




OFFICE OF THE VICE PRESIDENT

TO: All Verizon Local Presidents
FROM: Chris Shelton, Vice President 
DATE: April 22, 2010
SUBJECT: Enhanced Offer

As you all are aware, the "Committee of Eight" representatives from CWA District One, CWA District Two, CWA District 13, IBEW New England and IBEW New Jersey, have been meeting with a high level Verizon Management team since last Friday. We have been talking about the recently declared surplus and ways to make an offer to members that will reduce the surplus. You also know that we broke off talks a couple of weeks ago because the Company refused to abide by our contract and talk about such subjects as contracting to reduce the surplus to save jobs as they are bound to do by our contract.

As we entered these talks on Friday, we made it quite clear that we would not continue talking if the Company's position was that they were going to violate our contract by refusing to abide by the surplus reduction language including contracting that is part of our contract.

The Company agreed to abide by our contract (e.g. Force Adjustment Plan) and we reached an agreement on a one time enhanced off payroll offer late last night. The highlights of that offer follow:

- **One Time Supplemental Voluntary Termination Bonus**
\$40,000.00 added to the existing \$10,000.00
- **Raising of Caps on the IPP Payment**
Members with greater than 30 years of service will have their IPP payment capped at 40 years rather than 30 years.

- **Pension Board Increase**
Move the 3.75% band increase from October to the IPP off payroll date.
- **Lump Sum Interest Rate**
Those members who choose to retire will get the better of interest rate of March, 2010 or the date of when they retire.
- **Waiver of Age Based Restrictions for Early Commencement**
Service Pension eligible employees will not have the age based reductions for early commencement. (Could be as much as 30% reduction).
- **No Increase of Contracting Because of Enhanced Offer**
- **No layoff** of Representative, Service Representative, Consultant Fiber Service Analyst or Fiber Network Technicians prior to May 1, 2011 regardless of post 2003 NCSD.
- **Offer to Non-Surplus Employees**
Incentive Packages will be sent to non-surplus employees and the Union and Company will meet to determine which, if any, will be accepted. Company retains full discretion as to which and how many will be allowed to leave.
- **Company will Abide by All Contract Provisions**
Associated with surplus reductions and layoffs.
- **New York Plant Return of MDU Work**
Within 60 (sixty) days the Company will assign field technicians all path creation horizontal MDU work (molding, micro-duct, mini-duct)

Continued talks under the contract about other contracting initiatives.

CS:np