Agreement

between
Verizon California, Inc.
and
International Brotherhood of Electrical Workers
Local Union No. 543

effective
September 8, 2013
through
September 2, 2017

INDEX TO AGREEMENT

Subject	Article	Section	Page
Absences			
Bargaining and Grievance Meetings	11	2	28
Elections	21	1	42
Excused -- Personal Reasons	24	1.5	48
Excused -- Service Demands	18	1.1	38
Excused -- Union Business	43	2	80
Excused – Vacations	22	5	44
Holiday Pay	23	2,4,5,6	46-47
Jury Duty and Witness Subpoena	36	1, 2	74
Leaves of Absence and Excused Time	24	1,1.5	47-48
Sickness and Accident, Death in Immediate Family	32	1, 3.2	64-67
Allowances			
Layoffs	9	2	25-26
Lodging, Meals, and Travel Expense	25	1-9	52-58
Transfer	26	1-6	58-59
Arbitration			
Grievances Subject to	12	1	30
Grievances Not Subject to	12	2	30
Procedure	13	1-6	33-34
Articles			
1. Management Rights			17
2. Nondiscrimination Clause			18
3. No Lock-out – No Strike Clause			18
4. Distribution of Agreement			19
5. Benefit Committee			19
6. Definitions			19-21
7. Contracting of Work			21
8. Force Realignments			21-25
9. Layoffs			25-28
10. Discharges and Suspensions			28
11. Bargaining and Grievance Meetings			28-30
12. Grievance Meetings			30-32
13. Arbitration			33-34
14. Seniority			34-35
15. Employees			35-36
16. Temporary Assignments			36
17. Credited Service			36-37

Subject	Article	Section	Page
Articles (continued)			
18. Regular Hours			37-39
19. Overtime Hours			39-41
20. Inclement Weather			41-42
21 Time Absent for Elections			42
22. Vacations			42-45
23. Holidays			46-47
24. Leaves of Absences for Personal Reasons and Extended Accommodation Leaves for Medical Reasons			47-51
25. Lodging, Meals and Travel Expenses			52-58
26. Transfer Allowances			58-59
27. Responsible Union-Company Relationship			59-60
28. Wages			60-62
29. Differentials			62-63
30. Safety			63
31. Tools, Equipment and Gloves			63-64
32. Sickness and Accident Benefits			64-68
33. Employee Training			68-69
34. Job Bidding and Transfers			69-71
35. Military Leave of Absence			71-74
36. Jury Duty and Witness Pay			74-75
37. Lunch Period			75
38. Bulletin Boards			75
39. Deduction for Union Dues, Service Fees			76
40. Relief Break			76-77
41. Productive Work By Management			77
42. Union Security			77-78
43. Leave of Absence For Official Union Business			79-80
Bargaining Agent	Recog & Duration		15-16
Bargaining and Grievance Meeting Committee			
Representatives	11	1, 2.3	28-29
Credited Service, Attendance	11	2.5	29
Number to Attend Meetings	11	1	28
Pay	11	2-2.4	28-29
Scheduling	11	2.1	28
Time Paid -- Time Worked	11	2.4	29
Travel Time	11	2.2	29

Subject	Article	Section	Page
Benefit Committee			
Committee Selection	5	1	19
Management Rights	1	1	17
Benefits, Sickness (See Sickness and Accident Benefits)	32		64-68
Bridging Service (See Credited Service)	17	4	37
Bridging Seniority	14	8	35
Bulletin Boards			
Installation, Space Allotted, Expenses	38	1	75
Company-Union Relationship	27	1-4	59-60
Contracting of Work	7	1	21
Credited Service			
Bargaining Meetings Attendance	11	2.5	29
Bridging	17	4	37
Computation	17	2	37
Defined	17	1	36
Layoff Allowance	9	2	25,26
Layoff and Reemployment	17	5	37
	9	6	27
Military Leave, Reemployment	35	2	71
Seniority	14	1	34
Temporary or Occasional Status	17	6	37
Deduction for Union Dues, Service Fees	39	1-5	76
Definitions	6	1-22	19-21
Grievance	12	1	30
Overtime Hours	19	1	39
Probationary Employee	15	3	35
Seniority	14	1	34
Differentials			
On-Call	29	3	62-63
Relief Supervisory	29	1	62
Shift	29	2	62

Subject	Article	Section	Page
Discharges and Suspensions			
Just Cause	10	1	28
Probationary Employee	15	3	35
Sick Benefits Abused	32	5	68
Union Notification	10	2	28
Distribution of Agreement	4	1	19
Dress and Grooming Requirements	15	4	36
Employees			
Hired with Limitations	1	2	17
Probationary	15	3	35
Employee Training			
Assignments for General Training	33	1	68
Productive Work	41	2	77
Selection Procedure	33	2	69
Training in Higher Classification	16	4	36
Exhibits			
Exhibits A,B,C,D,F,G,H,I			81-82
1. IBEW Application for Membership Card			83
2. Union Dues or Service Fee Deduction Authorization Card			84
Expense			
Lodging, Meals, and Travel	25	1-9	52-58
Moving -- Transfer (Company Initiated)	26	1	58
Moving -- Transfer (Employee Initiated)	26	3	58-59
	34	4.1	70
Force Realignments	8	1-3	21-25
Geographic Areas	8	1.1.1	22
Geographic Locations	8	1.2	22-23
Grievance Procedure	12	1-13	30-32
Holidays	23	1-7	46-47
Normal Workweek	18	2.1, 2.3	38
Overtime	19	1.3,3,5	39-41
Hours, Regular	18	1	37-38

Subject	Article	Section	Page
Illness (See Sickness and Accident Benefits)	32		64-68
Immediate Family			
Death	32	2.2, 3.2	66-67
Transfers	34	2.1	69
Inclement Weather	20	1	41
Injury, Occupational	32	1.4	65
Insurance, Group Life	Addendum		86-87
Job Bidding and Transfers			
Applications on File	34	3	70
Same Title	34	5	71
Employee Selection	34	4	70
Force Realignment	8	1.2, 1.6	22-24
Health Reasons	34	2	69
Management Rights	1	1	17
Transfers and Wage Credit	28	2.1	60-61
Job Titles or Classifications (New)	1	3	17
Jury Duty and Witness Pay	36	1-3	74-75
Layoffs	9	1-7	25-28
Credited Service	17	3	37
Leaves of Absence			
Credited Service	17	3	37
Personal / Medical Reasons	24	1-3.9	47-51
Maximum Excused Time	24	1.5	48
Military	35	1-6	71-74
Sick Benefits – Leave of Absence	32	4	67
Union Business	43	1	79
Lodging, Meals, and Travel Expense Allowance	25	1-9	52-58
Lunch Period	37	1-3	75
Management Rights	1	1-3	17
Maternity Leave	24	1	47

Subject	Article	Section	Page
Meals Expense Allowance	25	5,6,8,9	55-58
Medical Plan (NECA/IBEW Family Medical Care Plan)			131-139
Military Leave of Absence	35	1-6	71-74
No Lockout -- No Strike Clause	3	1-2	18
Nondiscrimination Clause	2	1-3	18
Occasional Employees			
Credited Service	17	6	37
Definition	6	7	20
Layoff	9	1.1	25
Seniority	14	4	34
Overtime Hours			
Contracting of Work	7	1	21
Emergency Call-Out	19	2-2.3	40
Hours Included	19	1	39
Normal Workweek	18	2.2	38
Pay Rate	19	1.4.1, 1.4.2	39-40
Rescheduling Notice Shift Change	19	4	41
Rescheduling Scheduled Days Off	19	3	40-41
Work Schedules Posted	19	3	40-41
Part-Time Employees			
Holiday Pay	23	4	47
Seniority	14	2	34
Vacation Computation	22	2	43
Pay			
Basic (Definition)	6	1	19
Grievance Committee	11	2	28
Holiday	23	2-7	46-47
Inclement Weather	20	1	41
Jury Duty/Subpoena	36	1, 1.3,2	74
Layoff Allowance	9	2	25-26
Military Leave of Absence	35	4	72
On Duty Lunch Period	37	3	75
Overtime	19	1-5	39-41

Subject	Article	Section	Page
Pay (continued)			
Sick Benefits	32	4.1	67-68
Union Leave of Absence	43	2	80
Personal Holidays	23		46-47
Picket Line, Crossing	3	2	18
Probationary Employees	15	3	35
Productive Work by Management	41	1-2	77
Project Assignment	25	3	54-55
Definition	6	21	21
Realignments, Force	8	1-3	21-25
Recognition and Duration Agreement	R&D		15-16
Duration	R&D		15
Reemployment			
Layoff	9	6	27
Military Service	35	2.1	71-72
Regular Hours			
Bad Weather	18	2.4	38
Consecutive Days Off	18	5	39
Employee's Request to Change Schedule	18	4	39
Excess of Eight Hours Worked	18	2.2	38
Holidays Not Worked	18	2.3	38
Normal Workday Hours	18	1	37-38
Normal Workweek	18	2	38
Split Shifts	18	1.2	38
Travel Allowance	18	1.2	38
Sundays or Holidays Worked	18	2.1	38
Work Schedules Posted, Changed	18	3	38-39
Reinstatement	12	12	32
Relief Break	40	1	76
Relief Supervisory Differential	29	1	62

Subject	Article	Section	Page
Reserve Training, Military	35	6	74
Responsible Union - Company Relationship	27	1-4	59-60
Agreement Distribution	27	4	60
Safety	30	1	63
Seniority			
Application and Definition	14	1-5	34
Basis -- Company Wide	14	5	34
Bridging	14	8	35
Employee Training	33	2	69
Force Realignment	8	1.3, 1.5	23-24
Layoffs	9	1.2	25
Part-Time Employees	14	2	34
Shift Assignments, Vacation Schedules	14	6, 6.1	35
Temporary Assignments	16	3, 4	36
Transfers and Union Notification	34	3.2, 4.1	70
Session			
Definition	6	11	20
Hours of Work	18	1, 2	37-38
Shift Assignment			
Regularly Assigned	18	1	37-38
Emergency Call-Out	19	2.1, 2.2	40
Shift Change	19	4	41
Shift Continuation	19	2.3	40
Shift Differentials	29	2	59
Shift, Sunday – Overtime	19	1.2	39
Temporary to Higher Classification	16	3	36
Training Within Classification	33	2	69
Sickness and Accident Benefits			
Application of Benefits – Waiting Period	32	3	66
Applying for Sick Benefits	32	4	67
Abuse of Benefits	32	5	68
Benefits -- Definition	32	1.1	64
Compensation -- Definition	32	1.2	65
Deduction of Sick Leave Days	32	2.2	66
Eligible Employees	32	1	64

Subject	Article	Section	Page
Sickness and Accident Benefits (continued)			
Eligibility -- Military Leave Returnee	35	2.1(b)	72
Exchange Days	32	4.2	68
Ill During Shift	32	4.1	67-68
Injury – Definition	32	1.3	65
Investigation of Illness	32	4.3	68
Normal Workdays – Sick Leave	18	1	37-38
Occupational Injury – Definition	32	1.4	65
Sick Leave Accumulation	32	2	65-66
Sick Leave Eligibility	32	2.1	66
Third Party Recovery – Insurance	32	1.5	65
Union Leaves of Absence - Sick Benefits	43	1.3	80
Subpoena as a Witness	36	2	74
Summons, Jury Duty	36	1	74
Test Administration	34	1	69
Temporary Assignments			
Definition	6	20	21
Evaluation Forms	16	1, 2	36
Higher Classification	16	3	36
Higher Classification Training	16	4	36
Inclement Weather	20	1.4	41-42
Temporarily Disabled	16	5	36
Term Employee	6	13	20
Time Absent for Elections Voting Time	21	1	42
Tools, Equipment and Gloves	31	1	63
Training			
Assignment – Seniority	16	4	36
Employee	33	1, 2	68-69
Transfer Allowances			
Employees Released or Laid Off	26	4	59
Permanent Transfer -- Company Initiated	26	1	58
Permanent Transfer -- Employee Initiated	26	3	58-59
Time Off	26	1.1	58

Subject	Article	Section	Page
Transfers (See Job Bidding and Transfers)			
Travel Expense (See Lodging, Meals, and Travel Expense Allowance)			
Union			
Bargaining Agent	R & D		15-16
Bulletin Boards	38	1	75
Business -- Leave of Absence	43	1-1.2	79
Company Relationship	27	1-4	59-60
Dues, Service Fees	39	1-5	76
Excused Time	43	2	80
Liability of Employees	2	1	18
Membership Discrimination	2	1	18
Notification, Discharges	10	2	28
Notification	34	3.2	70
Representative -- Benefit Committee	5	1	19
Security	42	1-8	77-78
Vacations			
Adjusted Service Date	22	1.1	42-43
Consecutive Days Taken	22	3	43
Entitled Days	22	1	42
Excused Absence	22	5	44
Holiday Coincides	23	6	47
Layoff Allowance -- Vacation Pay	9	3	26
Leave of Absence – Vacation Pay	24	1.3.1	48
Military Leave --Vacation Pay	35	4.3	73
Normal Workday -- Vacation	18	1	37-38
Part-time Employees	22	2	43
Scheduling Vacations	22	4, 4.1	43-44
Seniority -- Vacation Schedules	14	6	35
Sick Benefits, Vacations – Leaves of Absence	32	4, 4.1	67-68
Union Leave of Absence	43	1.3, 1.4	80
Voting, Time Off	21	1	42
Wages			
Bargaining and Grievance Meetings Attendance	11	2	28
Differentials	29	1	62
Elections, Time Off	21	1	42
Holiday Pay	23	2-7	46-47

Subject	Article	Section	Page
Wages (continued)			
Inclement Weather	20	1	41
Jury Duty and Witness Pay	36	1-2	74
Layoffs	9	2, 3, 4	25-26
Leaves of Absence	24	1.1	47
Military Leave Continuance Pay	35	4	72-73
New Employee	28	1	60
Overtime	19	1	39
Progressive Wage Increase	28	3	62
Regular Hours	18	1	37-38
Schedule of Basic Wages	Schedules		190-195
Temporary Disability Assignment	28	2.5	62
Temporary Relief Work	28	2.4	61-62
Transferred -- Health Reasons	28	2.2	61
Transferred -- Superannuation, Disability	28	2.3	61
Transferred -- Time Off	26	1.1	58
Transferred -- Wage Rate	28	2	60
Vacations	22	1	42
Wage Credit Rescinded	28	2.1	60-61

Weather (See Inclement Weather)

MEMORANDUM OF AGREEMENT

	Page
Adoption Assistance	87-89
Business Attire	90
Common Interest Forum	91
Contractor Committee	91
Customer Engineer Data Application	91-93
Departmental Orientation	94
Domestic Partner Benefits	95-98
Education & Life-Long Learning	99
Excused Absence Family Leave	99
Family Related Shift Trades	100
Fingerprinting	101-102
FiOS Jobs of the Future	102-103
Flexible Reimbursement Plan	103
Flexible Workweek	103-104
Flextime	104-107
401 (k) Plan Changes	107-108
Four-Ten Work Schedule	108-111
Global Positioning System	111
Grandfathered Retiree Medical Coverage	112
Home Dispatch	112-116
Hourly Savings Plan Co Match	116-117
Hourly Savings Plan (HSP)	117-118
Inclement Weather	118-119
Income Security Plan	119-122
Income Security Plan Voluntary Term Bonus	182-183
Jurisdictional Boundaries	122-123
Long Term Disability	123-126
Lump Sum Payment Option	126-127
Mediation	128-130
NECA/IBEW Family Medical Care Plan	131-139
Network Services Overtime	140
Neutrality & Consent Election	140-147
Notification to Union of Surplus Condition	147
Outplacement Services	148
Overtime	148
Pension Accrual Service	149-150
Pension Benefits	150-153
Pension Plan – Pension Minimums	153
Pension Plan Survivor Benefits	154-155

MEMORANDUM OF AGREEMENT **Page**

Performance Differential	155-156
Performance Standards	157
Personal Lines of Insurance	157-158
Prescription - Mail Order Plan MOPP	127-128
Prescription Identification Card PIC	158
Priorities for Filling Vacancies	158-159
Retiree Life Insurance	159-160
Sales Incentive Programs	160
Substance Abuse Policy	161
Supplemental Term Life Insurance	161
Surplus Classification Notification to System Companies	162
Team Performance Award TPA	162-165
Technology Meetings	166
Temporary Employees Beyond 6 Months	166-167
Third Party Medical	167
Training Committee	168
Training Failure	168-171
Vacation Banking	171
Vacation Donation	172
Vacation Holiday Scheduling Priority	173
Vehicle Maintenance Technician Differential	173-174
Voluntary Employee Beneficiary Association VEBA	174-179
Voluntary Excused Time Leave of Absence	179-180
Voluntary Part-Time Assignment	181-182
Voluntary Term Bonus	182-183
Workgroup	183
Workplace Performance Monitoring Recording	183-185

AGREEMENT
RECOGNITION AND DURATION

This AGREEMENT, entered into this **8th day of September, 2013** by and between VERIZON CALIFORNIA INC., hereinafter referred to as the "Company," and LOCAL UNION NO. 543 of the INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, affiliated with the AFL-CIO, hereinafter referred to as the "Union."

WITNESSETH:

RECOGNITION

Pursuant to the provisions of Section 9 of the National Labor Relations Act and in accordance with the Rules and Regulations of the National Labor Relations Board, said Board issued on June 7, 1946, its certification of representatives in the case involving the parties hereto Numbered 21-R-3233 (old California Interstate area) which Order is by this reference incorporated herein.

Said Board issued on March 12, 1969, its certification of representatives in the case involving the parties hereto Numbered 20-RC-8607 and on October 30, 1981, its certifications 20-RC15386 and 20-RC-15394 (Weaverville and Garberville areas) which Order is by this reference incorporated herein.

Said Board issued on August 23, 1967, its certification of representatives in the case involving the parties hereto Numbered 20-RC-7704 (Manteca area) which Order is by this reference incorporated herein.

Said Board issued on April 6, 1971, its certification of representatives in the case involving the parties hereto Numbered 20-RC-9887 (Dos Palos area) which Order is by this reference incorporated herein.

Said Board issued on July 8, 1971, its certification of representatives in the case involving the parties hereto Numbered 20-RC-10079 (San Joaquin area) which Order is by this reference incorporated herein.

Said Board issued on September 6, 1973, its certification of representatives in the case hereto Numbered 20-RC-11543 (Exeter and Corcoran areas) which Order is by this reference incorporated herein.

Said Board issued on April 22, 1977, its certification of representatives in the case involving the parties hereto Numbered 31-RC-3729 (San Miguel area) which Order is by this reference incorporated herein.

Said Board issued on June 5, 1979, its certification of representatives in the case involving the parties hereto Numbered 20-RC-14785 (Cazadero area) which Order is by this reference incorporated herein.

The Company recognizes the Union as the exclusive representative of all employees working in the classifications covered by Exhibits A, B, C, D, F, G, H and I of the Agreement for the purpose of collective bargaining with respect to wages, hours, working conditions and other conditions of employment. This Agreement covers all classifications of employees listed in said Exhibits A, B, C, D, F, G, H and I.

DURATION OF AGREEMENT

This Agreement and the provisions hereof shall remain in full force and be binding from **12:00 a.m., September 8, 2013, until 11:59 p.m., September 2, 2017**, and from year to year thereafter unless either party notifies the other party, not less than sixty (60) calendar days prior to the anniversary date of this Agreement or of an extension thereof, of its desire to terminate or amend the same. If an amendment is desired, the substance thereof shall be contained in such notice. **Notwithstanding the September 8, 2013 date above, there will be no retroactivity of any contractual provision, Memorandum of Agreement or Letter of Understanding prior to the date of ratification of the 2013 Proposal for Settlement.**

In the event notice of desire to amend is given, the parties hereto agree to hold joint conferences beginning not less than 45 calendar days prior to the anniversary date for the purpose of negotiating amendments with regard to wages, hours, working conditions and other matters of collective bargaining.

The parties hereto agree that during such conference, there shall be no cessation or stoppage of work, service, or employment on the part of or at the instance of either party; provided however, that in the event the negotiations are deadlocked after the anniversary date of the Agreement, there shall be a 7-day period during which time the Company and the Union shall endeavor to find means to peacefully settle their differences and thereafter both parties shall be released from their obligations as set forth in Article 2, Sections 2.1 and 2.2; and further provided that any cessation or stoppage of work, service or employment after said 7-day period shall automatically terminate this Agreement.

Any notice required or permitted under the terms of this Agreement shall be effective when directed **via electronic mail and or United States mail** to the Director of Labor Relations**, at 1800 Solar Drive, Oxnard 93030**, or to the Union addressed Local Union No. 543, IBEW, 16519 Victor Street, Suite 304, Victorville, California 92392-3967, attention Business Manager, as the case may be, and deposited postage prepaid and certified in the United States mail. Either party may, by notice given as aforesaid, change its notice address for further notices hereunder. The effective date of any such notice shall be the date of receipt thereof.

ARTICLE 1
MANAGEMENT RIGHTS

1. Management, at its own discretion, shall have the right to select persons for employment, to retire employees in accordance with the provisions of the "Plan for Employees' Pensions," or to transfer employees from one occupation to another or from one location to another if their services are required in another location for a period of six (6) months or more, subject to the terms and conditions contained herein. Any employee who believes he is being prejudiced in the exercise of these rights by Management shall have the right to proceed in accordance with Article 12 herein which deals with grievances.

2. It is agreed from time to time the Company will employ people who do not fully meet the Company's normal employment standards, and place such employees in jobs which they can perform, within their limitations. Nothing in the foregoing, however, will preclude Management assigning these employees to higher rated jobs at a later time if they are qualified to perform the higher rated jobs, provided that such assignment does not supersede a senior qualified employee with a bid on file for the job at that location.

3. Whenever the Company determines it appropriate to create a new job title(s) or job classifications(s) in the bargaining unit the Company will notify the Union in writing at least thirty (30) calendar days prior to implementing such new job title(s) or job classification(s) and applicable wage schedule(s).

    3.1 Following notification, but not later than thirty (30) calendar days from the date of such implementation, the Union may initiate negotiations concerning the new job title(s) or job classification(s) and associated wage rate(s).

    3.2 In the event the Company and Union are unable to reach agreement through negotiations as set forth in Subsection 3.1 of this Article, the Union may within thirty (30) calendar days following conclusion of such negotiations request arbitration in accordance with the provisions set forth in Article 13 (thirteen) of the Labor Agreement, except that the selection of an arbitrator will be accomplished by alternately striking names from a list of three (3) individuals agreed upon by the Company and Union. Such individuals shall possess acknowledged expertise in the area of job evaluation.

ARTICLE 2
NONDISCRIMINATION CLAUSE

1. Management will not discriminate directly or indirectly against any employee because of his membership or nonmembership in the Union or because of any Union activity in which he properly engages. Neither the Management nor the Union nor any employee in the bargaining unit will discriminate against or exert either mental or physical duress upon any employee of the Company because of his membership or nonmembership in the Union or any other union; provided, however, that the Union will not be liable for the act of any employee who violates this Article and who is not a representative of the Union.

2. Neither the Company or the Union will discriminate against any employee designated as part of a special class protected by Federal and/or State law.

3. The use of the masculine or feminine gender in the language or in job titles within this Agreement shall be construed as including both genders.

ARTICLE 3
NO LOCKOUT - NO STRIKE CLAUSE

1. During the life of this Agreement, the Company will not conduct any lockout which will affect the Union or any employees subject to this Agreement.

2. During the life of this Agreement, the Union and its members will not engage in any strike, walkout or other work stoppage of any nature whatsoever in sympathy with any labor dispute not directly involving the Company or because of any dispute which is subject to arbitration hereunder, and in the event any such strike, walkout, or work stoppage or threat thereof should occur, the Union and its officers will do everything within their power to end or avert the same. Nothing contained in this Section 2 shall be so construed so as to require any member of the bargaining unit to go through any legal picket line but it is agreed that the failure of members of the bargaining unit to go through a picket line established by any labor organization contesting the right or jurisdiction of the Union or the members of the bargaining unit to perform the Company's normal work is a work stoppage within the meaning of this Section 2.

ARTICLE 4
DISTRIBUTION OF AGREEMENT

1. The Company and the Union will jointly have copies of this Agreement and the attached wage schedules printed and bound into pocket size pamphlets. The Company will deliver a copy of this pamphlet to each employee and sufficient additional copies will be printed to provide both the Union and the Company with sufficient copies to meet their administrative needs. The costs of printing the contract will be divided equally between the Union and the Company.

ARTICLE 5
BENEFIT COMMITTEE

1. The Company and the Union will mutually select one person who will be appointed as a representative of the Union to membership on the Benefit Committee as that Committee is provided for in the Plan for Employees' Pensions.

   The term for the Union representative of the Benefit Committee will be for three (3) years unless ended by termination of status as a wage-earner or unless relieved by the Board of Directors of the Company at the request of the Union. During the life of this Agreement no change will be made in the benefits as provided for in the Plan for Employees' Pensions without its having been bargained between the parties hereto insofar as the plan affects employees who are covered by this Agreement.

ARTICLE 6
DEFINITIONS

1. Basic Rates, Wages, Pay – The hourly rates of pay exclusive of all differentials, premiums, or other extra payments.

2. Calendar Week – A consecutive period of seven (7) days, the first day of which is Sunday.

3. Credited Service – is the aggregate of years, months and days of active employment recognized by the Company subject to the provisions of this contract.

4. Emergency Call-Out – When an employee is called out for emergency work that needs immediate attention and is not foreseeable.

5. Employee – as used in this Agreement refers to any employee, male or female.

6. Normal Workweek – will consist of forty (40) hours of work or five (5) full tours during the calendar week beginning with Sunday.

7. Occasional Employee – is a person who performs work wherein there is no regular schedule of work and who places himself at the call of the Company for occasional work in meeting unusual service demands.

8. On-Call – Employees who hold themselves subject to call by Management during specific off duty hours will be on-call.

9. Regular Employee – is an employee who has completed the six (6) months probationary period and has been accepted by the Company for continued employment.

10. Regular Part-Time Employee – is an employee who has completed the equivalent hours of six (6) months probationary period and whose normal assignment of work is less than the normal basic workweek, or equivalent thereof.

11. Session – shall mean either portion of a shift or tour that is not interrupted by a break for lunch or termination of a workday.

12. Shift or Tour – shall mean any eight (8) hour work period or full tour in any one twenty-four (24) hour day. Each shift or tour will be considered to have been worked in the calendar day on which it started.

13. Employee, Term – One whose employment is intended to last longer than six (6) months but no longer than thirty-six (36) months, has been reclassified from probationary employment as defined in Article 15, Section 3, accumulates net credited service, and is entitled to all benefits provided to regular employees with the exception of the Income Security Plan (ISP) and Termination Allowance. Term employees are hired with the understanding that they will remain in the same occupational title for the duration of their term of employment and are not eligible for the provisions outlined in Articles 8 and 9. Term employees will be used for work requirements that are expected to last no longer than six (6) to thirty-six (36) months.

14. Temporary Employee – is a person who is employed for a continuous work period, not to exceed six (6) months, when additional work of any nature requires a temporarily augmented force, or when replacements are required for regular employees who are absent.

15. Wage Earning Employees – shall mean all persons on the Company's payroll whose remuneration is expressed in the form of hourly wages.

16. Work Group – means a unit of employees whose job responsibilities are related and such unit comprises the employee group within which shift assignments and/or vacation schedule selections are determined.

17. Normal Work Location – means the street address and city where employees normally report for work. Employees may work at other locations and not physically report to their normal work location.

18. Temporary Part-Time Employee – is a person who is employed for a continuous work period not to exceed six (6) months and the normal assignment of work is less than the normal basic workweek.

19. Bargaining unit seniority – total countable time within the jurisdiction of Local 543, IBEW as an employee covered under this agreement.

20. Temporary Assignment – Any assignment outside of an employees' Permanent Headquarters (as defined in Article 25, section 2) which is for a period of six (6) months or less.

21. Project Assignment – Any assignment outside of an employees' Permanent Headquarters (as defined in Article 25, section 2) which is expected to exceed six (6) months, but last no longer than eighteen (18) months.

22. Higher Wage-Paying Classification – shall mean a classification in which the top wage step is a higher-wage than the top wage step of another classification.

ARTICLE 7
CONTRACTING OF WORK

1. In case the Company should contract any work which the Company is normally prepared to undertake with its regular forces, the Company shall, before awarding such contracts, advise the contractor that the work is to be done at wage rates no lower than those currently and lawfully being received by members of this bargaining unit. The Company may enter into such contracts as long as it is not coincident with or will not result in any layoff of employees who could perform the contracted work.

ARTICLE 8
FORCE REALIGNMENTS

1. Whenever conditions in any geographic location are such that Management determines that it is necessary to reduce the force in one or more classifications, such reductions shall be made in accordance with the

following except that if there are more surplus employees than existing vacancies, the layoff provision in Article 9 will precede the force realignment:

1.1 Surplus employees will be declared by geographic area and will include all employees within that classification or classifications permanently located within the affected geographic area boundaries.

1.1.1 For the purposes of this section, Geographic area will be identified as follows:

Bishop-Big Pine-Pine Creek
Lone Pine-Independence
Ridgecrest-China Lake-Trona-Inyokern
Lake Isabella-Weldon-Kernville
Mammoth Lakes-June Lake-Lee Vining-Crowley Lake
Bridgeport
Gardnerville-Stateline-Topaz Lake-Coleville
Yerington
Cazadero-Timber Cove-Sea Ranch
Manteca-Linden-Ripon-Lathrop
Knights Landing-Robbins- Colfax
Weaverville-Hayfork
Willow Creek
Garberville
Laytonville
Covelo
Mad River
Barstow-So. Barstow-Barstow Toll-Lenwood-Yermo-Newberry
Big Bear Lake-Big Bear City-Running Springs
Victorville-Apple Valley-Desert Knolls-Hesperia-Adelanto-Lucerne Valley-Phelan-Wrightwood
California City-Boron
San Miguel
Tranquility-San Joaquin
Dos Palos

1.2 Surplus employees will be offered vacancies in the geographic locations as defined below:

Bishop-Big Pine-Pine Creek-Lone Pine-Independence
Ridgecrest-China Lake-Trona-Inyokern
Lake Isabella-Weldon-Kernville
Mammoth Lakes-June Lake-Lee Vining-Crowley Lake
Bridgeport

Gardnerville-Stateline-Topaz Lake-Coleville-Yerington
Cazadero-Timber Cove-Sea Ranch
Manteca-Linden-Ripon-Lathrop-Knights Landing-Robbins-Colfax
Weaverville-Hayfork
Willow Creek
Garberville
Laytonville
Covelo
Mad River
Barstow-So.Barstow-Barstow Toll-Lenwood-Yermo-Newberry-
Victorville-Apple Valley-Desert Knolls-Hesperia-Adelanto-
Lucerne Valley-Phelan-Wrightwood
Big Bear Lake-Big Bear City-Running Springs
California City-Boron
San Miguel
Tranquility-San Joaquin-Dos Palos

1.3 The employees affected in the surplus classification or classifications will be offered transfers as follows:

Step 1 Employees will be offered identical classifications in order of seniority within their geographic locations as outlined in Section 1.2. If an employee chooses, he may waive acceptance of a job at this step and proceed to Step 2.

Step 2 After Step 1 is completed, the affected employees will be offered, by seniority, any vacancy for which he can qualify within the affected geographic location. If the employee chooses, he may waive acceptance of a job at this step and proceed to Step 3.

Step 3 After Step 2 is completed within the geographic locations, the affected employee will be offered identical vacancies bargaining unit wide in order of Company-wide seniority. If the employee chooses, he may waive acceptance of a job at this step and proceed to Step 4.

Step 4 After Step 3 is completed, the affected employee will be offered any vacancy for which he can qualify bargaining unit wide in order of Company-wide seniority. Included at this step are those employees who have waived acceptance of jobs at Steps 1, 2 and 3, thus placing themselves at this step of the realignment.

1.4 If an employee does not select a job as outlined above for which he is qualified and is within fifty (50) miles of his current work location, the Company will consider that the employee has voluntarily resigned. If an employee does not select a job which is greater than fifty (50) miles from his work location for which he is qualified or if an employee is not qualified for any jobs in the force realignment, the employee will be separated from the Company and will receive one (1) weeks pay at the basic wage rate for each year of net credited service up to and including ten (10) years and two (2) weeks pay at the basic wage rate for each full year of net credited service in excess of ten (10) years to a maximum of twenty-six (26) weeks pay in total.

1.4.1 Reemployed employees must complete one (1) full year of accredited service with the Company before coming eligible again for termination benefits. Those employees who have previously received termination benefits of any kind shall be eligible for separation pay benefits based on their most recent date of hire in lieu of their accredited service date as outlined in Section 1.4 above**.**

1.5 If there is no request for transfer based on illness as outlined in Article 34, Section 2, employees who have been realigned shall have first choice in order of their seniority for subsequent vacancies in the job classification and location from which they were realigned. The employee must submit a request for transfer within three (3) months after the date of realignment and move at his own expense.

1.6 If an employee affected in the surplus classification or classifications has a medical restriction or disability as designated by the Company's Medical Director, the employee will be required to select a classification in which he can perform.

2. It is agreed that the provisions of this Article 8 will not apply to any normal readjustments of forces within the Company which may be made under Article 1 or Article 34.

3. Employees who are force realigned two (2) or more wage schedules lower will have their wage rates adjusted as follows:

Less than ten (10) years accredited service:

Effective with the date of reclassification the difference in wage rates will be reduced one-fourth (1/4). At each subsequent six (6) week interval, the difference in wage rates will be reduced in three (3) equal amounts until the wage rate is reduced to the appropriate step of the new wage schedule.

Ten (10) or more years of accredited service:

Effective with the date of reclassification the difference in wage rates will be reduced one-fourth (1/4). At each subsequent twelve (12) week interval, the difference in wage rates will be reduced in three (3) equal amounts until the wage rate is reduced to the appropriate step of the new wage schedule.

ARTICLE 9
LAYOFFS

1. Whenever economic or force conditions are considered by the Company to warrant laying off regular employees, such force adjustments as it may deem necessary shall be made effective among employees covered by this contract by classification, subject to the following conditions:

   1.1 Temporary, occasional, and part-time employees shall be laid off first, provided, however, that such employees may be retained or employed temporarily to meet emergencies or peak load situations.

   1.2 Employees shall be laid off in inverse order of total Company seniority, to the extent deemed by the Company to be necessary. The Company may retain not more than five (5) percent of the employees subject to layoff in each service year involved.

   1.3 The provisions of this Section shall be administered on a Company-wide basis within this bargaining unit.

   1.4 Once a layoff condition has been announced by the Company, employees within a surplus title that have not been declared surplus may volunteer by seniority to replace employees identified for layoff within the title. If the surplus employee agrees to remain employed, the senior employee will be laid off and become eligible to receive the junior surplus employee's layoff allowance as determined in Article 9, Section 2, as well as rehire provisions of Section 6. At the discretion of the Company, it may retain volunteers based upon their job knowledge and skills.

2. Regular employees who are laid off due to lack of work shall be paid a layoff allowance determined as to amount by their net credited service and basic weekly wage rate at the time of leaving the service, in accordance with the following table:

Years of Net Credited Service	Number of Weeks Current Basic Wage Rate (Excludes all Differentials)
Less than 6 months	0
6 mos. But less than 2 years	1
2 years but less than 3 years	2
3 years but less than 4 years	3
4 years but less than 5 years	4
5 years but less than 6 years	6
6 years but less than 7 years	8
7 years but less than 8 years	10
8 years but less than 9 years	12
9 years but less than 10 years	16
10 years but less than 11 years	20
11 years but less than 12 years	24
12 years but less than 13 years	28
13 years but less than 14 years	32
14 years but less than 15 years	36
15 years but less than 16 years	40
16 years but less than 17 years	44
17 years but less than 18 years	48
18 years but less than 19 years	52
19 years but less than 20 years	56
20 years but less than 21 years	60

For employees with twenty-one (21) or more years of net credited service, an additional four (4) weeks pay at current wage rate will be made for each additional completed year of service.

3. Any vacation payment for which the employee is eligible will be made in addition to the layoff allowance.

4. If an employee who has received a layoff allowance is reengaged, and the number of weeks since the effective date of leaving is less than the number of weeks pay upon which the layoff allowance was based, exclusive of any payment in lieu of vacation, the amount paid to the employee for the excess number of weeks shall be considered as an advance to the employee by the Company and repayment of this amount shall be made at the time of reemployment, or through payroll deductions each payroll period at the rate of at least ten (10) percent of the employee's basic wage rate until the amount is fully repaid.

5. If an employee who has been laid off and given a layoff allowance is subsequently reemployed and again laid off, the layoff allowance in the case of the second layoff or of any subsequent layoff shall be based upon

the length of continuous service since the date of last reemployment, plus any portion of the prior layoff allowance which has been refunded to the Company.

6. In rehiring former regular employees laid off under the provisions of Section 1 above, the Company shall offer reemployment in the order of net credited service to such former employees by classification; provided, however, that the period of layoff of such former employee does not exceed three (3) years, and that his net credited service is in excess of one (1) year.

When the Company elects to rehire former employees laid off under the provisions of Article 9, Section 1, outside of the process identified above, seniority for such former employees shall be bridged upon reemployment and will not be adjusted for the period of layoff, provided that:

a) the period of layoff of such former employee does not exceed three (3) years, and
b) his/her net credited service is in excess of one (1) year, and
c) he/she is rehired to the same classification from which he/she was laid off.

Such rehiring shall be subject to the following conditions:

6.1 Such former employee must meet the requirements of the available job, as determined by the Company.

6.2 Such former employee must keep the Company informed of the address at which he can be reached, and any offer of such reemployment shall be made in person, or by registered mail addressed to the latest address so furnished by the former employee. When an offer of employment has been so made, the former employee shall inform the Company of his acceptance within a period not to exceed two (2) days and shall report for duty within two (2) weeks from the date such reemployment was offered unless extended at management's discretion.

6.3 If such former employee, upon reemployment, is assigned to essentially the same type of work as at the time he was laid off, he shall be paid at the rate currently in effect for that assignment, and for the period of service which would have been credited to him for wage purposes had he not been laid off.

6.4 Seniority for such former employees shall be bridged upon reemployment and will not be adjusted for the period of his layoff.

7. Nothing in Section 6 above shall limit the temporary employment of former employees in the event of an emergency or to meet peak load situations.

ARTICLE 10
DISCHARGES AND SUSPENSIONS

1. Employees covered by the Agreement shall not be suspended or discharged except for just cause, except as outlined in Article 15, Section 3.

2. Any suspension or discharge requires notification of such act be given to the Union Business Manager. Any grievance over a suspension or discharge must be presented by the Union within four (4) workdays from receipt of Company's notice.

ARTICLE 11
BARGAINING AND GRIEVANCE MEETINGS

1. Collective bargaining meetings shall be attended by not more than six (6) representatives of the Union and not more than an equal number of Management representatives. Such meetings shall be held at the request of either party and the subject matters to be taken up in such meetings by either party shall be outlined in a written notice given to the other party at least fourteen (14) days prior to such meeting; provided, however, that said fourteen (14) days written notice may be waived by mutual consent of the parties. Insofar as the negotiation of grievances is concerned, the Union shall have not more than three (3) employee representatives and Management shall have not more than three (3) representatives at Step 1. Both parties shall have the right to such technical assistance as they deem necessary to advise them during the negotiation of any specific grievance. In the event that any initial meeting, which has been arranged for in accordance with the foregoing, does not reach a satisfactory conclusion, by mutual consent, future meetings shall be scheduled immediately and without further written notice. The grievance representatives of the Union and Management shall meet together as required by the grievance procedure outlined hereinbelow in Article 12.

2. Representatives of the Union covered by this contract may attend grievance conferences with representatives of Management in accordance with the following provisions of this section without loss of pay at straight time subject to the following conditions:

    2.1 Pay shall be allowed only if such meetings are held during such employee's scheduled working hours and only if such employees would have worked had they not attended such meetings.

2.2 The time paid for shall be limited to actual meeting time plus necessary time, if any, spent during scheduled working hours in traveling between the employee's work location and the grievance conference.

2.3 Pay shall be allowed for grievance meetings for not more than three (3) employees at the first level.

2.4 Such time paid for in accordance with the above shall be considered as time worked.

2.5 No deductions from credited service will be made for representatives of the Union covered by this contract for attendance at collective bargaining meetings.

3. The Company will pay for three (3) Company employees of the Union Negotiating Committee during actual contract negotiations for up to six (6) weeks.

4. The Union agrees to notify the Company's Director-Human Resources of the stewards on the property of the Company. Any steward, or grievance committeeman in lieu of such steward, shall upon request and approval by the Company be given sufficient time off with pay at his regular rate to process grievances. No employee shall serve as a steward and/or a grievance committeeman while on leave of absence.

5. If a management employee is available, the Company agrees that upon notifying management of his intentions the steward or grievance committeeman shall not be hindered, coerced, restrained or interfered with in the performance of his duties of investigation, presentation and adjustment of grievances or disputes as provided in the grievance procedure, which duties may be performed during the steward's or grievance committeeman's working hours. It is understood and agreed by the parties hereto that each will cooperate with the other in reducing to a minimum the actual time spent by the stewards or grievance committeemen in investigating, presenting and adjusting grievances or disputes. The Union will not promulgate nor administer Union business on Company time (excluding rest periods) except by reason of investigation, presenting or adjusting grievances and disputes.

6. An International Representative, Business Manager or Business Manager's representative of the Union may have access to the Company's properties during regular working hours when it is necessary to investigate a grievance or a claimed violation of a provision of this Agreement, or following a meeting of the Company and Union to investigate a proposed modification

of the Agreement or its application; provided however, that he first notify a nonbargaining unit supervisor of his presence and proposed business. It is understood that the Union representative will hold to a minimum any interference with employees in the performance of their work.

ARTICLE 12
GRIEVANCE PROCEDURE

1. The term "grievance" as used in this contract shall mean any grievance made either by an individual employee or group of employees contending that he or they are being prejudiced as a result of misinterpretation or misapplication of any of the terms of this contract or wage schedules from time to time in effect. The above definition shall be grievances subject to arbitration provided the procedures as set forth within this Article are followed.

2. Nothing shall prevent the presentation of grievances not falling within the above said definition except grievances of this nature shall not be subject to arbitration.

3. Grievances of any employee or group of employees shall receive fair, just and speedy consideration and shall be handled without prejudice.

4. A grievance that is to be recognized by either the Company or the Union must be presented within thirty (30) days after the alleged violation occurs except as provided under Article 10, Section 2.

5. Prior to the first step meeting, an informal resolution meeting between the supervisor and a Union representative will take place for all issues except suspensions and terminations. The employee may attend this meeting at the Union's request. Pay shall be allowed for the Union representative and the employee, if present. If the issue is not resolved and the Union chooses to proceed further, grievances shall be presented and processed only in the following manner, except as outlined in Article 27, Section 3.

   5.1 Step 1

   A. The grievance shall be presented in writing, on the appropriate Grievance Report form, to the aggrieved employee's immediate supervisor.

   B. The form shall be prepared and submitted in duplicate. The supervisor will assign a grievance report number, and return one (1) copy to the Union by 5:00 p.m. of the next normal workday.

   C. The grievance shall contain a statement of facts in sufficient detail to

set forth the nature of the grievance, date or dates involved, times, occurrences, circumstances, and a reference to the applicable Contract Article and Section or Company practice.

D. The Company and the Union agree to meet within ten (10) working days after the return of the grievance form to the Union to explore solutions to the problems.

E. The Company will be represented by first and second level management. Second level managers that are located outside of the area can exercise their right to attend the meeting via phone or video conference. The Union will provide a committee of local Union representatives, including the grievant if desired. The first step grievance meeting shall be attended by not more than three (3) representatives by either party, as noted in Article 11, Section 1, unless mutually agreed to when the Step 1 meeting is scheduled. Pay shall be allowed for not more than three (3) employees including the grievant.

F. All issues resolved prior to Step 2 will not establish a precedent.

5.2 Step 2

In the event a grievance is not resolved at Step 1, the Local Business Manager, or his designated representative, or the grievant may within ten (10) days request a second level grievance meeting.

5.2.1 The parties will meet within fifteen (15) working days in a final effort to resolve the grievance.

5.2.2 The Company will be represented by the Labor Relations Manager or their designated representative. The Union will be represented by the Local Business Manager or their designated representative.

5.2.3 If this fails, the Union may proceed to arbitration under the terms of Article 13 of the agreement.

6. The parties involved in each step of the grievance procedure may, by mutual agreement, waive the time limits imposed in the specific step at which the grievance is being processed, or recess the grievance to obtain additional information. Any waiver agreed upon shall be either made in writing or confirmed in writing.

7. It is understood that every effort will be made by both parties to resolve the grievance in the meeting at the applicable Step. If unable to do so, the Company will give its answer in writing on the grievance form within three (3) days following the meeting.

8. If the employee, at his option, has the grievance presented by his local Union representatives, the Company shall not thereafter deal directly with the employee concerning the grievance, but shall deal only through appropriate Union representatives.

9. In the event that any individual employee, or any group of employees, choose(s) to present a grievance for themselves rather than through the Union, management representatives will advise the local Union representative in writing of the fact that such grievance is being presented, and will give such Union representatives opportunity to be present during the presentation of such grievance.

10. Representatives of the Union or of any local thereof may confer with representatives of Management during working hours without loss of pay, provided the conference has previously been agreed to by Management.

11. In the event any grievance involves a question of wage status, any wage adjustment which arises out of the final solution of the grievance shall be made retroactive to the date on which the grievance was first presented to the immediate supervisor of the employee or employees affected; provided, however, that if the proposed wage adjustment involves a question of judgment as to the application of appropriate wage in the case of a transfer from one occupation to another or where other circumstances make the determination of an appropriate wage a matter of judgment, retroactive adjustment shall not be for more than three (3) months prior to the initial presentation of the grievance under Section 5, Step 1, of this Article and provided further, that if the wage adjustment involved has resulted from the correction of a mechanical or clerical error, the adjustment shall be made retroactive to the time the error commenced.

12. In the event any grievance involves a question of reinstatement of a released or discharged employee and it is determined that said employee is to be reinstated, the amount of back pay which can be awarded shall be determined by the Union and the Management grievance representatives, subject to the limitation that back pay will not be awarded for a period starting more than four (4) days before the initial presentation under Section 5, Step 1, of this Article.

13. The time periods referred to in this Article exclude Saturdays, Sundays and holidays recognized in the Contract.

ARTICLE 13
ARBITRATION

1. In the event any grievance arising hereunder cannot be resolved through negotiations between the parties hereto under the procedures hereinabove set forth, the matter shall be submitted to arbitration by the Union to the Company and in accordance with the following procedures. The Union will notify the Company of its intention to arbitrate within a reasonable time, not to exceed forty-five (45) days following the date of the final meeting of the grievance procedure. Such notice to the Company may be made orally and confirmed in writing within seven (7) days.

2. As soon as possible but not later than ten (10) days after the Company receives a request, made pursuant to Section 1 above, the Union will initiate a request to proceed with the selection of an arbitrator in the manner as mutually agreed to by the parties. Failure to comply with the time frames agreed to in Sections 1 and 2 of this Article will result in the arbitration request being declared untimely.

   The arbitrator shall be selected by alternate striking of names. The person whose name is not stricken from the panel shall be the arbitrator. The party who strikes the first name from the panel shall be determined by lot.

   The Company shall thereupon notify the arbitrator of his selection and seek his agreement to serve, and determine his available dates for hearing. The Company and the Union will then agree upon the date, time, and place of the hearing, and the Company shall so notify the arbitrator.

   If the arbitrator is not available or is unable to meet the contractual time limits, another arbitrator from the remaining members of the panel will be selected and notified in the same manner as described above.

3. Within thirty (30) days from the date of the arbitrator selection in Section 2 above, the arbitrator will hold a hearing on the question to be arbitrated, at which time each party to the Agreement may submit to him such evidence and/or arguments as it desires relative to the question being arbitrated. The arbitrator will receive and consider any evidence which is relevant to the dispute being arbitrated. At the request of either the Company or the Union, a stenographic transcript of hearings may be made, or written posthearing briefs may be filed, or both, except in cases which involve the discharge or suspension of employees. In discharge and suspension cases, the parties will argue orally such dispute before the arbitrator, and no written briefs will be presented. In any case where written posthearing briefs will be filed, such briefs will be submitted to the arbitrator with a copy to the other side within thirty (30) days from the conclusion of the hearings or the receipt of a transcript, whichever is later. Within thirty (30) days after the conclusion of

such hearing, or when applicable after the submission of written briefs, whichever date is later, the arbitrator shall send his written award to each of the parties hereto.

4. In cases involving suspension or discharge, the arbitrator will render an immediate decision and will within fifteen (15) days after the receipt of the court reporter's transcripts send his written award to each of the parties thereto.

5. The arbitrator shall have no authority to change, add to, or subtract from this Agreement, or to designate monetary award(s) beyond that to make the employee whole with respect to basic (lost) wages.

6. The time periods referred to in this Article exclude Saturdays, Sundays, and Holidays recognized in this contract.

ARTICLE 14
SENIORITY

1. Seniority, as used in this Article 14, shall mean the total elapsed time since the employee's date of last employment, plus any credited service which is bridged in accordance with Article 17 of this Agreement, or which is recognized in accordance with Section 3, Article 17, of this Agreement. Seniority, as used in this Article 14 for part-time employees, will include only that time for which they actually receive wages.

2. Seniority of regular part-time employees shall follow that of regular full-time employees for all purposes of this Article, except employee-initiated transfers under Article 34 which will be integrated.

3. The seniority of term and temporary employees will fall behind that of all regular employees. The seniority of all temporary employees shall follow that of term employees. Seniority within the group of term employees shall mean the total elapsed time since the employee's date of last employment. Seniority within the group of temporary employees shall mean the total elapsed time since the employee's date of last employment.

4. Occasional employees shall not accumulate seniority while working as an occasional employee. In the event a regular or temporary employee transfers to occasional and subsequently transfers back to regular or temporary, the employee will be credited for seniority purposes for the amount of seniority accumulated in the regular or temporary status before having transferred to occasional.

5. Seniority shall be determined on the basis of Company-wide seniority.

6. Shift assignments, subject to the needs of the service, shall be determined on the basis of bargaining unit seniority. Vacation schedules, subject to the needs of the service, shall be determined on the basis of seniority.

   6.1 When an employee transfers into the job classification of Equipment Installer or Equipment Maintainer wherein on-the-job training is required, and where such training opportunity is available on a particular shift, the employee will be assigned to that shift until all necessary training has been completed. Such on-the-job training will be completed within one (1) year.

7. All service by an employee excluded from the bargaining unit shall be counted in determining his seniority under any of the provisions of this Article 14 in the event that such employee transfers to a job classification covered by this agreement.

8. An employee with recognized credited service previously obtained in another General System Company shall have his credited service bridged for seniority purposes upon employee's written request.

ARTICLE 15
EMPLOYEES

1. The Company will not employ temporary or occasional employees to avoid the employment of regular full-time employees.

2. The Company may employ and use part-time employees in order to meet service requirements under the following conditions:

   2.1 To fully staff a work force to cover schedules of less than the normal basic workweek because of odd shift coverage, fluctuating or peak load forcing conditions;

   2.2 To afford employees an opportunity to further their formal education;

   2.3 When qualified regular full-time employees are not available in the labor market at the time of employment of part-time employees.

3. All new employees shall be considered probationary employees until completion of six (6) months of continuous service. Probationary employees may be terminated during this period at the discretion of Management.

4. Employees are required to maintain proper personal appearance, hygiene, and dress, and will at all times be neat, clean, and well-groomed and exhibit a business-like appearance appropriate for their job assignments. A business-like appearance may include, but is not limited to, Company provided clothing and/or uniforms.

ARTICLE 16
TEMPORARY ASSIGNMENTS

1. Where an employee is assigned to a higher wage classification on a temporary basis for a period of two (2) weeks, but no longer than six (6) months, the Company will originate the necessary forms to reflect in his personnel records his temporary experience in that job.

2. Periods of one (1) week (five (5) consecutive workdays) of such assignment to a higher wage-paying classification will also be reflected if within two (2) weeks of the completion of each two (2) separate one (1) week periods occurring within twelve (12) consecutive calendar months of assignment the employee requests the origination of appropriate forms.

3. Assignments to higher wage-paying classifications for temporary relief work will be made first from employees within the work group, and secondly from employees within the work location, who normally perform work related to the higher wage-paying classification, on the basis of seniority of those having the necessary qualifications and fitness, provided that there is sufficient time for filling the assignment to permit orderly scheduling.

4. Assignments to higher wage-paying classifications for training will be made first from employees within the work group, and secondly from employees within the work location, who normally perform work related to the higher wage-paying classification, on the basis of seniority of those having the necessary qualifications and fitness, provided that there is sufficient time for filling the assignment to permit orderly scheduling.

5. Nothing in this Agreement shall prevent the assignment of temporarily disabled employees to jobs which they can handle.

ARTICLE 17
CREDITED SERVICE

1. The term “credited service” shall mean the aggregate of the years, months, and days of active employment with the Company, its predecessors or affiliates of the General System which will be recognized by the Company with respect to each employee.

2. Active employment for purposes of calculating credited service shall include:

   2.1 Time for which the employee actually receives wages.

   2.2 Workers' Compensation benefits.

   2.3 Sick Benefits.

   2.4 Military leave of absence as provided under Article 35**, in accordance with the requirements of applicable law.**

   2.5 Union leave of absence approved under Article 43.

   2.6 Approved absence excused time provided under Article 24, Section 5.

3. Credited service shall not include time for which the employee is laid off or is on leave of absence for personal reasons under Article 24 of this Agreement.

4. An employee with prior credited service who has been absent from the Company's employ and who is reemployed shall have, by request of the employee, the accredited service formerly acquired bridged after being reemployed continuously for a period of six (6) months.

   4.1 Such credited service to be bridged shall include each period of prior active employment of six (6) months or more.

5. If an employee is laid off due to force reduction pursuant to Section 1, Article 9, and he is reemployed as a result of an offer of reemployment made pursuant to said Section, he will be given full recognition, upon date of reemployment, for such credited service as existed with respect to him on the date of his layoff.

6. Credited service is not recognized for employees while they are classified as temporary or occasional; however, credited service will include all active employment for such employees previously in temporary or occasional status when they become regular employees without interruption in their employment.

ARTICLE 18
REGULAR HOURS

1. The normal workday will consist of eight (8) hours. Regularly assigned

shifts may be any eight (8) hours that the demands of the service may require and may be divided into such sessions that service demands require. With respect to vacations, sick leave and leaves of absence, normal workdays will be considered to be the five (5) days, Monday to Friday, inclusive. For all purposes each shift will be considered to have been worked on the calendar day when it was started.

1.1 Employees may be permitted to have days off without pay as determined permissible by Management, depending upon service demands. Such excused absence days may be granted because of light or fluctuating work loads, or for the purpose of permitting employees to observe religious holidays or other days of personal significance. Such excused time will not be counted towards the two (2) months excused time provision covered under Article 24, Section 5.

1.2 The prescribed eight (8) hours or tours may be broken into any two (2) sessions when necessary to meet service conditions as determined by management, provided that such utilization will be strictly voluntary on the part of the hourly employees. Employees who initially volunteer and subsequently decide against working split shifts, must give at least two (2) weeks notice to management, to enable the rescheduling of their shift. A $3.50 travel allowance will be paid for employees working a split shift, the employee must work at least part of both sessions to qualify for the allowance.

2. The normal workweek will consist of forty (40) hours of work and may be any forty (40) hours during the calendar week beginning with Sunday.

2.1 Hours worked on Sundays or holidays as part of a regularly assigned shift will be considered as a part of the normal workweek.

2.2 The normal workweek will not include time worked in excess of eight (8) hours in any one day or shift or time worked by reason of emergency call out.

2.3 Holidays not worked, excluding Saturday holidays, for which wages are paid will be considered as a part of the normal workweek for all purposes.

2.4 In a week in which payment is made under the classification “ABW” (bad weather) as provided in Article 20, only the hours between the time of reporting for work and the time of release from work will be considered as a part of the normal workweek.

3. Subject to such changes as the needs of the service require as determined

by Management, work schedules in all customer call centers shall be posted in advance, and in general on a one (1) to four (4) calendar-week basis, one (1) week in advance. In all other work groups work schedules shall be posted in advance, and in general on a four (4) to eight (8) calendar week basis, one (1) week in advance. In the event changes are necessary, Management will make every effort to note in writing on posted schedules such changes, but there will be no penalty for failure to do so in the form of payment of premium overtime or in any other pay provisions, provided that notice of such change of schedule is otherwise properly given to the employee affected.

4. An employee's schedule of hours of work and days off may be changed at the initiative of the employee for personal reasons without twenty-four (24) hours notice, providing proper arrangements satisfactory to the local supervisor are made.

5. When employees are working the normal forty (40) hour workweek, every effort consistent with the needs of the service will be made to schedule them so that their days off will be consecutive.

ARTICLE 19
OVERTIME HOURS

It is agreed that there shall be no pyramiding of the accumulation of hours for pay purposes either at the base rate, straight-time rate and/or overtime rates of pay (Article 18, Section 1) and normal workweek hours (Article 18, Section 2).

1. Overtime hours will include:

    1.1 Hours actually worked in excess of eight (8) in any one (1) day or in any one (1) shift.

    1.2 All hours worked as part of Sunday shifts whether regularly assigned or by reason of emergency.

    1.3 Hours actually worked between 9:00 p.m. and 1:00 a.m. the following day on Christmas Eve and New Year's Eve by employees not otherwise entitled to overtime pay for those hours.

    1.4 Hours actually worked in excess of the normal workweek in any one (1) calendar week. (See Article 18.)

        1.4.1 Each overtime hour over forty (40) through fifty-five (55) hours as defined above will be paid for on the basis of one

(1) and one-half (½) times the normal hourly rate of pay.

1.4.2 Each overtime hour worked in excess of fifty-five (55) as defined above will be paid for on the basis of two (2) times the normal hourly rate of pay.

1.4.3 Employees will not be required to take equivalent straight time off to compensate for overtime.

2. For the purpose of this article, an emergency call-out is defined as follows: When an employee is called to work immediately to meet any emergency that needs immediate attention and is not foreseeable. When an employee is called out for emergency work without previous notice during hours when he is not on duty, overtime will be measured from the hour he leaves until he returns home, subject to the following provisions:

2.1 If the employee is called out for emergency work and he leaves his home as a result of the call less than four (4) hours prior to the beginning of his next regularly assigned shift, overtime pay will cease at the beginning of his next regularly assigned shift.

2.2 If the employee is called out for emergency work and he leaves his home as a result of the call four (4) hours or more prior to his next regularly assigned shift, he will receive the overtime rate of pay for all hours actually worked, until he has been relieved from duty for four (4) consecutive hours.

2.3 A minimum of two (2) hours overtime paid at the overtime rate (three (3) hours pay) will apply except that such minimum will not apply where the emergency work constitutes a continuation of the employee's regularly assigned shift or where such emergency work continues into the employee's next regularly assigned shift in accordance with Subsection 2.1 above.

2.4 Hours actually worked on emergency call-outs (ECO's) in any one (1) calendar week will be included in the computation of overtime hours actually worked in excess of fifty-five (55), which will be paid for at two (2) times the employee's normal hourly rate of pay.

2.5 If an employee is called at home and performs productive work without leaving his residence, he will be paid at the overtime rate (1 and ½ times the normal hourly rate) for all hours worked. If the time worked is less than one (1) hour, he will receive a minimum of one (1) hour overtime paid at the overtime rate.

3. Employees who are given less than twenty-four (24) hours previous notice

that they will be rescheduled to work on a holiday or a day when they are scheduled to be off will be paid overtime for such day. Scheduled days off may be changed on notice of at least twenty-four (24) hours, or employees may be called in to work on their scheduled days off without the payment of overtime, provided at least twenty-four (24) hours previous notice is given. The words "previous notice" in this section shall mean notice given not less than twenty-four (24) hours prior to the hour at which the employee is to report for work in accordance with such notice.

4. Employees who are given less than twenty-four (24) hours notice that their shift is changed on a day which they are normally scheduled to work will be paid overtime for the hours worked in their rescheduled shift which fall prior to or after their previously scheduled shift. Employees may have their hours of work changed on a scheduled workday without the payment of overtime, provided at least twenty-four (24) hours previous notice is given. The words "previous notice" as used in this section shall mean notice given not less than twenty-four (24) hours prior to the hour at which the employee is rescheduled to report for work or the hour at which his previously scheduled shift would have commenced, whichever is earlier.

5. Only grievance time, time on jury duty, and holidays not worked (except Saturday holidays) will be included when determining these amounts of overtime to be paid for.

ARTICLE 20
INCLEMENT WEATHER

1. When employees are unable to perform their work because of inclement weather they will be paid in accordance with the following:

    1.1 If an employee reports in person at his place of work but because of weather conditions is not sent out on the job, he will be paid for two (2) hours and will be released within one (1) hour.

    1.2 If an employee is sent out on the job and is forced to discontinue his work at any time during the first four (4) hours of his assigned shift because of weather conditions, he will be paid for one-half (½) day.

    1.3 If any employee works more than four (4) hours and is then forced to discontinue work because of weather conditions, he will be paid for a full day.

    1.4 To the greatest extent feasible, time during which employees are not able to perform their normal work because of inclement weather will be used for regularly scheduled instruction and for the maintenance of

equipment and tools and warehouses

ARTICLE 21
TIME ABSENT FOR ELECTIONS

1. Employees who are registered and entitled to vote in any election will be granted time off with pay if necessary to vote. Time off with pay for voting is granted only when the employee is unable to travel to the polls during non-working hours due to the distance involved and in no case will paid time off exceed two (2) hours. Permission for such absence will be granted only on specific request presented to the employee's immediate supervisor, who will designate the period of such absence.

ARTICLE 22
VACATIONS**

** For Vacation Banking refer to Vacation Banking MOA on Page 171.

1. A regular employee will be entitled to vacation as follows:

   A. Employees newly hired at any time during the year will be eligible for ten (10) normal workdays of vacation after January 1 following their date of employment and after completion of their probationary period.

   B. Ten (10) normal workdays of vacation with pay after he has completed each successive twelve months of credited service until such employee has completed five (5) years of service.

   C. Fifteen (15) normal workdays of vacation with pay after he has completed five (5) years of service.

   D. Twenty (20) normal workdays of vacation with pay after he has completed fifteen (15) years of service.

   E. Twenty-five (25) normal workdays of vacation with pay after he has completed twenty-five (25) years of service. At least five (5) vacation days are to be taken during the months of January, February, March, April, November and December.

      Vacations must be taken within the twelve (12) months following the date on which the right thereto has accrued.

   1.1 All current employees will have a vacation eligibility date of January 1.

In the future, all newly hired employees will have a January 1 vacation accrual date effective the first January following their date of employment. Whenever there is any adjustment in credited service, the vacation accrual date will be changed to January 1 of the adjusted service year.

2. All current part-time employees will have a vacation eligibility date of January 1. In the future, all newly hired part-time employees will have a January 1 vacation accrual date effective the first January following their date of employment. Whenever there is any adjustment in credited service, the vacation accrual date will be changed to January 1 of the adjusted service year.

   2.1 Part-time employees' vacations will be based on hours worked within the previous calendar year.

3. Vacations will comprise consecutive days except that an employee who is entitled to more than one (1) normal workweek will be permitted to split his vacation into units of weeks subject to the demands of the service.

4. The selection of initial week-at-a-time vacations will be handled by routing a vacation schedule through all of the employees in the work group in Company seniority order until all individuals have had an opportunity to make their initial choice. The work group will be notified at least 2 weeks prior to the circulation of the list. Employees may be required to make their selection within 15 minutes, if deemed necessary by management. This process should be completed by February 1st.

   In departments where the large volume of employees prohibits such a routing approach alternate methods may be utilized, but initial selection will be based on Company seniority.

   Within the limits of service requirements, vacations will be scheduled during the more desirable vacation period and on the basis of employees' seniority.
   Vacation selected after this initial process will be on a first-come first-served basis.

   Additionally, when an employee cancels previously approved vacation time, with service requirements permitting, management will notify the work group of the opportunity to request the available vacation, and allow the most company senior employee first choice.

   For additional details refer to the MOA entitled Vacation/Holiday Scheduling.

   4.1 When an employee transfers to a new work group and vacations have

been scheduled for the group, the supervisor will, if work requirements permit, approve the employee's first selection for vacation. However, if, because of work requirements, the employee is unable to take the first selection, the supervisor will provide an alternate vacation schedule from which selection will be made.

5. On his own request any employee shall be granted an excused absence without pay of not more than fifteen (15) days immediately preceding or following his vacation, provided that such excused absence does not interfere with the needs of the service and does not affect the initial scheduling of vacation of any other employee or employees. Management reserves the right to respond to each request at whatever point in time it can best determine it's effect on the needs of the service, but not less than ten (10) days from the time off which was requested.

   5.1 This excused time cannot be scheduled prior to scheduling all eligible vacation and holiday time.

6. Day-at-a-time Vacation

   6.1 Effective January 1, 1997, each employee is entitled to take ten (10) days of accrued vacation time in any one (1) calendar year in day or days-at-a-time increments. In the selection of vacations, week vacations shall have precedence over day-at-a-time vacations.

   6.2 Whenever possible, day-at-a-time vacation should be chosen along with vacation weeks and should also be shown on Vacation Request Form (605329). If an employee does not choose vacation days to be taken at a time when he chooses week vacation, he will give at least ten (10) working days notice to the supervisor of the day (or days) he desires to take as vacation days. Such time limit may be waived by supervisory approval.

   6.3 If the employee has not chosen and/or taken all day-at-a-time vacation by November 1 of each calendar year, management will designate the day (or days) to be taken.

6.4 If an employee has chosen a vacation day (or days) and later decides to cancel, he must notify management of this decision five (5) work days prior to that day. If the minimum notification is not met, the employee may be required to take the day (or days) selected at the option of management.

6.5 When a day that was originally chosen as a day-at-a-time vacation day is canceled in accordance with Section 6.4, the supervisor will notify his work group of the available day or days and make the days available to the senior employee(s) who request it.

7. Carryover Vacation Time

7.1 Each employee who is eligible for two (2) or three (3) weeks vacation may carry over five (5) days or less of his accrued vacation into the next calendar year. Each employee who is eligible for four (4) or five (5) weeks vacation may carry over ten (10) days or less into the next calendar year.

7.2 The employee will exercise the option to carry over vacation time at the time of initial selection if his vacation for the current calendar year. The dates for the carryover vacation will be designated on the Vacation Request form and approved by the employee's supervisor. Carryover vacation time is chosen, by seniority, at the same time the employee chooses vacation for the current year. Once carryover vacation has been requested and approved, that vacation period cannot be superseded by a more senior employee, except that employees who transfer to a new work group after having been scheduled for carryover vacation will be granted such vacation time in accordance with Article 22, Section 4.1.

7.3 Carryover vacation time must be taken no later than June 30 of the year after it is accrued, unless otherwise designated by management.

EXAMPLE: January 1, 2003 employee elects to carry one (1) week vacation. It must be taken before June 30, 2004, or as previously designated by management at the time the carryover vacation was approved.

ARTICLE 23
HOLIDAYS

1. Subject to the following provisions the legal holidays listed below or the day which they are observed locally will be recognized by the Company:

   New Year's Day
   Memorial Day
   Independence Day
   Labor Day
   Thanksgiving Day
   Day After Thanksgiving
   Christmas Day
   Seven(7) Personal Holidays

2. Unless otherwise provided herein, a regular or temporary employee not working on a holiday will receive one (1) day's pay at his normal straight time rate, exclusive of shift or temporary or relief supervisory differentials, if he works his last unexcused scheduled session preceding the holiday and his first unexcused scheduled session following the holiday.

3. An employee may select any days within the calendar year except Sunday to observe the seven (7) Personal Holidays. Personal Holidays can be taken in two (2) hour increments for a total of fifty-six (56) hours per year. The Holidays in this Section 3 are subject to the following selection procedures.

   3.1 The employee will give at least thirty (30) days notice to his supervisor of the day or days on which he intends to observe the holiday. Such time limit may be waived by supervisory approval.

   3.2 If an employee selects a day or days to observe as the holiday which, because of work requirements, would not be available, or if two (2) or more employees in the same work group select the same day or days, the employees will choose alternate available day or days in order of seniority.

   3.3 If any holiday for which an employee is eligible to take under this Section 3 provision is not selected by October 15 of each calendar year, Management will designate the day or days to be observed.

3.4 An employee will be eligible for Personal Holidays following the completion of three (3) months of employment. The number of Personal Holidays a new hire will be eligible for, in their first calendar year of employment, will be based on the following schedule:

First Quarter Hire Date – 7
Second Quarter Hire Date – 4
Third Quarter Hire Date – 2
Fourth Quarter Hire Date – 0

4. Unless otherwise provided herein, a regular part-time employee, not working on a holiday, will receive pay for the number of hours for which he would have been scheduled to work had the day not been a holiday, if he works the last unexcused scheduled shift preceding the holiday and works his first unexcused scheduled shift following the holiday.

5. An employee who is scheduled to work on a holiday but fails to report for work and is unexcused will not receive payment for the holiday.

6. If a holiday falls on a normal workday which is a vacation day, the employee will be given an additional day of vacation at the beginning or end of his vacation or a day's pay in lieu thereof at his option. Holidays which fall on normal working days within a leave of absence will be counted as workdays and will not be recognized for pay purposes. (See Article 24 for maximum excused absences.)

7. Employees who work on holidays will receive, in addition to the holiday pay provided for in this Article 23, time and one-half at the basic rate for hours worked.

ARTICLE 24
LEAVES OF ABSENCES FOR PERSONAL REASONS AND EXTENDED ACCOMMODATION LEAVES FOR MEDICAL REASONS

1. Verizon employees may be eligible to take personal leaves of absence of up to six (6) months, as provided below. Employees who have exhausted, or who are otherwise not eligible to take FMLA, CFRA or Pregnancy Disability Leave (PDL) may be eligible to take extended accommodation medical leaves of absence of up to six (6) months, as provided below.

1.1 A leave of absence under this Article is without pay and credited service shall not accrue. Additionally, employees are not eligible for Company provided medical insurance coverage while on a leave of absence under this Article but may purchase coverage continuation

through COBRA.

1.2 The Company will pay to the employee at the beginning of his leave of absence the computed pay for any accrued vacation for which he is eligible.

1.3 No vacation or sick benefits shall be paid for such leave of absence and such employees shall not be entitled to any vacation until after he has met the requirements of Article 22.

1.3.1 An employee who returns from a leave of absence, for which credited service is not granted, will be eligible to take an accrued vacation when he has completed twelve (12) months of credited service, computed from the date he was last eligible for vacation, prior to going on leave.

The required completion of twelve (12) months of service is computed by adding the two periods (1) amount of service accrued between date of last vacation eligibility and the start date of the leave, plus (2) date returned from leave up to the accumulation of twelve (12) months of credited service.

Under the provisions stipulated herein, such employee's vacation eligibility date will return to January 1 of the year following the accrual of twelve (12) months of credited service.

1.4 An employee on a leave of absence under this Article must keep the designated Company representative notified of his current mailing address at all times. In the event the employee fails to respond to a Company communication within fourteen (14) days, he will be deemed to have terminated his employment.

1.5 An employee may at the discretion of the Company be excused without pay up to a maximum of two (2) months and such absence will not be deemed a leave of absence under this Article. However, an employee may not be excused under this provision immediately following a leave of absence as provided for under this Article.

2. PERSONAL LEAVE OF ABSENCE (NON-MEDICAL)

The following additional standards apply to personal (non-medical) leaves of absence:

2.1 Employees shall be eligible to apply for personal leaves of absence once they have completed twelve (12) months of credited service with the Company. However, the right to take personal leave is not

guaranteed. Verizon reserves the sole discretion to grant or deny personal leaves under this Article, after conducting a case-by-case evaluation of each request and the business needs of the Company.

2.2 Personal leaves granted pursuant to this Article are not job-protected, and Verizon does not guarantee that employees will be returned to work once their personal leave concludes. However, if the employee on a personal leave of absence notifies the designated Company representative in writing that he is ready to return to work in his previous work location and classification, no additional help will be placed in that classification at that location for the duration of the leave period (up to a maximum of 6 months) unless the employee on leave has first been offered reemployment.

2.3 If an employee on a leave of absence for personal reasons does not return to his position on or prior to the end of his approved leave of absence period, he will be released from the Company and the Company will have no further reemployment obligations to the employee.

2.4 Employees who take leaves of absence may not apply for unemployment benefits (UB) or engage in other employment or self-employment. An employee on a leave of absence will be considered to have terminated his employment if he applies for unemployment, or engages in outside employment or self-employment while taking leaves of absence.

However, if an employee on a personal leave of absence notifies the designated Company representative in writing that he is ready to return to work and there are no vacancies in his previous work location and classification, the employee may engage in paid outside employment and may apply for UB and for the remainder of his approved leave of absence period without it being deemed to be him terminating his employment. However, should such an employee decline an offer of reinstatement during the leave of absence period, he will be terminated.

3. MEDICAL LEAVE OF ABSENCE - EXTENDED ACCOMMODATION LEAVE (EAL) The following additional standards apply for extended medical leaves of absence granted as a reasonable accommodation for employees after they have exhausted FMLA, CFRA or PDL (whichever exhaustion date occurs later) or who are otherwise not eligible to take FMLA, CFRA or PDL.

3.1 Employees who have exhausted, or who are otherwise not eligible to take, FMLA, CFRA or PDL and who remain unable to work for medical reasons may request, or, at the direction of the Company, be placed on Extended Accommodation Leave (EAL) to enable them to sufficiently

recover from a qualified disability under the law, in order to return to work and perform the essential functions of their position, with or without reasonable accommodation. The Company shall notify the Union Business Manager of employees who are placed on an EAL within ten (10) business days. EAL eligibility/effective dates will start depending on the benefit approval period as indicated below:

3.1.1 AS/AI benefits approved - EAL eligibility starts upon the benefits exhaustion date of an employee's individual approved personal illness or injury (AS) or work related injury or illness (AI) balance (per Article 32) plus an additional two (2) months of unpaid excused time (per Article 24.1.5 above).

3.1.2 AS/AI benefits partially approved - EAL eligibility date will be the last date his approved AS or AI benefits ended plus the additional two (2) months of unpaid excused time (per Article 24.1.5 above).

3.1.3 No AS/AI benefits are obtained (denied/ineligible) - EAL eligibility starts with exhaustion of FML, CFRA, and/or PDL, or if such an employee is not eligible to take FMLA, CFRA or PDL, EAL eligibility will commence from the first date of absence.

However, employees who are eligible and fail to apply for AS personal illness or injury benefits or AI work related injury or illness benefits (per Article 32) will not be eligible for EAL and will be subject to discipline up to and including termination of employment.

3.2 Verizon will review whether an EAL should be granted on a case by case basis. An EAL will be granted when an employee is unable to perform the essential functions of his position due to a disability under the law, and an additional period of unpaid leave is expected to enable the employee to perform essential job functions upon returning to work, and the need for additional leave does not pose a significant difficulty or expense to Verizon's business.

3.3 As a condition of being placed on or remaining on EAL, the Company may require that appropriate medical information to support the need for EAL be submitted to the Workforce Accommodation Team (WAT) and/or to the Company's designated disability vendor. Similarly, the Company may require employees to submit appropriate medical information demonstrating that they are fit to return to duty, and can perform essential job functions with or without reasonable accommodation.

3.4 An employee on EAL will be reinstated to his original position if he resumes the ability to perform the essential functions of his position

before the end of the EAL period. If prior to the employee's announced ability to resume the performance of his job he received Permanent and Stationary (P&S) restrictions through the workers' compensation process, the employee must agree to be re-evaluated by the doctor who issued the P&S restrictions to determine if the relevant job functions can be performed without violating the restrictions. This re-evaluation by the workers' compensation doctor and that doctor's agreement to the employee's resumption of the job duties is a condition precedent to the employee's reinstatement.

3.5 An employee on EAL who is unable to return to his previous classification due to physical disability or by reason of superannuation will be permitted to submit applications for transfer in accordance with Article 34, Section 1, 3, and 4 of this agreement.

3.6 If an employee is approved for Long Term Disability (LTD) benefits prior to or during the commencement of EAL, his EAL status will be governed by the terms of the LTD Plan. Should an employee on LTD be released to return to work during the six (6) month EAL time period, return rights will be handled in accordance with the terms as identified in section 3.8 of this Article.

3.7 An employee on EAL may not apply for UB and may never engage in paid outside employment that conflicts with the stated reasons he cannot perform his job at Verizon. An employee who violates this Section will be deemed to have terminated his employment.

3.8 If the employee notifies the Company during the EAL period that he has resumed the ability to perform the essential functions of his position or upon expiration of the six (6) month EAL period, whichever occurs first, the Company and the employee will engage in an interactive process (IP) to assess whether the employee may be returned to his or her former position (or another for which he applies as provided under section 3.5 of this Article) with or without reasonable accommodation (which may include an EAL extension of a reasonable and finite duration) or released from employment. With respect to an employee who has an accepted workers' compensation case and is on EAL for that reason, any delay in the employee's obtaining necessary medical treatment that is not the fault of the employee will be factored into whether an extension of EAL may be warranted. No employee will be released from employment unless and until his status and ability have been reviewed and discussed through an individualized IP.

3.9 Employees on EAL will be considered as actively working for purposes of being eligible for ISPs and treatment under Article 8 (Force Realignments) and Article 9 (Layoffs).

ARTICLE 25
LODGING, MEALS AND TRAVEL EXPENSES

1. Employees will be, from time to time, temporarily assigned by the Company to temporary headquarters, either to perform work or to attend school.

2. Area Designations.

AREA DESIGNATIONS

Permanent Headquarters		Reporting Locations Within Permanent Headquarters
Barstow	2151 West Main Street (Bus. Ofc. Complex)	Barstow Central Office (CO) Lenwood CO S. Barstow CO Toll Center Yermo
Big Bear Lake	560 Bartlett (CO or Complex)	Big Bear City CO
Running Springs	2626 Secret Drive (CO)	
Victorville	16071 Mojave Dr. 16461 Mojave Dr. (CO or Complex)	Adelanto CO Apple Valley CO Desert Knolls CO Hesperia CO Lucerne Valley
Phelan	Phelan Rd. S/o Sheep Creek (CO)	Wrightwood CO
San Bernardino	King Street (CO)	
Boron	12156 Roberts Ave (CO)	North Edwards CO California City
Ridgecrest	520 S China Lake Blvd (CO or Complex)	China Lake CO Inyokern

Permanent Headquarters (continued		Reporting Locations Within Permanent Headquarters
Colfax	10 N. Auburn St	
Trona	County Rd. E/o Trona Rd at Aster St (CO)	
Lake Isabella	100 Hwy 155 (CO)	Kernville CO Weldon CO
Bishop	350 Lagoon St (CO)	Pine Creek CO Big Pine CO
Lone Pine	210 W South St	Independence CO (Central Office)
Mammoth Lakes	39 Pinecrest (CO and Complex)	Crowley Lake CO
Bridgeport	Sinclair & Bryant St (CO)	
Lee Vining	3rd Street (CO)	June Lake CO
Gardnerville	1520 Church St (CO or Complex)	Gardnerville, Ranchos CO Jacks Valley CO
Topaz Lake	Central Office	Coleville
Stateline	207 Kingsbury Grade (CO)	Glenbrook CO
Yerington	21 Vaness (CO or Complex)	
Cazadero	3225 Cazadero Hwy (CO)	
Timber Code	Coast Highway #1 (CO)	
Sea Ranch	1200 Annapolis Rd (CO)	
Garberville	485 Conger St (CO or Complex)	
Covelo	76436 Main St (CO)	

Permanent Headquarters (continued)		Reporting Locations Within Permanent Headquarters
Laytonville	44941 Willis Ave (CO)	
Mad River	Mad River Ridge (CO)	
Weaverville	702 Main St (CO or Complex)	
Hayfork	Main St (C.O.)	
Willow Creek	Willow St (C.O.)	
Manteca	430 West Center (CO or Complex)	Lathrop Ripon
Knights Landing	517 3rd St (CO)	Robbins, Yolo County
Linden	19054 E Main (CO)	Farmington, Clements
Exeter	710 S Kaweah (Complex)	
Dos Palos	1823 Marguerite St (CO)	Oro Loma Dos Palos Wye
Tranquility	5822 School St (CO)	San Joaquin Cantua Creek
San Miguel	1170 L St (CO)	

3. Acceptance of Board and Lodging or Subsistence

After receiving notice of his temporary / project assignment to a temporary headquarters for more than one (1) day, an employee will, at the start of the next scheduled shift, be required to inform the Company of his intent to accept board and lodging at Company expense or accept subsistence in lieu thereof. He will be bound by that decision for the entire assignment except in the event of illness or other compelling reason. Should it be necessary to extend the assignment beyond the original scheduled time frame, the employee will be allowed to reverse his decision if he desires, providing he notifies the Company of his intention before leaving temporary headquarters at the end of the original assignment. Subsistence allowances will not be allowed at temporary headquarters located more than 60 (sixty) miles from permanent headquarters, unless in the opinion of the District Manager the trip could be made safely and within a reasonable time period.

An employee who elects to provide his own living quarters at temporary headquarters and will remain there during the workweek will not be restricted to the sixty (60) mile limitation.

4. Subsistence Allowance

An employee assigned to a temporary headquarters who elects to travel between his lodging and such headquarters by his own means of transportation in lieu of accepting board and lodging from the Company, shall receive a subsistence allowance based on the one-way highway distance by direct and reasonable route that exceeds an employees normal commute to his normal work location:

Distance	Daily Allowance
Over 0 and up to 20	$ 8.00
Over 20 and up to 40	$18.40
Over 40 and up to 60	$28.75
Greater than 60	$36.50

In the event the Company requires the employee to transport a Company vehicle to or from temporary headquarters, the employee will receive subsistence on the day(s) of transport.

In the event the distance involved from his residence to the temporary headquarters is less than that from his residence to the permanent headquarters, the employee will not be eligible for subsistence or board and lodging.

In the event the Company furnishes any portion of the board or lodging, it shall be entitled to a proportionate credit against such subsistence allowance.

5. Board and Lodging Expenses

(1) The Company will pay the employee's expenses while he is assigned to temporary headquarters, provided the lodging is taken at places designated by the Company.

(2) The Company will continue to pay the employee's expenses while he is retained at temporary headquarters on his days off, unless mutually agreed otherwise.

6. Transportation

(1) The Company will provide transportation facilities or pay expenses for travel at the beginning and end of a temporary assignment when an employee is being dispatched between his permanent and temporary headquarters.

(2) If the Company directs the employee to report to the job site, which does not entail additional travel from the employee's home, the Company will not be obligated to pay for mileage.

(3) An employee, with the approval of his supervisor, may report directly to the job instead of his permanent or temporary headquarters; in such cases, he will furnish his own transportation.

(4) Company vehicles are not to be used for transportation to facilities that provide meals, unless authorized by management.

7. Travel Time

(1) An employee being dispatched between his permanent or temporary headquarters to a job will be paid for his time consumed in such travel except when he has accepted subsistence, in which case he would be allowed travel time only at the beginning and end of the entire temporary assignment. If the employee is directed to return to his permanent headquarters in the interim, travel time will be paid.

(2) If the travel does not entail additional time from the employee's home, the Company will not be obligated to pay for the time spent traveling.

(3) All travel required of an employee after reporting for work each day shall be on Company time.

8. Return to Permanent Headquarters (Except Off System Training)

At its option, the Company may return an employee to his permanent headquarters at the close of any workday.

The Company will return such employee to his permanent headquarters not less often than every four (4) weeks, although the entire temporary assignment may not have been completed. The Company will provide transportation facilities or pay expenses for said travel and pay for time consumed in traveling. Subject to management approval, the employee may be allowed to remain at his temporary headquarters; in such case the Company will continue to pay his expenses.

For an employee attending Company training facilities 150 miles or less from his permanent headquarters, the Company will return said employee to his permanent headquarters at the end of two (2) weeks, although the entire temporary assignment may not have been completed, subject to the following:

(1) A Company vehicle will be provided for the return trip; if one is not available, the employee will be compensated at the Verizon Company

Policy rate. This rate shall not be less than thirty-two and one-half cents ($.325) per mile for this contract.

(2) Time consumed for travel will not be paid.

(3) Company will not be obligated to pay Saturday or Sunday meal and incidental expenses, as outlined in 9.3. The employee will continue to receive the full amount for the Friday he leaves for home and the Monday when he has returned to training.

(4) Motel expenses will not be paid for Friday or Saturday nights.

(5) Should a three (3) day weekend be involved, the two (2) affected days would become three (3).

(6) Should training be held on a Saturday, the two (2) affected days would become one (1).

The employee will be allowed to remain at his temporary headquarters; in such case, the Company will continue to pay expenses.

9. Meals

(1) Payment for Mid Shift Meal

An employee whose job duties do not normally require him to travel each day but who is assigned to work outside of his permanent headquarters area will be entitled to a $6.50 meal payment unless he is given notice of this assignment on his previous shift.

An employee who is expected to travel while performing his job duties will not be entitled to the meal payment when he returns to his permanent headquarters area each day.

(2) Overtime Meal

When an employee works three (3) hours or more beyond his eight (8) hour shift, he will receive a meal allowance of $7.00. When an employee works three (3) hours or more on an emergency call out he will receive a meal allowance of $7.00. An employee may only receive one of these meals due to the same hours.

(3) Meal and Incidental Expenses When Away from Headquarters Overnight

An employee will be allowed $25.00 for expenses on the day he

leaves for the out-of-town assignment.

An allowance of $32.50 per day for those days he is away from headquarters for the entire day.

An allowance of $15.20 for the day he returns to headquarters from the out-of-town assignment.

The above expense allowance will cover meals and incidental expenses including laundry. The transportation expense and motel accommodations will be in addition to the allowance; receipts for motel charges will be required.

ARTICLE 26
TRANSFER ALLOWANCES

1. When an employee is transferred at Company request from one work location to another thirty-five (35) miles or more distant, and such assignment is to be for a period in excess of six (6) months and if the employee moves his residence closer to the new location as a result of such transfer, he will be entitled to the following transfer allowances:

   1.1 Five (5) days excused absence with pay to make necessary arrangements of personal affairs. Transferred employees may elect to receive pay in lieu of time off at their own option. Pay for hours paid but not worked under this Section will not be considered part of the normal workweek.

   1.2 A relocation allowance of $150.00.

   1.3 An allowance of $150.00 for packing household goods.

   1.4 Actual cost of moving furniture and personal belongings.

   1.5 Travel on Company time and at Company expense for personal transportation of the employee and his family to travel to the new residence.

2. In every case, however, the Company will reserve the right to name the agency which will be used to move the employee's furniture and personal belongings, and to prescribe the form of transportation which shall be used for the employee and his family, if the Company is expected to pay such costs.

3. The Company will not pay any expenses incident to the transfer of

employees who have requested such transfer under the job bidding and transfer provision as covered under Article 34.

4. Employees who have been released or laid off, or who have been notified that they are to be released or to be laid off, will not be entitled to receive any transfer allowance if they are selected to fill a vacancy at another headquarters later, but will be considered as new employees for the purpose of this Article when they report at the new location. The provision, however, will not be used to discriminate against employees by laying them off in contemplation of their transfers.

5. The provisions of this Article do not apply if the employee fails to complete their move within eighteen (18) calendar months from the date of transfer.

6. The provisions of this Article do not apply if the employee's residential move does not decrease their travel time by at least one (1) hour per day, round trip.

ARTICLE 27
RESPONSIBLE UNION – COMPANY RELATIONSHIP

1. The Company and the Union recognize that it is in the best interests of both parties, the employees, and the public that all relationships between them continue to be characterized by mutual responsibility and respect. To insure that this relationship continues and improves, the Company and the Union, and their respective representatives at all levels, will apply the terms of this contract fairly in accord with its intent and meaning.

2. With sincere effort by both parties to resolve any disputes or misunderstandings, or at least to clearly understand the position of the other, both the Union and the Company can look forward to a mutually beneficial association, with increasing responsiveness from both parties to the needs of the employees.

3. In the event that a representative of the Union feels that meetings and/or discussions with Management are not characterized by a sincere effort by both parties to resolve any disputes or misunderstandings, or at least to clearly understand the position of each other, the appropriate Union Official will summarize the nature of the dispute in writing and submit the written summary to the third level manager within thirty (30) days of the alleged dispute.

   The third level manager, upon receipt of said written summary, will respond within five (5) days to arrange an informal meeting with the Union Official. Within five (5) days following such informal meeting, the third level manager

will provide the Company's response.

3.1 If the Union is not satisfied with the third level manager's response, the Local Union Business Manager or his designated Representative, within five (5) days after receipt of such response may request an informal meeting with the Division Manager or Department Head. The Division Manager or Department Head will respond within five (5) days to the Union Official to establish a date mutually agreeable to both parties. Within five (5) days following the meeting the Company will give its response.

3.2 If the Union is not satisfied with the Company's response, the Union Official, within fifteen (15) days of the Company's response, may submit the grievance in writing on the grievance form as prescribed in Article 12, Section 5.1, except that Step 1 may be waived.

3.3 The parties may by mutual agreement waive the time limits set forth in this Article.

3.4 The parties agree that the provisions contained herein do not modify or change the rights of the parties as set forth in Article 12 or Article 13.

4. The Company will advise all new employees, who are covered by this Agreement, that there is a collective bargaining agreement in existence and will furnish each such employee with a copy of the Agreement.

ARTICLE 28
WAGES

1. New employees, at the time of hire, will normally be placed on the start rate of the applicable schedule. However, management may at its discretion place a new employee at a higher step on the schedule when it determines it to be appropriate to do so.

2. Appropriate change in wages will be made with respect to employees who are transferred from one occupation to another in accordance with the following:

2.1 Employees who are transferred to higher wage-paying classifications will be placed on the step of the new schedule which has the next higher rate to the employee's rate of pay at time of transfer. In no event will employees so transferred have their progression steps extended by more than twenty-four (24) months. The employee's

progression date, if applicable, will not be affected by such transfer. Employees so transferred who have credit allowed for experience which is not directly applicable to the new job classification may have such credit taken away at the date of transfer. Management may at its discretion place a transferring employee at a higher step on the schedule when it determines it to be appropriate to do so.

2.1.1 Employees who transfer back to their previous job classification within two (2) years will receive wage credit for time worked in the higher classification if the vacancy requires the same duties and skills as determined by management.

2.2 Employees, other than those specified in Subsection 2.3 below, who have transferred for reasons of health to a lower wage-paying classification will be carried across moneywise to the new schedule and held off-schedule until the new schedule catches up to them or they return to their normal job or for three (3) calendar months, whichever is sooner, except that where the employee who is being transferred is receiving wages above the top of the new schedule, his pay shall be reduced to the top of the new schedule. An employee who is unable to return to his normal job by the end of three (3) calendar months will be placed on the step of the new schedule which corresponds to his length of wage service and will remain on that new schedule until he is able to, and does, return to his normal job. Employees who are being transferred to lower wage-paying classifications for reasons other than health or permanent physical disability will be placed on the step of the new schedule which corresponds to their length of wage service. Anything to the contrary herein notwithstanding, an employee temporarily disabled due to occupational injury will be compensated at his normal basic rate if placed in another job classification during the period of such disability.

2.3 If an employee by reason of a permanent physical disability, is transferred to an occupation for which there is provided a schedule of wages lower than the schedule under which his current occupation is carried, the initial decrease in his wage will be limited to a maximum of six (6) cents per hour and succeeding decreases will be limited to the same amount and will be made only at six (6) month intervals until the appropriate wage has been attained under the new schedule.

2.4 An employee on a relief basis who performs the duties of a higher wage-paying classification shall receive a differential equal to the difference between his step on his own wage schedule and the

corresponding step on the higher wage schedule for actual time worked performing the duties of the higher wage-paying classification.

2.5 Nothing in this Section 2 is to be construed as restricting Management's right to place temporarily disabled employees in jobs which they can handle during their temporary disability.

3. The progressive wage increases provided under the wage schedules will be awarded automatically to all employees except occasional employees upon completion of the periods of active employment specified in the wage schedules. The wage of occasional employees will be adjusted on an individual basis in recognition of their increased employment. Progressive wage increases will be effective on the Sunday nearest actual completion of periods of active employment specified in the wage schedules.

ARTICLE 29
DIFFERENTIALS

1. Hourly employees who are designated by management to be in charge of other hourly employees or of a managerial function will receive an in-charge differential of one dollar ($1.00) per hour, provided such in-charge assignment is for one (1) hour or more.

1.1 Such employees may, as required, perform productive work of the same type and nature as normally assigned to employees included within the collective bargaining unit while they are acting in an in-charge capacity.

2. Shift differentials will be paid to employees who are required to work specified hours as a part of scheduled shifts. Shift differential will be included as a part of the employee's rate for the purpose of calculating overtime. Shift differential will not be prorated. Shift differentials will not be paid on holidays not worked, nor during vacations, nor during periods covered by sick benefits, nor will it be paid for work falling within the specified hours as a result of overtime which is a continuance of a regularly assigned shift or if it is a result of an emergency call-out.

2.1 A night tour premium of one dollar ($1.00) per hour will be paid for all scheduled hours worked between 9:00 p.m. and 6:00 a.m.

3. Employees who hold themselves subject to call by Management during hours when they are off duty will be paid an on-call differential for the period during which they are subject to call. Employees who hold themselves subject to on-call schedules will do so at their own option. In the absence of qualified volunteers, Management will designate qualified employees to be

on-call in inverse order of seniority. Management will attempt to equally distribute such designated on-call assignments among qualified employees.

3.1 The on-call differential will be paid as follows:

Scheduled Work Days -	**$12.00**
Non-Scheduled Work Days -	**$19.00**
Work Week -	**$98.00**

3.2 Employees who do not volunteer and are designated by management to be on-call for more than 13 full weeks/or 13 weekends (in a calendar year, January through December) will be paid as follows for all on-call time in excess of 13 full weeks/or 13 weekends (in a calendar year, January through December) of mandatory on-call:

Scheduled Work Days -	$15.00
Non-Scheduled Work Days -	$25.00
Work Week -	$125.00

ARTICLE 30
SAFETY

1. The Company will provide safe working conditions and will instruct its employees in safe methods and practices of performing their work through a definite safety program scheduled on Company time. Each Division shall have a Safety Committee. It shall be the responsibility of the Safety Committee to recommend the correction of any unsafe working conditions that may arise. Each Safety Committee will include one (1) member, for each local represented within the Division boundaries, appointed by the Union.

ARTICLE 31
TOOLS, EQUIPMENT AND GLOVES

1. The Company will furnish to new employees, and on a replacement basis to present employees, all tools, equipment and gloves necessary for the proper performance of the job. The Company will specify the quantity, kind, type and make of all such items to be furnished. No tools, equipment or gloves, other than those furnished by the Company may be used unless specifically approved by the supervisor. Any such tool or equipment allowed will not be replaced by the Company or at Company expense.

1.1 All tools, equipment and gloves furnished by the Company will be charged to the employee, and the employee will be held responsible.

1.2 The Company will replace all tools, equipment and gloves that are broken and/or worn out through normal wear, except those not specified as standard by the Company.

1.3 Tools, equipment and gloves that are lost or mistreated to the extent that they are no longer usable will be replaced by the Company, except those not specified as standard by the Company; however, the employee responsible for the items may be required, at the discretion of Management, to pay for them and will be billed accordingly. Employees will have the option to pay by cash, check, money order or payroll deduction.

1.4 Employees who are furnished tools, equipment and gloves will be held responsible for the proper use, care and maintenance of these items, and will be held to an accounting of all tools, equipment and gloves at the time of replacement thereof, or upon termination of employment with the Company.

ARTICLE 32
SICKNESS AND ACCIDENT BENEFITS

1. Active employees who, during their active employment, are forced to be absent from work because of their own illness or their own injury, or death in their immediate families, will receive the benefits described in the following paragraphs. Employees whose services with the Company are terminated for any reason whatsoever shall have no claim against the Company for any benefits provided in the following paragraphs and the accumulated sick leave described hereinafter shall not be considered to constitute any liability on the part of the Company, to such employees, provided, however, that this rule will not be used to discriminate against employees to the extent that they might be dismissed at a time when they might be eligible to apply for such benefits.

1.1 The term “benefits” shall mean seventy-five (75) percent of the employee’s stated wage in all cases where the employee does not receive compensation as defined in Subsection 1.2 below and shall mean one-hundred (100) percent of the employee’s net pay after application of taxes in all cases where he does receive compensation, as defined in said Subsection 1.2.

1.1.1 At such time an employee residing in California is eligible for State Disability Insurance benefits and sickness and accident benefits, his compensation for Company provided benefits will be computed at seventy-five (75) percent of his stated wage

after deducting his available State Disability Insurance benefits from the gross wage payable had he worked.

In no event, after application of taxes and State Disability Insurance benefits, will an employee's combined benefits exceed or be less than the net amount payable had he worked. Employees who do not claim their available State Disability Insurance benefits will have their net pay reduced by an amount equal to the SDI benefits.

1.1.2 In no event during an absence due to occupational injury will an employee's combined benefits be greater than the net amount which would have been payable had the employee worked. Additionally, if the employee is otherwise eligible, the net amount payable will not be less than the net amount payable had such employee worked.

1.2 "Compensation" shall mean the payments made to an employee from any source under the provisions of the Workers' Compensation Insurance and Safety Act, or any other Federal or State law or regulation now in effect or hereinafter enacted, provided, however, that if any such law or regulation shall require the collection of taxes or contributions from the employee and the Company, only that portion of such payments as is represented by the Company's tax or contribution will be considered as compensation.

1.3 "Injury" shall mean an injury not arising out of and during the course of an employee's occupation.

1.4 "Occupational injury" shall mean an injury arising out of and during the course of an employee's occupation.

1.5 In the event an employee shall experience an injury or an occupational injury on which the employee makes a recovery from a third party (other than the compensation insurance carrier of the Company) for damages resulting from the injury, it is agreed that the employee will reimburse the Company to the extent of the amount of such recovery for any sick benefit payments received from the Company in connection with such injury and an appropriate restoration of time shall be made to the employee's sick leave entitlement.

2. Employees will accumulate sick leave at the rate of one (1) and one-half (1/2) workdays for each month of credited service up to a maximum of two hundred seventy (270) workdays, provided, however, that after fifteen (15) years of credited service such portions of this sick leave as may have been

expended by absences for which benefits have been paid, will be restored at the rate of one (1) and one-half (½) workdays for each additional month of credited service until the maximum of two hundred seventy (270) workdays is accumulated again.

2.1 After they have completed twelve (12) months of credited service, regular employees will be eligible for sick leave with benefits as provided hereinafter if they are forced to be absent from work because of illness or injury, or death in their immediate families. Employees will be eligible for sick leave with benefits as provided in Subsection 3.1 of this Article 32 when they are forced to be absent from work because of occupational injury.

2.2 Each workday for which benefits are paid because of absences due to illness or injury **or death in the immediate family (in accordance with Subsection 3.2 of this Article) will be deducted from the accumulated sick leave; however, absences because of occupational injury** will not be deducted from their sick leave accumulation.

3. Regular employees who are eligible and apply for benefits due to illness or injury will be subject to a two (2) day waiting period. The two (2) day waiting period will be waived:

a. If the employee is admitted to a hospital.

b. For those regular employees who at the start of their absence have an accumulated balance of one hundred eighty (180) days of sick leave.

c. **For those regular employees who at the start of their absence have an accumulated balance of between ninety-one (91) and one hundred seventy-nine (179) days of sick leave and who have received no benefits due to illness or injury during their last twelve (12) months of credited service.**

Lost time due to occupational injury will not be considered in determining a waiting period for subsequent absences due to illness.

3.1 All regular employees will be eligible to receive the excess of benefits over compensation for each workday absent because of occupational injury, beginning with the first workday of absence (**without a waiting period**), to the extent of their accumulated sick leave, or for the first five (5) workdays of absence, whichever is the greater. Temporary employees will be eligible to receive the excess of benefits over compensation for only the first five (5) workdays of absence due to occupational injury.

3.2 Regular employees who are eligible for benefits and are required to

be absent from work because of death in their immediate families will be eligible to receive benefits (without a waiting period) for three (3) days (**with the exception of the death of an aunt or uncle where such employees will be eligible to receive benefits (without a waiting period) for one (1) day.) In this instance only, benefits will be paid at one hundred (100) percent of the employee's stated wage.** Employees who can justify such need to the satisfaction of Management, such as for travel, will be eligible to receive up to two (2) additional days off from work, such time will be excused without pay, or if available the employee may elect to utilize Vacation or Holiday time**..**

3.2.1 "Immediate Family" for the purpose of this Section shall mean parents, stepparents, adoptive parents, children, stepchildren, adopted children, brothers, stepbrothers, sisters, stepsisters, husband, wife, step-grandparents, great grandparents, grandparents, grandchildren, mother-in-law, father-in-law, aunt, and uncle.

3.2.2 Employees who can justify such need may be permitted to take vacation, personal holiday time or excused time for deaths of family members which are not stated in Subsection 3.2.1.

4. Employees who are required to be absent from work or who find it necessary to leave their work and who contemplate applying for sickness and accident benefits will be required to report to their immediate supervisors at the beginning of such absence. Benefits will not be granted to employees after they have commenced a vacation or a leave of absence except that employees who have commenced a vacation and who during this vacation must be hospitalized as an in-patient for at least two (2) complete nights stay will be eligible to apply for sickness benefits. For this purpose a vacation or a leave of absence will be considered to have commenced immediately after the close of business on the last day actually worked, or immediately after the end of the last shift actually worked. An employee who has returned to active employment after a leave of absence or who has returned to work after a vacation will not be permitted to apply for benefits for an illness or injury occurring during such leave of absence or during such vacation, except that an employee who is unable to return to work because of an illness or an injury suffered during his vacation will be eligible to apply for benefits beginning after his vacation, subject to the applicable waiting period described above.

4.1 **If an employee is required to leave work because of occupational injury, he will be paid the excess of benefits over compensation in accordance with the foregoing except that the applicable**

waiting period will be waived. If an employee is required to leave work prior to the completion of his shift because of illness or injury, he will be paid for hours worked. If applicable, benefits will commence after observance of the applicable waiting periods described above.

4.2 Employees will not be permitted to exchange days for which they would be eligible to receive benefits for days when they are scheduled to be absent from work.

4.3 Management will reserve the right to investigate any case of disability due to illness, injury or other cause, for which benefits are requested, and in its sole discretion may require an opinion from a physician other than the one in regular attendance, or a statement from the physician in regular attendance and the payment of benefits will be governed by such investigation and opinion. Benefits will not be paid in cases of absence caused by nervous disorders unless a physician, selected and paid by the Company, shall deliver to the Company a statement in writing to the effect that such nervous disorder is sufficiently serious to make it essential that the employee be relieved from work for a definite period of time.

In any event the determination of the payment of benefits shall rest solely with Management which fairly shall consider, but shall not necessarily be bound by, doctor's reports and all other pertinent information.

5. Employees who are found to be guilty of abusing the foregoing provisions for sickness and accident benefits may be subject to dismissal or to forfeiture of any privileges relating thereto.

ARTICLE 33
EMPLOYEE TRAINING

1. Assignments to positions covered by this contract for pre-management training purposes shall be filled at the discretion of Management. The number of employees to be assigned at any one time will not exceed an aggregate of one (1) percent of the total bargaining unit.

1.1 If, after an employee has been assigned to this training program, he is not selected for promotion to Management, he will be reassigned to the job or to a job on the same wage schedule as that which he held at the time of his selection for the program at the wage rate commensurate with the step on the wage schedule he would have had had he remained on the job class.

2. Within each work group, employees will be given opportunity to learn, in an orderly sequence, all phases of the work necessary for them to carry out their job. Selection of which employees receive training within a title classification is a matter of Management decision, except that it is agreed that seniority will be given first consideration by the Company in making such selection.

ARTICLE 34
JOB BIDDING AND TRANSFERS

1. Qualifications and requirements for jobs shall be established in the order of their importance by Management, and for jobs of identical content shall be uniform throughout the Company. At no time will the qualifications for any particular job be designed to fit any one particular individual, and in all cases qualifications and requirements shall be established prior to declaration of the vacancy. The Company may use tests to assist in the determination of the employee's qualifications. The form, content, and administration of such tests shall be at the sole discretion of the Company and shall not be subject to the grievance or arbitration provisions hereof.

2. Requests for transfer based upon health reasons due to the employee's illness or illness in his immediate family shall take precedence over other applications on file.

   2.1 "Immediate family" for the purpose of this section shall mean parents, parents-in-law, wife, husband, children, brothers, sisters, or any other persons substantially dependent upon the employee either for financial aid or physical care, and "illness" as it relates to other than the employee himself shall be defined as meaning any condition of health requiring a substantial degree of financial aid for treatment or a substantial degree of physical care.

   2.2 Requests for transfers based upon health reasons must be accompanied by written medical evidence including diagnosis and prognosis from the attending physician and a specialist in that field. All required medical documentation and approvals must be received no later than the posting close date of the vacancy in order to be considered as a priority transfer request.

   2.3 All costs for such evidence shall be borne by the employee requesting such transfer.

   2.4 Employees may have a maximum of two health priority transfer

applications on file that are not in response to posted vacancies. Additionally, an employee may submit health priority transfer applications in response to posted vacancies.

2.5 Employees who transfer due to permanent medical restrictions or health reasons will not be entitled to a subsequent transfer for health reasons if:

a) The new job classification fully accommodates their permanent medical restrictions or health reasons.

b) There is no significant change to their medical conditions. Any such changes must be certified by written medical evidence.

3. Job vacancies will be posted in the manner designated by the Company. Employees may apply for an unlimited number of posted vacancies at any given time. Employees who desire to be considered for transfer will submit applications, to Staffing, on the form and in the manner designated by the Company, no later than the posting close date of the vacancy. An employee may submit applications only for posted vacancies with the exception of those requests noted in Sections 2.4, 3.1, and 5.1 of this article. In the event no applications of qualified employees are on file, the Company may proceed to fill the vacancy at its discretion.

3.1 Employees who have been force realigned may have a priority transfer application on file that is not in response to a posted vacancy. As outlined in Article 8, Section 1.5, the employee must submit the transfer application within three (3) months after the date of realignment and move at his own expense.

3.2 The Company will notify the appropriate Union representative of any employee or employees of more seniority than the employee chosen and the reasons why such employee or employees were bypassed. Management will also notify the appropriate Union representative of all vacancies filled by request for transfer, showing when such a vacancy is filled, by whom, the seniority date of the selected employee, and wage schedule from which he has transferred.

4. Selection of employees for transfer to vacancies shall be determined as follows:

4.1 An employee shall be entitled to any job vacancy if he has the necessary qualifications and fitness and the most seniority of all candidates for the job. The employee will pay his own moving expenses on an employee-initiated transfer.

4.2 A newly hired or rehired employee may apply for, but shall not have a right to a transfer until he has occupied his first position at the same location for at least twenty-four (24) months. All other employees in classifications in wage schedules C-A, C-B, C-C, C-1, C-2, and C-3 may apply for, but shall not have a right to transfer until they have occupied their present position at the same location for at least eighteen (18) months. All other employees in classification C-5, C-6, C-7, C-8, and C-9 may apply for, but shall not have a right to transfer until they have occupied their present position at the same location for at least twenty-four (24) months. The above transfer hold dates may be waived at management's discretion.

5. Nothing contained in this Agreement shall be construed as restricting Management's right to make transfers of employees of identical job classification between work locations.

5.1 Employees who are transferred through this provision may have a priority transfer application on file to return to their prior job classification and work location. The employee must submit the transfer application within three (3) months after the effective date of the original Company initiated transfer.

ARTICLE 35
MILITARY LEAVE OF ABSENCE

1. MILITARY LEAVE OF ABSENCE

1.1 A military leave of absence will be granted by the Company to each regular employee who, prior to the termination of his employment with the Company, enters the U.S. Armed Forces, by voluntary enlistment or by draft, or who is a member of a reserve component of one of the armed forces or the National Guard or Air National Guard and is ordered to active duty. Such military leave of absence will commence on the day following the last day worked by the employee, or on the day following the last day of any vacation for which the employee may receive the commuted value as provided below, and will terminate on the ninety-first (91) day following his discharge from the armed forces or his relief from active duty. A military leave of absence will not be extended for the employee who reenlists or who volunteers for a continuation of his active duty beyond the time limits provided under veterans reemployment rights as described by the Federal Government Statutes.

2. REEMPLOYMENT

2.1 In conformity with the terms of the statutes pertaining to the restoration of a veteran to his former employment, employees who

are granted military leaves of absence will be reinstated in their former positions with the Company or will be given positions of like seniority, status and pay. Full recognition for wage progression and for all other purposes will be given to the military leave of absence in the same manner that the period of time would be recognized had the employee remained continuously in the position he held at the beginning of his leave of absence, except as follows:

(a) The Company shall have the right to hold any employee employed on and after September 16, 1950, on the wage given him on the date of his return to employment, until his experience and proficiency justify the next higher wage, provided that the suspension of wage progression shall not exceed, whichever is the shorter length of time of (1) the length of the military leave of absence in any case, or (2) the length of time between the employee's place on the wage schedule at the time of the beginning of his military leave of absence and the four (4) year step on his wage schedule, or (3) two (2) years of credited service.

(b) Sick benefits will not be granted to employees until after they have returned to active employment with the Company.

3. GROUP LIFE INSURANCE

3.1 For employees who are granted military leaves of absence, the Company will continue the amount of group life insurance in effect on the last day worked for a maximum period of thirty (30) days at no cost to the employee. At the end of this thirty (30) days or at the termination of the military leave of absence, the group life insurance will terminate.

3.2 Employees who return to active employment with the Company will have their basic life insurance automatically reinstated but will be required to make application for reinstatement of their contributory supplemental group life insurance if they desire to reinstate it.

4. CONTINUANCE OF COMPANY PAY

4.1 If a regular employee, at the beginning of his military leave of absence, is:

(a) In the age group subject to induction under the Selective Service and Training Act of 1948, the Armed Forces Reserve Act of 1955, and the related regulations currently in effect, or

(b) A member of the National Guard, Air National Guard, or of a reserve component, and he

(1) Is drafted or enlists voluntarily, or

(2) Is ordered to active duty or volunteers for active duty for six (6) months or more or active duty training (not to include training drills, voluntary specialized training or penalty active training duty), he will receive the difference between his military pay and his Company pay (if the latter is greater) less any deductions authorized by him or required by law, for three (3) days for each full month of completed credited service up to a maximum of difference in pay for three (3) months.

4.2 For this purpose, Company pay will be the product of the employee's daily wage in effect on the last day actually worked multiplied by 21.75 days. Military pay will be the basic pay shown in the pay tables in effect on the date when the employee enters military service for his grade or rank, giving effect to his length of military service, plus extra pay for special qualifications or duty, but exclusive of rental, subsistence, clothing, dependents, and other allowances. Daily military pay shall be the monthly pay divided by 21.75.

4.3 Regular employees will be paid the commuted value of any vacation to which they may be entitled at the beginning of the military leaves of absence.

5. SUBSTITUTES FOR EMPLOYEES ON MILITARY LEAVES OF ABSENCE

5.1 Persons transferred to positions formerly held by employees who are on military leaves of absence will be considered as temporary occupants of such positions and may be transferred back to their former or to equivalent positions when the employee for whom they are substituting returns from his military leave of absence.

5.2 Persons who are newly employed to fill vacancies which result directly or indirectly from the absence of employees on military leaves of absence may have their employment with the Company terminated unless there is other need for their services, when such employees return from their military leaves of absences.

6. MILITARY RESERVE TRAINING

6.1 If a regular employee is a member of the National Guard, Air National Guard, or of a reserve component and is subject to annual training duty, he will be paid the difference between his military pay (including all allowances) and Company base pay (if the latter is greater) for a period of not more than two (2) weeks in any one calendar year in which he performs such training duty. However, if an employee performs annual training duty and receives no military pay, he will be paid a maximum of one (1) weeks pay by the Company in any one calendar year.

6.2 An employee, to be eligible for payment as provided above, shall in writing request time off for annual training duty, and at the conclusion thereof, furnish the Company written evidence of the amount of military pay received.

ARTICLE 36
JURY DUTY AND WITNESS PAY

1. If an employee receives a Summons for Jury Duty, the Company will compensate the employee for the difference between the jury fee and his base pay for the time lost from work; not to exceed ten (10) work days (80) hours in any twelve (12) month period.

1.1 When an employee receives a summons for jury duty, he must notify his supervisor as soon as possible in order for the Company to make necessary arrangements to meet the needs of service.

1.2 If an employee is required to report for jury duty and he is temporarily excused from attendance, he must return to work as soon as reasonably possible and complete the shift he is assigned while on jury duty.

1.3 An employee working a night shift who is required to report for a full day of jury duty will be excused from his assigned shift and will be compensated in accordance with Section 1 above.

1.4 The employee must have completed by the Court a form to be provided by the Company showing days and hours worked on jury duty.

2. Subpoena as a Witness

2.1 If an employee becomes a witness to a crime of violence and is subsequently subpoenaed to be a witness during his regularly-scheduled hours, he will be compensated by the Company for the time off required in connection with the subpoena.

2.2 The employee must notify his immediate supervisor as soon as possible to make necessary changes in work assignments. If the employee is temporarily excused from court attendance, he must return to work during his regularly-scheduled hours.

2.3 Witnesses are generally paid a fee for each day they are required to appear. The Company will compensate the employee the difference between the witness fee and his regular base pay for the time he is required to appear.

2.4 Employees who are subpoenaed to appear as witnesses in a civil proceeding will not be compensated by the Company.

3. The provisions of this Article will be considered as time worked for all purposes.

ARTICLE 37
LUNCH PERIOD

1. An employee's regular shift shall include a midpoint meal period of thirty (30), forty-five (45) or sixty (60) minutes as determined by management.

2. Management reserves the right to reschedule lunch periods if necessary from time to time to meet the demands of the service.

3. When employees are scheduled for an on-duty meal period within their normal tour, the meal period shall be included as part of the employee's tour, and will be paid for as time worked.

ARTICLE 38
BULLETIN BOARDS

1. The Company will permit the Union to use, not to exceed, one-third of the space on Company-owned bulletin boards. The amount of space on Company-owned bulletin boards and the location thereon to be used by the Union shall be determined by agreement between appropriate Company representatives and local Union representatives.

ARTICLE 39
DEDUCTION FOR UNION DUES, SERVICE FEES

1. The Company shall deduct from the wages and/or sick benefit payments of members and nonmembers of the Union, dues and service fees for such payroll periods as it is authorized in writing to deduct by the individual employees covered by this Agreement.

2. IBEW Application for Membership card (marked Exhibit 1) enclosed shall be made a part of this Article. Payroll deduction authorization cards in the form attached hereto (marked Exhibit 2) shall be made a part of this Article.

3. An employee's authorization for deduction of dues shall be canceled by the Company any time proper notice is received from an authorized representative of the Union. An employee's deduction authorization will automatically be canceled if the employee leaves the employ of the Company or is transferred out of the bargaining unit.

4. The Company will make **twelve (12) monthly** union dues **and service fee** deductions per year in specified amounts and shall submit **such union dues and service fee deductions from the first** pay period **each month** to the Local Union No. 543. The Company will include with each submittal the name, address, and occupation or occupation code of each member of the bargaining unit. The list will show the amounts deducted for dues and service fees as applicable.

5. **The Company shall deduct double union dues or service fees from an employee who returns to work and whose dues or fees are in arrears until such time as the employee is current with their dues or fees owed.**

6. The Company shall incur no liability from acting as agent in the collection of dues.

ARTICLE 40
RELIEF BREAK

1. Employees will be permitted reasonable relief breaks as provided herein.

    1.1 These breaks will be limited to fifteen (15) minutes per session. As a relief break is considered to be a mid-session break, no break will commence prior to the end of the first hour of the employee's scheduled session, nor will the break end during the last hour of his

session. In no case will an employee drive a company vehicle which would deviate from his normal route for a relief break. In the event these rules are violated, disciplinary action can be taken.

ARTICLE 41
PRODUCTIVE WORK BY MANAGEMENT

1. The Company acknowledges a general policy that Management employees will not do productive work of the same type and nature as normally assigned to employees included within the collective bargaining unit. It is understood, however, that it is a normal function of Management employees to perform productive work under conditions of operating emergencies, work incidental to training of employees, to give temporary lend-a-hand assistance, to training in or enforcement of safety practices, to inspection of work completed by productive employees, and operator-switchboard work as may be required to meet the demands of service. Also, when a qualified employee is not available or cannot be reached with reasonable dispatch for an assignment, productive work may be performed by Management employees.

2. Management trainees may perform productive work as a part of their training. Such use will not result in the layoff or realignment of bargaining unit employees.

ARTICLE 42
UNION SECURITY

1. Under Federal labor laws, and obligations under this Agreement, the Union is required to represent all of the employees in the bargaining unit fairly and equally without regard to whether the employee is a member of the Union. In consideration thereof, Agency Shop provisions will prevail during the term of this Agreement.

2. Membership in the Union is not compulsory. Employees in job classifications within the collective bargaining unit are free to accept or to decline membership in the Union.

   2.1 Any employee who is a member of the Union may, upon proper notice, voluntarily withdraw from such membership but may not, thereby, be relieved of Agency Shop requirements herein.

3. Subject to conditions set forth within this Article 42, regular, part-time, and temporary employees within thirty (30) calendar days of hire shall as a condition of employment, and at their option, either: (1) apply for membership in the Union and, if accepted, maintain membership in good standing thereafter during the term of this Agreement, or (2) alternatively arrange to pay to the Union a service fee equal in amount to the membership dues uniformly required for all members of the same class.

4. For purposes of this Article 42, the following definitions will apply:

   4.1 In Good Standing – means that the employee pays, or tenders payment of, initiation fee, and periodic dues in amount and frequency regularly required by the Union as a condition of acquiring and retaining membership.

   4.2 Service Fee Employee – means a covered employee who elects not to become a member of the Union, or who withdraws membership from the Union, and is required in lieu of membership to pay the representation fee to the Union.

   4.3 Proper Notice – means that the employee will notify both the Company and the Union by registered mail return receipt requested. Notice to the Company will be directed to the Labor Relations Department, **CAM22HL**, and notice to the Union will be to the Union Business Manager.

5. Service Fee Employees are in no manner members of the Union, and possess no membership rights, privileges, or responsibilities that accrue to members of the Union.

6. No Service Fee Employee shall be required to pay the representation fee during any period that, by Union rules or actions, dues payments are suspended or not enforced for regular members of the Union.

7. Nothing herein shall be construed to limit the Union's lawful rights to determine and enforce regulations regarding acquisition of, and retention of, membership in the Union. Any covered regular employee who is refused membership, or whose membership is involuntarily terminated by action of the Union body (other than for refusal to tender initiation fee and periodic dues) shall not be subject to discharge from employment, but, rather, shall take on the status of a Service Fee Employee.

8. The Company shall incur no liability in the enforcement of this Article.

ARTICLE 43
LEAVE OF ABSENCE FOR OFFICIAL UNION BUSINESS

1. At the request of the Union, not more than twenty-six (26) employees will be granted leaves of absence at one time for official union business.

1.1 A Union leave of absence for Union business with the national IBEW Union, or national, state, or local AFL-CIO bodies, or public service jobs shall be granted to such employees for up to eight (8) years in any ten (10) years of active employment. Any employee who is granted a leave of absence under this provision 1.1 will be treated in the same manner as any other employee to whom a personal leave of absence is granted under Article 24 except that he shall have an absolute right to reemployment.

1.2 Elected Union officials who take full-time leaves of absence to serve their local Union shall be granted up to fifteen (15) years in any eighteen (18) years of active employment. Any employee who is granted a leave of absence under this provision 1.2 will be treated in the same manner as any other employee to whom a personal leave of absence is granted under Article 24, except that he shall have an absolute right to reemployment, and he shall continue to accrue net credited service for such periods of full-time leaves of one year or more up to the maximum of fifteen (15) years in any eighteen (18) years of active employment.

Employees returning from full time Union leave(s) of absence will not accrue holidays while on Union leave(s) of absence. Upon return from full time Union leave(s) of absence an employee must work the equivalent of one hundred eighty (180) days to be eligible for five (5) personal holidays.

For the purposes of this Article, the accrual of net credited service shall not count towards the accrual of vacation time pursuant to Article 22 and upon an employee's return from leave(s) of absence, his vacation and accrual date and eligibility will be adjusted accordingly.

1.2.1 An employee who commences a leave of absence under Section 1.2, will for wage progression purposes, remain in his then current classification and wage step during the period of his leave of absence. Changes in the basic hourly rate for his wage step will be recognized for the purpose of pension calculations.

1.3 No vacation or sick benefits shall be paid for such leave of absence and such employees shall not be entitled to any vacation until after he has met the requirements of Article 22.

1.4 The Company will pay to the employee at the beginning of his leave of absence the computed pay for any accrued vacation for which he is eligible.

2. An employee may be excused without pay for not more than a total of one hundred and twenty (120) days in any one (1) calendar year to conduct official Union business. The Company and Union agree that orderly scheduling of work and obtaining qualified replacements require full cooperation; thus, such excused absences under this provision will be granted with reasonable prior notice with Management's approval.

EXHIBITS	
A	(Old California Interstate Telephone Company Agreement) Victorville, Barstow, Ridgecrest, Bishop, Gardnerville, Yerington
B	Manteca
C	Weaverville and Garberville
D	Dos Palos and San Joaquin
F	Exeter-Corcoran
G	San Miguel
H	Cazadero – Sea Ranch
I	Colfax

Exhibits

Classifications	**A**	**B**	**C**	**D**	**F**	**G**	**H**	**I**	**Wage Sched**
Assignment Clerk	X	X	X	X					C-6
Business Dispatch & Control Specialist	X	X	X						*
Business Office Clerk		X							*
Business Sales Support Specialist									*
Business Service Representative		X							*
Cable Splicer	X	X	X	X			X		C-8
Collector/Maintainer	X	X	X	X		X	X		C-7
Conference Communication Assistant	X								*
Construction Clerk	X	X	X		X				*
Customer Care Advocate	X	X	X		X				*
Customer Engineer – Data Applications	X	X	X	X					C-10
Customer Service Tech I	X	X	X	X		X	X	X	C-9
Customer Service Tech II	X	X	X	X		X	X	X	C-8
Customer Service Tech III	X	X	X	X		X	X		C-7
Dispatch Clerk	X	X	X						C-2
Equipment Maintainer	X	X	X	X		X	X		C-9
Equipment Installer	X	X							C-9
Equipment Installer Assistant	X	X							C-7
Facility Provisioning Specialist									*
Facility Surveyor	X	X	X	X					C-8
Fiber Network Field Technician	X	X	X	X		X	X	X	C-8
Frame Worker	X	X	X	X		X	X	X	C-7
Freight Truck Driver, Storeroom	X								*
General Clerk		X		X	X				C-1
Internal Communications Technician	X								C-9
Language Assistance Operator II	X	X	X						C-A
Line Worker	X	X	X	X			X		C-8

Classifications	A	B	C	D	F	G	H	I	Wage Sched
Mail Truck Driver	X								*
Maintenance Assistant	X								*
Network Assistant	X	X	X	X		X	X		C-7
Network Facilities Clerk	X	X	X		X				*
OMT Complex Assigner									*
OMT Escalation Specialist									*
Operator	X	X	X						C-B
Operator II	X	X	X						C-A
OSP Construction Installer-Splicer	X	X	X	X			X		C-8
Public Access Sales Technician	X	X	X	X		X	X		C-7
Records and Report Clerk		X							C-2
Retail Sales Consultant		X							C-C
Service Representative		X		X	X				*
Special Equipment Installer	X	X	X	X					C-9
Special Equipment Driver	X								*
Sr. Communications Specialist	X	X	X	X					C-9
Sr. Special Service Provisioning Technician	X	X	X						C-9
Switch Provisioning Specialist									*
Traffic Clerk	X	X	X						C-3
Underground Equipment Operator	X	X	X	X			X		*
Vehicle Maintenance Assistant	X	X				X			C-3
Vehicle Maintenance Technician	X	X				X			C-9
Warehouse Attendant	X	X	X	X			X		C-5
*Not Assigned									

EXHIBIT 1

International Office Copy

OBLIGATION OF I.B.E.W.

THIS ORIGINAL TO BE SENT TO I. O. FOR FILE

"I, _____, in the
(PLEASE PRINT NAME)
presence of members of the International Brotherhood of Electrical Workers, promise and agree to conform to and abide by the Constitution and laws of the I. B. E. W. and its Local Unions. I will further the purposes for which the I. B. E. W. is instituted. I will bear true allegiance to it and will not sacrifice its interest in any manner."

FORM 107 REV 9/94
125

_____
TO BE SIGNED BY APPLICANT — PLEASE DO NOT PRINT

APPLICATION FOR MEMBERSHIP IN INTERNATIONAL BROTHERHOOD OF ELECTRICAL

PRINT OR TYPE IN BLACK INK ONLY			SEX- MALE ☐ FEMALE ☐
LAST NAME	FIRST	INITIAL	SOCIAL SECURITY NO.
ADDRESS (STREET & NUMBER)			DATE OF BIRTH
CITY & STATE (OR PROVINCE)		POSTAL CODE	TELEPHONE NO.
PRESENT EMPLOYER			DATE HIRED
CLASSIFICATION			DATE OF THIS APPLICATION
HAVE YOU EVER BEEN A MEMBER OF I.B.E.W? YES ☐ NO ☐	IF SO, WHERE?	LOCAL NO.	STATE

PORTION BELOW TO BE FILLED IN BY L. U. SECRETARY

LOCAL UNION NO.	DATE OF INITIATION	TYPE OF MEMBERSHIP "A" ☐ "BA" ☐	CARD NO.

			50	☐ → UNION DUES DEDUCTION AUTHORIZATION
EMPLOYEE NO.	DEDUCTION CODE	AMOUNT	SOURCE CODE	☐ → SERVICE FEE DEDUCTION AUTHORIZATION

I hereby authorize Verizon California Inc. to deduct monthly from my wages and/or Sick Benefit payments received from the company an amount equal to the regular Union Dues and/or Service fee then in effect as certified from time to time by the Secretary-Treasurer of the International Brotherhood of Electrical Workers. If I return to work and am in arrears, Verizon California Inc. may deduct double union dues or service fees until I am current with my dues or fees owed. This Authorization shall remain in effect as long as I am a bargaining unit employee represented by IBEW.

Union membership dues and service fees are not deductible as charitable contributions for Federal Income tax purposes. Dues and service fees, however, may be deductible in limited circumstances subject to various restrictions imposed by the Internal Revenue Code.

UNION DUES OR SERVICE FEE DEDUCTION AUTHORIZATION
Form 90016933 (10/97)

Fax to:972/719-7524		PRINT FULL NAME *(Last)* → *(First)* → *(Middle)*		
MAIL CODE	LOCAL NUMBER	BLDG CODE	SOCIAL SECURITY NUMBER	
EMPLOYEE SIGNATURE			DEDUCTION START DATE	EMPLOYED
HOME ADDRESS-STREET AND NUMBER		CITY	STATE	ZIP CODE

EXHIBIT 2

The parties hereto have caused this Agreement to be executed in their names by their duly authorized officers:

VERIZON CALIFORNIA INC.

/s/V. Brown
V. BROWN

/s/D. Johnston
D.JOHNSTON

/s/P. Grassfield
P. GRASSFIELD

/s/J. Akemon
J. AKEMON

/s/D. Wilson
D. WILSON

INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS
LOCAL UNION NO. 543

/s/J. Koger

J. KOGER

/s/D. Tarango
D. TARANGO

/s/A. Munoz
A. MUNOZ

/s/J. Lugo
J. LUGO

ADDENDUM TO COLLECTIVE BARGAINING AGREEMENT
GROUP LIFE INSURANCE

1. It is hereby agreed between Verizon California Inc. (hereinafter referred to as the "Company") and International Brotherhood of Electrical Workers (hereinafter referred to as the "Union"), through this Addendum to the collective bargaining agreement between the parties dated September 8, 2013 (hereinafter referred to as the "Primary Agreement"), that a Group Life Insurance Plan (hereinafter referred to as the "Group Life Plan") will be provided for employees of the Company represented by the Union. In addition, Verizon California Inc. and the International Brotherhood of Electrical Workers agree to provide payroll deduction privileges for those employees who elect to participate in the Supplemental Term Life Insurance Plan.

   "Employee" shall mean regular and part-time employees as defined in the Primary Agreement.

   "Wages" for full-time employees shall mean the annualized basic hourly rate or basic salary (not including overtime, premium or differential pay) as computed annually by the Company.

   "Wages" for other than full-time employees shall mean the annualized basic hourly rate or basic salary (not including overtime, premium or differential pay), adjusted in terms of the actual average work hours as related to the normal work hours of full-time employees, as computed annually by the Company.

2. Noncontributory Life Insurance Provided by the Company
   Each employee will be insured for an amount equal to one year's wages adjusted to the next higher multiple of $1,000, if not already a multiple of $1,000.

   An employee will be enrolled for Noncontributory Insurance at the time he is employed, and the insurance will become effective ninety (90) days from the date of hire. If the employee is absent from work on that date, his insurance will not become effective until his return to work.

   The amount of Noncontributory Insurance will be revised when the employee's wage changes. However, no increase in the amount of insurance will become effective unless or until the employee is actually at work. The Company will maintain an active employee's Noncontributory Life Insurance amount until retirement.

3. Information to Union

The Company shall furnish the Union such pertinent information as the Company may have in its possession upon reasonable request by the Union, from time to time, concerning the operation, administration, and cost of the Group Insurance Program.

4. Grievance

In the event any dispute shall arise as to whether the Company has provided the insurance described herein, or a complaint that any employee or any individual covered by this Agreement has not in any manner been treated in accordance with this contract, improperly denied any such insurance, or a complaint by the Union that the Company has improperly or unfairly applied the provisions of this Agreement, such dispute or complaint may be treated as a grievance by the Union and presented to the bargaining agent of the Company for disposition.

In the event a satisfactory settlement is not reached, such grievance shall be subject to arbitration, using the procedures for selecting an arbitrator as set forth in the collective bargaining contract in effect on the date of this Agreement. The authority of the arbitrator shall be limited to determining whether the Company has provided the insurance described herein or improperly or unfairly interpreted or applied the provisions of this Agreement, and to directing the employer to provide appropriate remedies.

It is understood that contractual or policy relationships between the employer and the insurance carriers or claims made by any employee or his beneficiary pursuant to said Group Life Insurance Policy is not herein made subject to arbitration between the employer and the Union.

5. Effective Date and Termination Date

This Addendum shall have the same effective date as the effective date set forth in the Primary Agreement between the parties and shall terminate on the termination date thereof.

MEMORANDUM OF AGREEMENT
ADOPTION ASSISTANCE

1. Verizon California Inc. agrees to make available the opportunity for regular full or part time employees of the Company who are covered by the collective bargaining agreement to participate in the Adoption Assistance Plan, which allows employees to claim reimbursement of expenses up to $10,000 per adopted child in accordance with existing Plan provisions.

2. The selection of the administrator, the administration of the Plan and all the terms and conditions relating thereto, and the resolution of any disputes involving the terms, conditions, interpretation, administration, or benefits payable shall be determined by and at the sole discretion of the Company. No matter concerning the Adoption Assistance Plan or any difference thereunder shall be subject to the grievance or arbitration procedure of the Collective Bargaining Agreement.

3 This Memorandum of Agreement is effective on September 8, 2013 and shall expire on September 2, 2017. The parties specifically agree that the terms and conditions set forth in this Memorandum of agreement shall also terminate on September 2, 2017 and shall not survive the expiration of this Memorandum of Agreement unless agreed to by the parties in writing.

ADOPTION ASSISTANCE PLAN

- Regular active status full and part-time employees are eligible for this benefit
- Available from the first day of active employment
- Adopted child must be:
  - Under 18 years of age
  - Over 18 years of age and physically or mentally incapable of caring for him/herself
- Includes adoption of a step child
- Reimbursement must be submitted within 90 days of adoption finalization
- Only expenses incurred during active service are eligible for reimbursement
- Covered expenses:
  - Legal fees and court costs
  - Temporary childcare expenses prior to placement
  - Necessary medical expenses for child being adopted
  - Private or public adoption agency fees
  - Medical expenses for biological mother
  - Adoption-related transportation/travel expenses
- Expenses not covered:
  - Expenses for the biological parents other than medical expenses related to the birth of child
  - Voluntary donations/contributions to the agency
  - Guardianship or custody expenses unrelated to adoption
- Maximum Expenses
  - $10,000 for each eligible employee (no duplicate of expenses for employees who are both employed by Verizon)

MEMORANDUM OF AGREEMENT
BUSINESS ATTIRE

Verizon California Incorporated and IBEW Local Union No. 543 (hereinafter “IBEW 543” or “Union”) recognize the necessity to enhance and promote a professional businesslike image in the highly competitive telecommunications workplace. Therefore, prescribed business attire may be required of employees in job classifications with face to face customer contact, as set forth below.

The Business Attire Program includes the following features:

- An annual allowance toward the purchase of Business Attire for the employee of up to $240 the first year and up to $180 per year thereafter.
- Employees will be required to use the allowance to purchase a minimum of six (6) shirts the first year. In subsequent years they will be required to use the allowance to purchase a minimum of four (4) shirts.
- An approved catalog (hard copy or on-line) will be made available for the purchase of Business Attire.
- Purchases in excess of the allowances identified above will be borne by the employee.
- Additional Business Attire items may be purchased from the catalog at the employee’s expense.
- Employees who are required to participate in the Business Attire Program will wear approved Business Attire each day the employee is assigned to work.
- Shirts may be ordered with or without the Union logo on the sleeve.
- The employee will be responsible for the cleaning and continued upkeep of the Business Attire items.
- Baseball-style Verizon caps or caps with only "IBEW", and/or Local number, and/or the official IBEW logo affixed must be worn if employees desire to wear a hat at work (except for required hard hats).
- The Company may modify the features of this plan at any time, provided the costs of any changes are not borne by the employee. These modifications could include, but are not limited to, change from annual stipend to company provided or rental, vendors and catalog options. The provisions of the MOA have been entered into in good faith and it is not the Company’s intent to arbitrarily modify or eliminate any features of the plan during the term of this agreement. The Company will discuss any modifications to this Program or change of vendor with the Union prior to implementation. These discussions will be designed to provide the rationale and receive input from the union of the modifications being contemplated.
- It is further expected that all employees will exercise good judgment and common sense in projecting the proper professional image appropriate for their assignment and be neat, clean and well groomed.

This Memorandum of Agreement will become effective September 8, 2013. The Company may terminate the application of this MOA to one or more job classifications or to all job classifications with 30 days advance notice to the Union.

MEMORANDUM OF AGREEMENT
COMMON INTEREST FORUM

Verizon California Inc. and IBEW Local Union No. 543 agree to meet on a periodic basis to discuss matters of mutual concern. These discussions are intended to foster open communication between the parties. Topics for discussion will include, but not be limited to, the continuous improvement of work quality, ways to foster a positive and productive work environment, the achievement of Company financial goals and measures which can be taken to ensure a high level of employee morale.

The first meeting will be conducted during the fourth quarter of 2002.

MEMORANDUM OF AGREEMENT
CONTRACTOR COMMITTEE

Verizon California Inc. and IBEW Local Union No. 543 agree to establish a joint committee of three Management and three Union Representatives to meet not less than biannually to discuss matters of mutual concern regarding the Company's use of contractors.

This Memorandum of Agreement shall be effective September 8, 2013 and shall expire on September 2, 2017. The parties specifically agree that the terms and conditions set forth in this Memorandum of Agreement shall also terminate on September 2, 2017 and shall not survive the expiration of this Memorandum of Agreement unless agreed to by the parties in writing.

MEMORANDUM OF AGREEMENT
CUSTOMER ENGINEER DATA APPLICATION

The Company proposes to add a new job title of Customer Engineer Data Application in a new wage schedule ten (10). See job brief attached.

This Memorandum of Agreement will become effective September 12, 2010.

Attachment
Job Title: Customer Engineer – Data Applications
Wage Schedule: IBEW – C-10

Responsible for providing customer support through hardware installations and maintenance of Verizon provided Datacom and Office Systems products and services. In addition, this position will provide software installation and maintenance for large and/or complex projects. Exercise judgment within defined procedures and practices to determine appropriate action.

1. Primary Duties

Duties include, but are not limited to, the following:

a. Install and configure LAN/WAN internetworking hardware and software to meet engineered specifications and customer expectations.

b. Install and configure Video Conference hardware and software to meet engineered specifications and customer expectations.

c. Install and configure Network Enabling CPE hardware and software for connection to GTE provided Strategic Network Services (Frame Relay, Sonet, XDSL, etc.)

d. Perform troubleshooting by logically defining, preventing and resolving problems to maximize customer satisfaction.

e. Provide information to Customer Engineer Managers based on customer feedback for use in Account Planning and Analysis and the Sales Engineering Process.

f. Responsible for carrying out the hardware and software implementation in support of the Applications and/or Sales Engineers.

g. Provide turn up and testing of Advanced Network Services.

h. Handle routine customer relations and training.

Job Title: Customer Engineer – Data Applications

2. Employee Qualifications

a. Experience
Management will designate the experience level required for each vacancy.

First consideration will be given to an individual who in the last ten years has successfully held the position of Customer Engineer-Data Application or who

possesses the equivalent experience (i.e., other telecommunications company experience).

Second consideration will be given to an individual who in the last ten years has successfully held the position of Customer Service Technician I, Internal Communications Technician or Customer Service Technician II with Business zone experience, Senior Communications Specialist or Special Equipment Installer, or who possesses the equivalent experience (i.e., other telecommunications company experience).

Third consideration will be given to an individual who in the last ten years has successfully held the position of Cable Splicer, Customer Service Technician II, Customer Service Technician III, Public Access Sales Technician or Public Communications Field Technician, or who possesses the equivalent experience (i.e., other telecommunications company experience).

If there are no individuals who meet the criteria outlined above, consideration will be given to all other individuals.

b. Tests – Results obtained in standard tests for this position must meet minimum requirements established by the testing program.

c. Medical – No medical limitations which prohibit the individual from performing the essential functions of the job. Reasonable efforts will be made to accommodate disabled individuals. Employees are required to climb ladders and poles, and to work at heights.

d. Must possess, at time of appointment, a valid California class “C” driver’s license and, if required at the assigned job site, must demonstrate proficiency in the operation of a vehicle equipped with standard (manual shift) transmission.

e. Legally required Criminal Records Check – Employee will be required to be fingerprinted and pass the Department of Justice criminal records screening process in order to ensure that the employee has never been convicted of, and is not the defendant in a pending criminal proceeding with respect to an arrest for, any “serious” or “violent” felony (as defined in the California Education and Penal Codes). The Department of Justice will continuously monitor the employee’s criminal record while the employee is employed in this position, and the employee shall be required to pass such continuous screening in order to retain this position.

MEMORANDUM OF AGREEMENT
DEPARTMENTAL ORIENTATION

Verizon California Inc. and IBEW Local Union No. 543 agree that the Union will be given up to thirty (30) minutes with each new employee either during new hire orientation or at the departmental orientation to discuss the following issues if they so choose:

1) Charitable Giving.

2) The structure of the IBEW, the names and titles of the officers, local contact name(s) and telephone number(s) and available hours. Additional Union related information will be provided to new employees by the Local IBEW separate from the new employee orientation process and on the employees' own time.

Additionally, a brochure defining the roles and responsibilities of the National IBEW may be distributed during the orientation.

The Company will determine the location of the above access and if the access will be group or individual presentations. Under normal conditions the Union local president or the steward assigned closest to the location of the orientation will conduct the meeting. If the Union representative is a Company employee and conducts the meeting during their scheduled work time, it will be paid as Union Business with pay. The Company will notify the Local Union Business Manager of all new employees who are hired or transferred into IBEW local 543's jurisdiction within five (5) business days of the employee reporting to their work location.

The parties agree that this Memorandum of Agreement will remain in effect up to and including September 2, 2017 unless cancelled by either party with thirty (30) days notice.

MEMORANDUM OF AGREEMENT
DOMESTIC PARTNER BENEFITS

1. Verizon California Inc. ("the Company)" and IBEW Local Union No. 543 ("the Union") agree to extend benefits, as set forth below, to employees' domestic partners and children of domestic partners.

2. Employees may elect health and welfare benefits coverage of domestic partners and children of domestic partners, as described below. Employees who have been (or will be) identified by the Company as employed in a property that is to be divested as part of Verizon's Network Services Repositioning program will be excluded from this offer.

3. The Company and the Union agree a domestic partner of an employee will be eligible for health and welfare benefits only if the employee and the domestic partner meet one of the following relationship categories: (A) same-sex marriage, (B) same-sex domestic partnership by governmental registration, (C) same-sex domestic partnership by "company registry," or (D) a limited exception for opposite-sex partners in California or as notified by Verizon due to an equal benefits ordinance, as described below:

   A. Same-sex marriage. The employee and the domestic partner have entered into a valid, same-sex marriage recognized under the laws of the state in which they currently reside. If the employee and domestic partner move to a state that does not recognize same-sex marriage, the employee will need to (1) register his or her same-sex domestic partnership by government registration, or (2) satisfy the "company registry" requirements of a same-sex domestic partnership, as explained below.

   B. Same-sex domestic partnership by government registration. The employee and domestic partner have entered into a valid, same-sex domestic partnership registered with a governmental entity under the laws of the state, county or municipality in which they currently reside.

   C. Same-sex domestic partner by "company registry." The employee and the domestic partner attest that they meet all of the following requirements:

      - The employee and the domestic partner are same-sex, adult partners.

      - Neither the employee nor the domestic partner is married or a domestic partner of a third party.

      - Both the employee and the domestic partner are at least eighteen (18) years of age and are mentally competent to contract.

- The employee and the domestic partner are not related by blood to a degree of closeness that would prohibit legal marriage in their state of residence.

- The employee and the domestic partner live together at the same permanent residence.

- The employee and the domestic partner are jointly responsible for each other's welfare and basic living expenses.

- The domestic partner is the employee's sole domestic partner and intends to remain so indefinitely.

D. Special rule for opposite-sex partners: Generally, an opposite-sex relationship other than a valid, legal marriage does not meet the domestic partnership requirements. However, an employee may cover an opposite-sex partner if the employee satisfies the following requirement:

- California residence. The employee and the domestic partner both reside in the state of California and are registered as domestic partners with the California Secretary of State or with a local government agency that legally recognizes domestic partner relationships through an official registration process; or

- Equal benefits ordinance. Verizon notifies the employee that he or she is eligible to cover an opposite-sex domestic partner as a result of the company's contractual obligation with a governmental entity with an "equal benefits ordinance" that requires the coverage of an opposite-sex domestic partner. The notification will outline the eligibility requirements that pertain to the particular "equal benefits ordinance."

E. The employee and the domestic partner agree to notify the Company and any other appropriate party of any changes in the above conditions.

F. The employee and domestic partner agree to attest verbally, electronically or upon request in writing that they both satisfy the eligibility requirements for domestic partnership.

4. The Company and the Union agree that eligibility of children of domestic partners for health and welfare benefits shall be based on the following conditions:
   A. An eligible domestic partner is the natural parent, adoptive parent or legal guardian of the child.
   B. For purposes of eligibility for health and welfare benefits, the child of a domestic partner may qualify as an eligible dependent child according to the

same eligibility terms and conditions as an employee's natural or adoptive child.

5. An employee may elect coverage of a domestic partner and any children of a domestic partner for the following benefits. The amount and availability of benefits are governed by the provisions of the applicable plan and are subject to the Internal Revenue Code and related regulations.

   A. Medical coverage as provided under the Collective Bargaining Agreement (CBA)

   B. Dental as provided under the CBA

   C. Health care continuation coverage as provided under the CBA

   D. Flexible Reimbursement Plan Healthcare Reimbursement Account (for IRS Tax Dependents)

   E. Dependent Care Reimbursement Account (for IRS Tax Dependents)

   F. Retiree Medical (Domestic Partners and children of Domestic Partners will continue to be limited to those who are covered by the medical plan at the time of the employee's retirement; however, a retiree may enroll a new Domestic Partner (or new Child of a Domestic Partner) after retirement, so long as the retiree and the Domestic Partner are legally married in a state that permits same-sex marriage. Coverage for the retiree's Domestic Partner (and eligible Child of a Domestic Partner) shall apply wherever the legally married Retired Participant and the Domestic Partner live.)

   G Supplemental Term Life

6. Employees are entitled to Bereavement Leave in the event of the death of a domestic partner, children of the domestic partner and other domestic partner family members as specified in the collective bargaining agreement.

7. Family and Medical Leave

   A. Employees are entitled to Family and Medical Leave for the care of a seriously-ill child of a domestic partner, subject to general eligibility requirements.

   B. Employees are entitled to leave equivalent to that provided under the Family and Medical Leave Act for the care of a seriously ill domestic partner, subject to the same general eligibility requirements as are contained in the Family Medical Leave Act. Should there be a change in federal law

permitting Family and Medical Leave to be used for the care for a seriously ill domestic partner, then this section 7B shall be null and void.

8. Other benefit programs are also available to domestic partners and/or their children, as applicable. Availability and amount of benefit is governed by the applicable plan or policy.

   A. Event travel Expense (one guest accommodated)
   B. Financial Counseling
   C. Survivor Support
   D. Dependent Scholarships (children of domestic partner only)
   E. Adoption Assistance (employee must be adoptive parent)
   F. Company Discounts (recipient is employee)
   G. Childcare Discounts (recipient is employee)
   H. Employee Assistance Program

9. In the event that any of the above Domestic Partner Benefits are found to be discriminatory against non-eligible, unmarried employees in any jurisdiction, then these Domestic Partner Benefits will not be available in that jurisdiction.

10. To the extent that the terms of any plan conflict with the provisions of this Memorandum of Agreement, the terms of such plan shall govern. Notwithstanding the foregoing, this Memorandum of Agreement shall constitute part of the plan to which it relates; provided, however, it may be elaborated upon in other plan materials, such as employee bulletins and enrollment materials, by the Company. To the extent that any provision of this Memorandum of Agreement conflicts with any state or local law, the parties agree to discuss the applicability of such state or local law.

11. This Memorandum of Agreement is effective on September 8, 2013 and shall expire at 11:59 p.m. on September 2, 2017. The parties specifically agree that the terms and conditions set forth in this Memorandum of Agreement shall also terminate at 11:59 p.m. on September 2, 2017 and shall not survive the expiration of this Memorandum of Agreement unless agreed to by the parties in writing.

MEMORANDUM OF AGREEMENT
EDUCATION AND LIFE-LONG LEARNING

Verizon California Inc. and IBEW Local Union No. 543 agree to continue joint efforts which allow employees additional opportunities to learn and enhance their knowledge. This includes, but is not limited to, participation in the Verizon Tuition Assistance Plan (VZ TAP) for Associate Employees which includes the 100% prepaid tuition feature. Effective January 1, 2007 there will be a maximum annual payment for tuition and fees of $8,000.

This Memorandum of Agreement is effective on September 8, 2013 and shall expire on September 2, 2017 The parties specifically agree that the terms and conditions set forth in this Memorandum of Agreement shall also terminate on September 2, 2017 and shall not survive the expiration of this Memorandum of Agreement unless agreed to by the parties in writing.

MEMORANDUM OF AGREEMENT
EXCUSED ABSENCE (FAMILY LEAVE)

Verizon California Inc. and IBEW Local Union No. 543 agree that employees who have exhausted their allowable time off as permitted by the FML who still need additional time off related to the serious health condition of an immediate family member may request such additional time through the HR Services Director or their designee. The Company will grant additional time off consistent with Article 24, Section 5 when such absence is supported by appropriate medical documentation.

This agreement is effective on September 8, 2013 and will expire on September 2, 2017 unless extended by mutual agreement of the parties.

MEMORANDUM OF AGREEMENT
FAMILY RELATED SHIFT TRADES

The Company and the Union agree that when necessitated by emergencies related to work and family conflicts, employees may temporarily trade shifts when such trades facilitate resolutions to such conflicts. These trades are subject to the following conditions:

1. The involved employees must be fully capable of performing the temporary duties.

2. Such trades must be mutually voluntary.

3. Temporary is defined as two weeks or less.

4. Supervision reserves the right to verify such emergencies when deemed appropriate.

5. Trades may be made between part-time and full-time employees.

6. Trades must be pre-approved by supervision.

7. For the purposes of this Memorandum of Agreement "family" shall be defined as it is in Article 32 section 3.2.1.

The parties agree that this Memorandum of Agreement is effective September 8, 2013 and will remain in effect up to and including September 2, 2017 unless mutually extended by the parties or canceled by either party with proper notice.

MEMORANDUM OF AGREEMENT
FINGERPRINTING

Verizon California Inc. and IBEW Local Union No. 543 agree to the following process regarding the implementation of Assembly Bill 1610, Section 45125.1 of the California Education Code.

All current employees in the following classifications will be required to be fingerprinted for screening purposes:

Cable Splicer
Collector Maintainer
Customer Engineer – Data Application
Customer Service Technician I
Customer Service Technician II
Customer Service Technician III
Equipment Maintainer (where applicable)
Fiber Network Field Technician
Line Worker
Network Assistant (Span Crews Only)
OSP Construction Installer/Splicer
Public Access Sales Technician
Special Equipment Installer
Sr. Communications Specialist
Sr. Special Services Provisioning Technician

Employees in the following classifications will be given the opportunity to volunteer for the fingerprinting screening:

Equipment Installer
Equipment Installer Assistant
Facility Surveyor

This volunteer process will be used as long as there are enough volunteers to meet the demands of the service. If there are not sufficient volunteers, mandatory screening will be implemented.

If there are employees who do not successfully pass the fingerprint screening process, the Company will investigate the specifics with the employee with the Union present. Employees who fail the screening process and have not falsified any document regarding their conviction (i.e. employment application) will not be disciplined or terminated. Such employees will, however be restricted from going on school property at any time. While this will usually be accomplished with the employee remaining in their current classification, the Company reserves the right to temporarily reassign them to another classification if necessary to meet the service demands. In these instances, pay will be handled per the provisions of the collective bargaining agreement.

If there are employees who fail the screening process and falsified company documents regarding their past conviction, the Region President and the
IBEW Business Manager or their designees agree to meet to discuss the appropriate manner to address these issues. If agreement can't be reached, the parties agree to obtain a mutually agreed upon 3rd party advisory opinion. If this is unsuccessful, the

Company reserves the right to take disciplinary action, up to and including termination. If the Union disagrees with the Company's decision, they can file a grievance and request in writing to proceed immediately to arbitration as outlined in the collective bargaining agreement.

All potential new hires, rehires and transfers into any of the above-mentioned classifications must successfully pass the fingerprint screening to be considered qualified for the position. All employees returning from a leave of absence to one of the above-mentioned classifications will be handled in the identical manner as current employees in the same classifications.

If the above mentioned law is revised, the parties agree to revise this Memorandum of Agreement as is necessary.

If the above-mentioned process does not enable the Company to meet customer service demands, the Company reserves the right to revise the process after discussing the necessity of doing so with the Union.

The parties agree that this agreement will not set a precedent, nor will it be referred to in the future in any way except as it pertains to employee's covered by this agreement. Furthermore, it does not affect either parties rights under the collective bargaining agreement on future matters.

MEMORANDUM OF AGREEMENT
FiOS JOBS OF THE FUTURE

Verizon California Inc. and IBEW Local Union No. 543, recognizing the extreme importance of Verizon FiOS to the future of Verizon, and where both parties are equally committed to ensuring the continued growth and prosperity of Verizon and its employees, and in furtherance of the positive working relationship between the parties, agree to the following:

1. The utilization of contractors for FiOS work-related activities will be handled in accordance with Article 7, Contracting of Work.

2. The Company and Union agree to meet and confer monthly to review the progress of the FiOS build-out and related matters at a time and place mutually agreed to by both parties.

3. It is the intent of the Company and Union to conduct these meetings in the spirit of the ongoing California Company/Labor Partnership in all matters of communication, involvement, adaptability, integrity, trust and respect, realizing that both parties are responsible for promoting in a positive way the legacy of a viable and competitive future Verizon.

4. These meetings may be discontinued by mutual agreement between both parties.

5. This Memorandum of Agreement is effective on September 8, 2013, and shall expire on September 2, 2017.

MEMORANDUM OF AGREEMENT
FLEXIBLE REIMBURSEMENT PLAN (FRP)

1. Verizon California Inc. agrees to continue the Flexible Reimbursement Plan (FRP).

2. For all regular full time and part time employees, coverage under the Plan begins ninety (90) days from date of hire or the date which the employee enrolls, whichever is later.

3. For a summary of details refer to the Flexible Reimbursement Plan Summary Plan Description (SPD).

4. The FRP will be administered solely in accordance with its provisions and no matter concerning the FRP or any difference arising thereunder shall be subject to the grievance or arbitration procedure of the Collective Bargaining Agreement. The selection of the FRP Administrator, the administration of the FRP and all the terms and conditions relating thereto, and the resolution of any disputes involving the terms, conditions, interpretation, administration, or reimbursements shall be determined by and at the sole discretion of the Company.

5. This Memorandum of Agreement is effective on September 8, 2013 and shall expire on September 2, 2017. The parties specifically agree that the terms and conditions set forth in this Memorandum of Agreement, including the Flexible Reimbursement Plan, shall also terminate on September 2, 2017 and shall not survive the expiration of this Memorandum of Agreement unless agreed to by the parties in writing.

MEMORANDUM OF AGREEMENT
FLEXIBLE WORKWEEK

Verizon California Inc. and IBEW Local Union No. 543 agree to permit the scheduling of a Flexible Workweek subject to the provisions stated below:

1. A Flexible Workweek is defined as a calendar week when an employee requests to work fewer than their scheduled hours on one day (i.e., six (6) hours worked on a

scheduled eight (8) hour day) and agrees to make up the hours on a different day or days in the same workweek (i.e., works ten (10) hours rather than eight (8) hours).

2. A Flexible Workweek can only be initiated by the employee, not the Company. It is not intended to be used by the Company to force time off in lieu of paying overtime. The employee must request both the time they wish to take off from their scheduled workweek and the day or days they are able to makeup the time.

3. Management will review each request and either approve or deny it based on service needs. This approval/denial will be done in an expeditious manner.

4. Beginning with posting of the schedule, requests will be approved/denied on a first come, first served basis. Requests submitted simultaneously will be addressed in seniority order.

5. Time worked in excess of eight (8) hours on any day to make up time voluntarily taken off in accordance with this agreement will be paid at straight time and not at the overtime rate.

6. The use of the Flexible Workweek within any department/work group is subject to agreement between local management and the local Union leadership.

7. An agreed upon Flexible Workweek arrangement may be cancelled either by local management or the local Union leadership with thirty (30) days notice.

This agreement will be effective until September 2, 2017.

MEMORANDUM OF AGREEMENT
FLEXTIME

GTE California Incorporated and the International Brotherhood of Electrical Workers agree to the concept of flextime. At the request of either party, the feasibility of flextime will be explored. Design and implementation of a flextime plan for a work group must be mutually agreed to by the Company's departmental supervisor and the local union. The flextime plan will consist of:

Bandwidth -	That time during which the office is open.
Core Time -	That part of the day when all employees must be on the job.
Standard Work Day -	Scheduled shifts.

Flextime - Flextime available before scheduled shift or after scheduled shift.

Flexible Lunch Break -

Attachment “A” (Flextime Guidelines) will be used by the parties as a guideline to design a flextime plan.

Once a flextime plan has been established, modifications to the plan must be mutually agreed to by department supervision and the local union. If an agreement to modify cannot be reached by the parties or either party wishes to discontinue the plan, the Company’s department supervision or union may cancel the plan with ten (10) work days notice to the other party.

GTE CALIFORNIA INCORPORATED
FLEXTIME GUIDELINES

Flextime is a concept which allows redistribution of work hours. It does not change the number of hours worked, but merely allows for flextime within a work week.

The goal is to allow flexibility in scheduling with the four basic constraints of:

1. Accumulating the necessary hours during the accounting period,

2. Being on the job during core time,

3. Being on the job when necessary to get the job done,

4. Working within the established bandwidth,

The bandwidth of the day, that time during which the office is open to employees, is enlarged, giving more latitude in the time span over which working hours can be chosen.

The criteria for operation under flextime rules is as follows:

Accumulated Hours: 40 hours per normal week must still be worked.

Normal Work Day: 8:00 a.m. to 5:00 p.m. or normal service hours to the public or other GTE offices.

Minimum Service Coverage: Scheduling of functions during the day outside of core time will be determined on a department and/or unit level to reflect actual operating needs. Normally critical functions need to be covered only during the “normal

work day" of 8:00 a.m. to 5:00 p.m. This is one of the important elements of flextime and must be maintained for maximum flexibility.

1) Normal work week will consist of a 40 hour work week, unless authorized to work overtime.

   A) Relief breaks are to remain the same as at present - 15 minutes duration.

   B) Lunch breaks will be a minimum of 30 minutes and a maximum of one hour, providing the employee meets total hours requirements. A lunch period of longer than one hour may be arranged with supervisor approval.

2) While the basic goal is to provide flexible work hours, occasionally it may be necessary for the supervisor to adjust flextime schedules in order to meet the requirements of the job or due to misuse of the program.

3) Time off during the core period must be approved by your immediate supervisor.

4) If you are off sick, you must notify your supervisor as soon as possible.

5) Bandwidth - That time during which the office is open.

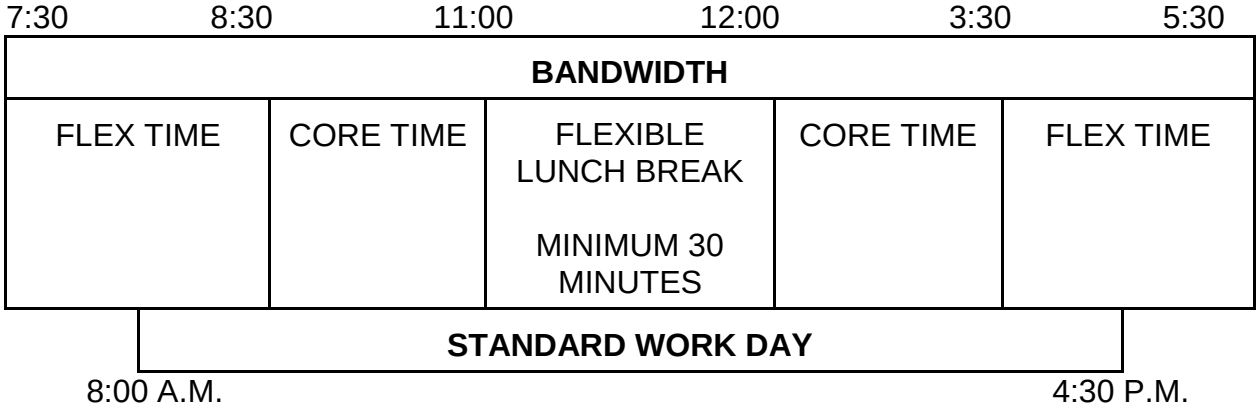
   Core Time - That part of the day when all employees must be on the job.

   Standard Work Day - Scheduled shifts.

   Flextime - Flextime available before scheduled shift or after scheduled shift.

   Flexible Lunch Break -

Example of flextime guidelines:



6) The above is intended to be a guideline. Flextime will vary in departments and workgroups based on what is feasible and agreed upon between the department and the Union.

Each employee should strive to arrive at their work location at their scheduled time. When this is not possible, flextime may be used, provided that it is within the departments guidelines. Should an employee require time that deviates from the department guidelines, it must be with supervisor approval.

MEMORANDUM OF AGREEMENT
401 (k) PLAN CHANGES

A. MATCHING CONTRIBUTIONS.

The Company will amend the Verizon Savings and Security Plan for West Region Hourly Employees "Verizon Hourly Savings Plan" (HSP) effective January 1, 2014, in accordance with the HSP amendment provisions to increase Company matching contributions for 2014, 2015, 2016 and 2017 plan years to 100% of the eligible contributions of each participating associate first hired as a union-represented associate on or after January 1, 2014, and not eligible to earn pension benefits that is covered by this 2013 Settlement Agreement up to 6% of eligible compensation. No other associates covered by this 2013 Settlement Agreement will be entitled to this increased Company matching contribution.

B. DISCRETIONARY CONTRIBUTIONS.

The Company will also amend the Verizon Hourly Savings Plan effective January 1, 2014, in accordance with the HSP amendment provisions to permit an additional performance-related, discretionary Company contribution for 2014, 2015, 2016 and 2017 plan years ("Discretionary Contribution") for associates who are first hired as a union-represented associate on or after January 1, 2014, and not eligible to earn pension benefits, subject to the additional requirements described below. An eligible associate would not have to contribute to the Verizon Hourly Savings Plan to be eligible for the Discretionary Contribution. Eligible associates would have to be employed as eligible associates on the last day of the plan year to be eligible for the Discretionary Contribution. The Discretionary Contribution would be between 0-3% of eligible compensation actually paid during the plan year to each such eligible associate 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 HSP. Discretionary Contributions invested in the Verizon stock fund would be subject to participant investment diversification in accordance with the current terms of the

HSP. Discretionary Contributions would not be available for in-service withdrawal, and they would be subject to the same vesting schedule as Company matching contributions.

This Memorandum of Agreement in sections A and B amends the Memorandum of Agreement between the Union and the Company dated November 19, 2013 entitled Hourly Savings Plan (Match).

This Memorandum of Agreement is effective September 8, 2013 and shall expire at 11:59 p.m. September 2, 2017. The parties specifically agree that the terms and conditions set forth in this Memorandum of Agreement shall also terminate at 11:59 p.m. September 2, 2017, and shall not survive the expiration of this Memorandum of Agreement unless agreed to by the parties in writing.

MEMORANDUM OF AGREEMENT
4/10 WORK SCHEDULE

GTE California Incorporated (hereinafter referred to as Company) and the International Brotherhood of Electrical Workers (hereinafter referred to as Union) agree to implement a four (4) day workweek, ten (10) hours a day, forty (40) hours per week (hereinafter referred to as the 4/10 Plan). This Plan will be implemented pursuant to the provisions outlined below:

1. The Company reserves the right to select the number of employees, classification(s), location(s) and work group(s) within the classifications in which the 4/10 Plan will be implemented. Also, the Company will reserve the right to determine when the Plan will or will not be utilized. Employee participation on a 4/10 schedule shall be voluntary.

   The Company will provide a copy of this Plan to each employee approved for the 4/10 work schedule.

2. The Company or the Union will have the right to terminate this Memorandum of Agreement on the thirtieth (30th) calendar day following receipt by the other party of the written notice to terminate.

3. Nothing relative to Section I of this Agreement shall be subject to the grievance and arbitration procedures. However, alleged violations relating to the remaining sections shall first be submitted in writing by the Union to the Labor Relations Department. If the parties cannot reach an agreement within forty-five (45) calendar days from the date the alleged violations occurred, the provisions of Article 12 and 13 of the Labor Agreement shall apply.

4. Session: First and Second Sessions will be separated by the lunch period. The First Session will not exceed five hours.

5. Relief Breaks: No additional relief breaks. The current relief break provisions will apply.

6. Sickness and Accident Benefits: Employees absent sick while working on the 4/10 schedule will be compensated at 75% of their normal base wage up to ten (10) hours.

   A. Benefits eligibility and applications will be in accordance with the provisions in Article 32 of the Labor Agreement.
   B. Employees will have up to ten (10) hours deducted from their total accumulated hours for each absent day.

7. Absent Death Benefits: Eligible employees will be compensated up to ten (10) hours per day at 75% of their normal base wage up to three (3) days. An additional day can be taken with supervisor's approval.

8. Overtime: All contractual provisions relative to regular or overtime compensation will apply except the time and one-half rate does not apply until the employee has worked beyond ten (10) hours in a day.

9. Premium Pay (Sunday or Holiday): Employees scheduled to work on Sunday and/or Holiday will be compensated at the rate of one and one-half times their base pay up to ten (10) hours.

10. Holidays.

    A. Legal Holidays
    Whenever a legal holiday occurs during the week, management, at their discretion, can change the 4/10 schedule to a 5/8 schedule. Employees whose schedules are not changed to a 5/8 schedule will receive ten (10) hours holiday pay.
    B. Personal Holidays
    Personal holidays will be converted to hours up to a maximum of thirty-two (32) hours. An employee scheduled off for a personal holiday will be compensated for up to ten (10) hours. The compensated hours will be deducted from the employee's total holiday hours.

    Holidays must be scheduled in increments of ten (10) hours, unless the remaining total hours are less than ten (10) hours.

    Personal holidays scheduled on days off will not count toward the workweek for overtime purposes.

Holidays not scheduled by October 15 of each calendar year will be scheduled pursuant to Article 23, Section 3.3.

Example:

S	M	T	W	TH	F	S
	PHT	PHT	PHT	10	2 (HT) Day off	

This employee would receive forty-two (42) hours of straight time wages; thirty-two (32) for holiday time and ten (10) hours for productive time.

All holiday eligibilities and applications will be pursuant to the provisions in the Labor Agreement.

11. Jury Duty and Witness Pay: The supervisor at his discretion can convert the employee's schedule to 5/8.

12. Vacation: Full week (four days) - Employee's 4/10 schedule will be changed to 5/8.

Vacation: Day-at-a-time (less than four days) - Employee will be paid up to ten (10) hours for each day-at-a-time vacation. The employee will have up to ten (10) hours deducted from his accumulated vacation hours for each day-at-a-time vacation taken.

13. Meal Differential:

A. Normal workweek (4/10 schedule) - Paid after working two hours or more beyond the end of his ten-hour shift.
B. Scheduled days exceeding the Normal Workweek - Paid after working two hours or more beyond the end of his eight-hour shift.

Example:

S	M	T	W	TH	F	S
	12	12	12	12	10	10
		Item A			Item B	

14. Flextime: At management's discretion, the flextime program may be discontinued for employees on the 4/10 Plan.

15. Inclement Weather: Each day an employee is unable to perform his job function because of inclement weather, he will be treated as if his schedule was for a ten (10) hour day. Provisions of Article 20 will be implemented as follows:

    Section 1.1 - As written
    Section 1.2 - Four hours will be changed to five hours
    Section 1.3 - Four hours will be changed to five hours

Except as expressly modified in the Agreement, all rights and provisions contained in the Labor Agreement remain in effect. This Agreement will continue in effect until one of the parties exercises the option provided under Section 2.

MEMORANDUM OF AGREEMENT
GLOBAL POSITIONING SYSTEM (GPS) AND TELEMATICS MONITORING SYSTEM (TMS)

Verizon California Incorporated and IBEW Local Union No. 543 (hereinafter "IBEW 543" or "Union") agree that the Global Positioning System (GPS) and the Telematics Monitoring System (TMS) is designed to facilitate work efficiencies, monitor vehicle performance and maintenance and employee safety through vehicle tracking.

If the Company identifies through GPS or TMS reports a possible work rule infraction, which includes possible speeding, supervision will discuss the possible infraction with the involved employee and, if the work rule infraction did in fact occur, supervision will offer coaching to correct the identified behavior. If the Company identifies future work rule infractions through GPS/TMS, the Company and the Union will meet with the employee to discuss the nature of the infraction and Company performance expectations. If there are future infractions which are identified through GPS/TMS, disciplinary action may be taken. The Union reserves the right to challenge any disciplinary action through the applicable provisions of the CBA.

MEMORANDUM OF AGREEMENT
GRANDFATHERED RETIREE MEDICAL COVERAGE

GTE California Incorporated hereinafter referred to as the Company and IBEW Local Union Number 543 hereinafter referred to as the Union, agree to honor the past agreement with Contel of California and the Union with regard to those employees that were Grandfathered to the retiree medical coverage under the agreement negotiated in 1989 and were also Grandfathered under the VEBA agreement negotiated in 1992, and agreed to under the EERP agreement negotiated in 1994.

The Company is in agreement that those former qualified employees who retired from the Company during and after the above mentioned dates and those employees who have retired since the newly negotiated agreement of September of 1996 shall retain their Grandfathered retiree medical coverage as long as those employees were qualified under the above mentioned agreements. This agreement will also cover the one remaining current employee that has been deemed qualified under said Grandfathered agreement.

This Memorandum of Agreement is a one time agreement and will expire when the last employee covered under the Grandfathered Agreement retires. The medical coverage provided to those former and current employees will continue to be as agreed to under the above mentioned agreements.

The Company will not unilaterally change the medical coverage that is provided under the above agreements to those retirees who are qualified to receive said coverage.

MEMORANDUM OF AGREEMENT
HOME DISPATCH

The parties agree that the Company may establish "Home Dispatch" in those locations and among those classifications where it is determined by the Company to be economically and operationally feasible. The Company will develop specific guidelines consistent with the following provisions:

1. While the Company will determine eligible groups, in general it will be those employees whose normal work assignment makes it possible to start and/or end the tour at a location other than the official reporting location. Home Dispatch will be offered by classification within a work group, as defined in Article 6, Section

16 of the Labor Agreement.

2. Participating employees will obtain their job assignment and report directly to the location of the assignment by the normal start of the tour in a Company vehicle instead of to a reporting center in their personal vehicle. At the end of the tour, employees will take the Company vehicle home. Travel time to the first assignment and from the last assignment is not paid time. An effort will be made to route the first and last job as close to his home as possible dependant on the demands of the service.

   A. An employee whose first assignment of the day is to a job site outside of the area serviced by his normal work location shall be paid for all driving time in excess of thirty (30) minutes.

      An employee whose last assignment of the day is outside of the area serviced by his normal work location shall be paid for all driving time in excess of thirty (30) minutes.

      Such time shall be paid at the employee's normal rate of pay and shall be considered as time worked for all purposes.

3. The Company will implement the Home Dispatch program on a voluntary basis.

4. Employees will not be required to use personal time to maintain Company vehicles; however, they will be expected to oversee the condition of the vehicle in accordance with the Company's preventative maintenance program and exercise care in the parking and storing of the vehicle.

5. Should the Company decide to discontinue the program, a 30-day notice will be given to the local union and employees who are participating. Employees desiring to discontinue participation may be required to provide a 30-day notice. Employees who deviate from the provisions of the program may be removed from participation at management's discretion.

6. The participating employee is expected to do the following:

   A. To insure the vehicle is properly stored, operated, and maintained. It is management's discretion, if required, to designate an alternate Company owned or leased parking site to keep vehicles free from vandalism.

B. To use the vehicle only in performing work and traveling between work locations and the employee's residence or other designated parking location. While the vehicle is at the employee's residence, the vehicle is to be locked and parked in a safe and legal location. The safety cone behind the vehicle is not required; however, a safety check is to be performed before the vehicle is moved. Back-in parking is recommended, where applicable, to avoid backing accidents when leaving for work.

C. Vehicles are to be used only for official Company business. NO personal use shall be authorized. A brief (5-10 minute) stop, while in direct route to first assignment or after last assignment while in direct route home, is not considered personal use.

D. Passengers, other than those authorized for business purposes, will not be allowed in Home Dispatch vehicles.

7. Maintenance and Operational Responsibilities.

Operation and maintenance of vehicles involved with the program are an expense of the business. Therefore, tolls, fees, and other motor vehicle usage costs (except for those tolls normally incurred by the employee between their residence and work location) will be paid by the Company under established voucher provisions.

The employee assumes certain responsibilities associated with an assigned vehicle. These responsibilities include:

A. Adhere to vehicle maintenance schedules as required by Fleet Operations.

B. Perform vehicle inspections during fuel stops such as: checking tire pressure, water levels, oil levels, etc. It is the employee's responsibility to notify their supervisor of other repair needs such as engine running rough, need for new tires, etc. It is the employee's responsibility to report safety related defects. Any vehicle in need of repair should be brought to the nearest authorized repair facility if safe to do so. The employee should contact their supervisor so the supervisor can coordinate these repairs with Fleet Operations.

C. The Primary fueling location is the fuel facility on Company property. Alternate fueling locations may be designated service stations within the community.

D. The Company accepts the responsibility to provide vehicle washing based on the availability in the area.

E. The employee will account for out-of-pocket expenses for tolls, ice, parking fees, etc. The supervisor will be responsible for advising the employee of the procedures to be followed for both incurring these costs and being reimbursed.

F. The supervisor will coordinate both scheduled and unscheduled vehicle maintenance. The employee will deliver the vehicle to a designated location during work time and be provided a traveling vehicle by their supervisor, or the vehicle maintenance will be performed while the employee is on vacation. Should it become necessary to perform unscheduled maintenance during working hours, the employee will be provided an alternate vehicle.

G. If the vehicle should break down while the employee is traveling to his first assignment, the employee's pay commences at the start of their tour. If the vehicle breaks down after the tour ends, the employee will be paid until the vehicle is repaired or provided with appropriate transportation.

H. While the employee is on vacation, the Company vehicle will be returned, if necessary, to the employee's current reporting location, so routine or schedule maintenance can be performed on the vehicle. Unless the employee's supervisor makes other arrangements, it will be the employee's responsibility to return the Company vehicle prior to vacation and retrieve the vehicle within a time frame to perform their first dispatch assignment after returning from vacation.

8. Meetings.

The Company recognizes the necessity to assemble employees participating in the Home Dispatch Program for meetings at Company designated locations. Meetings may be called by supervisors whenever necessary for: safety meetings, tour schedule bidding, procedural changes, general announcements,

paycheck distribution, training, etc. The local union will be notified of the time and location of safety meetings and will have the opportunity to be present. Notification will normally be at least 48 hours prior to such meetings.

9. Tours.

   It will be the employee's responsibility to be at their first dispatch location at the start of their tour. The employee will work until the end of the tour. Travel time to the first assignment and from the last assignment will not be paid.

10. In the event an employee is required to manually call the company to receive his first assignment, the employee will have such time for this call considered as work time and part of his scheduled work day. Employees who live outside the calling area will be issued and use a company calling card or will call an established 800 number if necessary to obtain his first assignment. If an employee's assignment is not available when the company is contacted, the employee will contact his supervisor or report to a designated work location.

11. This Memorandum of Agreement is effective September 8, 2013 and shall expire September 2, 2017 unless extended by mutual agreement of the parties.

MEMORANDUM OF AGREEMENT
HOURLY SAVINGS PLAN (COMPANY MATCH)

Verizon California Inc. and IBEW Local Union No. 543 agree to increase the Company matching contribution to the Hourly Savings Plan (HSP).

Subject to the new Memorandum of Agreement entitled 401(k) Plan Changes dated November 19, 2013, the following provisions continue to be in place for the Verizon Hourly Savings Plan (HSP).

Effective January 1, 2004, the Company matching contribution will be 82 cents for every $1 contributed by the employee, up to a maximum of six percent of pay.

This Memorandum of Agreement is effective on September 8, 2013 and shall expire at 11:59 p.m. on September 2, 2017. The parties specifically agree that the terms and conditions set forth in this Memorandum of Agreement shall also terminate on 11:59 p.m. on September 2, 2017, and shall not survive the expiration of this Memorandum of Agreement unless agreed to by the parties in writing.

HOURLY SAVINGS PLAN (HSP)

1. Verizon California Inc. and IBEW Local Union No. 543 will make the Hourly Savings Plan (HSP) available to regular full or part-time hourly employees of the Company who are covered by a Collective Bargaining Agreement.

2. The Company reserves the right at any time, and from time to time, by action of the Board of Directors, to modify or amend in whole or part, any or all of the provisions of the HSP, but no such amendment or modification shall have the effect of reducing the accrued benefits of members, retired members, former members or their beneficiaries or of diverting any part of the Trust Fund to any purpose other than for the exclusive benefit of members, former members, or their beneficiaries and the payment of reasonable HSP administration expenses.

3. The Company reserves the right, by action of the Board of Directors, to terminate or partially terminate the HSP at any time. Upon termination or partial termination of the HSP or upon the complete discontinuance of contributions under the HSP, the member accounts of the members affected by the termination, partial termination, or complete discontinuance of contributions as the case may be shall be nonforfeitable.

4. The HSP may be merged into or consolidated with another plan, and its assets or liabilities may be transferred to another plan; provided, however, that no such merger, consolidation, or transfer shall be consummated unless each member and beneficiary under the HSP would receive a benefit immediately after the merger, consolidation, or transfer, if the transferee plan then terminated, that is equal to or greater than the benefit he/she would have been entitled to receive immediately before the merger, consolidation or transfer, if the HSP had then terminated.

5. The Company and the Union agree that every provision heretofore contained in this Agreement is contingent upon the Company's receipt of a favorable determination that the HSP, as amended, continues to be qualified under Section 401 (a) et. seq., of the Internal Revenue Code. In the event any revision in the HSP is necessary to obtain or maintain a favorable determination from the Internal Revenue Service, the Company will make the revisions, adhering as closely as possible to the level of benefits contained in the HSP.

6. In the event any portion of this Agreement is determined by a court or government agency to be in violation of existing law or is voided by a change in existing laws, the Company retains the unilateral right to make whatever modifications it deems necessary and appropriate to comply with the law, including the right to rescind the Agreement, if it deems no such modification is feasible. The Company shall have no obligation to bargain or negotiate with the Union in the event that this Agreement is modified or eliminated or in the event the Company does not implement any or all of the provisions of this Agreement because it does not receive Internal Revenue Service approval, any or all of these plans are deemed not qualified, or because of a change in existing laws.

7. The HSP will be administered solely in accordance with its provisions and no matter concerning the HSP or any difference arising thereunder shall be subject to the grievance or arbitration procedure of the Collective Bargaining Agreement but rather shall be governed by the terms and conditions of the HSP and the interpretation of the HSP Committee.

8. This Memorandum of Agreement is effective on September 8, 2013 and shall expire on September 2, 2017. The parties specifically agree that the terms and conditions set forth in this Memorandum of agreement shall also terminate on September 2, 2017 and shall not survive the expiration of this Memorandum of Agreement unless agreed to by the parties in writing.

MEMORANDUM OF AGREEMENT
INCLEMENT WEATHER

The Company and the Union recognize that there may be occasions when an employee is unable to report to work due to inclement weather. When management determines that such a condition exists, the employee's absence, will be excused and the occasion and hours will not be charged to their attendance record.

Upon their request, the employee may utilize any unused vacation or personal time. If the employee has exhausted all such time or chooses not to utilize available time their absences will be considered excused without pay.

This Memorandum of Agreement is effective on September 8, 2013 and shall expire on September 2, 2017. The parties specifically agree that all the terms and conditions set forth in this Memorandum of Agreement shall also expire on September 2, 2017 and shall not survive the expiration of this Memorandum of Agreement, unless agreed to by the parties in writing.

MEMORANDUM OF AGREEMENT
INCOME SECURITY PLAN (ISP)

1. Verizon California Inc. and IBEW Local Union No. 543 recognize the need for technological change in the business and hereby enter into this Memorandum of Agreement (hereinafter referred to as the Agreement). In order to lessen the economic impact upon regular employees who become surplus due to technological change, the Company and the Union agree to establish the INCOME SECURITY PLAN (the Plan). "Technological change" shall be defined as a change in plant or equipment, or a change in a method of operation, diminishing the total number of regular employees required to supply the same services to the Company or its subscribers. "Technological change" shall not include layoffs or force realignments caused by business conditions, variations in subscribers' requirements, or temporary or seasonal interruptions of work.

   When technological change brings about any of the following conditions, the Plan shall apply:

   A. A need to layoff and/or force realign employees in any job title.

   B. Reassignment of regular employees to permanent headquarters fifty (50) miles or more from the employee’s permanent headquarters.

2. During the term of this Agreement, if the Company notifies the Union in writing that a technological change has created or will create a surplus in any job title in any work group and/or work location, regular employees meeting the following qualifications shall be eligible for Plan participation:

   A. Accredited service of one year or more;

B. No comparable assignment available within fifty (50) miles of the former permanent headquarters and/or refusal of reassignment to a new permanent headquarters fifty (50) miles or more from the former permanent headquarters.

However, the Company reserves the right to apply this Plan to any surplus in force, whether or not it is brought about by technological change, that the Company deems appropriate. All elections shall be voluntary and acceptance by the Company will be in order of seniority.

3. The Company reserves the right to determine the job titles and work group(s) and/or work location(s) in which a surplus exists, the number of work groups and/or work locations in which a surplus exists, the number of employees in such titles and locations which are considered to be surplus, and the period during which the employee may, if he or she so elects, leave the service of the Company pursuant to this Plan. In no event shall the number of employee elections accepted under the terms of the Plan exceed the number of employees determined by the Company to be surplus.

4. For those employees who are eligible in accordance with Sections 1 and 2, the Company will provide the following ISP Termination pay benefits:

A. ISP Termination Allowance of $1,100, less withholding taxes, for each completed year of accredited service up to and including thirty (30) years for a maximum of $33,000 prior to withholding taxes. The ISP Termination Allowance is not prorated for any partial year of service.

B. In addition to the ISP Termination Allowance, the Company shall pay an employee who has left the service of the Company with ISP benefits an ISP Expense Allowance not to exceed $750, less withholding taxes, for each completed year of accredited service for a maximum of $3,750 prior to withholding taxes. The ISP Expense Allowance is not prorated for any partial year of service.

The combined maximum ISP Termination pay benefit payable as set forth in Paragraphs A and B of this Section 4 shall in no event exceed a total of $36,750.

The dollar amounts set forth in this Agreement shall be prorated for regular part-time employees based on the average hours worked during the last twenty-six (26) pay periods; i.e., average of thirty (30) hours worked per week would result in termination benefits paid at 75% of those set forth in

Paragraphs A and B of this Section 4.

5. The Company reserves the right to offer Enhanced ISP Termination pay benefits at its sole discretion. The Enhanced ISP Termination pay benefit will be in lieu of the regular ISP Termination Pay benefit described in Section 4 above and shall be equal to two times the applicable regular ISP Termination pay benefit. All other provisions of this MOA shall apply to Enhanced ISP payments.

6. Employees eligible for ISP Termination Allowance in accordance with Section 2 will receive a lump sum payment for the entire amount of the ISP Termination Allowance paid in the month following the month in which the employee leaves the service of the Company.

7. Reemployed employees must complete one (1) full year of accredited service with the Company before coming eligible again for termination benefits. Those employees who have previously received termination benefits of any kind shall be eligible for ISP Termination Pay benefits based on their most recent date of hire in lieu of their accredited service as outlined in paragraphs 4 A and B above.

8. All benefits payable under the Plan are subject to legally required deductions.

9. Termination benefits shall not be made if the termination is the result of any sale or other disposition by the Company of the exchange or office at which the employee is working or from which the employee is assigned to work, when the employee is continued in the employment of the new management of the exchange or office.

10. An employee's election to leave the service of the Company and receive termination pay benefits must be in writing and transmitted to the Company within fourteen (14) calendar days from the date of the Company's offer in order to be effective, and it may not be revoked after such fourteen (14) calendar day period.

11. This Agreement will be implemented prior to invoking the provisions of Article 8 (Force Realignments) of the Collective Bargaining Agreement, when conditions set forth in Section 1 of this Agreement exist as determined by the Company.

12. Neither the right to effect a technological change, the determination of a surplus condition, eligibility for participation in the Plan, nor any part of this Plan or Agreement shall be subject to the arbitration procedure of the

Collective Bargaining Agreement.

13. This Memorandum of Agreement is effective on September 8, 2013 and shall expire on September 2, 2017. The parties specifically agree that the terms and conditions set forth in this Memorandum of agreement shall also terminate on September 2, 2017 and shall not survive the expiration of this Memorandum of Agreement unless agreed to by the parties in writing.

MEMORANDUM OF AGREEMENT
JURISDICTIONAL BOUNDARIES

Verizon California Inc. and IBEW Local Union No. 543 agree to the following relative to permitting IBEW members to cross jurisdictional lines:

1) This agreement is not intended to supplant workers in either bargaining unit. It is intended to maximize the use of regular employees and lessen the use of contractors.

2) When a work group is facing a force reduction of employees due to lack of work, the Company may temporarily assign such employees across jurisdictional boundaries to avoid a layoff. The Company will notify the Union in writing**,** in advance of the temporary assignment. The normal duration of these assignments will not exceed 90 days unless agreed upon by all parties.

3) Employees may cross jurisdictional boundaries when necessitated by natural disasters, severe weather conditions, civil unrest or excessive workload. The Company will notify the Union in writing**,** in advance of these instances. Listed below are a few examples of "excessive workload":

   a) When sufficient manpower is not available locally to complete a work order(s) in Infrastructure Provisioning, the Company may utilize employees across jurisdictional lines to complete the required work. (COEI and/or Outside Plant)

   b) When service order installation and/or repair work is too excessive within one Union's jurisdiction to meet customer demand given current manpower levels, the Company may utilize employees represented by the other Union to complete the work in a timely manner.

4) If represented employees of one Union possess a skill or have training required to complete a job assignment which is not possessed by represented employees of the other Union, such trained/skilled employees may cross jurisdictional boundaries to complete the assignment. Management will take the necessary steps to train a member of the affected location as soon as possible to minimize future similar occurrences.

5) When bargaining unit employees are assigned work within the jurisdiction of the other collective bargaining agreement in which there exists a higher rate of pay for the same work, a wage differential will be paid. The wage differential shall apply for the entire time of the assignment. This differential will be paid step to step.

If other circumstances dictate the assignment of Union represented employees across jurisdictional boundaries, the Company agrees not to make such assignments without notifying the Unions in writing and seeking approval. Should consent by all parties not be possible, the Company shall determine the alternatives available, based on legitimate business needs, and make a decision to proceed or not proceed with the assignment. The Company recognizes both Union's right to file a grievance in such cases.

This agreement will expire on September 2, 2017.

MEMORANDUM OF AGREEMENT
LONG TERM DISABILITY (LTD)

In recognition of the impact a prolonged disability can have on income security and as a valuable supplement to the short-term disability benefits currently provided by the Company, Verizon California Inc. and IBEW Local Union No. 543 agree to continue a Long-Term Disability (hereinafter referred to as LTD) Plan subject to the following provisions:

1. Regular full-time employees are eligible to participate in the LTD plan, subject to the following requirements:

   - Coverage under the Plan begins ninety (90) days from date of hire or the date which the employee enrolls, whichever is later.

   - Enrollment during the first ninety (90) days of employment (new hires).

- Enrollment during the initial Company-designated enrollment period (incumbents with ninety (90) days of continuous employment).

- Enrollment during periods not mentioned and/or when opting up or increasing the LTD benefit level additionally require regular full-time employees to submit evidence of good health at their expense and approval by the Plan Administrator.

- The disability is not caused by participation in an assault, crime or illegal occupation, an intentionally self-inflicted injury, war or act of war.

- If the disability does not result from pre-existing conditions that existed within ninety (90) days before the date LTD coverage began. Coverage for pre-existing conditions begins twelve (12) months after the coverage effective date.

- The contributions are continuously paid following enrollment.

2. The cost of the LTD plan coverage will be paid by the employee. Contributions for coverage may change from time to time. Should this occur, the Company agrees to notify the Union in writing, within fifteen (15) calendar days prior to the date of modification, specifying the cause for any change in the contribution rate.

3. The LTD plan shall pay monthly benefits as follows:

    - Up to 50% of the employee's basic monthly earnings, up to a maximum of $3,000 per month,

    -or-

    - Up to 60% of the employee's basic monthly earnings, up to a maximum of $5,000 per month.

Monthly benefits shall be coordinated and reduced by any amount received by Worker's Compensation (or its equivalent), primary and dependent disability or retirement benefits from Social Security, payments under any other State or Federal disability benefits law, GTE pension plan (if applicable), Company-provided salary continuation plan (ISP, layoff allowances) or any other plan which provides income benefits.

A. The employee must apply for primary and dependent (if applicable) Social Security disability benefits.

B. Plan benefits are not payable for any period of disability during

which the employee refuses or fails to apply for Social Security disability benefits or to appeal any denied claim for Social Security benefits.

4. Benefits will be paid, provided the Plan is in force, if eligible employees have been continuously and totally disabled, under the care of a physician and absent from work for twenty-six (26) weeks or if the disability has resulted in twenty-six (26) weeks of absence during a period of fifty-two (52) consecutive weeks and the eligible employees have been under the care of a physician.

- Monthly benefits will be paid for eighteen (18) months, if the disability prevents eligible employees from performing their regular work or an alternative occupation with similar earning potential.

- Monthly benefits will be paid following this eighteen (18) month period, if the disability prevents eligible employees from performing any work for which they are otherwise qualified to perform.

- If eligible employees become disabled prior to age sixty (60), benefits will paid up to their 65th birthday.
- If eligible employees become disabled on or after age sixty (60), benefits will be paid according to the following schedule:

Age of Disability	Benefits Paid to Age
60	65
61	66
62	67
63	68
64	69
65	70
66	70
67	70
68	71
69	72
70	72
71	72.5
72	73.5
73	74.5
74	75.5
75+	For 1 year

- Disabilities as a result of a mental health disorder, alcoholism or drug addiction, will generally result in monthly LTD benefits for no longer than twelve (12) months.

5. During the period LTD benefits are paid, eligible employees will continue to receive life, medical and dental insurance coverage in accordance with the Collective Bargaining Agreement between Verizon California Inc. and International Brotherhood of Electrical Workers. If an employee who is receiving LTD benefits becomes eligible for Medicare, they will be required to enroll in a medical plan that coordinates with Medicare. Accredited Service will be applied toward eligible employees' pension calculations until the disability benefits end or the eligible employee retires, quits or dies.

6. The amount and availability of benefits under the LTD Plan are governed by the provisions of the Plan and the insurance contract. Any benefits received will be determined under the terms of the Plan in effect at the time eligible employees receive the benefits in question. The operation and administration of the LTD Plan, selection of the insurance carrier, eligibility for the benefits, cost of coverage, eligibility requirements, all terms and conditions related thereto and the resolution of any disputes involving the terms, conditions, interpretation, administration or benefits payable shall rest with the Company and shall not be subject to the grievance or arbitration procedures set forth in the Collective Bargaining Agreement.

7. This Memorandum of Agreement is effective on September 8, 2013 and shall expire on September 2, 2017. The parties specifically agree that the terms and conditions set forth in this Memorandum of Agreement, relating to the Long-Term Disability Plan, shall terminate on September 2, 2017 and shall not survive the expiration of this Memorandum of Agreement, unless agreed to by the parties in writing.

MEMORANDUM OF AGREEMENT
LUMP SUM PAYMENT OPTION (PENSION)

1. Verizon California Inc. and IBEW Local Union No. 543 agree to continue the Plan for Hourly Employee’s Pensions (hereinafter referred to as the Plan).

2. Regular employees who are eligible to receive a single life annuity from the Plan will be provided a lump sum payment option which will be based on the present value of their single life annuity.

3. The amount and availability of benefits under the Plan are governed by the provisions of the Plan and are subject to the Internal Revenue Code and related regulations. Any payments received will be determined under the terms of the Plan in effect at the time regular employees separate from service. The operation and administration of the Plan, the calculation of the lump sum benefit, eligibility requirements, all terms and conditions related thereto and the resolution of any disputes involving the terms, conditions, interpretation, and administration of the Plan shall rest with the Company and shall not be subject to the grievance or arbitration procedure set forth in the Collective Bargaining Agreement.

4. This Memorandum of Agreement is effective on September 8, 2013 and shall expire on September 2, 2017. The parties specifically agree that the terms and conditions set forth in this Memorandum of Agreement, relating to the lump sum payment option, shall terminate on September 2, 2017 and shall not survive the expiration of this Memorandum of Agreement unless agreed to by the parties in writing.

MEMORANDUM OF AGREEMENT
MAIL ORDER PRESCRIPTION PLAN (MOPP)

1. Effective January 1, 2006, Verizon California Inc. and IBEW Local Union No. 543 agree to extend the provisions of the Mail Order Prescription Plan (MOPP) to Eligible Participants, as this term is defined in the Voluntary Employees Beneficiary Association (VEBA) MOA.

2. MOPP is not available to Eligible Participants in Other Medical Options.

3. MOPP will be administered solely in accordance with its provisions, and no matter concerning MOPP or any difference arising thereunder shall be subject to the grievance or arbitration procedure of the Collective Bargaining Agreement. The selection of the MOPP Carrier, the administration of MOPP and all of the terms and conditions relating thereto, and the resolution of any disputes involving the terms, conditions, interpretation, or administration shall be determined by and at the sole discretion of the Company.

4. The Company shall have the right to amend MOPP in any way, including the selection of the MOPP Carrier. However, any amendment diminishing the level of benefits contained in this Memorandum of Agreement or increasing the cost per prescription to the Eligible Participant will be limited to those changes applicable to salaried employees.

5. This Memorandum of Agreement is effective on September 8, 2013 and shall expire at 11:59 p.m. on September 2, 2017. The parties specifically agree that the terms and conditions set forth in this Memorandum of Agreement shall terminate at 11:59 p.m. on September 2, 2017 and shall not survive the expiration of this Memorandum of Agreement, unless agreed to by the parties in writing.

MEMORANDUM OF AGREEMENT
MEDIATION

The Company and the Union agree to mediate mutually agreed upon disciplinary or non-disciplinary grievances on a trial basis. In lieu of arbitration, the Union or the Company may request that a disciplinary grievance be mediated.

1. (A) Either the Union or the Company may request that a grievance that has been requested for arbitration be mediated by notifying the other, in writing, of their request as soon as possible but not later than ten (10) days following the request of the union to arbitrate.

    (1) For purposes of this agreement, the parties shall establish a standing panel of not less than ten (10) qualified mediators. Such mediators shall also be qualified to issue binding arbitration awards if requested to do so as described in Section 11 of this agreement.

    (B) If the parties agree to mediate, or mediate/arbitrate as described in Section 11, selection of a mediator from the standing panel described in section 1A1 shall usually proceed immediately on the day that the parties agree to mediate but will not occur more than forty-five (45) days after such agreement.

    (C) The mediator will be selected through the process of alternatively striking names from a revolving group of three (3) mediators taken from the standing panel.

    (D) The Company shall thereupon notify the mediator of his selection and seek his agreement to serve, and determine available dates for hearing. The Company and Union will then agree upon the date, time and place of the hearing, and the Company will so notify the mediator.

    (E) If the mediator is not available or is unable to meet the agreed to time limits herein, the last mediator stricken from the above panel

will be selected.

(F) Within thirty (30) days from the date of the mediator selection as stated above, the mediator will hold a mediation conference as outlined in the manner prescribed herein.

2. One (1) representative from the Company and one (1) representative from the Union shall present its position to the mediator and be the spokesperson.

3. In most cases, not more than three (3) Union representatives and three (3) management representatives will attend the mediation hearing. However, it is agreed that at times it may be necessary for either party to have additional persons in attendance who were involved in the case.

4. Management will normally be represented by a Labor Relations representative, the grievant's supervisor and his superior. The Union will normally be represented by the IBEW Business Manager, a Local Union President and the grievant.

5. The proceedings before the mediator will be informal in nature. The presentation of evidence will be limited to that which has been presented in the grievance proceedings. The issue mediated will be the same as the nature of grievance the parties have tried to resolve through the grievance process.

6. There shall be no formal evidence rules. No transcript or record of the mediation meeting shall be made or retained.

7. All written material presented to the mediator or the other party will be returned to the party presenting the material at the end of the mediation meeting. The mediator may retain one copy of the grievance form for purposes of statistical analysis.

8. The mediator will have the authority to meet separately with each party in caucuses.

9. Any settlement reached as a result of the mediation process will not be precedent setting or referred to in any future grievances, arbitrations, mediation, litigations or discussions.

10. If at the conclusion of the mediation meeting no settlement has been reached, the mediator will give an immediate oral advisory opinion.

The advisory opinion can be used for further settlement discussion.

11. (A) If mutually agreeable, the parties may request that the mediator provide the parties with a binding arbitration award. Such request will be in writing and executed by the parties prior to the commencement of mediation proceedings.

    (B) In the event no settlement is reached in mediation and the parties have agreed under section 11A of this agreement to have the mediator provide a binding arbitration award, the parties maintain the right to present additional
    evidence as they deem necessary. A written stipulation of all facts not in dispute may be submitted to the mediator prior to the hearing.

    (C) Any binding arbitration award rendered under the provisions of Section 11 of this agreement will not be precedent setting or referred to in any future grievances, arbitration, mediation, litigation or discussions.

12. If no settlement is reached at mediation and the Union intends to proceed to arbitration, as soon as possible but no later than ten (10) days following the no settlement, the Union will initiate a request to proceed with the selection of an arbitrator and all provisions of Article 13 beginning with Section 2 will automatically be instituted.

13. In the event no settlement is reached and the parties have not agreed otherwise as provided for in Section 11 of this agreement, the person serving as a mediator between the parties may not serve as an arbitrator. Nothing said or done by a mediator may be referred to at arbitration. Any settlement proposal made by either party at the mediation conference shall not be referred to at the arbitration.

14. If the parties cannot agree to mediate the dissenting party (Company or Union) must notify the requesting party (Company or Union) of their dissent, in writing, within ten (10) days of receipt of the request to mediate.

15. If either the Union or Company wishes to withdraw their request to mediate, notification must be in writing and the grievance will proceed to arbitration on the date and time that was scheduled for mediation. The arbitrator selected for mediation will be used.

MEMORANDUM OF AGREEMENT
NECA/IBEW FAMILY MEDICAL CARE PLAN

This proposal supersedes in its entirety, the Company's proposals as specified in the 2013 Proposal for Settlement with respect to medical, dental and vision benefits, for active employees (both full-time and part-time). In addition, the Memorandums of Agreement and Addendum ("MOAs/Addendum") named in Exhibit A shall be eliminated effective 11:59 p.m. February 28, 2014, and the MOAs named in Exhibit B shall reflect the elimination of the MOAs/Addendum named in Exhibit A.

Commencing on March 1, 2014, the Company will contribute to the NECA/IBEW Family Medical Care Plan ("FMCP") for Eligible Participants (defined below) in accordance with, and subject to, the terms of the Participation Agreement between the Company and the FMCP, dated November 18, 2013 (the "Participation Agreement"). The FMCP will offer medical, dental, and vision benefits, as well as prescription drug coverage, to Eligible Participants which, to the extent FMCP continues to offer these plans, will be provided under Plan 16 and the Kaiser benefit option as then in effect. Prior to March 1, 2014, Eligible Participants will have an opportunity to enroll in Plan 16 or the Kaiser benefit option to the extent and pursuant to the terms then offered by FMCP or to elect no coverage at all.

With respect to participation in the FMCP, the Company agrees to the following during the term of this 2013 Proposal for Settlement:

1. Beginning on March 1, 2014 and for each calendar year thereafter, all Eligible Participants shall be eligible for benefit coverage under the FMCP. "Eligible Participants" means all participants who satisfy the eligibility requirements set forth in Exhibit C attached hereto (subject to modification to the extent required under the Patient Protection and Affordable Care Act or other applicable law), which includes, for example: (a) all regular, probationary, temporary, term, active full-time and part-time employees, (b) all full-time and part-time employees who are on Short-Term Disability or Long-Term Disability and who are entitled to continued medical, prescription drug, vision and dental coverage during such disability, (c) employees on leaves of absence who are eligible for continued medical, prescription drug, dental and vision coverage under the terms of the Collective Bargaining Agreement ("CBA") and (d) all former employees who have been or are severed from the Company and who are entitled to continued medical, prescription drug, vision and dental coverage for a period of time following their severance date as part of their separation benefits. Eligible Participants shall also include all COBRA "qualified beneficiaries" as of March 1, 2014 and thereafter ("COBRA participants").

Coverage under the FMCP for regular, probationary, temporary, term, active full-time and part-time employees and eligible dependents begins ninety (90) days following date of hire or the date which the employee enrolls, whichever is later, in accordance with the Patient Protection and Affordable Care Act. Eligible surviving spouses, dependents and registered domestic partners of an active employee who participate in the FMCP shall be provided with medical coverage at no charge for twenty-four months following the death of the employee.

2. Beginning on and after March 1, 2014, the Company will make a monthly contribution to the FMCP for benefit coverage for Eligible Participants (other than COBRA Participants) who are enrolled in the FMCP, which the Company shall submit to the FMCP directly pursuant to the terms of the Participation Agreement. COBRA Participants who participate in the FMCP shall be responsible for paying to the FMCP the full cost of their participation in the FMCP under COBRA and the Company shall not make any contribution for such COBRA Participants. The FMCP has established the following initial monthly contribution rates for participation in the FMCP (the "Initial FMCP Monthly Contribution Amounts"):

Employee Only	$568
Employee + Spouse	$1,087
Employee + Child(ren)	$1,033
Family	$1,526

The Initial FMCP Monthly Contribution Amounts set forth above represent the maximum amount that the Company will contribute to the FMCP for benefit coverage under the FMCP (the "Maximum Company Contribution Amounts").

3. The FMCP has the right to increase the Initial FMCP Monthly Contribution Amounts. Eligible full-time employees who enroll in the FMCP will not be required to pay a monthly contribution towards the cost of coverage under the FMCP as long as the monthly contribution rates established by the FMCP from time to time for benefit coverage (the "Applicable FMCP Monthly Contribution Amounts") do not exceed the Maximum Company Contribution Amounts. If the Applicable FMCP Monthly Contribution Amounts exceed the Maximum Company Contribution Amounts, eligible full-time employees who enroll in the FMCP will be required to pay the Company a monthly contribution towards the cost of coverage in the amount that the Applicable FMCP Monthly Contribution Amount exceeds the Maximum Company Contribution Amount for the coverage category selected by the employee (the "Full-Time Employee

Monthly Contribution"). For example, if the Initial FMCP Monthly Contribution Amount for employee-only coverage is increased by $20, so that the Applicable FMCP Monthly Contribution Amount is $588, the Full-Time Employee Monthly Contribution for employee-only coverage will be $20. Eligible part-time employees who enroll in the FMCP will be required to pay the Company a monthly contribution toward the cost of coverage for the applicable coverage tier as follows:

Scheduled Hours	Part-Time Employee Monthly Contribution
Less than 17 hours per week	100% of the Applicable FMCP Monthly Contribution Amount
17 hours but less than 25 hours per week	50% of the Applicable FMCP Monthly Contribution Amount
25 hours per week or more	100% of the Full-Time Employee Monthly Contribution

For example, a part-time employee working 15 hours per week will initially pay $568 per month for employee-only coverage, and a part-time employee working 25 hours per week will initially pay $0 per month for employee-only coverage. If the Initial FMCP Monthly Contribution Amount for employee-only coverage is increased by $20, so that the Applicable FMCP Monthly Contribution Amount is $588, the part-time employee working 15 hours per week will be required to pay $588 per month, and the part-time employee working 25 hours per week will be required to pay $20 per month.

The Full-Time Monthly Employee Contribution (or Part-Time Employee Monthly Contribution, as applicable) will be deducted from the employees' bi-weekly pay on a before tax basis in accordance with applicable law. However, in those circumstances where an employee is not receiving pay or sufficient pay to cover the contribution, the employee will be billed for the Full-Time Monthly Employee Contribution (or Part-Time Employee Monthly Contribution, as applicable) or it will be deducted from subsequent pay. All employees and eligible dependents who enroll in the FMCP and who make Full-Time Monthly Employee Contributions (or Part-Time Employee Monthly Contributions, as applicable) on a before tax basis will be subject to the mid-year change rules applicable to Internal Revenue Code section 125 cafeteria plans.

4. The FMCP will be administered solely by the administrative manager of the FMCP as designated by the Board of Trustees of the FMCP and solely in accordance with the plan provisions. No matter concerning the FMCP, or any difference arising thereunder shall be subject to the Grievance-Arbitration Procedure of the CBA. The selection of the plan

administrators, the administration of the FMCP and all terms and conditions relating thereto, and the resolution of any disputes involving the terms, conditions, interpretation, administration or benefits payable shall be determined by and at the sole discretion of the FMCP.

5. Medical, dental, vision, and prescription drug coverage available to employees covered by this CBA under benefit plans offered by the Company shall cease at 11:59 p.m. February 28, 2014. As of March 1, 2014, employees covered by this CBA who are not eligible to participate in the FMCP will no longer have the option of medical, dental, vision or prescription drug coverage provided under a Company plan, except to the extent that such employees are eligible to participate in The Plan for Bargained Retiree Group Insurance, which is a component plan under The Plan for Group Insurance.

Exhibit A

Effective 11:59 p.m. February 28, 2014, the following Memorandums of Agreement and Addendum will be eliminated:

Memorandums of Agreement:
Hearing Aid Benefit
Comprehensive Medical Plan
Vision Plan
Dental Plan
Dental Plan Alternative
Dental Plan Enrollment
Other Medical Options
Medical Benefits –"Opt-Out" credits and Spousal Surcharge
Healthcare Contributions
Survivor Benefit Medical Continuation

Addendum One – Medical Plan

Exhibit B

Effective March 1, 2014, the following Memorandums of Agreement are deemed to be modified to reflect the elimination of the MOAs/Addendum named in Exhibit A.

Memorandums of Agreement:
Voluntary Excused Time Leave of Absence
Voluntary Termination Bonus
Temporary Employees Beyond 6 months
Voluntary Part-Time Assignment
Mail Order Prescription Plan (MOPP)
Prescription Identification Card (PIC)

Exhibit C

Eligibility rules for FMCP benefits (medical, dental, vision and prescription drugs):

Who is eligible:
You and your eligible dependents can enroll for medical, dental, vision and prescription drug coverage.

You are eligible if…
You are paid directly by Verizon and are a regular, probationary, temporary, term, active full-time or part-time, employee who is covered by the collective bargaining agreement between Verizon California Inc. (or its successors and assigns) and IBEW Local 543.

If you are disabled and receiving long-term disability (LTD) benefits from Verizon, your medical, dental, vision and prescription drug coverage continues for you and your eligible covered dependents until you are no longer disabled or retire, whichever is earlier**.**

You are not eligible if...

- You have an individual employment contract (unless the contract or agreement specifies that you **are** eligible to participate).
- You are a leased employee.
- You are not paid directly by Verizon
- You are classified as an independent contractor or special status employee (for example, an occasional employee), regardless of what a court or government agency may determine about your employment status.
- You are a terminated employee (unless you terminated under a separation program and/or a separation agreement that specifically provides you with benefits under the medical plan for a specific amount of time).

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

Your dependents
Eligible dependents are your:

- **Spouse** (whether or not separated). See the definition of "Spouse" below for more information.

- **Domestic partner**, as defined below, and his or her children. You may be subject to taxes on imputed income for the coverage you choose for your domestic partner and his or her children.

- **Children**, up to the end of the month in which he or she reaches age 26 including children for whom you are required to provide coverage under a qualified medical child support order (QMCSO). You may be able to continue coverage for your child beyond the month in which he or she attains age 26 if he or she is disabled before age 26. See the definition of "Children" below for more information.

Definitions referred in sections above:

- **Spouse**: Your spouse is a person of the opposite or same sex who is a husband or wife, pursuant to a legal union defined as a marriage under state law. The term "state" means any domestic or foreign jurisdiction having the legal authority to sanction marriage.

- **Domestic partner:**

To meet the definition of domestic partner for plan purposes, you and your partner must meet one of the following relationships:

- **Same-Sex Domestic Partnership by Government Registration**. You and your partner have entered into a valid, same-sex domestic partnership registered with a governmental entity under the laws of the state, county, or municipality in which you currently reside.

- **Same-Sex Domestic Partnership by "Company Registry."** You and your partner attest that you meet all of the following requirements:

  - Are each other's sole same-sex domestic partner.

  - Are not legally married to any other person; i.e., neither of you is married to anyone else.

  - Are not the domestic partner or civil union spouse of any other person.

  - Are at least 18 years old and mentally competent to enter into a marriage contract.

- Are not related by blood to the degree of closeness that would prohibit your legal marriage in the state in which you reside.
- Are living (and have lived) together in the same principal residence and intend to do so indefinitely.
- Are jointly responsible for each other's common well-being and financial obligations.

You will be required to attest verbally, electronically, or, upon request, in writing that you satisfy all of these requirements.

Special Rule for Opposite-Sex Partners
Generally, an opposite-sex relationship other than a valid, legal marriage does not meet the domestic partnership requirements. However, you may cover an opposite-sex partner if you satisfy one of the following requirements:

- ***California Residence***. You both reside in the state of California and are registered as domestic partners with the California Secretary of State or with a local government agency that legally recognizes domestic partner relationships through an official registration process, **or**
- ***Equal Benefits Ordinance***. Verizon notifies you that you are eligible to cover an opposite-sex domestic partner as a result of the company's contractual obligation with a governmental entity with an "equal benefits ordinance" that requires the coverage of an opposite-sex domestic partner. The notification will outline the eligibility requirements that pertain to the particular "equal benefits ordinance."

You may be subject to taxes on imputed income for the coverage you choose for your domestic partner and his or her children.

If at any time you do not meet all of the above criteria, you and/or your domestic partner must notify the Verizon Benefits Center of the change in status within 60 days. As always, Verizon retains the right to verify that you and your partner meet these requirements from time to time.

- **Children:** Your eligible children are your, your spouse's or your domestic partner's married or unmarried children until the end of the calendar month in which they reach age 26.

You, your spouse or your domestic partner must be the child's:

- Natural or biological parent
- Adoptive parent.
- Legal guardian.

This definition includes any child who is your (the employee's) stepchild.

Special rules apply if your child is disabled.

- **Disabled child:** You can cover your physically, mentally or developmentally disabled child beyond the end of the month in which the child reaches age 26 if he or she is all of the following:
    - Unmarried.
    - Living with you.
    - Fully dependent on you for financial support (i.e., the disability prevents the child from working to support himself or herself).

You may be asked to provide periodic certification of your child's continuing disability status.

MEMORANDUM OF AGREEMENT
NETWORK SERVICES - OVERTIME
(CUSTOMER OPERATIONS AND CONSTRUCTION)

Verizon California Inc. and IBEW Local Union No. 543 (hereinafter "IBEW 543" or "Union") agree that due to occasional weather-related challenges and the fluctuating nature of our customers' service needs, there are times when all necessary work can not be completed during the normal work day and overtime becomes necessary.

The Company and the Union agree that whenever possible qualified volunteers should be used to perform such overtime work as long as there is no negative impact on customer service, there is no increased cost to manage the business and an unsafe working condition will not be created.

Local Union and management representatives will jointly develop local processes designed to identify and utilize volunteers. These processes can vary by work location to fit local needs. They will be utilized whenever the use of volunteers will meet the needs of our service.

When the workload is so significant that the use of volunteers alone will not meet service needs, it is understood that employees and their supervisors will work together to ensure that the employee's need for time off and the Company's need to have all employees work a share of overtime will both be accommodated. During such times, employees who need to be excused from working overtime for either all or part of a given day for important personal reasons should inform their supervisor of the need as soon as possible. Examples include doctor or dental visits for themselves or a family member, weddings or other similar significant family events or occasional child or elder care responsibilities.

The Company or the Union may rescind this Memorandum of Agreement by written notice effective thirty (30) days from receipt of such notice by the party of their intent to terminate.

MEMORANDUM OF AGREEMENT
NEUTRALITY AND CONSENT ELECTION

This Agreement between Verizon California Inc. and IBEW Local Union No. 543 covers all understandings between the parties concerning union organizing, access to employees and code of conduct applicable to union organizing efforts.

The Union and the Company recognize that it is in their mutual interest to enhance the success and image of the Company, to acknowledge the Union as a valued partner, and to foster the pride and commitment of the employees. The parties also share the mutual goals of building a world class, high performance enterprise and addressing employment security through business success and employee development. As a means to enhance these goals, the parties will mutually support regulatory and legislative efforts, marketing/sales and service efforts and other business initiatives leading to employment security and Verizon's business success.

The parties also recognize that the Union's goal of growing membership is intrinsically linked to the successful growth of the business. In order to maintain this perspective and to avoid unnecessary confrontation, the parties agree that the following principals regarding neutrality and consent election will be applicable to Verizon's former "GTE Network Services Companies" (Incumbent Local Exchange Carriers and Logistics). This shall be the exclusive means by which the Union, their locals, or individuals acting on their behalf, will conduct an effort to organize eligible employees in the covered Verizon's former "GTE Network Services Companies" (Incumbent Local Exchange Carriers and Logistics) as defined by the National Labor Relations Act.

1. Employee Choice
   Both the Union and the Company support and agree with the principle that the decision as to whether or not to become represented by a union is one that does not belong to either the Union or to the Company. Rather, it is an individual decision that belongs to the employee. With the parties' mutual recognition of this fundamental tenet, the following provisions are intended to establish, encourage and nurture an environment during a union organizing drive that will allow employees to choose whether or not to become represented in a fully informed and uncoerced manner. All negotiations concerning appropriate unit, access, conduct and voting will be performed by Verizon Labor Relations staff in conjunction with local management and designated Union representatives.

2. Neutrality
   The Company and the Union agree that an organizing drive will be met by a neutral position by the Company. This statement is consistent with and reinforces the previously established principle of employee choice. It should follow that an environment intended to foster employee choice would be a neutral environment and that information communicated by either party would be fact based and not misleading, distorted or disparaging. Neutrality means the following:

(a) Management will not be anti-Union nor will the Union be anti-Management.

(b) Management will not advocate that employees should not vote for a Union to represent them.

(c) The Unions will be afforded reasonable opportunities for access to employees to get their message communicated.

(d) Management will respond to employee questions and is obligated to correct inaccurate or misunderstood information by employees.

(e) The Union**(s)** will be referred to by name and will not be characterized as a “third party” or “outsider”.

(f) Any written information distributed to employees by either party relative to the organizing campaign will be shared with the other. The parties’ communications with employees will be shared with the other. The parties’ communications with employees will be in accordance with this agreement.

(g) Neither party will hire consultants who encourage an adversarial relationship.

(h) Neither managers nor Union representatives will be personally attacked.

(i) Neither the Union nor the Company will be attacked as institutions.

(j) The Company will not conduct meetings for the sole purpose of discussing organizing activities without inviting appropriate Union representatives to attend.

Allegations of violations of these provisions will be handled via the dispute resolution process contained in this Agreement.

3. Rules
The procedures to be followed are listed below:

(a) The Union must show a minimum of 50% + 1 show of interest on signature cards of the appropriate unit.

(b) A vote of 50% + 1 of those votes, validated by the Third Party Neutral (TPN), will determine the outcome.

(c) If the Union is not successful, another election will not be scheduled for twelve months.

(d) The TPN will resolve any issue concerning challenged ballots in similar fashion to the National Labor Relations Board (NLRB) process.

4. Time Bound
It is in the interest of both parties that the organizing campaign be conducted expeditiously. The Union is therefore obligated to notify management of its intention to conduct a formal organizing drive before it begins. The date of this notification will "start the clock". The entire campaign, including the consent election, will be concluded in ninety (90) days. It is the intent of the parties that the ninety (90) day time frame will include discussion and agreement on the unit. In the event the parties are unable to agree on the unit, the dispute resolution process set forth below will be utilized and the time period will be extended by the number of days required to reach agreement on the unit, but in no event will the total campaign, including resolution of the scope of the bargaining unit and the consent election process exceed 120 days. If employees vote not to be represented, the Union agrees not to initiate another campaign (nor continue the current campaign) in that same work group for twelve (12) months from the date of the conclusion of the campaign. This would not preclude the local Union from having contact with the workers in the group. If employees vote to be represented, collective bargaining over the terms and conditions of employment will commence within sixty (60) days and will be limited to the agreed upon unit.

5. Informed Decision
Both parties agree that employees should be fully informed about all aspects of Union representation. The Union will provide fact-based information to employees as it endeavors to convince prospective members of the merits of being represented by a Labor Union. Management's role during this process
will include:
(a) responding to individual employee inquiries;
(b) explaining the organizing process, including obligations and responsibilities; and
(c) correcting any inaccuracies, misstatements or misunderstandings disseminated by the Union.

6. Free from Coercion
Consistent with the basic tenet of employee choice, the parties want to ensure that employees have expressed their choice from an informed

position and are completely free from any coercion by the Company, the Union or any other party or parties. One way to ensure this objective is to have a NLRB conducted election.

In the alternative, the Company and the Union agree to use a process that is called "Consent Election." This process will work as follows:

(1) As part of the access discussions, the parties agree to use "Consent Election."

(2) The Union shall initiate the consent election process by providing to a TPN proof of support by means of show of interest cards from 50% + 1 of the employees in the unit. The TPN will then notify Verizon and request a list of names, job titles and home addresses. The Company will furnish the list within five (5) working days. The Union will also be furnished with the list. The "show of interest" cards will clearly state their purpose and that a secret ballot consent election will be conducted to determine the will of the unit. If the TPN determines that the Union has a sufficient show of interest, he/she will schedule a Consent Election process in accordance with this agreement.

(3) The election process will be supervised by a mutually selected TPN, whose role is to ensure the integrity of the process itself, and will be conducted within two (2) weeks of the submission of the Union's show of interest to the TPN. Employees will be asked to express their individual preference in a manner that will ensure that their choice will not be known to either party. The TPN will count the votes and advise the parties of the outcome. Consistent with this agreement, a vote of 50% + 1 of those who vote will control. The parties may have an observer present when the TPN counts the ballots.

(4) In all cases, the election process shall take place within fourteen (14) days of receipt and verification of the Union's show of interest cards by the TPN. In those cases where there is no dispute about the composition of the unit, the election process will be held within seven (7) days. The election may be held at the Company location or at a neutral site as agreed by the parties. The cost of using a neutral site will be split equally by the parties.

If there is a dispute as to composition of the unit, the TPN shall decide the issue within an additional seven days.

7. Access Agreement

   As soon as reasonably practicable after a request by the IBEW for access, Verizon Labor Relations staff, in conjunction with local management and IBEW representatives, will meet to discuss the details related to reasonable access to the unit by the IBEW representatives. The Union will be allowed reasonable opportunities for access to Verizon facilities. It is the intent and commitment of Verizon and the IBEW that the access agreed upon will not interfere with the operation and other normal and routine business activities, plans and programs of Verizon generally, and specifically, the selected unit. Access agreed upon will be in non-working areas and during employee non-working times. Agreements as to eventful access, such as access to conference rooms, will be reasonable in length and there will be reasonable periods between requests for eventful access. However, an uneventful access, such as a prearranged meeting with an individual employee, will not be affected.

   If Verizon and the IBEW are unable to agree on reasonable access, the TPN will be asked to resolve the issue. Successful access agreements utilized at other units will be looked to for guidance as to what works and is reasonable. Verizon and the IBEW commit that they will reach such an access agreement in each instance in an expeditious manner.

8. Dispute Resolution

   (a) Questions or disputes arising during the course of an organizing effort within a particular unit of non-represented employees will, in all cases, be addressed first by and between the parties themselves and, in particular, Labor Relations Staff in conjunction with local Verizon management and appropriate IBEW representatives. It is the intent and desire of Verizon and the IBEW that such matters are dealt with by and between the parties themselves, particularly at the local level, without having to resort to the assistance of a third party. It is also agreed, however, that if every good faith and reasonable effort has been made, but the matter unresolved, the process described below will be utilized.

   (b) The TPN will resolve disputes in the manner set forth in this agreement. Either Verizon or the IBEW can refer a question or dispute, unresolved after good faith efforts have been made to resolve the dispute locally, to the chosen TPN by providing three working days' written notice to both the other party and the TPN. The notice will provide concise statement of the question or dispute to be addressed and a statement that the parties have attempted in good faith but have been unable to resolve the matter by and between

them.

(c) If the question or dispute involves a matter related to access (i.e., the nature, event, time, location, individuals involved, etc.) the TPN will fully investigate all relevant facts surrounding the question or dispute. The TPN will then call the parties together and attempt to facilitate resolution of or otherwise mediate the matter.

If after a good faith attempt at facilitated resolution or mediation, the access question or dispute is still not resolved, the TPN will attempt to render an immediate decision, which includes a method or alternative methods of resolving the perceived problem. However, in no event will the TPN take longer than five days thereafter to render a decision. The decision of the TPN will be final and binding and the parties agree to abide by his/her decision. This process, from the time the TPN is contacted to the time his or her opinion is issued, will not take more than fifteen (15) days unless the parties agree otherwise.

(d) If the dispute involves the appropriateness of the bargaining unit the Union seeks to organize and the parties are unable to agree, after negotiating in good faith for a reasonable time, upon the description of an appropriate unit for bargaining, the issue of the description of such unit shall be submitted to TPN and a hearing shall be conducted consistent with the rules of the American Arbitration Association. The TPN shall be confined solely to the determination of the appropriate unit for bargaining and shall be guided in such deliberations by the statutory requirements of the National Labor Relations Act and the decisions of the NLRB and Appellate reviews of such Board decisions.

(e) Regardless of the type of question or dispute that is submitted to the TPN, the parties will each be given a full opportunity to present their positions and supporting factual information prior to the issuance of any opinion. No written briefs will be submitted. There shall be no ex parte contact with the TPN without the concurrence of all parties. Verizon and IBEW believe that matters pertaining to these values are best handled by and between
the parties themselves and resort to a TPN should be necessary in only a limited number of cases.

Verizon and the IBEW agree that the parties may distribute a decision of the TPN to employees in the selected unit but not outside to the public such as the press.

(f) The parties agree that the process set forth herein shall be the exclusive means for resolving disputes covered by this dispute resolution process, and neither party will utilize any other forum (e.g. NLRB, federal court, etc.) to address issue subject to resolution pursuant to this process.

(g) All expenses, resulting from the use of the TPN process, shall be split equally by Verizon and IBEW.

9. Acquisitions and Ventures
The parties recognize the rapidly changing nature and structure of the communications industry. Verizon may acquire (or be acquired by) another entity. It has and may in the future form joint ventures or strategic alliances, may license its brand or technology, or may be a financial investor in other entities. The employees in those entities may be non-represented, represented in whole or in the part of the IBEW, or represented in whole or in part by some other labor organization. It is not possible to structure a single rule which will apply to all such circumstances and the Company cannot compel other entities to abide by this agreement.

10. Duration
This MOA shall be effective September 8, 2013, and shall remain in effect until September 2, 2017. The parties specifically agree that the terms and conditions set forth in this Memorandum of Agreement shall also terminate on September 2, 2017 and shall not survive the expiration of this Memorandum of Agreement unless agreed to by the parties in writing.

MEMORANDUM OF AGREEMENT
NOTIFICATION TO UNION OF SURPLUS CONDITION

Whenever possible the Company will give a seventy-five (75) day notice to the Union bargaining committee of any pending surplus. The Union bargaining committee agrees to keep this information completely confidential until the company approves its dissemination.

The Company will meet with the Union bargaining committee to discuss declared surpluses that may require the application of Article 8 and/or Article 9 of the Agreement. These discussions are intended to provide a better understanding of the need to relocate and/or reduce the workforce and address any unique circumstances.

MEMORANDUM OF AGREEMENT
OUTPLACEMENT SERVICES

Verizon California Inc. and IBEW Local Union No. 543 agree to a career transitioning service to assist employees who have been displaced.

Following a workforce reduction, affected employees will be offered career transitioning services**.** The Company will facilitate outplacement services available through the California State Employment Development Department.

The career transition assistance shall include services such as:

- Identifying transferable job skills
- Assisting in resume preparation
- Assisting with researching the job market
- Training in interviewing skills and telephone etiquette
- Identifying vocational training institutions

This Agreement is effective September 8, 2013, and shall remain in effect up to and including September 2, 2017.

MEMORANDUM OF AGREEMENT
OVERTIME MOA

Verizon California Inc. and IBEW Local Union No. 543 agree to explore options for ensuring that necessary overtime is worked in a timely, safe, efficient, and cost effective manner while making reasonable attempts to; utilize volunteerism, permit periodic requests for being off-on-time, and distribute overtime equally among qualified employees.

It is understood that the above options may vary by department classification and/or work location. It is also understood that overtime provisions may not be necessary in all departments.

This Agreement is effective September 8, 2013, and shall remain in effect up to and including September 2, 2017.

MEMORANDUM OF AGREEMENT
PENSION ACCRUAL SERVICE

1. Verizon California Inc. and IBEW Union Local No. 543 agree to modify the pension treatment for hourly employees who leave a former GTE ("GTE") company and subsequently are employed by a former Bell Atlantic company ("fBA") subject to the new Memorandum of Agreement titled Pension Benefits, dated November 19, 2013.

2. Effective as soon as administratively possible, eligible hourly employees who leave the employ of a fGTE company and who subsequently are employed by a fBA company will begin participation in the applicable New York and New England component of the Verizon Pension Plan for Associates (the New York/New England plan) or the Mid-Atlantic Associate component of the Verizon Pension Plan for Mid-Atlantic Associates (the Mid-Atlantic plan) in accordance with the participation eligibility provisions of the applicable plan. The hourly employee will continue to earn Vesting Service and Accredited Service for purposes of retirement eligibility under the (fGTE) Hourly Pension Plan while employed by the fBA company, subject to any applicable bridging requirements. Accredited Service for pension accrual purposes under the (fGTE) Hourly Pension Plan will stop as of the date the hourly employee stops working for the fGTE company.

3. Eligible employees who begin working for a fBA company will begin participation in the New York/New England or Mid-Atlantic plan, whichever is applicable, on the date specified by the participation eligibility provisions of those plans. Service recognition under the New York/New England or Mid-Atlantic pension plan will be based on the provisions of those plans.

4. Verizon will provide a defined pension plan benefit based upon:

   (a) The Verizon (fGTE) Hourly Pension Plan accrued benefit as of the date of termination with the fGTE company determined using the average annual compensation earned at the fGTE company for the five consecutive highest paid years earned up to the date employment with the fGTE company ended and Accredited Service earned up to the date employment with the fGTE company ended.

PLUS

(b) The accrued benefit earned under the New York/New England plan or the Mid-Atlantic plan, whichever is applicable, based upon Verizon service credited under the applicable plan.

5. The amount and availability of benefits under the Pension Plan are governed by the provisions of the Pension Plans and are subject to ERISA, the Internal Revenue Code and related regulations. Any payments received will be determined under the terms of the Pension Plans in effect at the time employees separate from service, except as required by applicable law or a subsequent plan amendment. The operation and administration of the Pension Plans, eligibility requirements, all terms and conditions related thereto and the resolution of any disputes involving the terms, conditions, interpretation, and administration of the Pension Plans shall rest with the applicable plan fiduciaries of the Pension Plans and shall not be subject to the grievance or arbitration procedure set forth in the Collective Bargaining Agreement.

6. The parties specifically agree that the terms and conditions set forth in the Memorandum of Agreement shall terminate at 11:59 p.m. on September 2, 2017, and shall not survive the expiration of this Memorandum of Agreement unless agreed to by the parties in writing.

MEMORANDUM OF AGREEMENT
PENSION BENEFITS

GTE California Incorporated Plan for Hourly-Paid Employees' Pensions, which is now a component of the Verizon Pension Plan for Associates ("Pension Plan"), will be amended with respect to associates covered by this 2013 MOA, as follows:

1. Any associate who is first hired as a union-represented associate on or after January 1, 2014, ("Pension New Hire") will not be eligible to participate in the Pension Plan. Any associate who returns from layoff on or after January 1, 2014, pursuant to contractual recall rights, other than a Pension New Hire, will be eligible to continue participation in the Pension Plan as of the date of recall, subject to the Pension Plan changes described in this MOA.

2. Pension benefits will be subject to a transition on March 1, 2014, ("Transition Date"), as described below in paragraphs a, b (if applicable), c (if applicable) and d (if applicable).

    a. An associate's pension until the Transition Date will be

referred to as the “A” benefit. The A benefit will be calculated and frozen based on the pension formula and the associate’s service and compensation, all in effect as of the Transition Date. Immediately after the Transition Date, eligible associates will continue to earn pension benefits. The benefits earned after the Transition Date will be referred to as the “B” benefit. The B benefit will be calculated based on (i) an associate’s eligible service after the Transition Date, and (ii) an associate’s applicable compensation under the pension formula frozen as of the Transition Date. The 2% increase in the basic wage rate scheduled for September of 2014 will be deemed to be in effect January 1, 2014 for the sole purpose of determining the basic wage rate component of an associate’s applicable compensation under the pension formula frozen as of the Transition Date. This 2% adjustment will increase an associate’s applicable compensation under the pension formula frozen as of the Transition Date with respect to both the “A” and the “B” benefit. For promotions after the Transition Date, there will be a special rule for both the “A” and the “B” benefit. If an associate is promoted to a higher wage schedule after the Transition Date and during the remaining term of this Pension Benefits Memorandum of Agreement, then once the associate has remained in that higher wage schedule for 24 months following the effective date of the promotion, the associate’s applicable compensation under the pension formula frozen as of the Transition Date will be increased by 6%.

b. Special Rule for Associates with Fewer Than 60 Months of Pension Compensation as of the Transition Date. For associates with fewer than 60 months of pension compensation as of the Transition Date, the calculation of the frozen compensation under the pension formula will be subject to a special rule for both “A” and “B” benefit. The frozen pension compensation will be calculated effective as of the Transition Date by recognizing (i) scheduled progression increases in the basic wage rate under the applicable wage progression schedule and (ii) the monthly average of the applicable pension compensation (exclusive of basic wages) as of the Transition Date. With respect to both (i) and (ii) in the preceding sentence this special rule will only apply for the period of time necessary to permit each associate covered by this special rule to have 60 months of pension compensation. Other than the adjustments in (i) and (ii), this calculation will

not take into account scheduled annual general wage increases or any other items of actual compensation (e.g., sales bonuses and commissions, any before tax contributions made to a 401(k) plan and any team-oriented short-term incentives) on or after the Transition Date.

c. The associates identified on the attachment hereto, all of whom have more than 60 months of pension compensation but are expected to be in the wage progression schedule as of the Transition Date, will be subject to a special "roll forward" determination of their frozen pension compensation as of the Transition Date. The frozen pension compensation will be calculated effective as of the Transition Date by recognizing (i) scheduled progression increases in the basic wage rate under the applicable wage progression schedule until the end of the month in which the associate has attained the highest wage progression and (ii) the monthly average of the applicable pension compensation (exclusive of basic wages) as of the Transition Date for the same months to which the roll forward in (i) applies. With respect to both (i) and (ii) in the preceding sentence, this special roll forward determination will only apply until the end of the month in which each associate covered by this special determination attains the highest wage progression in the applicable wage progression schedule, and then that month will define the end of the 60 months of pension compensation for the associate. This calculation of the frozen compensation under the pension formula will be used for both the "A" and "B" benefit in paragraph 2(a) above. Other than the adjustments in (i) and (ii), this calculation will not take into account scheduled annual general wage increases or any other items of actual compensation (e.g., sales bonuses and commissions, any before tax contributions made to a 401(k) plan and any team-oriented short-term incentives) on or after the Transition Date.

d. Contingent upon ratification on or before December 13, 2013 of the 2013 Proposal for Settlement the following will apply. For associates eligible for awards under the Team Performance Award or the LiveSource Incentive Compensation Plan, actual awards under these two plans after the Transition Date will be considered in determining an associate's frozen pension compensation amount as of the Transition Date, if any such actual award would increase that component of an associate's frozen pension compensation

amount as of the Transition Date. Any adjustment under this paragraph (d) to an associate's frozen pension compensation amount as of the Transition Date will then be used for both the "A" and "B" benefit in paragraph 2(a) above.

Except as noted above, this Memorandum of Agreement is effective on September 8, 2013, and shall expire at 11:59 p.m. on September 2, 2017 and shall not survive the expiration of the Memorandum of Agreement unless agreed to by the parties in writing.

MEMORANDUM OF AGREEMENT
PENSION PLAN – PENSION MINIMUMS

1. Verizon California Inc. and IBEW Local Union No. 543 agree to the provisions of the GTE California Incorporated Plan for Hourly-Paid Employees' Pensions ("Pension Plan"), which is now a component of the Verizon Pension Plan for Associates, subject to certain changes set forth in the 2013 bargaining agreement between the parties.

2. Subject to the new Memorandum of Agreement entitled Pension Benefits, dated November 19, 2013, the following continue to be in place:

Years of Accredited Service	Annual Minimum Pension
40 or more years	$13,700
35 but less than 40 years	$12,000
30 but less than 35 years	$10,400
25 but less than 30 years	$ 8,700
20 but less than 25 years	$ 7,000
15 but less than 20 years	$ 5,500

The parties specifically agree that the terms and conditions set forth in the Memorandum of Agreement shall terminate at 11:59 p.m. on September 2, 2017, and shall not survive the expiration of this Memorandum of Agreement unless agreed to by the parties in writing.

MEMORANDUM OF AGREEMENT
PENSION PLAN SURVIVOR BENEFITS

1. Verizon California Inc. and IBEW Local Union No. 543 agree to modify the Plan for Hourly Employees' Pensions. Such modifications will be effective July 1, 2003, and are subject to applicable law. This MOA shall not apply to employees identified as Pension New Hires in the Pension Benefits MOA dated November 19, 2013.

2. The pre-retirement survivor pension benefit provisions of the Pension Plan provides a pre-retirement survivor pension benefit for an employee who dies, either during active service or prior to commencing a pension benefit, at a time when he or she is unmarried and has accrued at least five years of vesting service.

3. An unmarried employee may, at any time prior to commencing a pension benefit or dying, designate any living person as the designated beneficiary for the pre-retirement survivor pension benefit. The employee may likewise revise the beneficiary designation at any one or more times prior to commencing a pension benefit or dying. A valid beneficiary designation must be on file for the pre-retirement survivor benefit to be paid.

4. For married employees, the spouse will automatically be considered the beneficiary. However, subject to the requirements regarding non-spouse beneficiaries and with spousal consent, a married employee may name a beneficiary other than the spouse. A single individual must be named as beneficiary; an estate or trust may not be named, nor may multiple individuals.

5. Subject to the provisions of the Plan regarding when the benefit is payable, the pre-retirement survivor pension may be distributed as a 65% survivor annuity, or the lump sum equivalent, based upon the beneficiary's election. However, if the beneficiary is not the participant's spouse and is more than twenty-five (25) years younger than the participant, the survivor benefit will be the 50% survivor annuity or the lump sum equivalent.

6. If a vested employee terminates employment on or after the effective date, the named survivor will be eligible for the survivor pension payable on the date the employee would have reached the age sixty-five (65). An actuarially reduced benefit may be payable before age sixty-five (65) if the vested employee would have been eligible for an earlier commencement.

7. In addition, the Pension Plan shall be amended to allow an employee, at the time of commencing a pension benefit, to designate any living person as the beneficiary for any of the forms of joint and survivor annuity offered under the Pension Plan or any of the term-certain forms of benefit. In the case of an employee who is married at the time of commencing a pension, the employee may not designate any beneficiary other than the spouse without complying with the spousal consent rules of the Plan.

8. This Memorandum of Agreement is effective on September 8, 2013 and shall expire at 11:59 p.m. on September 2, 2017. The parties specifically agree that all the terms and conditions set forth in this Memorandum of Agreement shall also expire at 11:59 p.m. on September 2, 2017 and shall not survive the expiration of this Memorandum of Agreement, unless agreed to by the parties in writing.

MEMORANDUM OF AGREEMENT
PERFORMANCE DIFFERENTIAL

1. Verizon California Inc. and IBEW Local Union No. 543 mutually agree that the Company may, at its sole discretion, establish and implement from time to time Performance Differentials for employees who have completed the probationary period and are at the 42 or 48-month step of their wage schedule.

2. It is agreed that an employee who is consistently meeting high performance standards may be granted a Performance Differential. The performance measurement criteria will be established on an annual basis. Each department (at the Director level) may develop and establish "stretch" performance standards/criteria for select job classifications and/or employee groups that must be met or exceeded in order for an employee to qualify for the Performance Differential. The criteria will be reviewed with the Local 543 Business Manager prior to implementation.

3. The amount of the hourly Performance Differential may vary by job classification and/or departments. This variance is necessary due to the varying levels of payback associated with incremental performance improvement in each job classification. All differential amounts must be reviewed with the Local 543 Business Manager.

4. It is also understood that the following parameters will apply to

Performance Differentials:

a. The Performance Differential will be applied only to hours actually worked, including overtime hours actually worked, and will be included in the computation of any overtime compensation that may be due employees.

b. The performance criteria will be established once a year.

c. Employees who meet the performance criteria accumulative average for six (6) months will be paid the Performance Differential during the following six (6) months.

d. To be eligible for the Performance Differential, the employee must have worked eight hundred forty (840) straight time hours during the six (6) month review period.

e. An employee whose differential is discontinued will be ineligible for the differential until the next six (6) month review.

f. In the event of a process suspension, employees currently receiving a Performance Differential will continue for an additional ninety (90) days from the effective suspension of the agreement, or to the end of period for which their current differential applies, whichever comes first.

g. The payment of an employee's earned Performance Differential shall end on the employee's last day paid.

5. If an employee met the criteria unethically, such employee's Performance Differential will be immediately stopped.

6. The provisions of the Performance Differential Memorandum of Agreement shall not be subject to the grievance or arbitration provisions of the collective bargaining agreement.

7. This Memorandum of Agreement is effective on September 8, 2013, and shall expire on September 2, 2017. The parties specifically agree that the terms and conditions set forth in this Memorandum of Agreement, including the provisions of Performance Differentials, shall terminate on September 2, 2017, and shall not survive the expiration of this Memorandum of Agreement unless agreed to by the parties in writing.

MEMORANDUM OF AGREEMENT
PERFORMANCE STANDARDS

Verizon California Inc. and IBEW Local Union No. 543 agree that if the Company determines there is a need to either revise or implement performance standards, the parties will meet to discuss the provisions of the performance plan. If the Company and the Union agree on the provisions of the plan, it will be implemented accordingly. If the parties cannot agree, the Company reserves the right to implement or revise the plan at its discretion. The Union reserves their ability to exercise their rights under the grievance and arbitration provisions in the collective bargaining agreement

MEMORANDUM OF AGREEMENT
PERSONAL LINES OF INSURANCE

1. Verizon California Inc. agrees to continue, without endorsement, the opportunity for regular full or part-time hourly employees of the Company who are covered by the Collective Bargaining Agreement to purchase automobile, home and other personal property and casualty insurance through payroll deduction.

2. Personal Lines of Insurance will be administered solely in accordance with its provisions, and no matter concerning Personal Lines of Insurance or any difference arising thereunder shall be subject to the grievance or arbitration procedure of the Collective Bargaining Agreement. The administration of Personal Lines of Insurance and all the terms and conditions relating thereto, and the resolution of any disputes involving the terms, conditions, interpretation, administration, or benefits payable shall be determined by and at the sole discretion of the Insurance Carrier.

3. The Company reserves the right at any time, and from time to time, to modify or amend in whole or part, and all provisions of the agreement with the Insurance Carrier, to change Insurance Carriers, or to terminate the agreement with the Insurance Carrier.

4. This Memorandum of Agreement is effective on September 8, 2013 and shall expire on September 2, 2017. The parties specifically agree that the terms and conditions set forth in this Memorandum of Agreement, including Personal Lines of Insurance, shall also terminate on

September 2, 2017 and shall not survive the expiration of this Memorandum of Agreement unless agreed to by the parties in writing.

MEMORANDUM OF AGREEMENT
PRESCRIPTION IDENTIFICATION CARD (PIC)

1. Verizon California Inc. and IBEW Local Union No. 543 agree to offer the Prescription Identification Card (PIC), effective January 1, 2006, for Eligible Participants, as this term is defined in the Voluntary Employee Beneficiary Association (VEBA) MOA.

2. PIC is not available to Eligible Participants in Other Medical Options.

3. PIC will be administered solely in accordance with its provisions and no matter concerning PIC or any difference arising thereunder shall be subject to the grievance or arbitration procedure of the Collective Bargaining Agreement. The selection of the PIC carrier, the administration of PIC and all of the terms and conditions relating thereto, and the resolution of any disputes involving the terms, conditions, interpretation, or administration shall be determined by and at the sole discretion of the Company.

4. The Company shall have the right to amend PIC in any way, including the selection of the PIC carrier. However, any amendment diminishing the level of benefits contained in this Memorandum of Agreement or increasing the cost per prescription to the Eligible Participant will be limited to those changes applicable to salaried employees.

5. This Memorandum of Agreement is effective on September 8, 2013 and shall expire at 11:59 p.m. on September 2, 2017. The parties specifically agree that the terms and conditions set forth in this Memorandum of Agreement shall terminate at 11:59 p.m. on September 2, 2017 and shall not survive the expiration of this Memorandum of Agreement, unless agreed to by the parties in writing.

MEMORANDUM OF AGREEMENT
PRIORITIES FOR FILLING VACANCIES

This Memorandum of Agreement establishes mutual understanding of the parties that vacancies to be filled will be done so in the following order of priorities:

1st Persons returning from military leave (Article 34, Section 2.1).

2nd Persons returning in accordance with Sections 1 and 2 of the Memorandum of Agreement concerning failure of basic training.

3rd Persons returning from a medical leave of absence (Industrial Injury).

4th Persons returning from a medical leave of absence (other reasons).

5th Persons requesting transfer to previous job class and work locations who have been force realigned (Article 8, Section 1.5).

6th Company initiated transfer to identical job title between work locations (Article 34, Section 5).

7th Employees being force realigned (Article 8, Section 1.3).

8th Employees being rehired from layoff (Article 9, Section 6).

9th Requests for transfer for health reasons (Article 34, Section 2).

10th Persons transferring from a part-time position to their previous full-time position in accordance with the Memorandum of Agreement concerning such transfers due to a work and family conflict.

11th Persons returning from leave of absence for personal reasons (Article 24, Section 1.1) other than medical leave.

12th Qualified applicants with bids on file (Article 34, Section 4).

13th Company initiated transfers, promotion or employment (Article 1, Section 1), (Article 34, Section 3).

MEMORANDUM OF AGREEMENT
RETIREE LIFE INSURANCE

1. Verizon California Inc. and IBEW Local Union No. 543 agree to make available to employees who retire on or after January 1, 1997, with a service or disability pension under the Verizon California Inc. Plan for Hourly-Paid Employees' Pensions, a $5,000 retiree life insurance benefit.

2. Employees who retire on or after January 1, 2003, with a service or disability pension under the Verizon California Inc. Plan for Hourly-Paid Employees' Pensions, will have a $10,000 retiree life insurance benefit.

3. This Memorandum of Agreement is effective on September 8, 2013 and shall expire on September 2, 2017. The parties specifically agree that the terms and conditions set forth in this Memorandum of Agreement, including the Retiree Life Insurance benefit, shall also terminate on September 2, 2017, and shall not survive the expiration of this Memorandum of Agreement unless agreed to by the parties in writing.

MEMORANDUM OF AGREEMENT
SALES INCENTIVE PROGRAMS

The Company may develop and implement sales incentive programs which will provide participating employees the opportunity to earn merchandise, cash, and other awards of value based on individual and/or collective performance in achieving standards developed and administered solely by the Company. Participation by individual employees shall be voluntary.

Upon ratification the Company will notify the Union of such sales incentive programs prior to their implementation. After implementation, the Company will provide the Union with quarterly reports that detail each specific incentive program, the amount of money spent under each program the total number of employees eligible to receive awards under each program and the total number of employees who actually receive awards under each program.

The development, design, size and frequency and/or administration of such sales incentive programs are wholly within the discretion of the Company and are not subject to the Grievance and Arbitration provisions of the Labor Agreement. However, if a dispute arises regarding the amount of merchandise, cash or other awards of value earned by participating employees in accordance with the provisions of a sales incentive plan, such disputes may be resolved through the Grievance and Arbitration procedures set forth in the Labor Agreement. The Company agrees that participation or nonparticipation in such incentive programs are voluntary on the part of individual employees.

This agreement is effective September 8, 2013, and shall expire on September 2, 2017 unless extended by mutual written agreement.

MEMORANDUM OF AGREEMENT
SUBSTANCE ABUSE POLICY

The Company is committed to maintaining a workplace free from drugs or alcohol and is obligated to comply with the requirements of the Drug Free Workplace Act of 1988, as well as the special Department of Defense drug free workforce rules for specific government contracts.

The Company has developed and implemented a policy on substance abuse which applies to all employees. The revision of this policy incorporates those requirements listed above.

Additionally, the Company reserves the right to take appropriate measures to comply with restrictions or procedures placed on our company and its employees by our customers.

MEMORANDUM OF AGREEMENT
SUPPLEMENTAL TERM LIFE INSURANCE

Verizon California Inc. agrees to continue to make available, without endorsement, the opportunity for employees to enroll in Supplemental Term Life Insurance.

For a summary of details refer to the Life Insurance Summary Plan Description (SPD).

Supplemental Term Life Insurance will be administered solely in accordance with its provisions, and no matter concerning Supplemental Term Life Insurance or any difference arising thereunder shall be subject to the grievance or arbitration procedure of the Collective Bargaining Agreement. The administration of Supplemental Term Life Insurance and all the terms and conditions relating thereto, and the resolution of any disputes involving the terms, conditions, interpretation, administration, or benefits payable shall be determined by and at the sole discretion of the Insurance Carrier.

This Memorandum of Agreement is effective on September 8, 2013, and shall expire on September 2, 2017. The parties specifically agree that the terms and conditions set forth in this Memorandum of Agreement, including Supplemental Term Life Insurance, shall also terminate on September 2, 2017, and shall not survive the expiration of this Memorandum of Agreement unless agreed to by the parties in writing.

MEMORANDUM OF AGREEMENT
SURPLUS CLASSIFICATIONS
NOTIFICATION TO SYSTEM COMPANIES

GTE California Incorporated and the International Brotherhood of Electrical Workers agree that subsequent to the formal announcement of a layoff condition, the Company will notify GTE-System Telephone Operation companies of our surplus classifications. If these system companies express an interest in considering our surplus employees for their vacancies, the Company will inform these surplus employees of the system transfer process and will expedite their transfer application to the degree possible as determined by management.

This agreement may be canceled by either party with 30 days notice.

MEMORANDUM OF AGREEMENT
TEAM PERFORMANCE AWARD

1. Verizon California Inc. and IBEW Local Union No. 543 agree to continue the Team Performance Award set forth in this Memorandum of Agreement.

2. For a summary of details, refer to the attachment entitled Team Performance Award.

3. This Memorandum of Agreement is effective on September 8, 2013, and shall expire on September 2, 2017. The parties specifically agree that all the terms and conditions set forth in this Memorandum of Agreement shall also expire on September 2, 2017, and shall not survive the expiration of this Memorandum of Agreement, unless agreed to by the parties in writing.

TEAM PERFORMANCE AWARD

1. Verizon California Inc. and IBEW Local Union No. 543 agree to continue a Team Performance Award, which will provide participating employees the opportunity to earn compensation based upon collective/team performance results.

2. ELIGIBILITY

All full-time and part-time regular hourly employees are eligible to receive an award if they are on a TPA Team for thirty (30) calendar days or more. Employees on other Incentive plans are not eligible, i.e., National Sales, Retail, LiveSource.

3. AWARDS

Awards are based on performance toward objectives over the period of a calendar year. An award amount is determined for the applicable calendar year, a percentage of which may be earned by eligible employees, depending on team performance during that calendar year. The payout ranges from 0% to 120% of an established target.

The range of the Team Performance Award payout is as follows:

Each annual target award is 4% payable in April of the following year. The range is 0% to 120% based on achievement of objectives.

Employees transferring between or changing teams for any reason during the year will receive an award based upon the team in which they reside at the end of the calendar year (December 31). Awards will not be prorated based on time spent with each team.

An employee who resigns, is laid off, terminated, dies or retires during the calendar year is eligible for a prorated Team Performance Award if all other eligibility requirements have been met. *

* In case of Termination for Cause the individual situation will be reviewed to determine if the individual is eligible for an award.

Employees on approved military leave of absence who have one year or more service will be given full wage credit up to three (3) months toward the Team Performance Award. Employees on any other unpaid leave will have cumulative leave time excluded from award computation.

4. TIME OFF FOR UNION ACTIVITIES

Excused time off for union activity will be counted as time worked when computing Team Performance Awards.

5. BENEFITS TREATMENT

Team Performance Award payments are recognized in the calculation of Pension Plan benefits, Group Life Insurance, and the Hourly Savings Plan. Such

payments will be applicable in the year payment is received. This is in accordance with Verizon benefit plan definitions.

All other benefits are in accordance with the collective bargaining agreement and are based on rates shown in the hourly wage schedules.

6. TAXES, PERSONAL ALLOTMENT

Deductions for federal, state, and local tax liabilities will be made in accordance with lump sum distribution tax laws.

Personal allotments such as savings bonds and United Way contributions will not be made.

7. UNION DUES

Applicable Union dues will be deducted from Team Performance Award.

8. OVERTIME

Overtime payments will be based on an hourly rate which includes both base and Team Performance Award payments.

An employee's hourly wage Team Performance Award rate for overtime payments will be calculated as follows:

The hourly rate will be equal to actual Team Performance Award divided by 2080 hours.

Example of Team Performance Award Overtime payment using Team Performance Award hourly rate:

An employee's Team Performance Award Payment equals $2080.
The employee worked 100 hours of overtime in the award year at a time and one-half rate (100 X 1.5 = 150 hours paid).

EXAMPLE:

		TPA HOURLY RATE		OVERTIME HOURS PAID		TPA OVERTIME PAYMENT
$2080 / 2080	=	1.00	x	150 Hours paid	=	$150.00

The overtime-incentive payment is not included in benefit plan calculations.

A Team Performance Award overtime payment will be included in the award payout.

9. OBJECTIVES/MEASURES

All hourly employees will normally be assigned to teams based on their functional area of responsibility. Teams may consist of a few employees or many.

Each team will be given a set of objectives linked to, but not limited to, one or more of these performance areas:

Quality/Value of services delivered
Productivity
Expense Budget
Revenue

Teams that satisfy a minimum level of performance will receive an incentive payment. If that minimum level of performance is exceeded, the incentive payment will be larger. Each member of a team will receive the same percentage of target award that the team achieved. An example would be as follows:

Level of Performance	Percent Target Award
Below Minimum	0%
Minimum to Target	10-99%
Target	100%
Over Target to Maximum	101-120%

10. The Company reserves the right to establish objectives and determine performance results. The objectives, the performance results, or any part of the Team Performance Award shall not be subject to the grievance or arbitration provisions of the Collective Bargaining Agreement.

11. Prior to the announcement of objectives and performance targets for the applicable year, Company representatives will meet with Union representatives to review the rationale for such objectives and targets.

12. MODIFICATION OF THE TEAM PERFORMANCE PLAN
Verizon may at any time modify, in part or in whole, the Team Performance Award Plan. Any modification shall not affect awards already earned under this plan.

13. TERMINATION OF THE TEAM PERFORMANCE PLAN
The suspension or termination must be by mutual agreement of the parties.

MEMORANDUM OF AGREEMENT
TECHNOLOGY MEETINGS

In an effort to increase awareness of significant technological changes and its affect and impact on the Company, Union, employee and customers, the Company and Union Bargaining Committees will meet at least semi-annually to discuss:

- New systems being considered for pilot projects.
- Progress and status of ongoing pilot projects.
- Potential training and retraining requirements necessitated by the adoption of new technology.

This agreement is effective on September 8, 2013 and shall remain in effect up to and including September 2, 2017.

MEMORANDUM OF AGREEMENT
TEMPORARY EMPLOYEES BEYOND 6 MONTHS

In order to minimize the possibility of force realignments and/or layoffs, the Company and Union have identified a need to employ and utilize temporary employees beyond six (6) months as defined in Article 6, Section 14 of the Agreement.

For temporary employees, whose continuous employment extends beyond six (6) months, the Company and Union agree to the following:

1. Upon the completion of six (6) months of employment a temporary employee will receive and or be eligible for:

    a. Progressive Wage increases in accordance with the schedule of basic wage Increases.

    b. Participation in the Group Life Insurance Plan.

    c. Medical and Dental as provided under the Collective Bargaining Agreement.

    d. Vacation upon completion of one (1) year of employment and in accordance with Article 22 of the Agreement.

    e. Involuntary Separation pay – forty (40) hours at employee's current rate of pay will be paid to temporary employees upon separation from the Company if they have at least one (1) year

of continuous employment.

2. The discharge of temporary employees beyond six (6) months of employment will be subject to the grievance procedure of the Agreement but will not be subject to arbitration.

Either the Company or the Union may rescind this Memorandum of Agreement by written notice effective thirty (30) days from receipt of such notice by either party.

It is further understood that such written notice to rescind this Agreement, from the Union to the Company, would constitute that the Company would not extend temporary employees with more than six (6) months employment beyond two (2) additional months from the date of receipt by the Company.

The Company shall provide the Union a list of all temporary employees that exceed six (6) months of continuous employment. The listing will include employee name, building code (BC), classification and employment date.

Furthermore, it is agreed that as a result of this Agreement, any timely grievance currently in process that concerns the terms and conditions of this Agreement shall be considered resolved.

This Memorandum of Agreement is effective on September 8, 2013 and shall expire at 11:59 p.m. September 2, 2017. The parties specifically agree that the terms and conditions set forth in this Memorandum of Agreement shall terminate at 11:59 p.m. on September 2, 2017 and shall not survive the expiration of this Memorandum of Agreement, unless agreed to by the parties in writing.

MEMORANDUM OF AGREEEMENT
THIRD PARTY MEDICAL

Verizon California Inc. and IBEW Local Union No. 543 agree that in addition to the grievance procedures set forth in Article 12 of the collective bargaining agreement, disputes regarding non-payment of sickness and accident benefits may be submitted to the appeal process established by the Company's benefit administrator.

All costs of any such appeal will be borne by the Company, including, but not limited to, the cost of any necessary independent medical examiner.

MEMORANDUM OF AGREEMENT
TRAINING COMMITTEE

Verizon California Inc. and IBEW Local Union No. 543 agree to establish a joint committee of three (3) management and three (3) union representatives to discuss matters of mutual concern regarding employee training within Customer Operations, Outside Plant and Network Operations.

This Memorandum of Agreement is effective September 8, 2013 and shall expire on September 2, 2017. The parties specifically agree that the terms and conditions set forth in the Memorandum of Agreement shall also terminate on September 2, 2017, and shall not survive the expiration of this Memorandum of Agreement unless agreed by the parties in writing.

MEMORANDUM OF AGREEMENT
TRAINING FAILURE

This Memorandum of Agreement sets forth the procedures to be followed when a regular employee does not successfully complete the "basic" training course(s) applicable to that classification. Upon receiving a transfer to a different classification, each regular employee will be given an opportunity to learn, in an orderly sequence, all phases of the work necessary to carry out his/her job. Orderly sequence means attending the Company's applicable basic courses in the appropriate order.

In the event a regular employee does not satisfactorily complete a basic training course as outlined above, the Company shall reassign or release any contractor's employee who would affect any provision of this agreement.

1. In the event a regular employee does not satisfactorily complete a basic course, he/she will be returned to his prior classification at his prior work location if an uncommitted vacancy exists.

2. If no uncommitted vacancy, in his/her prior classification, exists at his/her prior work location, he/she will be offered work in his/her prior classification within the "geographic location" (as defined in Article 8, Section 1.2) of his/her prior work location provided an uncommitted vacancy exists and he/she is the most senior of all bidders or a no bid condition exists.

3. If there are no openings in the employee's prior classification, for a period of thirty (30) work days, the Company will implement one of the following options:

(a) Retain on his present job
(b) Loan to his prior classification
(c) Loan to another classification

During this period of time, the Company shall allow the employee to fill any uncommitted vacancy in his prior classification within his prior "geographic location" (as defined in Article 8, Section 1.2) provided he is the most senior of all bidders or where a no bid condition exists.

4. If the Company cannot place the employee in "3" above, the employee will be offered any uncommitted vacancy, for which he/she can qualify, within his/her prior "geographic location" (as defined in Article 8, Section 1.2) if he/she is the most senior of all bidders or where a no bid condition exists.

5. If no vacancies for which the employee can qualify are available at the end of the thirty (30) work days, the employee will be offered, if qualified, the job of the least senior full-time employee within the "geographic area" (as defined in Article 8, Section 1.1.1) of his/her prior work location. The Company and Union agree that any employee displaced under this provision will be offered an identical position within the Company where a no bid condition exists, or may elect to voluntarily receive $1,100 less withholding taxes, for each completed year of accredited service, up to and including thirty (30) years, for a maximum of $33,000 prior to withholding taxes. This is not prorated for any partial year of service. In addition to the aforementioned separation pay, the employee will be eligible for an allowance, not to exceed $750 less withholding taxes, for each completed year of accredited service, to a maximum of $3,750 prior to withholding taxes. The allowance is not prorated for any partial year of service. Those employees who have previously received termination benefits of any kind shall be eligible for benefits as detailed above based on their most recent date of hire, in lieu of accredited service date, as outlined earlier in this paragraph.

6. Employees placed in a lower paying classification from their original classification as outlined in Section 4 and 5 above will, at the time of reclassification have their basic hourly wage rate decreased by one-fourth and by an additional one-fourth at each eight-week interval until their wage rates are reduced to the appropriate wage step of the new wage schedule.

7. As provided for in this agreement, if an employee declines placement

or is not qualified for placement under the provisions of Sections one (1) through five (5), he will be entitled to voluntarily accept the pay provisions in Section 5 above.

-or-

If the employee declines placement, as provided for in this Agreement, he will be considered to have voluntarily resigned. If the employee is not qualified for placement under the provisions of Sections one (1) through six (6) of this Agreement, he will receive a separation allowance equivalent to that specified in Article 9, Section 1.2. Any employee eligible for a service pension will not receive a separation allowance.

8. If an employee who has received monthly benefit pay, termination benefits pay or separation allowance is reengaged, and the number of weeks since the effective date of leaving is less than the number of weeks or months pay upon which the separation allowance was based, exclusive of any payment in lieu of vacation, the amount paid to the employee for the excess number of weeks shall be considered as an advance to the employee by the Company and repayment of this amount shall be made at the time of reemployment or through payroll deductions each payroll period at the rate of at least ten (10) percent of the employees basic wage rate until the amount is fully repaid.

9. In the event the employee selects a job in a classification other than his original classification, he may, at management's discretion, be subject to the provisions of Article 34, Section 4.3.

10. For the purpose of this agreement, "geographic area" will be defined in Article 8, Section 1.1.1 and "geographic location" as defined in Article 8, Section 1.2

11. The Company will adhere to the provisions of Article 34, Section 3.2 when an employee is transferred as a result of not successfully completing a basic training course.

12. Wage treatment will be in accordance with Article 28.

13. Any employee transferred under the provisions of this Agreement will be responsible for his own moving expenses.

14. This Agreement shall be subject to the grievance and arbitration procedures as provided for in Article 12 of the Labor Agreement.

This Agreement is effective September 8, 2013 and shall remain in effect up to and including September 2, 2017 and may be extended by mutual consent of the parties.

MEMORANDUM OF AGREEMENT
VACATION BANKING

1. Verizon California Inc. and IBEW Local Union No. 543 agree that eligible employees may bank into future years a limited number of weeks of vacation for each vacation year as set forth in this Memorandum of Agreement.

2. Through July 31, 2014, employees who, as of September 12, 2010, are eligible for four (4) weeks of vacation may carry forward and bank up to one (1) vacation week for each vacation year; employees who, as of September 12, 2010, are eligible for five (5) weeks of vacation may carry forward and bank up to two (2) vacation weeks for each vacation year. This section does not affect employees' eligibility to carryover vacation (without banking) as provided in Article 22, Section 7 of the Collective Bargaining Agreement.

3. Such banked vacation shall be subject to supervisory approval.

4. Future scheduling of such accumulated banked vacation time is subject to advanced written application and approval.

5. Effective August 1, 2014, employees will no longer be able to bank additional vacation week(s), regardless of the terms of the respective Collective Bargaining Agreements. The Company and the Union agree that this does not affect employees' eligibility to carry-over vacation (without banking) as provided in the Collective Bargaining Agreement.

6. This Memorandum of Agreement is effective on September 8, 2013 and shall expire on September 2, 2017. The parties specifically agree that the terms and conditions set forth in this Memorandum of Agreement shall also terminate on September 2, 2017 and shall not survive the expiration of this Memorandum of Agreement unless agreed to by the parties in writing. Employees who have accumulated such carried forward vacation time will not lose such vacation time should this Memorandum of Agreement not be extended.

MEMORANDUM OF AGREEMENT
VACATION DONATION

The Company and the Union agree to permit employees to donate their vacation time to their coworkers subject to the following guidelines:

1. The need to receive donated vacation time must be related to the catastrophic illness or injury of the employee or a member of their immediate family as defined in Article 32, section 3.2.1 or due to an unexpected dire situation.

2. Employees must exhaust all eligible paid time prior to utilizing donated vacation.

3. The maximum number of donated vacation days an employee can receive is twenty (20) days, unless expanded by mutual agreement.

4. Each employee may donate up to five (5) vacation days. Donating employees must be from the same department as the receiving employee.

5. Once the Company determines that an employee's situation qualifies to receive donated vacation, the Department Manager and local Union Representative will let employees know about the option to donate a vacation day(s) to their coworker. The situation should be handled as discreetly as possible to avoid embarrassment to the employee in need and to avoid coworkers feeling obligated to donate their time.

6. The employee in need cannot personally solicit other employees to donate their vacation.

7. None of the provisions of this agreement are subject to the grievance or arbitration process.

8. This agreement can be cancelled by either party with thirty (30) days notice.

This Agreement is effective September 8, 2013 and shall remain in effect up to and including September 2, 2017. The parties specifically agree that the terms and conditions set forth in this Memorandum of Agreement shall also terminate on September 2, 2017 and shall not survive the expiration of this Memorandum of Agreement unless agreed to by the parties in writing.

MEMORANDUM OF AGREEMENT
VACATION / HOLIDAY SCHEDULING PRIORITY

This memorandum sets forth the guidelines to be followed in the assignment of Vacation / Holiday time.

1. Week-at-a-time current year and carryover vacation (in accordance with Article 22).

2. Day-at-a-time current year and carryover vacation (in accordance with
   Article 22).

3. Personal Holidays (in accordance with Article 23).

4. Banked Vacation (in accordance with Banked Vacation MOA).

5. Excused Time (in accordance with Article 22, section 5).

Additionally, when an employee cancels previously approved vacation or holiday time, with service requirements permitting, management will notify the work group of the opportunity to request the available vacation or holiday time.

This Agreement is effective September 8, 2013 and shall remain in effect up to and including September 2, 2017 and may be extended by mutual consent of the parties.

MEMORANDUM OF AGREEMENT
VEHICLE MAINTENANCE TECHNICIAN DIFFERENTIAL

Verizon California Inc. and IBEW Local Union No. 543 agree that Vehicle Maintenance Technicians who possess a valid Advanced Emission Specialist State Certification will receive a one (1) dollar per hour differential for all hours actually worked, vacation pay, and Company holidays. This differential will be included as part of the employee's rate for the purpose of calculating overtime. This differential will not be paid during periods covered by sick benefits or any other time not specified above.

This differential will not be paid to employees previously grandfathered from the requirement to possess this certification unless they obtain it. The differential will not be paid if an employee temporarily allows his certification to become invalid.

This Memorandum of Agreement is effective September 8, 2013 and shall expire on September 2, 2017. The parties specifically agree that the terms and conditions set forth in the Memorandum of Agreement shall terminate on September 2, 2017, and shall not survive the expiration of this Memorandum of Agreement.

MEMORANDUM OF AGREEMENT
VOLUNTARY EMPLOYEES BENEFICIARY ASSOCIATION (VEBA)

Verizon California Inc.(hereinafter referred to as the Company) and the IBEW Local Union No. 543 (hereinafter referred to as the Union) hereby mutually agree to the establishment of an Internal Revenue Code Section 501 (c) (9) trust (also known as Voluntary Employees Beneficiary Association trust) to provide for the payment of medical or other permissible welfare benefits and administrative service costs ("Retiree Medical Benefits") for eligible employees who retire between September 7, 1992, and September 2, 2017, with a service or disability pension under the Plan for Hourly Employees' Pensions and their beneficiaries (hereinafter referred to as the Eligible Participants. This trust is being established to provide benefit security for the term of this Memorandum of Agreement.

1. The funding and operation of this trust will be determined by the Company based on reasonable financial standards (and, where applicable, regulatory approval for recovery).

2. The Company agrees that funds placed into this trust will be used exclusively to pay for the benefits and administrative costs heretofore described below or for any other purpose permitted by law. Notwithstanding any other provision of this MOA, this trust will also be used to pay for retiree medical benefits for employees who retired prior to September 7, 1992.

3. Effective July 1, 2011, the level and type of Retiree Medical Benefits for the Eligible Participants shall be governed by the Verizon RETIREE OPTIONS Summary Plan Description which may be amended or discontinued by the Company at its discretion subject to paragraph 9 below.

4. For retirees not described in paragraph 5 below, in order to receive Retiree Medical Benefits, the retiree must pay a percentage/amount of the Retiree Medical premium ("Retiree Contribution Percentage/Amount"). Similarly, the Company will pay a

percentage/amount of the premium ("Company Contribution Percentage/Amount"), subject to paragraph 6 below. During the term of this Memorandum of Agreement, the Company and Retiree Contribution Percentages/Amount will be based on the following contribution schedule(s):

(a) For employees retiring between July 1, 2003 and September 2, 2017 the following service linked contribution schedule applies:

Years of Service at Retirement	Company Contribution	Retiree Contribution
Less than 10	0%	100%
10 through 14	20%	80%
15 through 19	40%	60%
20 through 24	60%	40%
25 through 29	80%	20%
30 and over	90%	10%

The Company in its discretion may arrange for market based medical plan option(s) not offered by the Company to be made available as an alternative to Company retiree medical plan option(s) for Medicare-eligible participants. In such case, during annual enrollment, Medicare-eligible retirees may elect to obtain medical coverage under a non-Company market based medical plan option or under a Company medical plan option. If a Medicare-eligible retiree elects coverage under a non-Company option for a plan year, the Company Contribution schedule set forth above in this paragraph 4 does not apply to such retiree. Instead, the Company may, in its discretion, establish a Health Reimbursement Arrangement (HRA) for such retiree, and if so the amount of any HRA credit provided by the Company for such plan year will be determined at the discretion of the Company. During the annual enrollment process, retirees will be provided access to information regarding the non-Company market based medical plan options that are then available to them and information about an HRA, if provided by the Company, including information about the credits to the HRA that will be made if the retiree elects to enroll in a non-Company market based medical plan option. If a Medicare-eligible retiree elects medical coverage under a non-Company market based medical plan option for a plan year, the retiree may elect medical coverage under a Company medical plan option for a subsequent plan year during the annual enrollment period for such subsequent plan year.

5. (a) Effective September 12, 2010, any employee whose date of hire or rehire is on or after September 12, 2010, and who otherwise did not qualify for any Company-subsidized retiree medical coverage upon his or her initial employment termination (a "New Hire"), shall be eligible for the benefit provisions described below in paragraphs 5(b) and 5(c) upon retirement from the Company

(b) If a New Hire is eligible for retiree medical coverage under this provision, she or he shall receive upon retirement an annual benefit for medical coverage, for the rest of her or his life, of $400 for each year of Accredited Service that the New Hire completes (up to a maximum of 30 years).

(c) Once a New Hire retiree becomes eligible for Medicare or eligible for other future national healthcare opportunities, the Company's contribution shall be adjusted to reflect the relative cost of such coverage as compared to that for pre-Medicare retirees. In no case, however, shall the amount paid to a Medicare-eligible retiree be less than 50% of the amount paid to a similarly situated pre-Medicare retiree with equal Accredited Service.

The Company in its discretion may arrange for market based medical plan option(s) not offered by the Company to be made available as an alternative to Company retiree medical plan option(s) for Medicare-eligible participants. In such case, during annual enrollment, Medicare-eligible retirees may elect to obtain medical coverage under a non-Company market based medical plan option or under a Company medical plan option. If a Medicare-eligible retiree elects coverage under a non-Company option for a plan year, the Company Contribution schedule set forth above in this paragraph 5 does not apply to such retiree. Instead, the Company may, in its discretion, establish a Health Reimbursement Arrangement (HRA) for such retiree, and if so the amount of any HRA credit provided by the Company for such plan year will be determined at the discretion of the Company. During the annual enrollment process, retirees will be provided access to information regarding the non-Company market based medical plan options that are then available to them and information about an HRA, if provided by the Company, including information about the credits to the HRA that will be made if the retiree elects to enroll in a non-Company market based medical plan option. If a Medicare-eligible retiree elects medical coverage under a non-Company market based medical plan option for a plan year, the retiree may elect medical coverage under a Company medical plan option for

a subsequent plan year during the annual enrollment period for such subsequent plan year.

6. (a) The Company shall determine the cost of providing Retiree Medical Coverage ("Retiree Medical Benefits Premiums"). Further, it is the Company's intention to cap the amount it pays toward such Retiree Medical Benefits Premiums for employees who retire on or after July 1, 1997, and who are not retirees described in paragraph 5 above.

   (b) When the Retiree Medical Benefits Premiums reaches the figures set forth in the chart below ("Capped Retiree Medical Benefits Premium"), the Company Contribution Amount shall be capped and the Company shall make no additional contributions toward Retiree Medical Benefits Premiums.

Coverage Category	Capped Retiree Medical Benefits Premium
Retiree only (primary coverage)	$11,500
Retiree plus one dependent coverage	$23,000
Family Coverage	$26,000
Medicare covered retiree (per eligible life)	$ 4,900

   (c) The Maximum Company Contribution Percentage Amount applicable to each Coverage Category shall be determined by multiplying the applicable Company Contribution Percentage times the Capped Retiree Medical Benefits Premium as set forth above for that coverage. The applicable Maximum Company Contribution Amount shall not increase when the Retiree Medical Benefits Premium exceeds the amount set forth in the chart above.

7. In order to receive Retiree Medical Benefits, for retirees not described in paragraph 5 above, the retiree must pay the Company the amount the Retiree Medical Premium exceeds the Company Contribution Amount as described in paragraphs 4 and 6 above ("Retiree Contribution Amount"). When the Retiree Medical Benefits Premium reaches or exceeds the Capped Retiree Medical Benefit premium, the retiree must pay the Company the amount the Retiree Medical Benefits Premium exceeds the Maximum Company Contribution Amount.

8. The Capped Retiree Medical Benefits Premium and the Maximum Company Contribution Amount set forth in paragraph 6 above is based upon the $400 deductible coverage option. If the retiree elects the $200 deductible coverage option, the Retiree Contribution Amount will increase by the amount the $200 deductible coverage option exceeds the $400 deductible coverage option. If the retiree elects the $1,000

deductible coverage option, the Retiree contribution amount will decrease by the amount the $1,000 deductible coverage option is less than the $400 deductible coverage option. When the Retiree Medical Benefit Premiums for the $400 deductible coverage option reach the amounts set forth in the chart in paragraph 6, the Company Contribution amount for all coverage options, including the $200 deductible coverage option and the $1,000 deductible coverage option, shall be capped at that time and the Company shall make no additional contributions toward Retiree Medical Benefits.

9. The Company agrees to notify the Union and to discuss its actions should the Company determine that the funding or operation of the trust and/or applicable sections of this Memorandum of Agreement, other than pooling of claims experience and those sections relating to the level and type of Retiree Medical Benefits, need to be modified or rescinded prior to the expiration of the Articles of Agreement. This notification will take place, in writing, within fifteen (15) calendar days prior to the date of modification or rescission. This notification will specify the cause for and effect of this action. If the parties are unable to reach agreement on such changes, the funding or operation of the trust and/or applicable sections of this Memorandum of Agreement, other than pooling of claims experience and those sections relating to the level and type of Retiree Medical Benefits, will be modified or rescinded at the Company's discretion.

10. The funding and operation of the trust, the level and administration of the Retiree Medical Benefits; amount or cost of premiums, premium pricing mechanisms; the attainment of the Maximum Company Contribution Amount; the selection of the claims administrator, alternate health carrier or insurance carrier; eligibility for the benefits; all terms and conditions related hereto, and the resolution of any disputes involving the terms, conditions, interpretation, administration, or benefits payable shall rest with the Company and shall not be subject to the grievance or arbitration procedure set forth in the Collective Bargaining Agreement.

11. This Memorandum of Agreement is effective on September 8, 2013 and shall be in effect for the duration of this Agreement. The parties specifically agree that this Memorandum of Agreement, the Retiree Medical Benefits described herein, and the terms and conditions set forth in this Memorandum of Agreement relating to Retiree Medical Benefits, including but not limited to the Maximum Company Contribution amount and the level and type of Retiree Medical Benefits shall terminate at 11:59 p.m. on September 2, 2017 and shall not

survive the expiration of this Memorandum of Agreement unless agreed to by the parties in writing.

MEMORANDUM OF AGREEMENT
VOLUNTARY EXCUSED TIME LEAVE OF ABSENCE

1. Verizon California Inc. and IBEW Local Union No. 543 agree to the provisions concerning a Voluntary Excused Time Leave of Absence set forth in this Memorandum of Agreement.

2. The purpose of a Voluntary Excused Time Leave of Absence shall be to provide an alternative method of temporarily adjusting the size of the work force for up to four (4) months in a calendar year. The Voluntary Excused Time Leave of Absence would be in lieu of the layoff provisions as provided for in Article 9 of the Collective Bargaining Agreement.

3. The total period of a Voluntary Excused Time Leave of Absence will not exceed four months. Voluntary Excused Time Leaves of Absence will be offered by seeking volunteers from the affected classification and reporting location. This will be done at least thirty (30) days prior to the effective date. The decision to offer Voluntary Excused Time Leaves of Absence, the time frame or duration of the leave, the number of Voluntary Excused Time Leaves of Absence authorized, the location and the classification affected will be at the sole discretion of Management.

4. If the number of volunteers is not sufficient, Management may then layoff the excess remaining employees in accordance with Article 9 of the Collective Bargaining Agreement. If more employees volunteer than needed Management will allow the most senior of the volunteers to take the Voluntary Excused Time Leave of Absence.

5. While on a Voluntary Layoff Leave of Absence, eligible employees shall continue to receive Company paid life insurance, medical/dental insurance and telephone concession benefits to the extent provided to active employees as provided under the Collective Bargaining Agreement.

6. Employees granted a Voluntary Excused Time Leave of Absence will be required to take all unused or remaining vacation (or bank if eligible) and personal holiday time prior to the end of the calendar year in which the leave is to begin. In addition, employees will be

required to use all vacation time (or bank if eligible) scheduled during the month(s) of the calendar year in which the Voluntary Excused Time Leave of Absence ends.

7. All Voluntary Excused Time Leave of Absences are without pay and are subject to approval by Management. Employees are not eligible for short term disability benefits during this time. Application of unemployment compensation will not be contested by the Company.

8. This agreement shall in no way limit Management from using other company employees to perform work assignments of the nature performed previously by an employee who may be on a Voluntary Excused Time Leave of Absence.

9. Employees granted a Voluntary Excused Time Leave of Absence shall receive accredited service and seniority for the period of the Voluntary Excused Time Leave of Absence.

10. At the end of the approved Voluntary Excused Time Leave of Absence, employees will be returned to their previous classification and reporting location.

11. Employees are required to return to work on the agreed upon date. Failure to return on the expected return date, for other than a personal compelling reason as determined by management, will result in termination of employment. Should an employee be unable to return to work due to personal illness or injury and that illness or injury would be covered by the Company's sickness disability benefits, the employee may apply for sickness disability benefits for the remainder of the time that would normally be covered by sickness disability benefits.

12. All contractual provisions of the Collective Bargaining Agreement which cover adjustments to the work force will apply to these volunteers for the duration of the Excused Time Leave of Absence if the provisions are exercised by the Company.

This Memorandum of Agreement is effective on September 8, 2013 and shall expire at 11:59 p.m. on September 2, 2017. The parties specifically agree that the terms and conditions set forth in this Memorandum of Agreement shall terminate at 11:59 p.m. on September 2, 2017 and shall not survive the expiration of this Memorandum of Agreement, unless agreed to by the parties in writing.

MEMORANDUM OF AGREEMENT
VOLUNTARY PART-TIME ASSIGNMENT

1. Verizon California Inc. and International Brotherhood of Electrical Workers agree to the provisions concerning a Voluntary Part-Time Assignment set forth in this Memorandum of Agreement.

2. The purpose of a Voluntary Part-Time Assignment shall be to provide an alternative method of temporarily adjusting the size of the work force for up to four (4) months in a calendar year. The Voluntary Part-Time Assignment would be in lieu of the layoff provisions as provided for in Article 9 of the Collective Bargaining Agreement.

3. The total period of a Voluntary Part-Time Assignment will not exceed four months. Voluntary Part-Time Assignments will be offered by seeking volunteers from the affected classification and reporting location. This will be done at least 30 days prior to the effective date. The decision to offer Voluntary Part-Time Assignments, the time frame or duration of the assignment, the number of Voluntary Part-Time Assignments authorized, the location and the classification affected will be at the sole discretion of Management.

4. If the number of volunteers is not sufficient, Management may then layoff the excess remaining employees in accordance with Article 9 of the Collective Bargaining Agreement. If more employees volunteer than needed Management will allow the most senior of the volunteers to take the Voluntary Part-Time Assignment.

5. While on a Voluntary Part-Time Assignment, eligible employees shall continue to receive benefits to the extent provided to all other active full-time employees as provided for under the Collective Bargaining Agreement. Application of unemployment compensation will not be contested by the Company.

6. Part-Time work schedules will be assigned at Management's discretion based on the needs of the service.

7. All Voluntary Part-Time Assignments are subject to approval by Management.

8. This agreement shall in no way limit Management from using other company employees to perform work assignments of the nature performed previously by an employee who may be on a Voluntary Part-Time Assignment.

9. At the end of the approved Voluntary Part-Time Assignment, employees will be returned to a full-time work schedule.

10. Upon returning to a full-time work schedule, employees' service and seniority will not be adjusted due to the Voluntary Part-Time Assignment.

11. Employees are required to return to a full time work schedule on the agreed upon date. Failure to return to a full-time work schedule on the expected return date, for other than a personal compelling reason as determined by management, will result in termination of employment.

This Memorandum of Agreement is effective on September 8, 2013 and shall expire at 11:59 p.m. on September 2, 2017. The parties specifically agree that the terms and conditions set forth in this Memorandum of Agreement shall terminate at 11:59 p.m. on September 2, 2017 and shall not survive the expiration of this Memorandum of Agreement, unless agreed to by the parties in writing.

MEMORANDUM OF AGREEMENT
VOLUNTARY TERMINATION BONUS

Verizon California Inc. and IBEW Local Union No. 543 agree to the following:

1. Any employee who makes a voluntary election to leave the service of the Company pursuant to an Income Security Plan offer made during the life of this agreement and who does separate from the Company pursuant to that offer shall receive a Voluntary Termination Bonus consisting of, as applicable:

- A lump-sum payment of $10,000, less taxes and withholdings, in addition to the ISP for which the employee is otherwise eligible; and,

- For those not otherwise eligible, six months of continuation medical coverage under the terms of the Collective Bargaining Agreement and the employee's coverage in effect at the time of separation.

2. No matter concerning the Voluntary Termination Bonus or differences arising thereunder shall be subject to the grievance or arbitration procedure set forth in the Collective Bargaining Agreement.

3. This Memorandum of Agreement is effective on September 8, 2013 and shall expire at 11:59 p.m. on September 2, 2017. The parties specifically agree that the terms and conditions set forth in this Memorandum of Agreement shall terminate at 11:59 p.m. on September 2, 2017 and shall not survive the expiration of this Memorandum of Agreement, unless agreed to by the parties in writing.

MEMORANDUM OF AGREEMENT
WORKGROUP

In the event that local management determines the necessity to revise their workgroups, the Company will meet with a local Union representative to discuss the impact on job assignments, vacations, personal holidays and scheduling. It is the Company's intent that these discussions will take place prior to implementing new or revised workgroups.

This Memorandum of Agreement shall become effective as of September 8, 2013 and shall remain in effect until September 2, 2017. The parties specifically agree that the terms and conditions set forth in this Memorandum of Agreement shall also terminate on September 2, 2017 and shall not survive the expiration of this Memorandum of Agreement unless agreed to by the parties in writing.

MEMORANDUM OF AGREEMENT
WORKPLACE PERFORMANCE MONITORING/RECORDING

GTE California Incorporated and the International Brotherhood of Electrical Workers recognize the need to balance the legitimate business needs for the highest quality of customer service with employee concerns for workplace privacy.

The parties agree that the primary intent of monitoring/recording of calls is to ensure quality customer service and for the assessment of employee developmental needs.

The parties agree to the following Performance Monitoring/Recording Guidelines:

1. Employees will receive written advance notice that, in general, customer contacts will be subject to performance monitoring/recording. Employees may not necessarily be given any advanced notice that any particular contact may be monitored/recorded.

2. Employees will be advised that the intent of performance monitoring/recording is to ensure the quality of service provided to

   customers and to assess employee developmental needs.

3. Specific performance monitoring/recording guidelines will be established - - (e.g., a usual minimum and maximum number of monitoring/recording sessions within a stated timeframe; an exception may be necessary to properly take into account developmental needs.) Employees will be informed of such guidelines.

4. Information related to an employee's performance, obtained as a result of performance monitoring/recording will be used for coaching, counseling and training purposes, and will be kept strictly confidential.

5. Performance monitoring/recording results will be averaged to ensure that an employee is not adversely impacted by the evaluation of a single call, except as stated in Paragraph 7, below.

6. The results of performance monitoring/recording will be shared as soon as possible with the employee for developmental purposes with emphasis on re-enforcing the positive and observations that could be improved. The results of the observation will be shared with the employee in the manner it was obtained (e.g., recorded audio, checklist, etc.)

7. While the primary intent of performance monitoring/recording is to ensure quality customer service and for the assessment of employee developmental needs, there may be situations which require immediate corrective/disciplinary action. Examples of such situations include, but are not limited to,
   A. Revealing any customer, company or employee information to an unauthorized person, which is a breach of confidentiality and a violation of the Company's Secrecy of Communications policy and Standards of Business Conduct.
   B. Falsification of records.
   C. Inappropriate personal conversations or rudeness or use of profanity with a customer.
   D. Placing unauthorized personal call(s) from the employee's work position.
   E. Intentional or malicious misuse of telephone facilities - -
      e.g., inappropriately disconnecting a customer, leaving a position unattended, or routing calls into a "black hole".

The Union retains all contractual rights to challenge any disciplinary action taken by management as a result of monitoring/recording.

Wage Schedule: C-A

	GWI 12/13/2013	GWI 9/7/2014	GWI 9/6/2015	GWI 9/4/2016
Start	$11.59	$11.82	$12.06	$12.36
6 Mo.	$11.65	$11.88	$12.12	$12.42
12 Mo.	$11.93	$12.17	$12.42	$12.73
18 Mo.	$12.79	$13.05	$13.31	$13.64
24 Mo.	$14.47	$14.76	$15.06	$15.44
30 Mo.	$15.05	$15.35	$15.65	$16.04
Top	$16.03	$16.36	$16.68	$17.10

Language Assistance Operator II
Operator II

Wage Schedule: C-B

	GWI 12/13/2013	GWI 9/7/2014	GWI 9/6/2015	GWI 9/4/2016
Start	$11.53	$11.76	$11.99	$12.29
6 Mo.	$12.18	$12.42	$12.67	$12.99
12 Mo.	$12.30	$12.55	$12.80	$13.12
18 Mo.	$12.43	$12.68	$12.94	$13.26
24 Mo.	$13.16	$13.42	$13.69	$14.03
30 Mo.	$14.07	$14.35	$14.63	$15.00
36 Mo.	$15.03	$15.34	$15.64	$16.03
42 Mo.	$16.26	$16.58	$16.92	$17.34
48 Mo.	$17.52	$17.87	$18.23	$18.69
54 Mo.	$19.04	$19.42	$19.81	$20.31
60 Mo.	$20.72	$21.13	$21.55	$22.09
66 Mo.	$22.68	$23.14	$23.60	$24.19
Top	$25.17	$25.68	$26.19	$26.85

Operator

Wage Schedule: C-C

	GWI 12/13/2013	GWI 9/7/2014	GWI 9/6/2015	GWI 9/4/2016
Start	$11.53	$11.76	$11.99	$12.29
6 Mo.	$12.26	$12.51	$12.76	$13.07
12 Mo.	$13.14	$13.40	$13.67	$14.01
18 Mo.	$14.07	$14.35	$14.63	$15.00
24 Mo.	$15.90	$16.22	$16.54	$16.96
30 Mo.	$16.54	$16.88	$17.21	$17.64
Top	$17.27	$17.61	$17.97	$18.42

Language Assistance - Retail Sales Consultant
Retail Sales Consultant

Wage Schedule: C-2

	GWI 12/13/2013	GWI 9/7/2014	GWI 9/6/2015	GWI 9/4/2016
Start	$11.85	$12.09	$12.33	$12.64
6 Mo.	$12.22	$12.46	$12.71	$13.03
12 Mo.	$13.03	$13.29	$13.55	$13.89
18 Mo.	$13.93	$14.21	$14.50	$14.86
24 Mo.	$14.88	$15.18	$15.48	$15.87
30 Mo.	$16.09	$16.41	$16.74	$17.15
36 Mo.	$17.36	$17.71	$18.06	$18.51
42 Mo.	$18.84	$19.22	$19.60	$20.09
Top	$24.95	$25.45	$25.96	$26.61

Records & Report Clerk

Wage Schedule: C-3	GWI 12/13/2013	GWI 9/7/2014	GWI 9/6/2015	GWI 9/4/2016
Start	$13.04	$13.30	$13.56	$13.90
6 Mo.	$13.99	$14.27	$14.56	$14.92
12 Mo.	$14.91	$15.21	$15.51	$15.90
18 Mo.	$16.13	$16.45	$16.78	$17.20
24 Mo.	$17.41	$17.76	$18.11	$18.57
30 Mo.	$18.89	$19.27	$19.65	$20.14
36 Mo.	$20.62	$21.04	$21.46	$21.99
42 Mo.	$22.67	$23.13	$23.59	$24.18
Top	$25.17	$25.68	$26.19	$26.85

Traffic Clerk
Vehicle Maintenance Assistant

Wage Schedule: C-5

	GWI 12/13/2013	GWI 9/7/2014	GWI 9/6/2015	GWI 9/4/2016
Start	$13.43	$13.70	$13.98	$14.33
6 Mo.	$14.43	$14.72	$15.02	$15.39
12 Mo.	$15.59	$15.90	$16.22	$16.62
18 Mo.	$16.89	$17.23	$17.57	$18.01
24 Mo.	$18.49	$18.86	$19.24	$19.72
30 Mo.	$20.33	$20.74	$21.15	$21.68
36 Mo.	$22.42	$22.87	$23.33	$23.91
42 Mo.	$25.01	$25.51	$26.02	$26.67
Top	$27.94	$28.50	$29.07	$29.79

Warehouse Attendant

Wage Schedule: C-6

	GWI 12/13/2013	GWI 9/7/2014	GWI 9/6/2015	GWI 9/4/2016
Start	$13.84	$14.12	$14.40	$14.76
6 Mo.	$14.88	$15.18	$15.48	$15.87
12 Mo.	$16.05	$16.38	$16.70	$17.12
18 Mo.	$17.38	$17.73	$18.08	$18.54
24 Mo.	$19.00	$19.38	$19.77	$20.26
30 Mo.	$20.91	$21.33	$21.75	$22.30
36 Mo.	$23.11	$23.58	$24.05	$24.65
42 Mo.	$25.66	$26.18	$26.70	$27.37
Top	$28.55	$29.12	$29.70	$30.45

Wage Schedule: C-7

	GWI 12/13/2013	GWI 9/7/2014	GWI 9/6/2015	GWI 9/4/2016
Start	$13.93	$14.21	$14.50	$14.86
6 Mo.	$14.95	$15.25	$15.56	$15.95
12 Mo.	$16.20	$16.52	$16.85	$17.27
18 Mo.	$17.52	$17.87	$18.23	$18.69
24 Mo.	$19.19	$19.57	$19.96	$20.46
30 Mo.	$21.08	$21.51	$21.94	$22.48
36 Mo.	$23.36	$23.83	$24.30	$24.91
42 Mo.	$26.04	$26.56	$27.09	$27.77
Top	$29.72	$30.32	$30.92	$31.70

Collector Maintainer
Customer Care Advocate
Customer Service Technician III
Equipment Installer Assistant
Frame Worker
Network Assistant
Public Access Sales Technician

Wage Schedule: C-8

	GWI 12/13/2013	GWI 9/7/2014	GWI 9/6/2015	GWI 9/4/2016
Start	$15.34	$15.65	$15.96	$16.36
6 Mo.	$16.59	$16.92	$17.26	$17.69
12 Mo.	$18.03	$18.39	$18.76	$19.23
18 Mo.	$19.66	$20.05	$20.45	$20.96
24 Mo.	$21.58	$22.01	$22.46	$23.02
30 Mo.	$23.83	$24.30	$24.79	$25.41
36 Mo.	$26.45	$26.98	$27.52	$28.21
42 Mo.	$29.75	$30.35	$30.96	$31.73
Top	$34.02	$34.70	$35.39	$36.28

Cable Splicer
Customer Service Technician II
Facility Surveyor
Fiber Network Field Technician
Line Worker
OSP Construction Installer/Splicer

Wage Schedule: C-9

	GWI 12/13/2013	GWI 9/7/2014	GWI 9/6/2015	GWI 9/4/2016
Start	$15.58	$15.89	$16.20	$16.61
6 Mo.	$16.84	$17.18	$17.52	$17.96
12 Mo.	$18.28	$18.64	$19.02	$19.49
18 Mo.	$19.91	$20.31	$20.71	$21.23
24 Mo.	$21.81	$22.24	$22.69	$23.26
30 Mo.	$24.12	$24.61	$25.10	$25.73
36 Mo.	$26.94	$27.48	$28.03	$28.73
42 Mo.	$30.70	$31.32	$31.94	$32.74
Top	$35.38	$36.09	$36.81	$37.73

Customer Service Technician I
Equipment Installer
Equipment Maintainer
Internal Communications Technician
Senior Communications Specialist
Senior Special Services Provisioning Technician
Special Equipment Installer
Vehicle Maintenance Technician

Wage Schedule: C-10

	GWI 12/13/2013	GWI 9/7/2014	GWI 9/6/2015	GWI 9/4/2016
Start	$19.03	$19.41	$19.80	$20.30
6 Mo.	$20.32	$20.72	$21.14	$21.67
12 Mo.	$21.75	$22.18	$22.62	$23.19
18 Mo.	$23.36	$23.83	$24.30	$24.91
24 Mo.	$25.28	$25.78	$26.30	$26.95
30 Mo.	$27.57	$28.12	$28.68	$29.40
36 Mo.	$30.41	$31.01	$31.63	$32.43
42 Mo.	$34.15	$34.83	$35.53	$36.42
Top	$38.86	$39.64	$40.43	$41.44

Customer Engineer-Data Application