

May 30, 2016

**COMPANY COMPREHENSIVE
MEMORANDUM OF UNDERSTANDING
BETWEEN
VERIZON CONNECTED SOLUTIONS INC.
AND
INTERNATIONAL BROTHERHOOD OF
ELECTRICAL WORKERS - LOCAL 827**

May 30, 2016

Paul
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DURATION OF AGREEMENT

Article 23, Section 1 shall be modified as follows:

Section 1 This Agreement will become effective upon ratification ("Effective Date") and will remain in effect until 11:59 p.m. on August 3, 2019.

WAGES AND BASIS OF COMPENSATION

Article 4, Section 11 of the Agreement shall be modified as follows:

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

Effective Date		Applied to
The first Sunday after the Effective Date	3.0% increase applied to all steps of the basic wage schedule	All steps of the SMMST and MMST Wage Schedules
The first Sunday following the first annual anniversary of the Effective Date	2.5% increase applied to all steps of the basic wage schedule	All steps of the SMMST and MMST Wage Schedules
The first Sunday following the second annual anniversary of the Effective Date	2.5% increase applied to all steps of the basic wage schedule	All steps of the SMMST and MMST Wage Schedules
The first Sunday following the third annual anniversary of the Effective Date	2.5% increase applied to all steps of the basic wage schedule	All steps of the SMMST and MMST Wage Schedules

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401(k)

Article 12, Section 4 of the Agreement shall be modified as follows:

Section 4 401(k) Savings Plan:

Employees who are hired as a union-represented employee on or after October 28, 2012 and not eligible to earn pension benefits ("New Hires") will be eligible upon start of employment to participate in the Verizon Savings and Security Plan (Non-Salaried Employees) and receive a Company matching contribution equal to 75% of the New Hire's Basic Contributions. New Hire Basic Contributions shall be a percentage of basic weekly pay, with a maximum Basic Contribution up to six percent of the basic weekly rate of pay. New Hires will also be eligible for an additional performance-related Company contribution between 0-3% of the basic weekly rate of pay ("Discretionary Contribution"), subject to the terms and requirements described below. The Discretionary Contribution effective October 28, 2012 will run through the 2019 plan year. An eligible New Hire will not have to contribute to the plan to be eligible for the Discretionary Contribution. Eligible New Hires would have to be employed as eligible employees on the last day of the plan year to be eligible for the Discretionary Contribution. The Discretionary Contribution would be between 0-3% of the basic weekly rate of pay actually paid during the plan year and would be set at the same percentage as the performance-related contribution for wireline management employees under the management savings plan for the same plan year. The Company would determine each applicable plan year whether the Discretionary Contribution would be made in cash and/or Verizon stock invested in the Verizon stock fund under the plan. Discretionary Contributions invested in the Verizon stock fund would be subject to participant investment diversification in accordance with the current terms of the plan. Discretionary Contributions would not be available for in-service withdrawal, and they would be subject to the same vesting schedule as Company matching contributions.

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RATIFICATION BONUS

Contingent upon ratification within thirty (30) days of the date of this Agreement, Article 22, Section 1 shall be modified as follows:


ARTICLE 22.

Section 1 A one-time, single Ratification Bonus payment of \$1,250 will be paid within thirty (30) days after ratification of this agreement to all bargaining unit members who were on the VCS payroll as of the ratification date. Ratification Bonus payments will be subject to all applicable federal, state and local tax withholdings. These payments will only be included in calculations relating to Union dues, or their equivalent, as authorized by the employee and the Union. Ratification Bonus payments will not be included in wages for computations of overtime, benefits or for any other purpose.

FOR THE COMPANY:


5-31-16
NOEL CABRERA, Chairman

FOR THE IBEW:


5-31-16
ROBERT SPEER, Chairman

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Article 12, Sections 1, 2 and 3 of the Agreement shall be modified as follows:

ATTACHMENT O

**CHANGES TO EXISTING HEALTH CARE AND LIFE INSURANCE BENEFITS, INCLUDING
PRESCRIPTION DRUG, DENTAL AND VISION COVERAGE, FOR ACTIVE
EMPLOYEES**

The provisions of the Connected Solutions Managed Care Health Plan (the "VCS Medical Plan") regarding medical and prescription drug benefits, the Verizon Dental Expense Plan for Mid-Atlantic Associates (the "VDEP") regarding dental benefits, the Connected Solutions Vision Care Plan (the "VCP") regarding vision benefits, the Verizon Health Care Account for Mid-Atlantic Associates, which is a participating plan under Verizon Plan 552, (the "Health FSA"), and the Verizon Dependent Group Life Insurance Plan for Mid-Atlantic Associates regarding life insurance benefits for active eligible VCS employees and dependents who participate in the VCS Medical Plan, the VDEP, the VCP, the Health FSA and the Verizon Dependent Group Life Insurance Plan for Mid-Atlantic Associates will be amended as follows, effective as of the corresponding effective dates set forth in the 2016 Common Issues Memorandum of Understanding between Verizon New Jersey Inc., Verizon Pennsylvania LLC, Verizon Services Corp., Verizon Advanced Data Inc., Verizon Corporate Services Corp. and International Brotherhood of Electrical Workers, AFL-CIO Locals 827 and 1944 (the "IBEW Mid-Atlantic 2016 MOU"):

A. Dependent Eligibility Changes.

The VCS Medical Plan, the VDEP, the VCP and the Verizon Dependent Group Life Insurance Plan for Mid-Atlantic Associates will be amended so that a "mirror image" of the changes to the same sex domestic partner eligibility rules that apply to "IBEW Associates," as amended by Section VIII.2.B and Attachment 1 of the IBEW Mid-Atlantic 2016 MOU, shall also apply to eligible VCS employees and dependents under the VCS Medical Plan, the VDEP, the VCP and the Verizon Dependent Group Life Insurance Plan for Mid-Atlantic Associates.

B. Medical Prescription Drug Benefit, Health Reimbursement Account, and Health Care Account Changes Applicable to VCS Medical Plan.

The VCS Medical Plan will be amended so that a "mirror image" of all benefit changes to the Managed Care Network (MCN) Option, MEP PPO Option, EPO Option and HMO Option, and prescription drug program offered under the terms of the Verizon Managed Care Network and Medical Expense Plan for Mid-Atlantic Associates ("VMEP") that apply to "IBEW Associates," as amended by Section VIII.2.C of the IBEW Mid-Atlantic 2016 MOU, shall also apply to eligible VCS employees and dependents under the VCS Medical Plan. In addition, each VCS employee will be required to pay the same Monthly Employee Contribution toward the cost of coverage for the applicable medical option and coverage category elected by such VCS employee in the same manner and in the same amounts as other Mid-Atlantic associates as set forth in Section VIII.2.C.6 of the IBEW Mid-Atlantic 2016 MOU.

The VCS Medical Plan also will be amended so that a "mirror image" of all changes made to the health reimbursement account offered under the VMEP that apply to "IBEW Associates," as amended by

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Section VIII.3 of the IBEW Mid-Atlantic 2016MOU, shall also apply to eligible VCS employees and dependents under the VCS Medical Plan.

C. Dental Benefit Changes.

The VDEP will be amended so that a “mirror image” of all benefit changes to the VDEP that apply to “IBEW Associates,” under the terms of the VDEP, as amended by Section VIII.2.A of the IBEW Mid-Atlantic 2016 MOU, shall also apply to eligible VCS employees and dependents.

D. Vision Benefit Changes.

The VCP will be amended so that a “mirror image” of all benefit changes to the Verizon Vision Care Plan for Mid-Atlantic Associates (the “Mid-Atlantic Vision Care Plan”), including VDT benefits, that apply to “IBEW Associates,” as amended by Section VIII.2.A of the IBEW Mid-Atlantic 2016 MOU, shall also apply to eligible VCS employees and dependents under the VCP.

E. Excise Tax on High Cost Employer-Sponsored Coverage for Employees.

The provisions entitled “Excise Tax on High Cost Employer-Sponsored Coverage for Employees” outlined in Section VIII.4 of the IBEW Mid-Atlantic 2016 MOU shall also apply to any VCS “employee,” as defined in Section 4980I of the Internal Revenue Code, as amended, with respect to his or her “applicable employer-sponsored” health plan coverage offered by the Company.