YOUR PENSION BENEFITS

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INTRODUCTION TO YOUR PENSION BENEFITS

This summary plan description ("SPD") describes the pension benefits available to salaried, regular full-time and salaried, regular part-time active employees of participating companies who actively participated in the Verizon Management Pension Plan ("Management Plan") or the Verizon Enterprises Management Pension Plan ("Enterprises Plan") on or after January 1, 2002, and before July 1, 2006, and, as of January 1, 2002, had fewer than 10 years of net credited service (the Management Plan and the Enterprises Plan are collectively referred to herein as the "Pension Plan", the "Plan" or when the context dictates, the "Plans").

This SPD is based on Plan provisions in effect as of January 1, 2013. It updates and replaces all previous SPDs and other descriptions of the Plan. Keep it on hand, and refer to it when you have questions.

IMPORTANT CONSIDERATIONS WITH RESPECT TO THE PLAN:

- The Plan was frozen effective June 30, 2006. All salaried employees, including employees in a "temporary promotion" status for one year or more, stopped earning benefits under the Plan on June 30, 2006.
- Because you had fewer than 10 years of net credited service as of January 1, 2002, your benefit is based on the cash balance formula. However, if you are a former GTE employee, the Plan calculated a benefit based on the former GTE pension plan formulas through the earlier of your termination date or May 31, 2004. You will receive the higher of the benefits calculated for you under the cash balance formula or your former GTE pension plan formulas.
- If you had more than 10 years of net credited service as of January 1, 2002, please refer to the separate Plan SPD that applies to you. This "more than 10 years of service" SPD is available by calling the Verizon Benefits Center at 1-855-4VzBens (1-855-489-2367).
- If you were no longer an active participant in the Plan as of January 1, 2002, please refer to the separate Plan SPD that applies to you. Prior Plan SPDs are available by calling the Verizon Benefits Center at 1-855-4VzBens (1-855-489-2367).
- If you were a salaried employee or an employee in a "temporary promotion" status for one year or more earning pension benefits under the Plan as of June 30, 2006, 18 months of additional pay credits were added to your cash balance account.

ABOUT THIS DOCUMENT

In this SPD:

- "Verizon" refers to Verizon Communications Inc.
- "Verizon affiliates" refers to Verizon and companies that are owned 80% or more by Verizon.
- "The company" or "participating company" refers to the plan sponsor and other participating business units in a particular Plan.
- "Salaried" generally refers to employees who are also called "management" employees.
- The terms "spouse" and "married" have the meaning assigned to those terms by applicable law.

- “Temporary promotion” status refers to an hourly employee who has been temporarily promoted to a regular salaried position.

- “Normal retirement date” refers to the last day of the month in which you reach normal retirement age as defined in the “Vesting” section of this SPD.

- “You” or “your” refers to the covered employee, retiree, spouse or designated beneficiary, except when the context indicates otherwise.

Your eligibility for, and the amount of, your Plan benefits, if any, will be determined by the terms of the Plan. Every effort has been made to ensure the accuracy of the information included in this SPD, which is based on the Plan provisions in effect on January 1, 2013. If, however, there is a discrepancy between the information contained in this SPD and the official plan document, the Plan document will govern. All terms of the Plan are legally enforceable. Copies of the Plan document are available upon written request to the Verizon Benefits Center.

CHANGES TO THE PLAN

The company reserves the right to amend, modify, suspend or fully or partially terminate the Plan at any time for any reason, in its discretion, to the extent permitted by law. In addition, the company’s general counsel or the chief ERISA counsel for Verizon Communications Inc. may amend the Plan to comply with applicable laws and regulations. Furthermore, this SPD does not constitute a contract of employment or guarantee any particular benefits.

As a matter of prudent business planning, Verizon is continually reviewing and evaluating various proposals for changes in benefit programs. Because of the need for confidentiality, such proposals are not discussed or evaluated below the highest level of management. Verizon employees below such levels do not know whether Verizon will or will not adopt any future changes and/or new benefit programs. Unless and until Verizon formally announces such changes, no one is authorized by Verizon to give assurances that such changes will or will not occur.

IMPORTANT NOTE:

The Plan administrator and the Plan’s claims and appeals administrators have the discretionary authority to interpret the terms of the Plan, including this SPD, and determine your eligibility for benefits under the Plan’s terms.

ACCESSING YOUR BENEFITS INFORMATION

If you have questions about the Plan or need additional information after reading this SPD, call the Verizon Benefits Center.

This SPD is available online on the *BenefitsConnection* website. Generally, the SPD on the BenefitsConnection website is the most up to date version of the SPD.

You also can access your personalized benefits information on the BenefitsConnection website or by speaking with a Verizon Benefits Center representative at 1-855-4VzBens (1-855-489-2367).

If you want to change your User ID or password or if you have forgotten them and want to request a new User ID or password, you can do so on the **BenefitsConnection** website or by calling the Verizon Benefits Center.

For a free printed copy of this SPD, contact the Verizon Benefits Center.

PARTICIPATION

YOU ARE ELIGIBLE TO RECEIVE THE BENEFITS DESCRIBED IN THIS SPD IF...

You actively participated in the Plan with the cash balance formula, if you had fewer than 10 years of net credited service as of January 1, 2002 but otherwise met the vesting requirements under the Plan and you were an "eligible employee."[1] In general, you were an eligible employee if you were hired by a Verizon affiliate before January 1, 2006 and, at any time on or after January 1, 2002, and before July 1, 2006, you were one of the following:

- A salaried, regular full-time or regular part-time employee of a participating company.
- An hourly employee covered by a collective bargaining agreement who was temporarily promoted to a regular salaried position with a participating company for one or more years.

YOU ARE NOT ELIGIBLE TO ACCRUE, OR CONTINUE TO ACCRUE, BENEFITS UNDER THE PLAN IF YOU ARE...

- After June 30, 2006, a salaried employee or an employee on "temporary promotion" status. In other words, on and after July 1, 2006, salaried employees and employees on "temporary promotion" status do not qualify as eligible employees and are not eligible to actively participate in the Plan.
- An employee who, on or after January 1, 2006, was hired, rehired or transferred into a position as a salaried employee or an employee on "temporary promotion" status and who did not previously participate in a defined benefit pension plan maintained by a Verizon affiliate, a predecessor Bell Atlantic or GTE company, or a portability company (if hired by a Verizon portability company) or whose rehire or transfer was due to the merger of MCI into Verizon or a transfer from a non-participating company other than Verizon Avenue. (This exclusion applies for the period of January 1, 2006 through June 30, 2006 and continues after June 30, 2006 under the exclusion described in the bullet immediately above.)
- A term employee.
- An hourly employee in "temporary promotion" status for less than one year.
- Any other hourly employee (other than an hourly employee whose bargaining agreement provides for participation in the Plan, for whom a separate SPD applies).
- An employee in a division or unit that has been designated by the company as nonparticipating.
- A leased employee.
- A nonresident alien not on a U.S. payroll.

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[1] If you (1) are covered by the Hawaii provisions of the Plan for employees of Verizon Hawaii International Inc. or Verizon Services Organization Inc. who transferred directly from the former Verizon Hawaii Inc. or the GTE Export Corporation component of the Plan, (2) are an hourly employee whose collective bargaining agreement provides for participation in the Plan or (3) had 10 or more years of net credited service as of January 1, 2002, this SPD does not describe your benefits. You will be provided with separate summary materials with details about your Plan benefits.

- An individual whose basic compensation for services for the company is not paid directly by the company.

- An employee of a temporary agency providing services to the company.

- An independent contractor or consultant or other individual who is not initially classified as an employee by the company.

- An individual working for the company under a contract or agreement that specifies that the individual is not eligible to participate in the Plan.

If a court or other enforcement authority or agency, such as the Internal Revenue Service ("IRS") finds that an individual excluded from the above definition of eligible employee (such as an independent contractor) should be considered an employee of Verizon, the individual still will be considered ineligible for benefits under the Plan. Despite the decision by the court or enforcement agency, the individual expressly is excluded from the definition of eligible employee.

WHEN PARTICIPATION ENDS

You are a Plan participant as long as you have a vested benefit in the Plan that has not been paid to you in full. You stopped earning benefits under the Plan when your status as an eligible employee, and thus your active participation, ended. If you are currently a salaried employee or an employee in a "temporary promotion" status, your active participation ended on June 30, 2006, or on the earlier date on which you no longer qualified as an eligible employee.

ELIGIBILITY FOR BENEFITS

Eligible employees in salaried positions with participating companies, including eligible employees in a "temporary promotion" status for one year or more, who had fewer than 10 years of net credited service as of January 1, 2002, accrued benefits under one or more formulas through June 30, 2006. Those formulas included:

- The cash balance formula. See the "How the cash balance formula works" section for more information.

- The former GTE pension plan formulas. If you are a former GTE employee covered by Change in Control (CIC) protections, you also accrued benefits under the former GTE pension plan formulas until the earlier of your termination date or May 31, 2004. See "If you were a former GTE employee covered by Change in Control (CIC) protections" for more information.

- Any formula described in the "If you transfer to or from eligible employment" or "Bell System portability" sections, as applicable.

When you retire or leave the company with a vested benefit, your benefit is based on the applicable formula that provides the highest value to you, based on the benefit you earned through June 30, 2006.

HOW THE CASH BALANCE FORMULA WORKS

Under the cash balance formula, you have a cash balance account in the Plan. Your cash balance account had a specific opening balance amount as of January 1, 2002. After January 1, 2002, pay credits and interest credits were added to your cash balance account at the end of every calendar month during which you were an eligible employee, through June 30, 2006. You may also have qualified for an additional 18 months of pay credits on June 30, 2006, as described below. You make no contributions to the Plan. On and after July 1, 2006, only interest credits will be credited to your account every month until your benefit is paid to you.

YOUR OPENING ACCOUNT BALANCE

If you were an eligible employee on January 1, 2002, the amount of your opening account balance depended on which pension plan you participated in before January 1, 2002:

If you participated in...	Here is your opening balance...
A former Bell Atlantic cash balance pension plan	Your balance in that cash balance plan as of the end of business on December 31, 2001 continued in the Plan effective January 1, 2002.
A former GTE management pension plan	Verizon created an opening account balance for you as of January 1, 2002 approximating what your account would have been if you had participated in the Verizon plan since your date of hire (or your adjusted service date, as appropriate). The calculation started with your current pay (up to the annual limit of $200,000) an estimated historical pay, assuming past pay increases of 4% per year. Then pay credits and interest credits (assuming 6% interest per year) were determined using your estimated historical pay. The opening balance can never be less than the present value of your accrued benefit as of December 31, 2001 under the GTE formula payable to you at age 65. Because your opening balance was based on assumptions, it differed from what your opening balance would have been if Verizon had done a “true” calculation based on your actual pay history and actual interest rates. To view your account balance, log on to the *BenefitsConnection w*ebsite.

If you were hired as an eligible employee on or after January 1, 2002, your opening account balance was $0. If you were rehired on or after January 1, 2002, your opening account balance was also $0, unless you had a cash balance account from prior participation in this Plan or a former Bell Atlantic cash balance plan that had not been distributed to you. Please note that you will not have a cash balance account under the Plan unless you were an eligible employee before July 1, 2006.

PAY CREDITS

Pay credits were added to your account each month ending after January 1, 2002, and before July 1, 2006, during which you were an eligible employee. **On and after July 1, 2006, no new pay credits will be applied to your account.** Pay credits are a dollar amount determined as a percentage of your eligible earnings (described below) for the applicable month based on your total points. Points used for determining pay credit percentages are the total of your age and net credited service (see “Details about service”) counted in years, months and days, then rounded down to the nearest whole number of years. Your pay credit points were determined each January 1 (up to January 1, 2006) and remained the same for the entire year.

DEFINITION OF "ELIGIBLE EARNINGS"

Similar to pay credits, eligible earnings were last relevant in 2006. Amounts paid after June 30, 2006 were no longer applicable for Plan purposes. In addition, federal law limited the amount of eligible earnings that may be taken into account in any year. For further details about eligible earnings, please contact the Verizon Benefits Center.

ADDITIONAL 18 MONTHS OF PAY CREDITS

You qualified for an additional 18 months of pay credits if, on June 30, 2006, you were an eligible employee actively participating in the Plan **and** were one of the following:

- You were actively employed as a salaried employee of a participating company (including an employee in "temporary promotion" status for one year or more).
- You were a former salaried employee of a participating company receiving benefits under the Verizon long-term disability plan (but not the former Bell Atlantic long-term disability plan) and had not started your pension.
- You were a salaried employee of a participating company on an approved leave of absence that had not exceeded 12 months.
- You were a salaried employee of a participating company on an approved leave of absence that had exceeded 12 months and you return to work on your expected return date under the applicable leave of absence policy.

The additional 18 months of pay credits were credited to you on June 30, 2006, unless you had been on a leave of absence for more than 12 months. If that is the case, the additional 18 months of pay credits are credited to you when you return to work assuming you return to work on your expected return date. Former salaried employees who terminated employment before June 30, 2006 did not qualify for the additional 18 months of pay credits unless the employee left Verizon in 2006 and had enough accrued vacation days on the last day worked to extend his or her pension service date through June 30, 2006.

If you qualified for the additional 18 months of pay credits as described above, your cash balance account was increased by (1) your regular pay credit for June 2006, plus (2) an additional 18 months of pay credits.

INTEREST CREDITS

Interest credits are added to your cash balance account on a monthly basis, before pay credits, if any, are added. The monthly interest credit is calculated by multiplying your account balance at the end of the applicable prior month by 1/12 of the annual interest credit rate. The annual interest credit rate is the One-Year Quarterly U.S. Treasury Rate, plus 1% for the second month preceding the first day of the calendar quarter in which the given month occurs. The interest credit rate is adjusted quarterly, based on market rates for the second month of the prior quarter. Rates are published by the Federal Reserve. For example, in 2013, interest is credited for the months of January, February and March based on the November 2012 rate of 1.18%.

The interest credit rate for the second quarter of 2013 is based on the February 2013 rate; the interest credit rate for the third quarter of 2013 is based on the May 2013 rate; and the interest credit rate for the fourth quarter of 2013 is based on the August 2013 rate.

UNCONVERTED ANNUITY BENEFITS

You may have an unconverted annuity benefit under the Plan if:

- You were rehired after the applicable cash balance conversion date for the former Bell Atlantic, NYNEX or GTE management pension plans and you had an accrued benefit under one of those plans that was not previously cashed-out (see “If you had an accrued benefit but did not receive payments” for details).

- The accrued benefit you earned under an hourly pension plan maintained by a Verizon affiliate has been transferred to the Plan (see “If you transfer to or from eligible employment“).

- The accrued benefit you earned under a traditional pension plan maintained by a portability company has been transferred to the Plan (see “Bell System portability“).

Your unconverted annuity benefit will not be converted to a cash balance account and will be expressed in the form of a single life annuity payable beginning on your normal retirement date. If you have an unconverted annuity benefit, your Plan benefit generally will equal the combined value of your unconverted annuity and cash balance formula benefits, or, if applicable, your former GTE pension plan formulas benefit, if greater. Your unconverted annuity benefit will generally be adjusted for payment prior to your normal retirement date, according to the terms of the plan in which the unconverted annuity benefit was earned.

FEDERAL LIMITS ON BENEFIT AMOUNTS

The Section 415 limits of the Internal Revenue Code govern the maximum amount that can be paid to a participant from qualified pension plans. If you are affected by these limits, you will be notified. Similarly, Section 436 of the Internal Revenue Code requires defined pension plans such as the Plan to impose certain restrictions on benefit accruals under, and distributions from, certain underfunded defined benefit plans. You will be notified if any of these restrictions apply to the Plan.

RETIREE PENSION ELIGIBILITY

The Plan provides participants with an opportunity to retire early, provided they meet either the Rule of 75 or the Rule of 73, and begin receiving their pension benefits, as described in the Average Annual Compensation formula section below.

IF YOU MEET THE RULE OF 75

You meet the Rule of 75 if your age (in completed years and months) and your years and partial years of net credited service of at least 15 years total at least 75 points when you terminate employment with the company and all Verizon affiliates.

IF YOU ARE INVOLUNTARILY SEPARATED FOR BUSINESS REASONS AND YOU MEET THE RULE OF 73

You meet the Rule of 73 if your age (in completed years and months) and your years and partial years of net credited service of at least 15 years total at least 73 points when you terminate employment with the company and all Verizon affiliates.

IF YOU WERE A FORMER GTE EMPLOYEE COVERED BY CHANGE IN CONTROL (CIC) PROTECTIONS

The former GTE pension plan formulas were protected through May 31, 2004 under the “Change in Control – or CIC – pension protections” for former GTE employees who had an accrued benefit under a management pension plan maintained by a former GTE company as of December 31, 2001. If you are a former GTE employee covered by CIC protections, you are eligible for a benefit calculated under the former GTE pension plan formulas through May 31, 2004 (or your termination date, if earlier) if that is greater than your benefit under the plan's cash balance formula.

The former GTE pension plan has two formulas, the Average Annual Compensation formula and the social security integration formula. The Average Annual Compensation formula is based only on average annual compensation, pension accrual service and a formula percentage. The social security integration formula is a similar formula that is integrated with social security.

How the Average Annual Compensation formula works

The Average Annual Compensation formula provides a benefit payable in the form of a single life annuity beginning on your normal retirement date (that is, the first day of the month following the month in which you reach normal retirement age).

Average annual compensation

This is the pay component of your benefit calculation under the former GTE pension plan formulas. Average annual compensation is your highest 60 consecutive calendar months of eligible pay, divided by five to arrive at the average annual amount, up to May 31, 2004. If you are a former GTE employee, all months of eligible pay through May 31, 2004 are included in determining the highest 60-month average. Eligible pay equals your pension earnings prior to 2002 under the former GTE pension plan in which you were an active participant, and your eligible earnings for 2002 and later years.

Determining Average Annual Compensation formula benefits at various payment ages

If you are vested, you can receive benefits from the plan at any time after you leave the company and all Verizon affiliates (see "Payment of your benefit"). Regardless of when you take a distribution, the benefit payable to you under the cash balance formula is based on the value of your cash balance account at the time of distribution. However, since the Average Annual Compensation formula determines a single life annuity benefit payable on your normal retirement date, the benefit amount is adjusted if payment is to begin earlier or later than your normal retirement date.

This adjustment to the Average Annual Compensation formula benefit for payment before your normal retirement date generally reduces the monthly payment to take into account the longer period over which a benefit starting at an earlier date will be paid. Please note that if the benefit is adjusted, the adjustment applies for the entire period over which the benefit is paid.

- **If you start payment at your normal retirement date.** If you start payment of your pension on your normal retirement date, the single life annuity calculated for you under the Average Annual Compensation formula is not reduced.

- **If you start payment before your normal retirement date.** If you start your pension before your normal retirement date and you do not meet the Rule of 75 (or the Rule of 73 for involuntary separations), the single life annuity calculated for you under the Average Annual Compensation formula will be actuarially reduced for each month you start your benefit prior to your normal retirement date. For more information on early payment of a pension, please call the Verizon Benefits Center.

- **If you start payment after your normal retirement date.** If you continue to work past your normal retirement date and, as a result, your pension commences after that date, your Average Annual

Compensation formula will be actuarially increased for any month your pension is suspended after your normal retirement date.

- **If you meet the Rule of 75.** You meet the Rule of 75 if your age (in completed years and months) and your years and partial years of net credited service of at least 15 years total at least 75 points when you terminate employment with the company and all Verizon affiliates. If you meet the Rule of 75 and you are at least age 55 when your pension begins, the single life annuity calculated for you under the Average Annual Compensation formula is not reduced. If you meet the Rule of 75 but begin your pension before age 55, the single life annuity benefit is reduced by 3% for each year your benefit begins before age 55 (that is .25% per month), with a maximum reduction of 18%.

- **If you are involuntarily separated for business reasons and you meet the Rule of 73.** You meet the Rule of 73 if your age (in completed years and months) and your years and partial years of net credited service of at least 15 years total at least 73 points when you terminate employment with the company and all Verizon affiliates. If you meet the Rule of 73, two types of pension reductions can apply:

  - If you begin your pension benefits **before age 55 but after you "age in" to 75 points** (freezing your net credited service at termination), your single life annuity benefit is reduced 3% per year (.25% per month) for each year you are under age 55, to a maximum of 18%, as described above for the Rule of 75. To eliminate this reduction, you may wait until you reach age 55 to begin benefits.

    - If you begin pension benefits **before you "age in" to 75 points**, your pension is reduced: First, by applying the reduction described in the sub-bullet above as if you had reached the age at which you would have "aged-in" to 75 points (freezing your net credited service at termination).

    - Second, by applying an actuarial reduction of .6% per month for each month you begin your benefits before reaching 75 points. The maximum reduction for this purpose is 14.4%. (To eliminate this second reduction, you can wait to "age in" to the Rule of 75 before taking the pension benefit.)

If your pension is subject to this two-step reduction, your single life annuity benefit is multiplied by 100% minus the first reduction, and that reduced single life annuity benefit is then multiplied by 100% minus the second reduction. For example, if you would "age in" to 75 points at age 54 and you start your benefit while you are still two years from reaching 75 points, your single life annuity benefit is multiplied by 97% (100% - 3%) for the first reduction, and that reduced benefit is multiplied by 85.6% for the second reduction (100% - 14.4%). Thus, your single life annuity benefit would be multiplied by 83.03%, meaning there is a 16.97% overall reduction.

- **If you are disabled.** If you are a former GTE employee with less than 10 years of net credited service on January 1, 2002 who reaches 15 years of net credited service in 2007 or later and you are considered disabled under the Plan, the single life annuity calculated for you under the Average Annual Compensation formula is not reduced. You are considered disabled under the Plan if you are eligible to receive disability benefits under Verizon's Long-Term Disability Income Protection Plan (but not the former Bell Atlantic LTD plan), or would be eligible to receive disability benefits under the Verizon LTD Plan if you had been participating.

Reductions for benefits under other pension plans

Your Plan benefit may be reduced to take into account benefits credited to you under other pension plans in certain situations. For example, your pension benefit under the Plan will generally be reduced by pension benefits that you have earned from any of the following:

- Under a pension plan of another Verizon affiliate for a period of service for which you also earned benefits under the Plan.
- Under the Plan, if those benefits were transferred to a pension plan maintained by another company as the result of a corporate divestiture prior to your being rehired by the company.
- Under the plan of a portability company, if you received a lump-sum payment of those benefits and your prior service is recognized under the portability rules.

WHICH FORMULA WILL BE BEST FOR YOU?

You will continue to receive pay credits (up to June 30, 2006) and interest credits (until you receive a distribution) under the cash balance formula. The Average Annual Compensation formula continued to grow up to May 31, 2004.

You may also be eligible to have benefits calculated under the former GTE social security integration formula up to May 31, 2004, then frozen. When you leave the company and all Verizon affiliates, you will receive the benefit payable under the formula that provides the highest benefit to you.

WHEN YOUR PENSION PAYMENTS START

You are eligible to receive any pension you earned under the Plan if you are vested when you leave the company and all Verizon affiliates.

VESTING

You are vested in your pension after you complete five years of vesting service or if you are employed by the company or a Verizon affiliate when you reach normal retirement age. If you are a former Bell Atlantic employee, you will generally reach normal retirement age at age 65. If you are a former GTE employee or if you were hired after 2001, you will reach normal retirement age on the later of:

- Your 65th birthday.

- The earlier of the date you complete five years of vesting service or your fifth anniversary of Plan participation.

Once vested, you have a right to a pension based on the cash balance formula (or, if applicable, based on the former GTE pension plan formula that provides the highest value to you). If you leave the company and all Verizon affiliates or die before you become vested, you will forfeit your entire pension benefit. If you are eligible for a benefit under the Average Annual Compensation formula or any other annuity formula, and you die after you become vested and before your pension commencement date, the benefit paid to your beneficiary under the annuity formula may be less than the benefit you could have received during your life. See "If you die before your pension commencement date" for more information.

If you were not already vested under the above rules as of June 30, 2006, you became 100% vested in your pension as of June 30, 2006, if, on that date, you were an eligible employee actively participating in the Plan **and** were one of the following:

- You were actively employed as a salaried employee of a participating company (including an employee in "temporary promotion" status for one year or more).

- You were a former salaried employee of a participating company receiving benefits under the Verizon long-term disability plan (but not the former Bell Atlantic long-term disability plan) and had not started your pension.

- You were a former salaried employee who was on an approved leave of absence.

Former salaried employees who terminated employment before June 30, 2006 and were not vested in the Plan at termination do not qualify for 100% vesting unless the employee left Verizon in 2006 and had enough accrued vacation days on the last day worked to extend his or her pension service date through June 30, 2006.

WHEN PENSION PAYMENTS CAN START

If you are vested and you leave Verizon before your normal retirement date, subject to the exceptions described below, you may elect to start your pension on the first day of the month immediately after you leave the company and all Verizon affiliates, defer payment until your normal retirement date or take payment on the first day of any month in between. If you continue to work after your normal retirement date, payment of your vested pension will begin on the earliest of the following three dates: (1) the January 1 following the date you reach age 70½; (2) the first of the month following the date you leave or (3) the first of the month following any calendar month beginning after your normal retirement date during which you are credited with less than 40 hours of service.

DEFERRED VESTED PENSION

- **If the present value of your vested pension is greater than $3,500,** when you leave the company and all Verizon affiliates you will need to choose whether to:

  — Receive your pension immediately as a lump sum.

  — Begin receiving your pension immediately as a monthly annuity (any one of several types of annuities may be elected) or a combination annuity and lump-sum payment.

  — Defer payment of your pension to a later date, up to the first day of the month next following your normal retirement date (if you leave before your normal retirement date).

If you choose to defer payment, your benefit under the cash balance formula will continue to receive interest credits until you receive payment. The value of the single life annuity payable at your normal retirement date under the Average Annual Compensation formula (or any other annuity formula) will not change. (As described above, if you are a former GTE employee, your single life annuity payable at normal retirement age under the former GTE pension formulas is calculated as of May 31, 2004, and will not increase after that date.)

If you begin payment before your normal retirement date, your payout under the Average Annual Compensation formula (or any other annuity formula) may vary depending on your age and service at termination, the date you begin benefits and the form of payment you select. Fluctuating interest rates also will change the amount of the annuity payable under the cash balance formula and the lump-sum value of your benefit under the Average Annual Compensation formula (or any other annuity formula).

- **If the present value of your vested pension is $3,500 or less,** when you leave the company and all Verizon affiliates you will receive a lump-sum cashout as soon as possible after you leave. You may not elect a later pension commencement date:

  — If the present value of your vested pension is $1,000 or less, your pension will be automatically distributed to you in the form of a lump-sum cash payment unless you complete the necessary paperwork for a direct rollover to an eligible employer plan or IRA.

  — If the present value of your vested pension is more than $1,000, but not more than $3,500, your pension will be automatically rolled over to an IRA with Fidelity Management Trust Company unless you complete the necessary paperwork for (1) a direct rollover to an eligible employer plan or IRA or (2) payment directly to you by check.

Distributions automatically rolled over to a Fidelity IRA will be invested in the Fidelity Cash Reserves Fund (FDRXX), a money market vehicle designed to preserve principal and provide a reasonable rate of return and liquidity. The Cash Reserves Fund investment management fee (0.38% as of January 2013) will be charged to the IRA and will not be paid by the company or the Plan. Other fees may apply if funds are transferred from the Cash Reserves Fund to another Fidelity fund. The expenses and fees of the Fidelity IRA will not be any higher than the expenses and fees charged by Fidelity for other Fidelity IRAs. If a rollover IRA is set up for you, Fidelity will provide you with information about your IRA and how to access it.

APPLYING FOR YOUR PENSION PAYMENT

When you are ready to receive your pension, go to the *BenefitsConnection* website or call the Verizon Benefits Center and speak with a representative to request a pension distribution package. You may request that your pension distribution package be sent to you up to 90 days before your desired pension commencement date. However, you may not request a pension commencement date that is a date in the past.

The pension distribution package contains an estimate of your benefit under all the formulas available to you and shows the end results of the calculations, including the one that will provide the highest value to you for the various payment options. After reviewing your pension distribution package, you must go to the *BenefitsConnection* website or call the Verizon Benefits Center and select your preferred payment option in order to obtain your payment election forms.

Your payment election forms must be properly completed, signed and returned to the Verizon Benefits Center within 90 days after your pension distribution package was sent to you by the Verizon Benefits Center. If you do not return your payment election forms in a timely manner, then you must restart the pension payment process, i.e., request another pension distribution package and select a new future pension commencement date. Your pension payment election forms are not valid until you (and your spouse if applicable) properly complete and sign the forms and return them in a timely manner to the Verizon Benefits Center.

If you elect to receive payment as a lump sum and your cash balance amount is your highest lump sum, interest on your cash balance lump-sum amount will be calculated through the end of the month prior to the actual payment date. If the Average Annual Compensation formula (or any other annuity formula) yields your highest lump sum, your lump sum will be calculated as of your pension commencement date, and if the actual payment is made after your pension commencement date, you will receive interest from your pension commencement date. If you elect to receive an annuity, your payment will be retroactive to your pension commencement date. You will receive interest on back annuity payments relating to a “retroactive annuity starting date,” which is an annuity starting date on or before the date the retirement kit is provided (e.g., if an administrative delay causes the retirement kit to be delivered late). Interest may also be credited on late payments for annuities not relating to a retroactive annuity starting date in accordance with Plan procedures.

If your pension distribution package was sent to you before your pension commencement date, you generally may revoke your payment election by filing a written revocation with the Verizon Benefits Center any time prior to your pension commencement date. Your payment election is irrevocable on and after your pension commencement date. If your pension distribution package is sent to you on or after your pension commencement date, generally you may revoke your payment election by filing a written revocation with the Verizon Benefits Center at any time before the date of your first pension payment.

PAYMENT OPTIONS

The following forms of payment are available under all formulas provided through the Plan:

Form of payment	Frequency of payment	Recipient	Payment amount details
Standard forms of payment ***If you are single*** Single life annuity	Monthly	You	Payable for your lifetime only

Form of payment	Frequency of payment	Recipient	Payment amount details
If you are married Joint and 50% surviving spouse annuity	Monthly	You and your surviving spouse	Payable for your lifetime and to your surviving spouse after your death; your spouse (if surviving) receives 50% of the monthly amount you were receiving
Optional forms of payment[1] Lump-sum payment	Once	You	Payment of your entire pension in a single sum
Single life annuity	Monthly	You	Payable for your lifetime only
Joint and 33-1/3%, 50%, 66-2/3% or 100% surviving beneficiary annuity	Monthly	You and your designated beneficiary	Payable for your lifetime and after your death; your beneficiary (if surviving) receives the percentage you elected of the monthly amount you were receiving
Pop up joint and 50%, 75% or 100% survivor annuity	Monthly	You and your designated beneficiary	Payable for your lifetime and after your death, your beneficiary (if surviving) receives the percentage you elected of the monthly amount you were receiving. If you outlive your beneficiary, your benefit increases to the monthly amount provided under the single life annuity option
5- or 10-year period certain and life annuities	Monthly	You and your designated beneficiary	Payable for your lifetime and after your death if you die before receiving 5 or 10 years of payments, depending on which you elect, your beneficiary will receive any remaining payments for the 5- or 10-year period
Combination annuity and lump-sum payment	Once for the lump-sum portion; monthly for the annuity portion	You and your designated beneficiary, if any	Payable in a combination of any annuity option plus a lump-sum payment, with the lump-sum amount to be specified in increments of 10% but limited to 50% of the total value

[1] If you are married when you start your pension benefit payment, you will need your spouse's written, notarized consent to elect any form of payment other than the standard form (joint and 50% surviving spouse annuity) or a joint and 66-2/3% or 100% surviving spouse annuity.

STANDARD FORMS OF PAYMENT

Federal law requires the Plan to pay your pension benefit in the standard form of payment, unless you choose an optional form of payment. The standard forms are as follows:

- **If you are not married,** a single life annuity. With a single life annuity, you receive monthly payments for your lifetime only. When you die, payments end.

- **If you are married,** a joint and 50% surviving spouse annuity. With a joint and 50% surviving spouse annuity, you receive reduced monthly payments for your lifetime. If your spouse outlives you, he or she will receive monthly benefit payments, beginning with your death, for the rest of his or her lifetime equal to 50% of the amount you were receiving.

OPTIONAL FORMS OF PAYMENT

The Plan also offers several optional forms of payment. The different payment options provide equivalent pension benefit value. However, lump-sum amounts will vary based on fluctuations in interest rates and your age at payment. Annuity amounts will vary based on the option you select, interest rates and your age and your spouse's or designated beneficiary's age. If you are married, your spouse must give written, notarized consent to any optional form of payment other than a joint and 66-2/3% or 100% surviving spouse annuity.

Alternately, you can request distribution of your pension benefits in more than one form – a lump sum and one of the annuity alternatives. See "Forms of payment at-a-glance" for more information on each of the alternative forms of distribution.

LUMP-SUM PAYMENT

With a lump-sum payment, you receive payment of your entire accrued benefit in a single payment. The amount payable to you in a lump-sum payment will equal the greatest of:

- The amount of your cash balance account as of your pension commencement date, plus any unconverted annuity benefit converted to a lump sum using the Plan's actuarial factors.

- If applicable, your former GTE pension plan formulas benefit for service up to May 31, 2004, converted to a lump sum using the plan's actuarial factors.

See "Calculating a lump-sum benefit from the Average Annual Compensation formula (or other annuity formula)" for more information on the Plan's actuarial factors for converting single life annuity benefits to lump sums.

ANNUITY FORMS OF PAYMENT

With an annuity payment, you receive monthly payments for your life and, depending on the form of payment you elect, your beneficiary may receive payments for a period of time after you die. The amount payable to you in an annuity form of payment will be based on the largest single life annuity payable to you under any applicable Plan formula as of your pension commencement date. (See the relevant section of this SPD for a description of the benefits payable in the form of a single life annuity from your unconverted annuity benefit or under the Average Annual Compensation formula or the social security integration formula. See "How your cash balance account is converted to an annuity" for details regarding the conversion of your cash balance account to a single life annuity benefit.)

JOINT AND 33-1/3%, 50%, 66-2/3% OR 100% SURVIVING BENEFICIARY ANNUITY

With a joint and surviving beneficiary annuity, you receive monthly payments for your lifetime that are less than the single life annuity payments you are otherwise entitled to receive. The amount of the reduction depends on whether you elect a 33-1/3%, 50%, 66-2/3% or 100% annuity for your beneficiary and on the ages of you and your beneficiary. The higher the percentage you select, the more your annuity will be reduced – in order to provide a larger benefit for your beneficiary after your death. You choose an individual beneficiary to receive benefits after your death.

If your beneficiary is living when you die, he or she will receive monthly benefit payments for the rest of his or her lifetime equal to the percentage you elected based on the amount you were receiving. If your beneficiary dies before you, benefits end at your death.

LIMITS ON SURVIVOR ANNUITIES

If you designate a beneficiary other than your spouse, the joint and 100% survivor annuity is not available if you are more than 10 years older than your beneficiary and the joint and 66-2/3% survivor annuity is not available if you are more than 24 years older than your beneficiary.

POP-UP JOINT AND 50%, 75% OR 100% SURVIVOR ANNUITY

With a pop-up joint and survivor annuity, you receive monthly payments for your lifetime that are less than the single life annuity payments you are otherwise entitled to receive. The amount of the reduction depends on whether you elect a 50%, 75% or 100% annuity for your beneficiary and the ages of you and your beneficiary. The higher the percentage you select, the more your annuity will be reduced, in order to provide a larger benefit for your beneficiary after your death.

You may choose your spouse or another beneficiary. If your beneficiary outlives you, he or she will receive monthly benefit payments for the rest of his or her lifetime equal to 50%, 75% or 100% of the amount you were receiving.

If your beneficiary dies before you, your monthly pension will be increased by the amount it had been reduced, if applicable, for the original cost of the option and no additional benefits are paid after your death. Because this benefit is more valuable than the joint and 50% or 100% survivor annuities without the pop-up feature, your monthly annuity is lower up to your beneficiary's death. The increase, if applicable, will generally be effective in the month following your beneficiary's death. However, if you notify the Verizon Benefits Center of your beneficiary's death more than one year after death occurs, the increase, if applicable, will apply only to months after your notification is received.

LIMITS ON POP-UP ANNUITIES

If you designate a beneficiary other than your spouse, the pop-up joint and 100% survivor annuity is not available if you are more than 10 years older than your beneficiary and pop-up joint and 75% survivor annuity if not available if you are more than 19 years older than your beneficiary.

PERIOD CERTAIN AND LIFE ANNUITIES

Five- or Ten-year period certain and life annuities pay you a fixed monthly pension for your lifetime, and guarantee that if you die before you receive five or ten years of payments (depending on which you elect), any remaining payments for the five- or ten-year period certain will be made to your beneficiary.

The annuity amount is reduced because of the five- or ten-year guarantee. This reduction stays in effect for as long as the annuity is paid — either to you or to your beneficiary.

COMBINATION ANNUITY AND LUMP-SUM PAYMENT

This option gives you the benefit of both types of payments. You take a portion of your accrued benefit as a lump-sum payment and receive the remainder in any of the standard or optional annuity payment forms. Elections are required in 10% increments, e.g., 50% lump sum and 50% monthly annuity.

Both the lump-sum portion and the annuity portion of the accrued benefit must have the same pension commencement date. See “Lump-sum payment“ for more on receiving a lump-sum payment. Be sure to read “How taxes affect your pension“ and talk to your tax advisor to find out the implications of lump-sum payments.

ESTIMATING THE AMOUNT OF YOUR ANNUITY

For the cash balance formula, your online statement shows your benefit as a lump sum as it grows over the years. You can also use the *BenefitsConnection* website to find out what that converts to as a monthly annuity payment, or you can call the Verizon Benefits Center for a projection of your account.

The annuity amount payable based on your cash balance account can vary up or down based on your age and the interest rates in effect when you start to receive payments. Once you begin receiving your annuity, subsequent changes to the quarterly interest rate do not affect the amount of your monthly payment. If applicable, your pension benefit under the former GTE pension plan formulas is shown as a single life annuity, but you can also model other forms of payment online.

HOW YOUR CASH BALANCE ACCOUNT IS CONVERTED TO AN ANNUITY

Your cash balance account is first converted to a single life annuity based on your age as of your pension commencement date, your assumed life expectancy and an interest rate equal to the rate used under the applicable Internal Revenue Code provisions to determine lump sum values. This interest rate is updated quarterly in the same way the interest credit rate is updated.

The amount of a single life annuity will vary based on your age. The younger you are, the smaller your monthly payment will be because the value of your cash balance account is spread out over your longer life expectancy. The amount will also vary based on the interest rate in effect when you choose to begin your payments. A higher interest rate means a larger monthly payment for you. A lower interest rate means a relatively smaller monthly payment.

EXAMPLE: SINGLE LIFE ANNUITY

Raymond and Deborah each have a cash balance formula benefit of $200,000, and both plan to retire. Raymond is age 58, and Deborah is age 52. The following chart shows how their monthly single life annuity amounts vary based on age and the interest rate.

		Monthly payment if interest rate is:		
Participant	**Age**	**3%**	**4%**	**5%**
Raymond	58	$947.03	$1,061.29	$1,179.81
Deborah	52	$832.30	$948.11	$1,068.94

EXAMPLE: JOINT AND 50% SURVIVING SPOUSE ANNUITY

Archie and Edith are both age 60, and both have account balances that provide a $2,500 monthly single life annuity. However, their spouses are not the same age. The following chart shows the values of the joint and 50% surviving spouse annuity, based on the different ages of their spouses. These conversion factors are based on the plan's actuarial tables and do not change with the quarterly interest rate changes. The same conversion factor tables are used for all beneficiaries.

	Ages			Conversion factor	Monthly amount payable to:	
Participant	Participant	Spouse	Single life annuity	Joint and 50% surviving spouse annuity	Participant	Spouse (after participant's death)
Edith	60	65	$2,500.00	.9620	$2,405.00	$1,202.50
Archie	60	49	$2,500.00	.9280	$2,320.00	$1,160.00

CALCULATING A LUMP-SUM BENEFIT FROM THE AVERAGE ANNUAL COMPENSATION FORMULA (OR OTHER ANNUITY FORMULA)

Under the Average Annual Compensation formula, your benefit is calculated as a single life annuity. The lump-sum value is calculated by multiplying the single life annuity benefit payable beginning on your pension commencement date by an actuarial factor. Lump-sum actuarial factors are determined based on a combination of interest rates and mortality assumptions. The Average Annual Compensation formula lump sum is calculated using whichever of the following factors results in the largest lump sum:

- 120% of the Pension Benefit Guaranty Corporation (PBGC) interest rate, when the resulting lump sum is over $25,000 or 100% of the PBGC interest rate if the lump sum is $25,000 or less, using the Plan Mortality Table. The PBGC interest rate is determined 90 days prior to the pension commencement date. These PBGC rates change monthly.

- 10-year Treasury bond rate. The 10-year Treasury bond rate is determined by using a six-month average as reported for the six-month averaging period beginning 12 months before the pension commencement date. The factors for the 10-year Treasury bond rate also use the Plan Mortality Table. The 10-year Treasury bond rate changes monthly.

- 30-year Treasury bond rate using the GATT Mortality Table. For this factor, the IRC rate is determined five months prior to the pension commencement date. This IRC rate changes monthly.

- 30-year Treasury bond rate using the GATT Mortality Table. For this factor, the IRC Rate is determined two months before the calendar quarter in which the pension commencement date occurs. (However, if the pension commencement date is the first day of a calendar quarter, the interest rate that would apply for the prior quarter is used.) This GATT rate changes quarterly.

- Effective for pension commencement dates on and after January 1, 2008, the Pension Protection Act of 2006 (PPA) changed the interest rate and mortality table specified in the IRC to the new PPA methodology (the three-segment corporate bond-based interest rate and the mortality table specified by the PPA). This methodology (or any successor methodology specified by the IRC) is the Plan official rate and determines the minimum lump sum that may be paid under applicable law. This PPA minimum lump-sum value will be compared to the lump-sum values calculated using the factors described above and the largest of the lump-sum values determined under all of these calculations (including the PPA calculation) will be paid to you.

- If applicable, your single life annuity benefit under the MFPF, the social security integration formula or your unconverted annuity benefit transferred from another pension plan is also converted to a lump sum using the factors indicated above.

CONVERTING A SINGLE LIFE ANNUITY TO ANOTHER FORM OF ANNUITY PAYMENT

To convert a single life annuity to another annuity form (such as the joint and 50% surviving spouse annuity), the single life annuity amount is multiplied by a conversion factor based on your age and the age of your spouse or beneficiary at the end of the calendar year in which your payments begin. This adjustment will reduce your monthly payment because the value of your benefit is spread out over the life expectancies of both you and your spouse or beneficiary. Conversion factors are based on the Plan's actuarial tables and do not change with the quarterly interest rate changes. The same conversion factor tables are used for all beneficiaries.

PAYING TAXES ON YOUR PENSION

In general, your pension payments are fully taxable in the tax year you receive them. If you are receiving monthly pension payments, you can choose whether or not to have taxes withheld from your payments.

Special tax rules apply to lump-sum distributions. For example, 20% of your payment automatically will be withheld for federal taxes unless you request a direct rollover of your distribution to a traditional IRA, a Roth IRA, the Verizon Savings Plan for Management Employees or an eligible employer plan that accepts rollovers. You may also owe a 10% additional tax if you terminate employment before the year you turn age 55 and receive a lump sum before you reach age 59½. Before your lump sum is processed, you will have the opportunity to elect a direct rollover.

Note: You may roll over your pension lump sum into the Verizon Savings Plan for Management Employees (the "Savings Plan") as long as the rollover is completed before the first anniversary of your termination or retirement date. After that, the Savings Plan cannot accept rollovers from the Plan.

If you have any questions regarding taxes on your pension benefits, consult a tax advisor. You may also request a copy of the "Special Tax Notice Regarding Plan Payments" from the Verizon Benefits Center.

DEATH BENEFITS

IF YOU DIE BEFORE YOUR PENSION COMMENCEMENT DATE:

If you were an eligible employee in a salaried position with a participating company on or after January 1, 2002 and you die after you are vested but before your pension commencement date, your beneficiary will receive a death benefit. The amount of the death benefit will be based on the greater of the following:

- The combined value of your cash balance account and any unconverted annuity benefit transferred from another plan.

- If you are a former GTE employee covered by CIC protections, the value of the 50% survivor benefit determined based on the Average Annual Compensation formula benefit frozen as of May 31, 2004 as if you had terminated employment on the date of your death (or actual termination, if earlier), survived and elected payment in the form of a qualified joint and 50% surviving spouse annuity beginning on the beneficiary's pension commencement date and died on the same day. If you die while employed by a Verizon affiliate, no early commencement reduction will be applied for payment of the benefit to a spouse or beneficiary prior to your normal retirement date. However, your normal retirement benefit will be adjusted to reflect that survivor benefits will be paid after your death, and your spouse or beneficiary will receive 50% of that adjusted amount.

Note: If you are eligible for a greater benefit under the social security integration formula, the 50% survivor benefit will be based on the benefit frozen as of May 31, 2004 from that formula instead of the Average Annual Compensation formula benefit. Factors for converting the cash balance account to an annuity and for converting single life annuities to lump sums are the same as those applied to determine benefits payable to participants.

If your beneficiary is an individual, the beneficiary's actual age will be used to determine the amount of the death benefit. If there is more than one beneficiary, the age of the oldest beneficiary will be used. If the beneficiary is not an individual, the beneficiary will be assumed to be the same age as the participant.

FORM AND TIMING OF PAYMENT FOR PRERETIREMENT DEATH BENEFIT

If your death benefit has a lump-sum value of $3,500 or less, it will be paid as an immediate lump sum to your beneficiary or beneficiaries. However, if your beneficiary is your spouse or a former spouse who is an alternate payee under a qualified domestic relations order:

- If the lump-sum value of your death benefit is $1,000 or less, the death benefit will be automatically distributed to your beneficiary in the form of a lump-sum cash payment unless your beneficiary completes the necessary paperwork for a direct rollover to an eligible employer plan or IRA.

- If the lump-sum value of your death benefit is more than $1,000, but not more than $3,500, the death benefit will be automatically rolled over to an IRA with Fidelity Management Trust Company unless your beneficiary completes the necessary paperwork for (1) a direct rollover to an eligible employer plan or (2) payment directly to your beneficiary by check. Distributions automatically rolled over to a Fidelity IRA will be invested in the Fidelity Cash Reserves Fund (FDRXX), a money market vehicle designed to preserve principal and provide a reasonable rate of return and liquidity. The Cash Reserves Fund investment management fee (0. 38% as of January 2013) will be charged to the IRA and will not be paid by the company or the Plan. Other fees may apply if funds are transferred from the Cash Reserves Fund to another Fidelity fund. A distribution fee (currently $50) will be charged upon distribution from the Fidelity IRA. The expenses and fees of the Fidelity IRA will not be any higher than the expenses and fees charged by Fidelity for other Fidelity IRAs.

If your death benefit has a lump-sum value of more than $3,500, it will be paid as follows:

- If your beneficiary is your spouse, he or she may elect to receive payment immediately after your death or defer payment until a later date. Payment may not be deferred, however, later than your normal retirement date. Your spouse can receive this benefit as a lump sum or a single life annuity.

- If you elect a non-spouse beneficiary, he or she will receive an immediate benefit as a lump sum or a single life annuity unless your non-spouse beneficiary completes the necessary paperwork for a direct rollover to an inherited IRA. If a non-spouse beneficiary does not directly roll over the payment to an inherited IRA, the distribution is not eligible for rollover.

- A rollover-eligible distribution made on or after January 1, 2007 from an eligible retirement plan of a deceased employee to an individual who is a designated non-spouse beneficiary of the employee may be eligible for a direct rollover to an inherited IRA, including an inherited individual retirement annuity. An inherited IRA is a special type of retirement arrangement. See an IRA provider or financial institution for more information.

- This change also impacts the withholding that applies to your non-spouse beneficiary's payment. If your non-spouse beneficiary chooses to roll over the payment, no withholding will be applied. If your non-spouse beneficiary chooses a lump-sum payment, 10% of the taxable amount will be withheld for federal taxes (unless otherwise elected). State taxes also will be withheld, if applicable.

- Payment cannot be deferred. If the non-spouse beneficiary makes no election, payment will be made in a lump sum.

- If you elect multiple beneficiaries – or your beneficiary is your estate or trust – the benefit will be paid as an immediate lump-sum payment. If you elect multiple beneficiaries, the benefit will be divided in equal portions among your beneficiaries.

Payment of the death benefit will begin as soon as administratively possible after all necessary forms have been received. Your spouse or beneficiary should call the Verizon Benefits Center to speak with a representative who will send the forms.

NAMING A BENEFICIARY

Your beneficiary receives a death benefit from the Plan if you die before your pension commencement date. You may name multiple beneficiaries under the Plan. However, there are rules about naming a beneficiary:

- **If you are not married**, you may name anyone as your beneficiary. However, if you name a minor as your beneficiary, a guardian or an administrator must be appointed for the child before payment is made. If you do not name a beneficiary, or if your beneficiary is not living at the time of your death, any death benefit will be paid to your estate. If you get married, your spouse automatically replaces any previously named beneficiary.

- **If you are married**, your spouse must be your beneficiary for any death benefit, **unless**:

  - Your spouse gives written, notarized, irrevocable consent to another beneficiary on a beneficiary designation form (see "Changing your beneficiary" for information on how to get a beneficiary designation form).

  - Your spouse cannot be located to give consent and the Plan administrator approves waiving spousal consent.

  - An alternate payee is named as the spouse under a qualified domestic relations order (QDRO).

  - You have a court order showing that you have been abandoned or legally separated.

If you name a beneficiary other than your spouse (with spousal consent) before you reach age 35, your election will become invalid on January 1 of the year you reach age 35. Unless you complete a new beneficiary designation form (with spousal consent) at that time, your spouse will automatically become your beneficiary. Any designation of your spouse as a beneficiary made before your pension commencement date will automatically become invalid upon your divorce (except as provided in a QDRO).

CHANGING YOUR BENEFICIARY

You may change your beneficiary at any time. However, if you are married and change to a beneficiary other than your spouse, your spouse must give consent (see "Naming a beneficiary "). Request a form online through the *BenefitsConnection* website or call the Verizon Benefits Center to request a beneficiary form.

IF YOU ARE REHIRED ON OR AFTER JULY 1, 2006

If you terminated employment before 2002, you are rehired by a Verizon affiliate after July 1, 2006, and you had earned a vested pension under a Bell Atlantic, NYNEX or GTE management pension plan that was not previously paid to you, any preretirement death benefit that is payable upon your death before your pension commencement date is generally determined by the terms of the plan in which your benefit was accrued. Contact the Verizon Benefits Center for more information.

DETAILS ABOUT SERVICE

This section describes current service rules. Rules in effect for prior periods may affect how your service is counted for those prior periods. Your service may also be affected by your disability (see "If you become disabled"), your transfer between Verizon affiliates (see "If you transfer to or from eligible employment"), the mandatory portability rules (see "Bell System portability") or a break in service (see "If you are rehired after a break in service").

TYPES OF SERVICE

For the purposes of the Plan, there are three types of service: vesting service, net credited service and, for the former GTE pension plan formulas, pension accrual service. All types of service are counted in years, months and days.

If you cash out your vacation, that vacation time generally will not be counted for any of the three types of service. However, if you receive severance benefits under the Verizon Severance Program for Management Employees when you terminate employment, you may be permitted to elect to have your unused, accrued vacation days taken into account for purposes of calculating your service for pension purposes (but not including pension accrual service after June 30, 2006). Contact the Verizon Benefits Center for more details.

Type of service	How it is used
Vesting service	• Determines whether you are eligible for (vested in) your benefit under the plan
Net credited service	• Determines your points used to calculate pay credits under the cash balance formula • Determines your points for the Rule of 75 or the Rule of 73 • For the former GTE pension plan formulas, determines whether you have sufficient service to qualify for an unreduced disability pension • Determines your eligibility to participate in and receive benefits from

	many other Verizon benefit plans
Pension accrual service	• Used to calculate the former GTE pension plan formulas benefit for eligible participants

VESTING SERVICE

Your vesting service is equal to the sum of the vesting service you had earned under a former GTE or former Bell Atlantic pension plan as of December 31, 2001, plus the vesting service you earn under service crediting rules effective in 2002. Under these rules, you start earning vesting service on the later of January 1, 2002 or your date of hire, and service accumulates in years, months and days continuously throughout your employment with the company and other Verizon affiliates, whether as a salaried or hourly employee.

Vesting service credit continues if you have a job change from one Verizon affiliate to another. Vesting service credit ends on your separation from service date. You have a separation from service date when the earlier of the following dates occurs:

- You leave the company and all Verizon affiliates for any reason.
- You are absent on leave for one continuous year, unless a longer period applies for your leave of absence according to company policy. (You will not be treated as absent for any period that you are receiving short-term disability benefits from the company.)

Note that your years of vesting service can be affected by a leave of absence of more than one year, a break in service or a job change from a Verizon affiliate to a Verizon company where Verizon has less than 80% ownership. You may also continue to earn vesting service during a disability that continues after your short-term disability benefits end.

If you leave Verizon on or after January 1, 2002 and are hired by Verizon Wireless within 30 days of your termination from Verizon, your subsequent service with Verizon Wireless will be counted toward vesting service. If you left Verizon Wireless on or after January 1, 2005 and were hired as an eligible employee of a participating company within 30 days of your termination from Verizon Wireless (or if you transferred from Verizon Wireless before January 1, 2005 and you were an eligible employee on January 1, 2005), your prior service with Verizon Wireless will be counted toward vesting service.

Transition rule: Former GTE employees who have at least two years of vesting service on January 1, 2002 have their vesting service determined through December 31, 2004, based on the hours of service rules in effect prior to 2002, if that provides the employee with more years of vesting service. Under the hours of service rules, 45 hours of service are credited for each week in which the employee is paid for one hour. A year of vesting service is credited if the employee is credited with at least 1,000 hours during a calendar year, but an employee cannot earn more than one year of vesting service during a calendar year.

NET CREDITED SERVICE ("NCS")

You earn NCS in the same way you earn vesting service starting in 2002. However, service with Verizon Wireless is not included in determining net credited service unless and until Verizon Wireless is owned 80% or more by Verizon Communications, and you will not earn net credited service while you are retained by a participating company under a contract or agreement that specifies that you are ineligible to participate in the Plan. The NCS you earn in 2002 and later years is added to your NCS as of January 1, 2002. You are credited with NCS as of January 1, 2002 equal to your accredited service under the former GTE management pension plan or your net credited service under the former Bell Atlantic management pension plan as of December 31, 2001, as appropriate.

Transition rule: Former GTE employees have their NCS determined for the period January 1, 2002 through May 31, 2004, based on the hours of service rules in effect prior to 2002, if that provides the employee with more years and partial years of NCS for that period. Under the hours of service rules, 45 hours of service are credited for each week in which the employee is paid for one hour. A year of NCS is credited if the employee is credited with at least 2,080 hours during a calendar year. A partial year of NCS, for a calendar year in which less than 2,080 hours is completed, is determined by dividing the hours of service completed during the year by 2,080.

SERVICE FOR VERIZON WIRELESS TRANSFERS

You are considered a "Verizon Wireless transferred participant" if you meet both of these conditions:

1. You were a Verizon salaried employee with an accrued benefit under the Plan as of June 30, 2006.

2. On or after July 1, 2006, you terminate salaried employment with Verizon and, within 30 days of your termination date, become a salaried employee of Verizon Wireless.

Verizon Wireless transferred participants will be credited with additional years of age and net credited service that are not credited under another provision of the Plan for the period of continuous employment with Verizon Wireless before their pension commencement date in order to:

3. Qualify for lesser reductions in early payment of benefits under the "Rule of 75."

4. Qualify for lesser reductions in early payment of benefits under the "Rule of 73" in the event you are involuntarily terminated (other than for cause).

Verizon Wireless service credit is not provided for benefit accrual or any other purpose under the Plan; provided, however, if and when Verizon Wireless is 80% or more owned by Verizon Communications Inc., service after that date will be recognized as net credited service for early retirement eligibility purposes.

If you are a Verizon Wireless transferred participant whose transfer occurred on or after July 1, 2006 and before December 21, 2007, who remained employed by Verizon Wireless through December 21, 2007, you will be credited with additional net credited service as outlined above even if you commenced your pension. If you are eligible for an adjustment to your pension as a result of the additional net credited service, the adjustment, if any, will be paid on your future pension commencement date.

PENSION ACCRUAL SERVICE

If you are a former GTE employee, your pension accrual service is the sum of your "accredited service," excluding service that counted for retirement eligibility purposes only, under any former GTE management pension plan as of December 31, 2001, plus your service as an eligible employee under the service crediting rules effective from January 1, 2002 through May 31, 2004.

Under these rules, you earn pension accrual service from the later of January 1, 2002 or the first date you are an eligible employee, and service accumulates in years, months and days continuously throughout your employment as an eligible employee up to May 31, 2004. Pension accrual service credit ends on the earliest of (i) your separation from service date, (ii) the date you are no longer an eligible employee, or (iii) May 31, 2004.

Note that your years of pension accrual service may be affected by a leave of absence of more than one year, a break in service (see “If you are rehired after a break in service”), a transfer to or from a position in which you are not an eligible employee (see “If you transfer to or from eligible employment”) or an in-service payment (see “Effect of in-service payment”). You may also continue to earn pension accrual service during a disability that continues after your short-term disability benefits end, but only up to May 31, 2004 (see “If you become disabled“).

Transition rule: For a former GTE employee, pension accrual service determined for the period January 1, 2002 through May 31, 2004 is based on the hours of service rules in effect prior to 2002, if that provides the employee with more years and partial years of pension accrual service for that period. In this case, the hours of service rules are the same as those indicated above for NCS.

CLAIMS AND APPEALS PROCEDURES

If you have an ERISA claim for a pension plan benefit, you need to follow the procedures outlined below.

<table>
<tr><th></th><th>Non-disability pension claims</th><th>Disability pension claims</th></tr>
<tr><td colspan="3">Step 1:</td></tr>
<tr><td>How to file a claim</td><td>To file a claim, request a Claim Initiation Form by calling the Verizon Benefits Center at 1-855-4VzBens (1-855-489-2367). You (or your authorized representative) must return the form to the:

Verizon Benefits Center Claims Review Unit
P.O. Box 8998
Norfolk, VA 23501-8998

You must include:

• A description of the benefits for which you are applying.

• The name of the plan to which your request relates.

• The reason(s) for the request.

• Relevant documentation.</td><td>To file a claim, request a disability kit from the Verizon Benefits Center at 1-855-4VzBens (1-855-489-2367). You (or your authorized representative) must return the disability pension request form (“Disability Form”) to the Verizon Benefits Center at the address on the form.

You must include:

• A description of the benefits for which you are applying.

• The name of the plan to which your request relates.

• The reason(s) for the request.

• Relevant documentation.

If you do not return the Disability Form within 90 days, your request expires. If you do return the Disability Form, the ERISA claims process for disability pension benefits begins; e.g., the ERISA claims time frames described in this chart commence upon the Verizon Benefits Center’s receipt of your Disability Form.

The Verizon Benefits Center forwards your Disability Form to the disability vendor for processing.</td></tr>
<tr><td>When you will be notified of the claim decision</td><td>You will be notified of the decision within 90 days of the Verizon Claims Review Unit’s receipt of your properly completed Claim Initiation Form. If special circumstances apply, the Claims Review Unit may take up to an additional 90 days to make a decision on your claim. You will be notified in writing before the end of the initial review period if more time is needed.</td><td>You will be notified of the decision within 45 days of the Verizon Benefits Center’s receipt of your properly completed Disability Form. If special circumstances apply, the disability vendor may take an additional 30 days to make a decision on your claim. You will be notified in writing before the end of the initial review period if more time is needed. If the disability vendor determines that a decision cannot be made in this 30-day extension period, the disability vendor will notify you before the end of the 30-day extension period in writing if more time is needed, and the disability vendor may extend the period for an additional 30 days.</td></tr>
</table>

	Non-disability pension claims	Disability pension claims
Failure to provide sufficient information	If you fail to provide sufficient information, the claim may be decided based on the information provided. However, the Verizon Claims Review Unit may notify you within the initial 90-day or 180-day extension period that additional information is needed. You will have 45 days to provide the additional information. Otherwise, the claim will be decided based on the information originally provided within the initial 90-day period or, if special circumstances apply, within the 180-day extension period. If you provide additional information, you will be notified of the decision by the Verizon Claims Review Unit no later than 180 days after the initial claim was submitted.	If you fail to provide sufficient information, the claim may be decided based on the information provided. However, the Verizon Benefits Center or the disability vendor may notify you within the initial 45-day period or within either the 75- or 105-day extension period that additional information is needed. In some cases, you may be required to have an Independent Medical Examination. You will have 45 days to provide the additional information. Otherwise, the claim will be decided based on the information originally provided. If you provide additional information, you will be notified of the decision by the Verizon Benefits Center no later than 105 days after the initial claim was submitted, not including the time that it takes you to provide the additional information.
How you will be notified of the claim decision	If your claim is **approved**, the Verizon Claims Review Unit will provide you with a letter explaining the approval. If your claim is **denied**, in whole or in part, the Verizon Claims Review Unit will provide you with a written denial notice that contains: • The specific reason(s) for the denial. • The plan provisions on which the denial was based. • Any additional material or information you may need to submit to complete the claim and why that material is needed. • The plan's appeal procedures and a statement of your right to bring a civil action under Section 502(a) of ERISA following a denial of a benefit on appeal.	If your claim is **approved**, the Verizon Benefits Center will provide you with a letter explaining the approval. If your claim is **denied**, in whole or in part, the Verizon Benefits Center will provide you with a written denial notice that contains: • The specific reason(s) for the denial. • The Plan provisions on which the denial was based. • Any additional material or information you may need to submit to complete the claim and why that material is needed. • Any internal procedures or clinical information on which the denial was based. • The Plan's appeal procedures and a statement of your right to bring a civil action under Section 502(a) of ERISA following a denial of a benefit on appeal.
Step 2:		

	Non-disability pension claims	Disability pension claims
About appeals and the claims fiduciary	Before you can bring any action at law or at equity to recover plan benefits, you must exhaust this process. Specifically, you must file an appeal as explained in this Step 2 and the appeal must be finally decided by the Claims Review Committee, the claims fiduciary. As such, the Claims Review Committee is authorized to finally determine appeals and interpret the terms of the Plan in its sole discretion. All decisions by the Claims Review Committee are final and binding on all parties.	
How to file an appeal	If your claim is denied and you want to appeal it, you must file your appeal within 60 days from the date you receive written notice of your denied claim. You may request access to all documents relating to your appeal and copies free of charge. To file an appeal, write to the: Verizon Claims Review Committee c/o Verizon Benefits Center Claims Review Unit P.O. Box 8998 Norfolk, VA 23501-8998 You should include: • A copy of your claim denial notice. • The reason(s) for the appeal. • Relevant documentation. The review of your appeal will take into account all the related information you submit, whether or not you submitted that information for the initial determination.	If your claim is denied and you want to appeal it, you must file your appeal within 180 days from the date you receive written notice of your denied claim. You may request access to all documents relating to your appeal and copies free of charge. To file your appeal, write to the address specified on your claim denial notice. You should include: • A copy of your claim denial notice. • The reason(s) for the appeal. • Relevant documentation. The review of your appeal will take into account all the related information you submit, whether or not you submitted that information for the initial determination. The individual/committee (and any medical professional) reviewing your appeal will be independent from the individual/committee who reviewed your initial claim. In addition, if your appeal involves a medical judgment, the Claims Review Committee will consult with a healthcare professional who has appropriate experience. You are entitled to the identity of such a professional, upon request.
When you will be notified of the appeal decision	You will be notified of the decision within 60 days of the Claims Review Committee's receipt of your appeal. If special circumstances apply, the Claims Review Committee may take up to an additional 60 days to make a decision on your appeal. The Claims Review Committee will notify you in writing before the end of the initial review period if more time is needed. However, if your appeal is heard by a committee that meets regularly (at least once each quarter), then your appeal will be heard at the next meeting that is at least 30 days after the date your appeal is received (or not later than the third meeting after your appeal is	You will be notified of the decision within 45 days of the Claims Review Committee's receipt of your appeal. If special circumstances apply, the Claims Review Committee may take up to an additional 45 days to make a decision on your appeal. The Claims Review Committee will notify you in writing before the end of the initial review period if more time is needed. However, if your appeal is heard by a committee that meets regularly (at least once each quarter), then your appeal will be heard at the next meeting that is at least 30 days after the date your appeal is received (or not later than the third meeting after your appeal is received when special circumstances require an extension). If the Claims Review Committee needs additional information from you in order to decide your appeal, and you receive a notice that the review period is extended because of the need for additional information, the period for making the final decision is delayed

	Non-disability pension claims	Disability pension claims
	received when special circumstances require an extension). If the Claims Review Committee needs additional information from you in order to decide your appeal, and you receive a notice that the review period is extended because of the need for additional information, the period for making the final decision is delayed from the date of the notification that the Claims Review Committee sends to you until you provide the additional information.	from the date of the notification that the Claims Review Committee sends to you until you provide the additional information.
How you will be notified of the appeal decision	If your appeal is **approved**, the Claims Review Committee will notify you in writing. If your claim is **denied**, in whole or in part, the Claims Review Committee will provide you with a written denial notice that contains: • The specific reason(s) for the denial. • The Plan provisions on which the denial was based. • A statement regarding the documents that you are entitled to at no charge. • A description of any voluntary appeal procedures offered by the Plan and a statement of your right to bring a civil action under Section 502(a) of ERISA.	If your appeal is **approved**, the Claims Review Committee will notify you in writing. If your claim is **denied**, in whole or in part, the Claims Review Committee will provide you with a written denial notice that contains: • The specific reason(s) for the denial. • The Plan provisions on which the denial was based. • Any internal procedures or clinical information on which the denial was based. • A statement regarding the documents that you are entitled to at no charge. • A description of any voluntary appeal procedures offered by the plan and a statement of your right to bring a civil action under Section 502(a) of ERISA. • The following statement: "You and your Plan may have other voluntary resolution options, such as mediation. One way to find out what may be available is to contact your local U.S. Department of Labor Office and your State insurance regulatory agency."
Step 3:		
How to proceed if necessary	The decision on your appeal is final. As a result, the Claims Review Committee will not review your matter again, unless new facts are presented. You have a right to bring a civil action.	

ADMINISTRATIVE INFORMATION

This section of your summary plan description ("SPD") contains important information about how the Management Plan and the Enterprises Plan are administered and funded. It also includes information about your rights as a plan participant, which is governed by the provisions of a federal law, the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended.

PLAN NAMES/IDENTIFICATION

The Management Plan and the Enterprises Plan are defined benefit pension plans that determine benefits using both cash balance and traditional pension formulas. The Plans are listed with the Department of Labor under two numbers for each Plan: the Employer Identification Number (EIN) of the plan sponsor and the plan number.

The Management Plan is listed with the Department of Labor under employer identification number (EIN) 13-1675522 and plan number 001.

The Enterprises Plan was merged with the Verizon Pension Plan for New York and New England Associates on September 30, 2008, and then with the Verizon Pension Plan for Associates (the "Associates Plan") on November 9, 2010. The Enterprises Plan is maintained as a component plan within the Associates Plan, which means the underlying benefit calculations for participants are not affected by the merger of the plans. All accrued benefits and forms of benefit distribution are preserved as applicable under each component of the merged plan. The Associates Plan is listed with the Department of Labor under employer identification number (EIN) 95-0510200 and plan number 001.

ADDITIONAL INFORMATION

Plan sponsor/employer	For the Verizon Management Pension Plan, the plan sponsor is: Verizon Corporate Services Group Inc. c/o Verizon Communications Inc. One Verizon Way Basking Ridge, NJ 07920 For the Verizon Pension Plan for Associates (of which the Enterprises Plan is a component), the plan sponsor is: Verizon California Inc. 2535 W. Hillcrest Drive, CAM21LB Newbury Park, CA 91320
Plan administrator	The Plan administrator for both Plans is the Verizon Employee Benefits Committee. You can reach the Plan administrator by writing to: Verizon Employee Benefits Committee c/o Verizon Benefits Center P.O. Box 8998 Norfolk, VA 23501-8998 The telephone number is 1-855-4VzBens (1-855-489-2367) Monday through Friday, 8 a.m. to 6 p.m. Eastern time (EST). Type of Administration: The Plan is administered by the plan administrator. The Plan

	administrator and its designees have the discretionary authority to interpret the Plan, resolve ambiguities, inconsistencies and omissions in the Plan documents, develop rules and regulations to carry out the terms of the Plan, make factual determinations and resolve questions relating to the eligibility for and the amount of benefits. You may communicate with the Plan administrator in writing at the address above. But, for questions about Plan benefits, you should write or call the Verizon Benefits Center (see below for the address and the telephone number). The Verizon Benefits Center handles participant questions, requests and certain benefits claims, but is not the Plan administrator. However, most of your day to day questions can be answered by the Verizon Benefits Center. Verizon Benefits Center P.O. Box 8998 Norfolk, VA 23501-8998 1-855-4VzBens (1-855-489-2367)
Claims administrator	The claims administrator for the Plan is the Verizon Claims Review Committee. .You can reach the claims administrator by writing to: Verizon Claims Review Committee (VCRC) c/o Verizon Claims Review Unit P.O. Box 8998 Norfolk, VA 23501-8998 1-855-4VzBens (1-855-489-2367)
Participating employers	Many Verizon affiliates have been participating companies in either the Management Plan or the Enterprises Plan. Participants and beneficiaries may contact the Verizon Benefits Center to determine whether a particular Verizon affiliate has been a participating company in either Plan, and if that Verizon affiliate has been a participating company, may also request that affiliate's address.
Agent for service of legal process	Verizon Legal Department c/o Marc Schoenecker, Esq. Verizon Communications Inc. 600 Hidden Ridge, HQE03H12 Irving, TX 75038 Legal process may also be served on the Plan administrator or the Plan trustee.
Plan year	Plan Records are kept on a plan year basis, which is the same as the calendar year.

FUNDING AND SOURCES OF CONTRIBUTIONS

The assets of the Plan's pension fund are held in trust. The trustee funds all payments under the Plan from the trust. The trustee for the Plan is:

Bank of New York Mellon, Trustee
One Mellon Bank Center
Pittsburgh, PA 15258

Source of plan contributions: The company pays the full cost of the Plan by making contributions to the trust. The amount that the company contributes is determined by the Plan's actuary. The money in the trust can be used only to pay plan benefits and administrative costs and cannot be returned to the company until all benefits have been paid or otherwise provided for (for example, in the form of an insurance company annuity).

ASSIGNMENT OF BENEFITS

As a Plan participant, you may not sell, assign, transfer or pledge your pension benefit or have it garnisheed under most circumstances.

Your Plan benefit belongs solely to you or to your beneficiary if survivor benefits apply when you die. If you are divorced or legally separated, however, certain court orders – known as qualified domestic relations orders ("QDROs") – could require part of your benefit to be paid to someone else, such as your former spouse or your child. The plan administrator is required to furnish a copy of the procedures governing QDRO determinations without charge. You may request a copy of the Plan's QDRO procedures by contacting:

Verizon QDRO Administration Center
P.O. Box 8998
Norfolk, VA 23501-8998

The telephone number is 1-877-447-7788 Monday through Friday, 8:30 a.m. to 5 p.m. Eastern time (EST).

You may also call the Verizon Benefits Center and ask to be transferred to the Qualified Order Team or log into the QDRO website at **https://www.verizonbenefitsconnection.com/qdro.**

to review sample DRO language or check on the status of an existing order.

If you or your beneficiary is unable to care for your own affairs, or if your beneficiary is a minor, any payments due may be paid to a court-appointed guardian.

HOW BENEFITS COULD BE REDUCED, LOST, SUSPENDED OR DELAYED

Your pension benefits under the Plan will be reduced, lost, suspended or delayed if one of the following conditions applies:

- Your employment with all Verizon affiliates terminates by resignation, discharge, other separation from service or death before you have become vested under the Plan.
- Your benefits are attached or otherwise assigned under a QDRO, in which case any portion of your benefits that are not attached or assigned will be paid to you.
- Your benefits are subject to a federal tax levy.
- You do not provide the Verizon Benefits Center with your most recent address, such that you cannot be located.

- You fail to make proper application for benefits or fail to provide necessary information.

- You transfer to another Verizon affiliate or to a portability company, and your plan benefit is transferred to and paid from another pension plan maintained by such other company.

- You transfer to another company as a result of a sale, spinoff or outsourcing arrangement, and your benefit is transferred to and paid from another pension plan maintained by such other company.

- Your benefit payable as a monthly annuity at your normal retirement date is reduced because you elect to retire or start payment of your pension before your normal retirement date.

- Your benefit is reduced because you receive payment in an annuity form of payment other than a single life annuity.

- You have received your benefit as a lump sum or a single life annuity and no death benefits are payable as a result.

- Your benefit is adjusted to account for prior payments made following a prior termination of employment.

- Your benefit is reduced to reflect that you are receiving another Verizon pension for the same years of employment.

- You are receiving a disability pension and your benefits are stopped because you recover from disability.

- You fail to apply to start your benefit on the earliest date that you are eligible for an unreduced pension.

- You separate from service before normal retirement age and choose to defer receipt of your benefit.

- Your benefit payments are suspended while you work after you reach normal retirement age.

- You die before your pension commencement date and the benefit payable to your beneficiary is less than the benefit that you would have been eligible to receive if you had lived to your pension commencement date.

- Interest rates on which lump-sum calculations under an annuity formula are based change monthly. Therefore, it is possible for the lump sum payable to you based on a date in a later month to be less than the lump sum that would have been payable to you based on a date in an earlier month.

- Interest rates on which annuity payment calculations under a cash balance formula are based change quarterly. Therefore, it is possible for the annuity payable to you based on a date in a later month to be less than the annuity that would have been payable to you based on a date in an earlier month.

- You elect a joint and survivor annuity with a pop-up feature and you notify the Plan administrator of your beneficiary's death more than one year after the death occurs, causing the pop-up adjustment to apply to future payments only.

- Your benefit is reduced under Internal Revenue Code Section 415 which governs the maximum amount that can be paid to a participant from qualified pension plans.

- Your benefit is reduced under Internal Revenue Code Section 436 which imposes certain restrictions on benefit accruals under, and distributions from, certain underfunded defined benefit plans.

- The plan is terminated before sufficient assets have been accumulated to pay all benefits. (In this case, you may be protected by the Pension Benefit Guaranty Corporation.)

- Your benefit is transferred to an insurance company as a result of an annuity purchase program and your benefit becomes the responsibility of such insurance company. In 2012, Verizon transferred pension assets to The Prudential Insurance Company of America (Prudential), annuitizing the pension benefits of approximately 41,000 Plan participants. As a result of the annuitization with Prudential, those Plan participants are no longer entitled to pension benefits under the Plan.

The actual amount of your benefit will be determined under the terms of the official Plan document based on final data. If there is a difference between the amount of your benefit determined under the official Plan document and the amount described in any benefit estimate you are provided, the Plan will pay the amount determined under the plan document, even if that is less. In addition, the Plan administrator reserves the right to take steps to correct or recover any erroneous benefit payments.

IF THE PLAN BECOMES TOP-HEAVY

Under current law, if the Plan provides more than 60% of its benefits to “key” employees, the Plan is considered “top-heavy.” Both “top-heavy” and “key” employees are terms defined under the Internal Revenue Code.

At present, the Plan is not top-heavy. In the unlikely event that it becomes top-heavy, your benefits may be increased, and your vesting may be accelerated to keep the Plan qualified under IRS regulations. The top-heavy vesting schedule requires that you become 100% vested after you complete three years of vesting service.

PENSION BENEFIT GUARANTY CORPORATION (“PBGC”)

Certain benefits under this Plan are insured by the PBGC, a federal insurance agency. If the Plan terminates (ends) without enough money to pay all benefits, the PBGC will step in to pay pension benefits. Most people receive all of the pension benefits they would have received under their plan, but some people may lose certain benefits. The PBGC guarantee generally covers:

- Normal and early retirement benefits.

- Disability benefits, if you become disabled before the Plan terminates.

- Certain benefits for your survivors.

- The PBGC guarantee generally does not cover:

- Benefits greater than the maximum guaranteed amount set by law for the year in which the Plan terminates.

- Some or all of benefit increases and new benefits based on plan provisions that have been in place for fewer than five years at the time the Plan terminates.

- Benefits that are not vested because you have not worked long enough for the company.

- Benefits for which you have not met all of the requirements at the time the Plan terminates.

- Certain early retirement payments (such as supplemental benefits that stop when you become eligible for social security) that result in an early retirement monthly benefit greater than your monthly benefit at the Plan's normal retirement age (age 65).

- Non-pension benefits, such as health insurance, life insurance, certain death benefits, vacation pay and severance pay.

Even if certain of your benefits are not guaranteed, you may still receive some of those benefits from the PBGC, depending on how much money your plan has and how much the PBGC collects from employers.

For more information about the PBGC and the benefits it guarantees, ask your plan administrator, or write to the PBGC at:

Technical Assistance Division
PBGC
1200 K Street NW, Suite 930
Washington, DC 20005-4026

The PBGC may also be reached by calling 202-326-4000 (not a toll-free number) or 1-800-400-7242. TTY/TDD users may call the federal relay service toll-free at 1-800-877-8339 and ask to be connected to 1-800-400-7242. Additional information about the PBGC's pension insurance program is available through the PBGC's Web site on the Internet at http://www.pbgc.gov.

YOUR RIGHTS UNDER ERISA

As a participant in the Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 ("ERISA"). ERISA provides that all Plan participants are entitled to:

RECEIVE INFORMATION ABOUT YOUR PLAN AND BENEFITS

You may examine, without charge, all Plan documents governing the Plan. These may include summary plan descriptions, summaries of material modifications, other employee communications relating to the Plan, the latest annual report (Form 5500 Series), collective bargaining agreements, and other official plan documents filed with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration. The Plan administrator makes these documents available for examination free of charge at specified sites, such as Verizon work locations. For information, write to the Plan administrator:

Verizon Employee Benefits Committee
c/o Verizon Benefits Center
P.O. Box 8998
Norfolk, VA 23501-8998

Also, you may obtain copies of all Plan documents upon written request to the Plan administrator at the above address. Please include the full name of the Plan in your written request, along with your name, mailing address and telephone number. You may be charged a small copying fee per page for documents that you request.

The Plan administrator is required by law to furnish you with a summary of the plan's annual funding notice. A copy of this notice is furnished to participants on an annual basis, or you may request a written copy by writing to:

Verizon Employee Benefits Committee
c/o Verizon Benefits Center
P.O. Box 8998
Norfolk, VA 23501-8998

You may obtain a statement, upon written request, telling you the amount of your accrued pension benefit payable at normal retirement age if you stop working under the Plan now. If you are not fully vested, your statement will tell you how many more years you have to work to be fully vested. These statements are not required to be given more than once every 12 months and are provided free of charge.

PRUDENT ACTIONS BY PLAN FIDUCIARIES

In addition to creating rights for plan participants, ERISA imposes duties upon the persons who are responsible for the operation of the Plan. The persons who operate your plan, called “fiduciaries” of the plan, have a duty to do so prudently and in the interest of you and other plan participants and beneficiaries.

No one, including your employer, your union or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a benefit or exercising your rights under ERISA.

ENFORCE YOUR RIGHTS

If your claim for a benefit is denied or ignored, in whole or in part, you have a right to know why this was done and to obtain copies of documents relating to the decision without charge.

You have the right to have your claim reviewed and reconsidered on appeal, but your appeal must be timely. Under ERISA, there are steps you can take to enforce the previous rights.

For instance, if you request materials from the Plan administrator that you have a right to receive and do not receive them within 30 days, you may file suit in a federal court. In such a case, the court may require the Plan administrator to provide the materials and pay you up to $110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Plan administrator.

If you have a claim for benefits that is denied or ignored, in whole or in part, you may file suit in a state or federal court. In addition, if you disagree with the Plan’s decision or lack thereof concerning the qualified status of a domestic relations order, you may file suit in federal court.

If it should happen that plan fiduciaries misuse the Plan’s money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a federal court.

The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees (for example, if it finds your claim to be frivolous).

ASSISTANCE WITH YOUR QUESTIONS

If you have any questions about the Plan, you should contact the Verizon Benefits Center, which the Plan administrator has established for purposes of administering benefits and responding to questions of participants and beneficiaries. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Plan administrator, you can contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory, or write to:

Division of Technical Assistance and Inquiries
Employee Benefits Security Administration
U.S. Department of Labor
200 Constitution Avenue, NW
Washington, DC 20210.

You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration at 1-866-444-3272.