not limited to the existing NYNEX Neutrality Agreement, the Neutrality, Card Check and Successorship Agreements with the operating telephone companies of Bell Atlantic Corporation prior to its merger with NYNEX, and with BA Network Services, Inc., and the BA Communications, Inc. Agreement on Principles and Behaviors with Regard to Union Organizing Campaigns, but does not supersede or terminate the NYNEX New Business Agreement, NYNEX Old Business Letter, or the Common Interest Council Letter.

5. Valid Authorization Card. For purposes of this Agreement, a valid written authorization card shall state specifically that by signing the card, the employee agrees to be represented by the Union, using the language set forth in Attachment 1.

6. Regulatory and Legislative Support. The Union hereby agrees to continue its support before the appropriate regulatory and legislative bodies for the Companies' efforts to remain competitive in, and/or gain entry to, all telecommunications and related markets in which the Companies choose to participate, unless the Union determines such support to be in conflict with its interests. If the Union determines such conflict exists, the Union will promptly so notify the Companies and, the request of the Companies, meet to discuss and confer on such conflict.

The Companies hereby agree to support Union efforts before regulatory and legislative bodies unless the Companies determine such support to be in conflict with their interests. If the Companies determine such a conflict exists, the Companies will so notify the Union, and will if requested by the Union, meet to discuss and confer on such conflict.

7. Dispute Resolution. Except as to disputes referenced in paragraph 3 (c) of this Agreement, all disputes concerning the meaning or application of the terms of this Agreement shall be handled and addressed by the meeting of designated representatives of the Companies and the Union. Either party may request such a meeting and each party pledges its best efforts to address any and all concerns raised as to the meaning or application of this Agreement. With the exception of matters referenced in paragraph 3 (c) above, the meaning or application of this Agreement shall not be subject to arbitration. Each party reserves its right to seek judicial or other relief provided by law to

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CWA NY/NE
May 29, 2016

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enforce this Agreement. However, the parties agree that prior to seeking such relief provided by law, the parties will meet and confer as set forth above.

8. Waiver of Claims.

(a) The Union 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 Union and any VZ Company, or VZ Communications Inc., including but not limited to any proceeding before the National Labor Relations Board or its delegate, the Union 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 VZ Company or VZ Communications Inc., and/or any of its 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, to the extent that any such claim, allegation or argument is based upon

(1) any changes on or after August 15, 1997, in the administration and/or control of labor relations by Bell Atlantic Corporation, VZ Communications Inc. or any Bell Atlantic or VZ Companies; or

(2) 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; provided, however, that this subparagraph (2) shall not be construed as having any effect on the Union's right or the Companies' obligation, to the extent the same may exist under applicable law and/or any pre-existing collective bargaining agreement(s), to negotiate changes in the terms and conditions applicable to such transfers.

(b) The provisions of this paragraph 8 shall survive the expiration of the remainder of this Agreement, and shall have full force and effect until specifically voided by mutual written agreement of the parties.

9. Severability. Should any portion of this Agreement be voided or held unlawful or unenforceable by the National Labor Relations Board or any court of competent jurisdiction, the remaining provisions shall remain in full force and effect for the duration of this Agreement.

CWA NY/NE
May 29, 2016

COMMUNICATIONS WORKERS OF
AMERICA

VERIZON
COMPANIES

By Gladys M Finnigan
Gladys Finnigan

By Patrick Prindeville
Patrick Prindeville

Date 5-29-16

Date 5/29/16

CWA NY/NE
May 29, 2016

NEW BUSINESSES

The following procedures regarding union recognition upon the start-up or acquisition of New Businesses by Verizon Communications Inc. ("VZ") and the hiring of New Business Employees shall be inserted as an Article in all collective bargaining agreements between the Union and the Companies employing its members in the former Bell Atlantic North Footprint.

ARTICLE _____

NEW BUSINESSES

1. "New Businesses" are defined as companies or new operations hereinafter started up or acquired by VZ in a telecommunications line of business. They would include, among others, the construction, installation, maintenance, marketing and sales of cable television, video, information and interactive media services, and new and traditional voice and data telephone services. As applied here, such New Businesses are those in which VZ has a majority stock or equity interest and management control, and which do business in the former BA North Footprint. They do not include new operations which, by agreement of the parties or by operation of law, are covered by an existing CWA or IBEW collective bargaining agreement. VZ shall mean the Verizon Communications Inc. and the "Company" parties to the Memorandum of Agreement to which this Article is attached. The former BA North Footprint shall mean the former operating area of BA within Maine, New Hampshire, Vermont, Rhode Island, Massachusetts, New York and the areas of Connecticut covered by the Byram and Greenwich exchanges.

2. "New Businesses Employees" (NBEs) are employees of New Businesses who perform telecommunications work in the former BA North Footprint that is the same or equivalent to traditional telephone work currently performed as part of their regular duties by bargaining unit members of CWA and IBEW. For example, the work would include the installation and maintenance of inside wire and converter boxes for cable television, and the associated customer representative and accounting work for the services provided. The work does not include non-telecommunications work such as the work performed by janitors, elevator mechanics, elevator operators, watch engineers, or garage mechanics.

3. For New Businesses that are acquired by VZ with an existing complement of employees in the NBE positions, and where those employees are not represented by a union, additional NBE vacancies shall be offered to qualified VZ former BA North Footprint employees from an existing CWA or IBEW bargaining unit pursuant to paragraph 7 and Appendix A of this Article. In such situations, union representation procedures shall be governed by the neutrality and card check provisions set forth in the Neutrality and Card Check Agreement between

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CWA NY/NE
May 29, 2016

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the parties executed this date. If this process results in card check recognition, collective bargaining shall be governed by Appendix B.

4. For New Business that are start-up companies or operations (i.e., those without an existing complement of employees), VZ shall offer to hire the initial complement of NBE positions from qualified former BA North Footprint employees in existing CWA or IBEW bargaining unit(s) pursuant to paragraph 7 and Appendix A of this Article, and, in turn shall recognize CWA or IBEW as the bargaining representative for the new unit(s) so long as the majority of the initial complement of NBEs are hired from existing CWA or IBEW bargaining units. The initial complement of employees is defined as the number of employees required to get the new business up and running. In such situations, the collective bargaining process shall be governed by Appendix B. If the initial complement of employees cannot be filled with a majority of employees from existing bargaining units, then the neutrality and card check provisions set forth in the Neutrality and Card Check Agreement executed on this date shall apply.

5. For New Businesses that are acquired by VZ with an existing complement of non-union employees in the NBE positions, and where VZ increases the size of the NBE work force, VZ shall abide by the terms of paragraph 4 and not paragraph 3 if, within one year of acquisition, employees from existing CWA or IBEW bargaining units constitute the majority of the NBEs.

6. For a New Business where VZ does not have a majority stock or equity interest and management control, VZ shall abide by the terms of this Article if a partner in that business is bound by the same, or substantially the same, agreement with CWA or IBEW, and together they have majority stock or equity interest and management control of that business.

7. VZ shall first offer NBE positions to qualified volunteers from existing bargaining unit(s) of the appropriate union. For New Businesses that are acquired by VZ with an existing complement of employees in the NBE positions, bargaining unit employees shall be notified of all additional NBE positions and shall have ten (10) working days to apply for those positions before VZ may hire off the street. For New Business that are start-up companies or operations, VZ may hire off the street after thirty (30) days if qualified volunteers cannot be found from existing bargaining units to make up the initial complement of NBE positions. The hiring of volunteers from CWA or IBEW bargaining units shall be a priority, and qualifications for union applicants shall in all respects be identical to qualifications established for non-union applicants. Former BA North Footprint employees who have been declared surplus shall be given first consideration for NBE positions and employees hired from existing CWA or IBEW bargaining units shall bring their net credited service to the New Business.

8. If the validity of one or more of the provisions of this Article is challenged in a court of law or before the NLRB, the New Business, VZ and the Union shall cooperate and take all necessary steps to defend the validity of the Article. If one

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CWA NY/NE
May 29, 2016

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or more of the provisions of this Article is declared void, the parties agree to modify the Article, if possible, in a manner consistent with the law and the parties' original intent.

9. The exclusive means of resolving any alleged violation or dispute arising under this Article, except those governed by Appendix B, shall be the disagreement resolution process set forth in Appendix C of this Article .

CWA NY/NE
May 29, 2016

APPENDIX A

VZ shall offer NBE positions described in paragraph 3 and 4 of this Article to the following bargaining unit employees in the following locations:

Location of New Business	Positions	Bargaining Unit** ***
New York and Connecticut*	Plant	CWA
Upstate New York	Commercial	IBEW Local 2213
Downstate New York	Commercial	CWA
New York	Traffic	CWA
New York	Accounting	CWA
New Hampshire	Commercial	CWA
Maine, Massachusetts, Vermont	Residence Commission Advertising Directory Sales	CWA
Rhode Island	Residence	IBEW
Maine, Massachusetts, New Hampshire, Rhode Island, Vermont	Commission Advertising, Directory Sales	CWA
Maine, Massachusetts, New Hampshire, Rhode Island, Vermont	Plant, Traffic and Accounting	Not Applicable

* As defined in paragraph 1 of this Article.

** If a dispute arises between CWA and IBEW over which unions shall be offered NBE positions, the unions shall have ten (10) working days to resolve the matter and so notify the Company. If the dispute is not resolved within ten (10) working days, then the provisions of paragraphs 4 and 7 shall not apply to the New Business in which the dispute exists and VZ may then fill the NBE positions by hiring off the street.

*** The Chart set out above may change over time with changes in CWA or IBEW jurisdiction.

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APPENDIX B

To insure the success and stability of a New Business, the parties shall negotiate the first collective bargaining agreement for that New Business for a term of three (3) years according to the following procedures.

1. Prior to starting a New Business, VZ shall review with the union its staffing needs in that business. VZ and the union shall also engage an independent consultant to provide a study of wages, benefits, time off, hours of work, differentials, allowances, work rules, scheduling, staffing, productivity levels and other relevant information regarding VZ competitors in the specific line of business and area where VZ plans to operate. If competitors in the geographic area do not exist, the study shall focus upon employers in the same line of business in adjacent or comparable areas. The study shall be used by the parties as a guide to negotiating a fair contract for both the Company and the employees. If the parties cannot agree upon a single independent consultant, they may each select their own consultant to develop separate studies to be used by the parties in their negotiations.
2. If negotiations reach an impasse, either party may invoke binding Arbitration of the unsettled items for final resolution. The arbitration award on the economic issues in dispute shall be confined to choice between (a) the last offer of the employer on such issues as a single package and (b) the union's last offer, on such issues, as a single package; and, on the non-economic issues in dispute, the award shall be confined to a choice between (a) the last offer of the employer on each issue in dispute and (b) the union's last offer on such issue.
3. The arbitration shall be governed by Article 12.02 of the VZ-NY/CWA Plant contract.
4. Prior to the start of the arbitration hearings, the parties shall submit to the arbitrator their final offers in two separate parts: (a) single package containing all the economic issues in dispute and (b) the individual issues in dispute not included in the economic package, each set forth separately by issue.
5. In the event of a dispute, the arbitrator shall have the power to decide which issues are economic issues. Economic issues include those items which have a direct relation to employee income including wages, salaries, hours in relation to earnings, and other forms of compensation such as paid vacation, paid holidays, health and medical insurance, pensions, and other economic benefits to employees.

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CWA NY/NE
May 29, 2016

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6. In deciding the issues in dispute, the arbitrator's decision shall be governed by the prevailing practice of competitors in the area, and/or employers in the same line of business in adjacent or comparable areas.

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CWA NY/NE
May 29, 2016

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Appendix C

DISAGREEMENT RESOLUTION PROCESS

The following process shall govern the resolution of all alleged violations of or disputes arising under this New Businesses Article except those matters governed by Appendix B of this Article.

1. If either party submits an alleged violation or dispute for resolution through this process, the parties, including, if necessary, the Vice President, District One of the CWA and the Executive Vice President Human Resources of VZ, shall meet to discuss and resolve it.
2. If the parties are unable to resolve an alleged violation or dispute themselves, they will seek the assistance of a mediator agreed upon by both parties. Once selected, that mediator or an agreed upon replacement shall be the permanent mediator for resolving alleged violations and disputes under this Appendix for the remainder of this Agreement. If a mediator cannot be mutually selected by the parties within a reasonable period of time, each party shall promptly appoint a mediator of its choosing, and those two mediators, using the process they agree upon, shall promptly appoint the mediator to resolve the dispute under this Appendix.
3. If the parties are unable to reach agreement with the assistance of the mediator, the mediator shall issue a binding decision on those unresolved issues.
4. The procedure the mediator shall use in assisting the parties to reach agreement or in gathering information and deliberating in order to issue a binding decision shall be determined by the mediator under the following guidelines:
 - (a) With respect to disputes in which there are no important factual issues in dispute, there shall be no formal hearings or taking of evidence. Instead, the parties, without the assistance of counsel, shall present their information and positions to the mediator through discussion, rather than a legal or quasi-legal proceeding. In presiding over this process, the mediator shall make every effort to resolve the differences before having to issue a binding decision.
 - (b) With respect to disputes in which there are important factual issues in dispute, either party may request that the mediator use expedited arbitration in lieu of (a) above, and the mediator may do so if he believes it will help to resolve the dispute. However, the arbitration shall be informal in nature, without formal rules of evidence and without a transcript. The mediator shall be satisfied that the

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CWA NY/NE
May 29, 2016

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information submitted is of a type on which he or she can rely, that the proceeding is in all respects a fair one, and that all facts necessary to a fair decision are presented.

CWA NY/NE
May 29, 2016



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Ms. Gladys Finnigan
Assistant to the Vice President
Communications Workers of America
AFL-CIO, District One
80 Pine Street, 37th Floor
New York, NY 10005

Dear Ms. Finnigan:

This letter confirms the understanding of the parties that should Verizon ("VZ") - New York, Inc., VZ-New England, Inc., Empire City Subway, Verizon Services Corp., NYNEX Information Resources, or the Verizon Communications Inc. ("Companies") engage in telecommunications work within the former operating area of the seven state former Bell Atlantic North Footprint (NY, MA, NH, VI, ME, RI, CT Byram Greenwich Exchange), not previously undertaken by that company, that work shall be bargaining unit work covered by the existing collective bargaining agreements if it is the same or equivalent to the telecommunications work currently performed by bargaining unit members in that company as part of their regular duties.

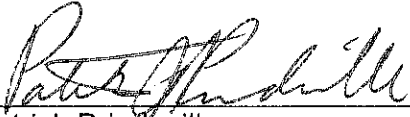
For example, if VZ-New York, Inc. were permitted by legislation to offer cable television services, the work would include the installation and maintenance of the fiber/coaxial network, the inside wire and converter boxes, and the associated customer representative and accounting work for the CATV service provided.

Nothing in this paragraph affects the parties' (i) existing rights or duties under present contracts, (ii) their legal rights with respect to allegations of management performing bargaining unit work, or (ii) the Company's contractual rights with respect to contracting out work.

CWA NY/NE
May 29, 2016

For the purposes of this agreement, telecommunications work shall mean the construction, installation, maintenance, marketing and sales of cable television, video, or information and interactive media services, and new and traditional voice and data telephone services.

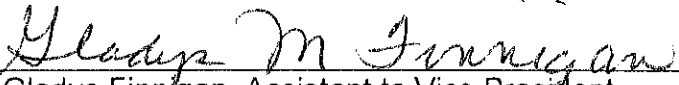
COMPANIES



Patrick Prindeville

AGREED:

COMMUNICATIONS WORKERS OF AMERICA



Gladys Finnigan, Assistant to Vice President

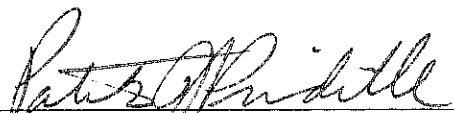
CWA NY/NE
May 29, 2016

Ms. Gladys Finnigan
Assistant to the Vice President
Communications Workers of America
AFL-CIO, District One
80 Pine Street, 37th Floor
New York, NY 10005

Dear Ms. Finnigan:

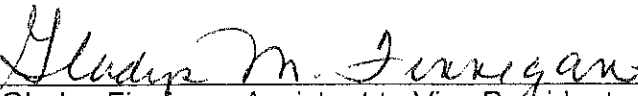
In paragraph 8 of our Memorandum of Agreement ("Agreement") dated the Effective Date, we agreed that the Agreement was not intended to limit, diminish or infringe upon the NYNEX New Businesses and Old Business Letters. With this letter, we confirm that the Union's access rights to the Companies in the 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.


Patrick Prindeville

AGREED TO:

COMMUNICATIONS WORKERS OF AMERICA


Gladys Finnigan, Assistant to Vice President

Verizon Network Integration Corp, Inc. Customer Bid Work

1. This Agreement applies to the performance of work within the former Bell Atlantic footprint on customer service contracts bid-on by Verizon Network Integration Corp, Inc. ("VNICI") after October 5, 1998 (the "Work").
2. For the part of the Work which is currently or has been historically performed by CWA bargaining unit employees, VNICI shall designate the appropriate operating telephone company ("OTC") employing CWA bargaining unit members as its sole contractor and its bargaining unit employees shall perform the work.
3. As appropriate, VNICI may obtain the assistance and participation of bargaining unit employees and the CWA and its leadership in connection with the process of bidding on customer work.
4. Recognizing the exceptionally competitive market in which VNICI operates, which demands the highest standards of quality, productivity and customer care, the parties agree that specific employees may be assigned to specific accounts.
5. Recognizing the nature of the Work as described in paragraph 4 and the commitments of VNICI to assign Work to CWA represented employees as described herein, the parties agree to cooperate with each other in the implementation of this Agreement in order to insure its success as integral to the success of VNICI. To that end, the parties agree that as a fundamental requirement the quality and productivity standards on which bids are based must be met. Accordingly, the parties will creatively address such issues as work rules, work schedules, productivity, customer pricing sensitivity, and quality standards in order to create the conditions conducive to having customer focused high performance employees.
6. Representatives of the Union (including the International Union) and the Company will meet periodically to review the progress of the above efforts and to resolve any difficulties that may have arisen.

This Agreement expires at 11:59 p.m. on August 3, 2019.

For: Communications Workers of
America

Gladys M Finnigan
Gladys Finnigan

For: Company

Patrick Prindeville
Patrick Prindeville

Date: 5-29-16

Date: 5/29/16

CWA NY/NE
May 29, 2016

ATTACHMENT 5

May 29, 2016

Ms. Gladys Finnigan
Assistant to the Vice President
Communications Workers of America
AFL-CIO, District One
80 Pine Street, 37th Floor
New York, New York 10005

Re: FNT /FCSA Work

Dear Ms. Finnigan:

As you know, on or about February 27, 2015, Verizon New York Inc., (“the Company”) notified the Communications Workers of America (“the Union”), that it was planning to contract out “[a]ny and all work performed by Fiber Network Technicians involving on-line and off-line work[, as well as a]ny and all work performed by Fiber Customer Support Analysts involving off-line work.” (collectively “FNT/FCSA Work”); and the Union raised this issue during our negotiations for a new collective bargaining agreement. The parties have agreed as set forth in this letter of agreement (the “Agreement”) that:

1. Upon ratification of the 2016 Memorandum of Understanding (“2016 MOU”), to the extent that the Company is contracting out FNT/FCSA Work pursuant to the notice, it will cease such contracting effective ninety (90) days from the date that the 2016 MOU is ratified and will withdraw the New Contracting Initiatives letter sent to the Union dated February 27, 2015.
2. Except as expressly provided herein, this Agreement does not add to, diminish or affect any rights or obligations that any of the parties have under the provisions of their collective bargaining agreements including, but not limited to, the New Contracting Initiatives (“NCI”) Letter or the NCI Interpretative Comments Letter (collectively “NCI Letters”).
3. This Agreement is without prejudice or precedent to any position that any party to this Agreement may wish to take in any other proceeding involving any other matter. In addition, this Agreement and the negotiations between the parties that led to this Agreement shall not be cited by any party in any other proceeding in any forum including, but not limited to, any arbitration or matter before any federal, state or local court or administrative agency,

CWA NY/NE
May 29, 2016

MP

YMS

ATTACHMENT 6

May 29, 2016

Ms. Gladys Finnigan
Assistant to the Vice President
Communications Workers of America
AFL-CIO, District One
80 Pine Street, 37th Floor
New York, New York 10005

Re: IDC Work

Dear Ms. Finnigan:

As you know, on or about June 5, 2015, the Company notified the Communications Workers of America ("the Union"), that it was planning to contract out "[a]ny and all work performed by associates related to or associated with the Inbound Demand Center (IDC) located at 741 Zeckendorf Blvd, Garden City, New York" ("IDC Work"); and the Union raised this issue during our negotiations for a new collective bargaining agreement. The parties have agreed as set forth in this letter agreement (the "Agreement") that:

1. Upon ratification of the 2016 Memorandum of Understanding ("2016 MOU"), to the extent that the Company is contracting out IDC Work, it will cease such contracting effective fourteen (14) days from the date that the 2016 MOU is ratified and will withdraw the June 5, 2015 New Contracting Initiatives letter sent to the Union.
2. Except as expressly provided herein, this Agreement does not add to, diminish or affect any rights or obligations that any of the parties have under the provisions of their collective bargaining agreements including, but not limited to, the New Contracting Initiatives ("NCI") Letter or the NCI Interpretative Comments Letter (collectively "NCI Letters").
3. This Agreement is without prejudice or precedent to any position that any party to this Agreement may wish to take in any other proceeding involving any other matter. In addition, this Agreement and the negotiations between the parties that led to this Agreement shall not be cited by any party in any other proceeding in any forum including, but not limited to, any arbitration or matter before any federal, state or local court or administrative agency,

CWA NY/NE
May 29, 2016

involving any other matter, except as necessary to enforce the terms of this Agreement.

4. The terms set forth in this letter will not take effect absent ratification.

Please indicate your agreement with the above by signing a copy of this letter where indicated and returning it to me.

Very truly yours,



Patrick Prindeville
Executive Director
Labor Relations

AGREED:
Communications Workers of America

By: Gladys M. Finnigan
Gladys Finnigan, Assistant to the Vice President

Date: 5-29-16

ATTACHMENT 7

May 29, 2016

Ms. Gladys Finnigan
Assistant to the Vice President
Communications Workers of America
AFL-CIO, District One
80 Pine Street, 37th Floor
New York, New York 10005

Re: Pole Work

Dear Ms. Finnigan:

As you know, on or about January 16, 2015 and June 4, 2015, Verizon New York Inc., Verizon Services Company and Verizon Corporate Services Corp. (collectively "the Company") notified the Communications Workers of America ("the Union"), that it was planning to - contract out "[a]ny and all work performed by Field Technicians throughout Suffolk County [and any other counties] of New York associated with or related to the installation, removal or transporting of utility poles; including, but not limited to, the transferring of any hardware (e.g. cross-boxes, terminals, fiber hubs) from one pole to another" (collectively "Pole Work"); and the Union raised this issue during our negotiations for a new collective bargaining agreement. The parties have agreed as set forth in this letter of agreement (the "Agreement") that:

1. Upon ratification of the 2016 Memorandum of Understanding ("2016 MOU"), to the extent that the Company is contracting out Pole Work, it will cease such contracting within fourteen (14) days from the effective date of the 2016 MOU and will withdraw paragraph 1 of the New Contracting Initiatives letter sent to the Union dated January 16, 2016, as well as the New Contracting Initiatives letter sent to the Union dated June 4, 2016. Within ninety (90) days of the ratification of the 2016 MOU, the Company will also begin placing an additional twenty (20) line crews to its existing complement of line crews within New York State at locations to be determined by the Company. The Company will have no obligation pursuant to this Agreement to maintain any particular headcount or number of line crews.
2. Except as expressly provided herein, this Agreement does not add to, diminish or affect any rights or obligations that any of the parties have under the provisions of their collective bargaining agreements including, but not

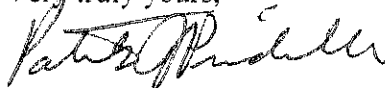
CWA NY/NE
May 29, 2016

involving any other matter, except as necessary to enforce the terms of this Agreement.

4. The terms set forth in this letter will not take effect absent ratification.

Please indicate your agreement with the above by signing a copy of this letter where indicated and returning it to me.

Very truly yours,



Patrick Prindeville
Executive Director
Labor Relations

AGREED:

Communications Workers of America

By: Gladys M. Finnigan
Gladys Finnigan, Assistant to the Vice President

Date: 5-29-16

PP

CWA NY/NE
May 29, 2016

ymf

ATTACHMENT 8

May 29, 2016

Ms. Gladys Finnigan
Assistant to the Vice President
Communications Workers of America
AFL-CIO, District One
80 Pine Street, 37th Floor
New York, New York 10005

Re: Direct Distribution Initiative

Dear Ms. Finnigan:

As we discussed, Verizon Services Corp. ("the Company"), and the Communications Workers of America ("the Union"), disagree whether the Company's Direct Distribution Initiative as described in the Company's January 19, 2015 letter ("the Direct Distribution Letter") constitutes sub-contracting. Notwithstanding the respective positions of the parties' and without either party waiving its position, the parties agree that:

1. The thirty-eight (38) employees listed on attachment A, who worked at various cross-dock or drop and hook operations in New York identified in the Direct Distribution Letter, will not be laid off as a result of the implementation of the Direct Distribution Initiative or as a result of the Company's elimination or phasing out of the current storeroom or other current job assignments of the 38 employees. If their current job assignments are phased out or eliminated the employees will be reassigned to other work. In addition, the Company will continue to make reasonable efforts to find alternative work for the employees who previously were assigned to the warehouse located in Littleton, Massachusetts.
2. The Union withdraws all grievances and will not make any future claims regarding the closing of the warehouse, cross-dock and drop and hook operations noted in the Company's Direct Distribution Letter and/or the loss of work by and transfer of employees whose normal reporting location were at any of those facilities before being transferred to another location in 2015, including but not limited to grievance numbers G15-005772; G15-004029; G15-004741; G15-004742; G15-005952; G15-005955; G15-001216; G15-008095 and 1395-15-001.

CWA NY/NE
May 29, 2016

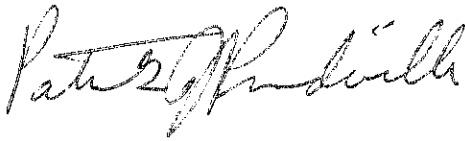
limited to, the New Contracting Initiatives ("NCI") Letter or the NCI Interpretative Comments Letter (collectively "NCI Letters").

3. This Agreement is without prejudice or precedent to any position that any party to this Agreement may wish to take in any other proceeding involving any other matter. In addition, this Agreement and the negotiations between the parties that led to this Agreement shall not be cited by any party in any other proceeding in any forum including, but not limited to, any arbitration or matter before any federal, state or local court or administrative agency, involving any other matter, except as necessary to enforce the terms of this Agreement.

4. The terms set forth in this letter will not take effect absent ratification.

Please indicate your agreement with the above by signing a copy of this letter where indicated and returning it to me.

Very truly yours,



Patrick Prindeville
Executive Director
Labor Relations

AGREED:

Communications Workers of America

By: Gladys M. Finnigan
Gladys Finnigan, Assistant to the Vice President

Date: 5-29-16

CWA NY/NE
May 29, 2016

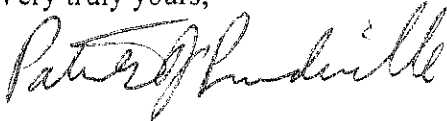
3. Except as expressly provided herein, this Agreement does not add to, diminish or affect any rights or obligations that any of the parties have under the provisions of their collective bargaining agreements.

4. This Agreement is without prejudice or precedent to any position that any party to this Agreement may wish to take in any other proceeding involving any other matter. In addition, this Agreement and the negotiations between the parties that led to this Agreement shall not be cited by any party in any other proceeding in any forum including, but not limited to, any arbitration or matter before any federal, state or local court or administrative agency, involving any other matter, except as necessary to enforce the terms of this Agreement.

5. The terms set forth in this letter will not take effect absent ratification.

Please indicate your agreement with the above by signing a copy of this letter where indicated and returning it to me.

Very truly yours,



Patrick Prindeville
Executive Director
Labor Relations

AGREED:

Communications Workers of America

By: Gladys M. Finnigan
Gladys Finnigan, Assistant to the Vice President

Date: 5-29-16

CWA NY/NE
May 29, 2016

ATTACHMENT 9

May 29, 2016

Ms. Gladys Finnigan
Assistant to the Vice President
Communications Workers of America
AFL-CIO, District One
80 Pine Street, 37th Floor
New York, New York 10005

Re: Temporary Drivers Reclassified to Regular Employees

Dear Ms. Finnigan:

This will confirm the agreement between Verizon Services Corp. ("the Company") and the Communications Workers of America ("the Union"), regarding the reclassification of certain Driver A's and B's from temporary employees to regular employees. In particular, the parties agree that:

1. Upon ratification of the 2016 Memorandum of Understanding ("2016 MOU") the Company will reclassify the twenty-eight (28) Drivers listed on Attachment A from temporary employees to regular employees. The Drivers shall not suffer any reduction in pay as a result of the reclassification. Accordingly, to the extent that the Union has filed any grievances regarding the reclassification of these Drivers, the Union withdraws all such grievances and will not make any future claims regarding the reclassification of these employees from temporary to regular employees.
2. Except as expressly provided herein, this Agreement does not add to, diminish or affect any rights or obligations that any of the parties have under the provisions of their collective bargaining agreements.
3. This Agreement is without prejudice or precedent to any position that any party to this Agreement may wish to take in any other proceeding involving any other matter. In addition, this Agreement and the negotiations between the parties that led to this Agreement shall not be cited by any party in any other proceeding in any forum including, but not limited to, any arbitration or matter before any federal, state or local court or administrative agency, involving any other matter, except as necessary to enforce the terms of this Agreement.
4. The terms set forth in this letter will not take effect absent ratification.

CWA NY/NE
May 29, 2016

Please indicate your agreement with the above by signing a copy of this letter where indicated and returning it to me.

Very truly yours,



Patrick Prindeville
Executive Director
Labor Relations

AGREED:
Communications Workers of America

By: Gladys M. Finnigan
Gladys Finnigan, Assistant to the Vice President

Date: 5-29-16

YMG

YMG

ATTACHMENT 10

May 29, 2016

Ms. Gladys Finnigan
Assistant to the Vice President
Communications Workers of America
AFL-CIO, District One
80 Pine Street, 37th Floor
New York, New York 10005

Re: CFS Work

Dear Ms. Finnigan:

As you know, on or about January 16, 2015, Verizon New York Inc., Verizon Services Company and Verizon Corporate Services Corp. (collectively "the Company") notified the Communications Workers of America ("the Union"), that it was planning to contract out "any and all work performed by Representatives throughout the State of New York associated with or related to the handling of calls in the Customer Financial Services Mass Market Collection Centers" (collectively "CFS Work"); and the Union raised this issue during our negotiations for a new collective bargaining agreement. The parties have agreed as set forth in this letter agreement (the "Agreement") that:

1. Upon ratification of the 2016 Memorandum of Understanding ("2016 MOU"), to the extent that the Company is contracting out CFS Work, it will cease such contracting effective ninety (90) days from the date that the 2016 MOU is ratified subject to paragraph 2, and resume handling such work in accordance with the parties' August 8, 2013 New York/New England CFS Call Sharing letter of agreement. Nothing herein will require the Company to cease contracting CFS Work if it falls within paragraph 2.
2. Notwithstanding paragraph 1, the Company may contract out CFS Work which occurs during the hours that the CFS offices are closed. The current hours of operation of CFS offices are Monday through Friday 8 am to 6 pm; however, the days or hours may fluctuate from time-to-time. To the extent that the days/hours of operation fluctuate in the future, the Company will ensure that CFS offices are open fifty hours each week. Such contracting may occur regardless of the extent to which it is currently taking place.
3. Except as expressly provided herein, this Agreement does not add to, diminish or affect any rights or obligations that any of the parties have under the provisions of their collective bargaining agreements including, but not

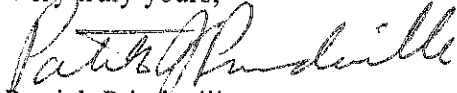
limited to, the New Contracting Initiatives ("NCI") Letter or the NCI Interpretative Comments Letter (collectively "NCI Letters").

4. This Agreement is without prejudice or precedent to any position that any party to this Agreement may wish to take in any other proceeding involving any other matter. In addition, this Agreement and the negotiations between the parties that led to this Agreement shall not be cited by any party in any other proceeding in any forum including, but not limited to, any arbitration or matter before any federal, state or local court or administrative agency, involving any other matter, except as necessary to enforce the terms of this Agreement.

5. The terms set forth in this letter will not take effect absent ratification.

Please indicate your agreement with the above by signing a copy of this letter where indicated and returning it to me.

Very truly yours,



Patrick Prindeville
Executive Director
Labor Relations

AGREED:

Communications Workers of America

By: Gladys M. Finnigan
Gladys Finnigan, Assistant to the Vice President

Date: 5-29-16

PP

CWA NY/NE
May 29, 2016

JMA

ATTACHMENT 11

May 29, 2016

Ms. Gladys Finnigan
Assistant to the Vice President
Communications Workers of America
AFL-CIO, District One
80 Pine Street, 37th Floor
New York, New York 10005

Re: QARs/Performance Reviews

Dear Ms. Finnigan:

As you know, over the years Verizon New York Inc. ("the Company") has conducted various reviews with Field Technicians regarding their performance and in 2015 it began doing this with Quality Assurance Reviews ("QARs") in the New York City area. The Communications Workers of America ("the Union") raised during our negotiations for a new collective bargaining agreement the issue of the Company's use of QARs. In order to reach a new collective bargaining agreement, the parties have agreed as follows:

1. Pending ratification of the 2016 Memorandum of Understanding ("2016 MOU"), the Company will suspend its use of QARs and will cease the use of QARs after the 2016 MOU is ratified. Notwithstanding this suspension or termination of QARs, the Company reserves its management right to interview employees.
2. After the ratification of the 2016 MOU, the Union and the Company will convene a committee whose purpose will be to develop a new performance review process to replace QARs that will be used with Field Technicians in NYC.
3. The Committee will be co-chaired by the Director of Labor Relations for this area and the Area Director of District One of the Union, or their designees. Each co-chair will designate four (4) additional members consisting of four (4) local presidents, or their designees, for NYC on the Union's side and a VP Field Operations and three (3) other members on the Company's side.
4. The issues that the parties will explore in this committee will include, without limitation, non-punitive methods for improving the performance and productivity of Field Technicians in NYC and reducing stress in their workplace. The parties will jointly select a consultant to advise the

Committee. The Consultant's fees will be paid for by the Company. Neither party, however, is obligated to reach an agreement on any one or more of the issues they discuss or on a new performance review process. If the committee is unable to develop a performance review process within 120 days, the Union and Company representatives on the Committee will issue their respective recommendations to the President of the Union and the CEO of the Company and the Company will not reinstitute QARs or any performance review process that is substantially similar to QARs. It is expressly understood that performance review processes that existed prior to the implementation of QARs will not be considered substantially similar. Nothing herein will limit the Company in the exercise of its management rights, including the use of performance review processes that may include interviews.

5. Except as provided for herein, this Agreement does not intend to add to, diminish or affect any rights or obligations that any of the parties have under the provisions of their collective bargaining agreements.
6. Absent ratification of the 2016 MOU, this Agreement will not take effect and will become null and void.
7. This Agreement is without prejudice or precedent to any position that any party to this Agreement may wish to take in any other proceeding involving any other matter. In addition, this Agreement and the negotiations between the parties that led to this Agreement shall not be cited by any party in any other proceeding in any forum including, but not limited to, any arbitration or matter before any federal, state or local court or administrative agency, involving any other matter, except as necessary to enforce the terms of this Agreement.

Please indicate your agreement with the above by signing a copy of this letter where indicated and returning it to me.

Very truly yours,



Patrick Prindeville
Executive Director
Labor Relations

CWA NY/NE
May 29, 2016

AGREED:
Communications Workers of America

By: Gladys M Finnigan
Gladys Finnigan, Assistant to the Vice President

Date: 5-29-16

CWA NY/NE
May 29, 2016

ATTACHMENT 12

May 29, 2016

Ms. Gladys Finnigan
Assistant to the Vice President
Communications Workers of America
AFL-CIO, District One
80 Pine Street, 37th Floor
New York, New York 10005

Re: Stress Relief

Dear Ms. Finnigan:

As you know, during our negotiations for a new collective bargaining agreement the Communications Workers of America ("the Union") expressed its desire for a forum in which it could address stress relief in Verizon New York Inc.'s and Verizon New England Inc.'s (collectively "the Company's") Sales and Service, as well as Tech Support, Centers (collectively "the Centers"). In order to reach a new collective bargaining agreement, the parties have agreed as follows:

1. The Union and the Company will meet to discuss possible steps that might be taken to address the Union's concerns regarding stress among employees in the Centers. These meetings will take place as part of the quarterly meetings that the parties schedule to review Call Sharing results.
2. The topics that the parties will explore in these meetings may include:
 - a. training
 - b. productivity
 - c. performance requirements
 - d. forced overtime
 - e. performance feedback
 - f. scheduling issues
 - g. monitoring

In order to facilitate the parties' discussions, the Union will provide the Company, no later than two weeks before the date of each meeting, with a detailed agenda of the specific topics and issues that it wishes to discuss.

Neither party, however, is obligated to reach an agreement on any one or more of the issues they discuss at any meeting.

3. Except as provided for herein, this Agreement does not intend to add to, diminish or affect any rights or obligations that any of the parties have under the provisions of their collective bargaining agreements.

4. Absent ratification of the 2016 MOU, this Agreement will not take effect and will become null and void.

5. This Agreement is without prejudice or precedent to any position that any party to this Agreement may wish to take in any other proceeding involving any other matter. In addition, this Agreement and the negotiations between the parties that led to this Agreement shall not be cited by any party in any other proceeding in any forum including, but not limited to, any arbitration or matter before any federal, state or local court or administrative agency, involving any other matter, except as necessary to enforce the terms of this Agreement.

Please indicate your agreement with the above by signing a copy of this letter where indicated and returning it to me.

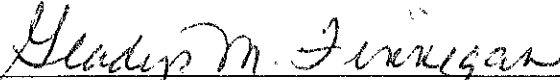
Very truly yours,



Patrick Prindeville
Executive Director
Labor Relations

AGREED:

Communications Workers of America

By: 

Gladys Finnigan, Assistant to the Vice President