

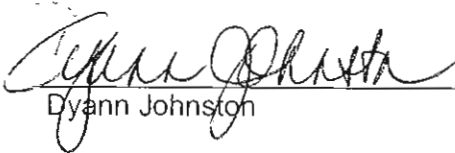
MEMORANDUM OF AGREEMENT
Between
VERIZON CALIFORNIA INC.
And
IBEW LOCAL UNION NO. 543

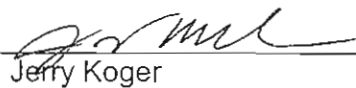
TENTATIVE NEW COLLECTIVE BARGAINING AGREEMENT

1. Verizon California Inc. and IBEW Local Union No. 543 have reached a Tentative Agreement that constitutes the basis of settlement on all Sections of a new Collective Bargaining Agreement (CBA) between the Company and the Union, and negotiations are concluded in all aspects, subject to ratification by the membership. It is understood that the terms and conditions of the current CBA that exist between the Company and the Union are incorporated, without change, in the new CBA except for the attached articles, which have been modified.
2. On September 7, 2010, the Company and Union reached a Tentative Agreement that will be effective on September 12, 2010, following written notification of ratification from the Union. The Agreement will terminate at 12:00 midnight on September 7, 2013.
3. All items are to be effective in accordance with the effective dates identified in the Agreement and appropriate Memorandums of Agreement.

VERIZON CALIFORNIA INC.

IBEW LOCAL UNION NO. 543


Dyann Johnston


Jerry Koger

Date

9-7-10

Date

9/7/10

**2010 NEGOTIATIONS
VERIZON CALIFORNIA & IBEW
Package for Settlement - 9/7/2010
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2010 NEGOTIATIONS
VERIZON CALIFORNIA INC. / IBEW LOCAL UNION NO. 543

COMPANY PROPOSAL # 1

RECOGNITION AND DURATION

CURRENT

This AGREEMENT, entered into this 18th day of September, 2005 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."

This Agreement and the provisions hereof shall remain in full force and be binding from 12:01 a.m., September 18, 2005, until 12:00 midnight, September 11, 2010, 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..

PROPOSED

This AGREEMENT, entered into this **12th day of September, 2010** 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."

This Agreement and the provisions hereof shall remain in full force and be binding from 12:01 a.m., **September 12, 2010**, until 12:00 midnight, **September 7, 2013**, 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.

2010 NEGOTIATIONS
VERIZON CALIFORNIA INC. / IBEW LOCAL UNION NO. 543

REVISED COMPANY PROPOSAL # 3

**ADDENDUM ONE TO COLLECTIVE BARGAINING AGREEMENT
MEDICAL PLAN**

CURRENT

It is hereby agreed between Verizon California Inc. (hereinafter referred to as the "Company") and the International Brotherhood of Electrical Workers (hereinafter referred to as the "Union"), through this Addendum to the Collective Bargaining Agreement between the parties dated September 18, 2005 (hereinafter referred to as the "Primary Agreement"), that the current Basic Hospital-Medical-Surgical Plan remains in effect up to and including December 31, 2005, and is replaced for all eligible employees on January 1, 2006 by the Medical Plan as agreed to effective September 18, 2005.

PROPOSED

It is hereby agreed between Verizon California Inc. (hereinafter referred to as the "Company") and the International Brotherhood of Electrical Workers (hereinafter referred to as the "Union"), through this Addendum to the Collective Bargaining Agreement between the parties dated **September 12, 2010** (hereinafter referred to as the "Primary Agreement"), that the current Basic Hospital-Medical-Surgical Plan remains in effect up to and including **June 30, 2011**, and is replaced for all eligible employees on **July 1, 2011** by the Medical Plan as agreed to effective **September 12, 2010**.

COMPANY PROPOSAL # 4

**ADDENDUM TWO TO COLLECTIVE BARGAINING AGREEMENT
GROUP LIFE INSURANCE**

CURRENT

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 18, 2005 (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 Group Universal Life Insurance Plan. Effective January 1, 2006, the Supplemental Term Life Insurance Plan.

PROPOSED

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 18, 2005 (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 ~~Group Universal Life Insurance Plan. Effective January 1, 2006, the~~ Supplemental Term Life Insurance Plan.

2010 NEGOTIATIONS
VERIZON CALIFORNIA INC. / IBEW LOCAL UNION NO. 543

COMPANY PROPOSAL # 2A

ARTICLE 6 DEFINITIONS

CURRENT

13. Short Hour Tours – Operator Services – an assigned tour of duty of less than eight (8) hours for which eight (8) hours pay is paid.

23. 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 full-time 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.

PROPOSED

~~13. Short Hour Tours – Operator Services – an assigned tour of duty of less than eight (8) hours for which eight (8) hours pay is paid.~~

23. 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 full-time 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.

2010 NEGOTIATIONS
VERIZON CALIFORNIA INC. / IBEW LOCAL UNION NO. 543

UNION PROPOSAL #5

ARTICLE 10 DISCHARGE AND SUSPENSION

CURRENT

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

PROPOSED

2. Any suspension or discharge requires notification of such act be given to the Chief ~~Steward or higher level representative of 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.

2010 NEGOTIATIONS
VERIZON CALIFORNIA INC. / IBEW LOCAL UNION NO. 543

UNION PROPOSAL #7

ARTICLE 13 ARBITRATION

CURRENT

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

PROPOSED

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

2010 NEGOTIATIONS
VERIZON CALIFORNIA INC. / IBEW LOCAL UNION NO. 543

COMPANY PROPOSAL # 7B

ARTICLE 18 REGULAR HOURS

CURRENT

PROPOSED

1.3 In LiveSource scheduled shifts will be eight hours duration except for shifts ending between 9:00 p.m. and 5:30 a.m.

~~1.3 In LiveSource scheduled shifts will be eight hours duration except for shifts ending between 9:00 p.m. and 5:30 a.m.~~

<u>Shifts Ending</u>	<u>Length of Shift</u>
9:00 p.m. to 11:59 p.m.	7 ½ hours

<u>Shifts Ending</u>	<u>Length of Shift</u>
9:00 p.m. to 11:59 p.m.	7 ½ hours

Midnight to 3:00 a.m.	7 hours
-----------------------	---------

Midnight to 3:00 a.m.	7 hours
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3:01 a.m. to 5:30 a.m.	6 ½ hours
------------------------	-----------

3:01 a.m. to 5:30 a.m.	6 ½ hours
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COMPANY PROPOSAL # 7C

ARTICLE 19 OVERTIME HOURS

CURRENT

5. Operator Services employees working short tours shall be paid at their regular hourly rate of pay for time worked beyond their normal tour except that when such extra work time falls on a Sunday, holiday, sixth day worked in the week, or is in excess of forty (40) hours in the workweek, the authorized premium rate of pay shall be paid. Time worked in excess of forty (40) hours in the workweek, and time worked on the sixth day of the week after five (5) full tours, or the equivalent thereof, have been worked, shall be paid for at the rate of one (1) and one-half (1/2) hours pay for each such hour worked.

6. 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.

PROPOSED

~~5. Operator Services employees working short tours shall be paid at their regular hourly rate of pay for time worked beyond their normal tour except that when such extra work time falls on a Sunday, holiday, sixth day worked in the week, or is in excess of forty (40) hours in the workweek, the authorized premium rate of pay shall be paid. Time worked in excess of forty (40) hours in the workweek, and time worked on the sixth day of the week after five (5) full tours, or the equivalent thereof, have been worked, shall be paid for at the rate of one (1) and one-half (1/2) hours pay for each such hour worked.~~

~~6.~~ 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.

2010 NEGOTIATIONS
VERIZON CALIFORNIA INC. / IBEW LOCAL UNION NO. 543

UNION PROPOSAL # 12b

ARTICLE 22 VACATIONS

CURRENT

6.4 If an employee has chosen a vacation day (or days) and later decides to cancel, he must notify management of this decision ten (10) 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.

PROPOSED

6.4 If an employee has chosen a vacation day (or days) and later decides to cancel, he must notify management of this decision ~~ten (10)~~ **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.

2010 NEGOTIATIONS
VERIZON CALIFORNIA INC. / IBEW LOCAL UNION NO. 543
COMPANY COUNTER PROPOSAL TO UNION PROPOSAL #13

ARTICLE 23 HOLIDAYS

CURRENT

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

Six (6) Personal Holidays *

*A seventh (7th) Personal Holiday will be added effective 1/1/2008

3.4 An employee will be eligible for six (6) Personal Holidays following the completion of three (3) months of employment. Effective 1/1/2006 the number of Personal Holidays a new hire will be eligible for will be based on the following schedule:

First Quarter Hire Date – 6*

*(Effective 1/1/2008 - 7)

Second Quarter Hire Date – 4

Third Quarter Hire Date – 2

Fourth Quarter Hire Date - 0

8. Phone Mart employees will receive an additional Personal Holiday or straight-time pay in lieu of the day after Thanksgiving Holiday unless scheduled off on the day after Thanksgiving Holiday. The additional Personal Holiday is to be scheduled following Thanksgiving Day up to and including December 31st of the calendar year. The additional Personal Holiday is subject to the eligibility requirements set forth in Section 3 of this Article.

PROPOSED

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

~~Six (6)~~ **Seven (7)** Personal Holidays

~~*A seventh (7th) Personal Holiday will be added effective 1/1/2008~~

3.4 An employee will be eligible for six (6) Personal Holidays following the completion of three (3) months of employment. ~~Effective 1/1/2006~~ **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 – ~~6*~~ **7**

~~*(Effective 1/1/2008 - 7)~~

Second Quarter Hire Date – 4

Third Quarter Hire Date – 2

Fourth Quarter Hire Date - 0

~~8. Phone Mart employees will receive an additional Personal Holiday or straight-time pay in lieu of the day after Thanksgiving Holiday unless scheduled off on the day after Thanksgiving Holiday. The additional Personal Holiday is to be scheduled following Thanksgiving Day up to and including December 31st of the calendar year. The additional Personal Holiday is subject to the eligibility requirements set forth in Section 3 of this Article.~~

COMPANY COUNTER TO UNION PROPOSAL # 15

ARTICLE 25 – LODGING, MEALS AND TRAVEL EXPENSES

CURRENT

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	\$ 5.75
Over 20 and up to 40	\$18.40
Over 40 and up to 60	\$28.75
Greater than 60	\$36.50

9.3 Meal and Incidental Expenses When Away from Headquarters Overnight

An employee will be allowed \$20.00 for expenses on the day he leaves for the out-of-town assignment.

An allowance of \$28.00 per day for those days he is away from headquarters for the entire day.

An allowance of \$15.00 for the day he returns to headquarters from the out-of-town assignment.

Additionally, employees will receive a telephone allowance of \$3.00 for each overnight stay.

PROPOSED

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	\$ 5.75 8.00
Over 20 and up to 40	\$18.40
Over 40 and up to 60	\$28.75
Greater than 60	\$36.50

9.3 Meal and Incidental Expenses When Away from Headquarters Overnight

An employee will be allowed ~~\$20.00~~ **\$25.00** for expenses on the day he leaves for the out-of-town assignment.

An allowance of ~~\$28.00~~ **\$32.50** per day for those days he is away from headquarters for the entire day.

An allowance of ~~\$15.00~~ **\$15.20** for the day he returns to headquarters from the out-of-town assignment.

~~Additionally, employees will receive a telephone allowance of \$3.00 for each overnight stay.~~

2010 NEGOTIATIONS
VERIZON CALIFORNIA INC. / IBEW LOCAL UNION NO. 543
COMPANY COUNTER PROPOSAL TO UNION PROPOSAL #16

ARTICLE 28 WAGES

CURRENT

2.4 An employee on a relief basis who performs the duties of a higher wage-paying classification for two (2) hours or more shall receive a differential equal to the next highest hourly rate of pay within the higher wage schedule.

PROPOSED

2.4 An employee on a relief basis who performs the duties of a higher wage-paying classification for ~~two (2) hours or more~~ shall receive a differential equal to the ~~next highest hourly rate of pay within the higher wage schedule~~. **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.**

REVISED COMPANY PROPOSAL # 2D

ARTICLE 29 DIFFERENTIALS

CURRENT

PROPOSED

1. Hourly employees who are designated by management to be in-charge of other hourly employees of a managerial function will receive an in-charge differential of seventy-five cents (\$.75) per hour, provided such in-charge assignment is one (1) hour or more.

1. Hourly employees who are designated by management to be in-charge of other hourly employees of a managerial function will receive an in-charge differential of ~~seventy-five cents (\$.75)~~ **one dollar (\$1.00)** per hour, provided such in-charge assignment is one (1) hour or more.

2.1 A night tour premium of seventy-five cents (\$.75) per hour will be paid for all scheduled hours worked between 9:00 pm and 6:00 am.

2.1 A night tour premium of ~~seventy-five cents (\$.75)~~ **one dollar (\$1.00)** per hour will be paid for all scheduled hours worked between 9:00 pm and 6:00 am.

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

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

Scheduled Work Days - \$10.00
Non-Scheduled Work Days - 15.00
Work Week - \$80.00

Scheduled Work Days - ~~\$10.00~~ **\$11.00**
Non-Scheduled Work Days - ~~15.00~~
\$17.50
Work Week - ~~\$80.00~~ **\$90.00**

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 will be paid as follows for on-call time in excess of 13 full weeks/or 13 weekends of mandatory on-call:

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 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

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

COMPANY COUNTER TO UNION PROPOSAL #20E

ARTICLE 32 – SICKNESS AND ACCIDENT BENEFITS

CURRENT

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

PROPOSED

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

UNION PROPOSAL # 22b

ARTICLE 34 JOB BIDDING AND TRANSFERS

CURRENT

4.2 An Equipment Maintainer's right of transfer which is on a lateral basis must be at a work location which is over ten (10) miles distant from the work location from which the employee is bidding. The provisions of this Section may be selectively waived at Management discretion.

4.3 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.

PROPOSED

~~4.2 An Equipment Maintainer's right of transfer which is on a lateral basis must be at a work location which is over ten (10) miles distant from the work location from which the employee is bidding. The provisions of this Section may be selectively waived at Management discretion.~~

4.3 **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.

2010 NEGOTIATIONS
VERIZON CALIFORNIA INC. / IBEW LOCAL UNION NO. 543

UNION PROPOSAL # 24a & 24b

ARTICLE 42 UNION SECURITY

CURRENT

PROPOSED

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, CA501HL, and notice to the Union will be to the applicable Union Local President.

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, CA501HL, and notice to the Union will be to the applicable Union **Business Manager** Local President.

5. These Agency Shop provisions apply to all newly hired covered regular, part-time, and temporary employees whose date of engagement is on, or after, April 5, 1973.

~~5. These Agency Shop provisions apply to all newly hired covered regular, part-time, and temporary employees whose date of engagement is on, or after, April 5, 1973.~~

6. Any covered employee who is a member of the Union, on the 31st calendar day following March 5, 1973, is subject to the Agency Shop requirement herein.

~~6. Any covered employee who is a member of the Union, on the 31st calendar day following March 5, 1973, is subject to the Agency Shop requirement herein.~~

6.1 If the 31st day is a Sunday, or a recognized holiday, the next regular workday will be controlling.

~~6.1 If the 31st day is a Sunday, or a recognized holiday, the next regular workday will be controlling.~~

7. Any covered regular employee who is not a member of the Union on the date specified in 6 above is excused from the Agency Shop requirement. However, such employee may elect to join the Union, or to become Service Fee Employee, at any later time at his or her option.

~~7. Any covered regular employee who is not a member of the Union on the date specified in 6 above is excused from the Agency Shop requirement. However, such employee may elect to join the Union, or to become Service Fee Employee, at any later time at his or her option.~~

8. 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.

~~8~~ 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.

2010 NEGOTIATIONS
VERIZON CALIFORNIA INC. / IBEW LOCAL UNION NO. 543

UNION PROPOSAL # 24a & 24b

ARTICLE 42 UNION SECURITY

CURRENT

PROPOSED

9. 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.

10. 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.

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

~~9~~ 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.

~~10~~ 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.

~~11~~ 8. The Company shall incur no liability in the enforcement of this Article.

MEMORANDUM OF AGREEMENT

Between

VERIZON CALIFORNIA INCORPORATED

And

IBEW LOCAL UNION NO. 543

BUSINESS ATTIRE - REVISED

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 12, 2010. 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.

Verizon California Inc.

IBEW Local Union No. 543

Dyann Johnston

Jerry Koger

Date

Date

MEMORANDUM OF AGREEMENT
between
VERIZON CALIFORNIA INC.
and
IBEW LOCAL UNION NO. 543

HEALTHCARE CONTRIBUTIONS

1. Effective July 1, 2011, full-time employees and part-time employees scheduled to work twenty-five (25) or more hours per week will be eligible for medical and dental coverage subject to the following schedules:

Coverage Tier	Company Contributions	
	MEDICAL	DENTAL
Employee	100%	100%
Employee + One	100%	80%
Family	100%	80%

2. Part-time employees continue to be eligible for medical and dental coverage subject to the following schedules:

Medical		Dental		
Hours Scheduled per Week	Company Contribution	Hours Scheduled per Week	Company Contribution	
			EE	EE+ 1/Family
0 - less than 17 hours	0%	0 - less than 17 hours	0%	0%
17 - less than 25 hours	50%	17 - less than 25 hours	50%	50%
25 + hours ¹	100%	25+ hours	100%	80%

¹ Effective through June 30, 2011. Effective July 1, 2011, full-time employee contributions as outlined in Section 1 will apply to part-time employees scheduled to work twenty-five (25) hours or more per week.

3. If an employee elects an alternative medical plan option which has a greater cost than that of the Comprehensive Medical Plan, the employee will be required to pay the difference in cost between the two plans.

VERIZON CALIFORNIA INC.

IBEW LOCAL UNION NO. 543

Dyann Johnston

Jerry Koger

Date

Date

MEMORANDUM OF AGREEMENT
between
VERIZON CALIFORNIA INC.
and
IBEW LOCAL UNION NO. 543

HMO'S

The IBEW Local Union No. 543 designate the following HMO's for the employees it represents at Verizon California Inc.

National EPO West
HealthNet
Kaiser Permanente

At such time as it may be necessary to add or delete HMO carriers from the above mentioned list the company will consult with the Union before making such changes.

This Memorandum of Agreement is effective on **September 12, 2010**, and shall expire on **September 7, 2013**. The parties specifically agree that the terms and conditions set forth in this Memorandum of Agreement, relating to the HMO's, shall terminate on **September 7, 2013**, and shall not survive the expiration of this Memorandum of Agreement, unless agreed to by the parties in writing.

Verizon California Inc.

IBEW Local Union No. 543

Dyann Johnston

Jerry Koger

Date

Date

MEMORANDUM OF AGREEMENT
between
VERIZON CALIFORNIA INC.
and
IBEW LOCAL UNION NO. 543

Revision to Company Proposal 7A

LIVESOURCE PROCEDURES

Trading of Shifts and Days Off

Trading of regular and overtime shifts or days off will be permitted up until 6 p.m. of the evening prior to the affected work shift of the employees eligible provided that such trades do not increase the Company's operational costs. Employees will be limited to three (3) trades per day. When employees trade shifts and days off, there must be a minimum of eight (8) hours between shifts. All trades require the approval of management for accuracy and will be limited within each classification.

Surplus Time Request

A bargaining unit seniority list will be used for recording employee requests for surplus time. Employees desiring surplus time must personally sign the "Surplus Time Request" list for each day they would like to be excused. When management determines that they are in a position to grant excused time, it will be granted by bargaining unit seniority from among those employees who have submitted their request provided they are scheduled to work for the entire available surplus time being offered. Surplus time may be granted to employees who are off duty in the middle of a split shift.

Special Request Off (SRO)

Employees may request up to twenty (20) Special Request Off (SRO) days per calendar year. SRO days will be granted based on needs of service, availability, and company seniority.

Choosing of Shifts

LiveSource employees may complete a shift preference card at any time to request to change their shift preference.

Your preferences will be integrated into the schedule as soon as permitted by the scheduling system.

All shifts will be assigned according to bargaining unit seniority and the shift preference card for each employee.

There must be a minimum of eight (8) hours between scheduled shifts.

Sixth Day Overtime

When it is determined that sixth day overtime shifts are necessary, shifts will be scheduled utilizing volunteers first in bargaining unit seniority order, based on preference. In the event that more shifts are needed in excess of the amount of volunteers, shifts will be assigned on an alphabetical, rotational basis.

An Operators' exercise of bargaining unit seniority in selection of shifts shall be limited only by her/his qualifications to fill the position.

A current bargaining unit seniority list will be maintained and posted on the Company bulletin board. Working hours for an employee newly hired/or a transferred employee

without the necessary LiveSource training will be assigned by management until the successful completion of the initial training and observation period. The observation period usually will not exceed four (4) weeks, but may do so due to an inability to satisfactorily perform on a particular shift.

When clerical errors are found to exist on a newly posted schedule, causing the reposting of said schedule, an attempt will be made to notify the employees affected by the errors.

All Holiday work shall be distributed among employees of an office on an alphabetical, rotational assignment basis, except Christmas, which will be rotated alphabetically on a year-to-year basis. Holiday shifts are assigned according to Sunday preference and posted at the same time that the weekly schedule is distributed. Any designated employee who desires to have the day off may request it by signing the posted form. These employees will be excused from work on that Holiday on a seniority basis, if another employee who is not designated to work wishes to do so.

All Sunday work shall be distributed among employees of an office on an alphabetical, rotational assignment basis. Any designated employee who desires to have the day off may request it by signing the posted form. These employees will be excused from work on that day on a seniority basis, if another employee who is not designated to work wishes to do so.

Management Relief Differential

It is understood that hourly employees who perform work as either a Service Assistant (SA) or Operations Partner (OP) will receive the management differential under the terms and conditions as defined in Article 29, Differentials, section 1.

This Memorandum of Agreement is effective **September 12, 2010** and shall expire on **September 7, 2013**. The parties specifically agree that the terms and conditions set forth in the Memorandum of Agreement shall also terminate on **September 7, 2013**, and shall not survive the expiration of this Memorandum of Agreement unless agreed by the parties in writing.

Verizon California Inc.

IBEW Union Local No. 543

By

By

Date

Date

MEMORANDUM OF AGREEMENT

between

VERIZON CALIFORNIA INC.

and

IBEW LOCAL UNION NO. 543

COMPREHENSIVE MEDICAL PLAN

1. Effective July 1, 2011, Verizon California Inc. and IBEW Local Union No. 543 agree to the provisions of the Comprehensive Medical Plan set forth in this Memorandum of Agreement.
2. For a summary of details refer to the attachment entitled Comprehensive Medical Plan Highlights.
3. Some of the major provisions include:
 - A. 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.
 - B. Maintenance of Benefits permitted to the level of benefits provided in the Medical Plan.
4. The Comprehensive Medical Plan will be administered solely in accordance with its provisions, and no matter concerning the Comprehensive Medical Plan or any difference arising thereunder shall be subject to the grievance or arbitration procedure of the Collective Bargaining Agreement.
5. The selection of the Health Care Plan Administrator, the administration of the Comprehensive Medical 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.
6. This Memorandum of Agreement is effective on September 12, 2010, and shall expire on September 7, 2013. The parties specifically agree that the terms and conditions set forth in this Memorandum of Agreement, including the Comprehensive Medical Plan, shall not survive the expiration of this Memorandum of Agreement unless agreed to by the parties in writing.

Verizon California Inc.

IBEW Local Union No. 543

Dyann Johnston

Jerry Koger

Date

Date

COMPREHENSIVE MEDICAL PLAN HIGHLIGHTS
In Area and Out of Area Plans

Benefits	<ul style="list-style-type: none"> • PPO Available and Used • PPO Not Available 	<ul style="list-style-type: none"> • PPO Available and Not Used
<u>General</u>		
Lifetime Maximum (No Automatic Restoration)	\$2,000,000	\$2,000,000
Calendar Year Deductible (No carry over)	Employee Only \$150 Employee + 1 \$300 Employee + 2 or more \$450	Employee Only \$150 Employee + 1 \$300 Employee + 2 or more \$450
Out of Pocket Maximums	Employee Only \$1,500 Employee + 1 \$3,000 Employee + 2 or more \$4,500	Employee Only \$1,500 Employee + 1 \$3,000 Employee + 2 or more \$4,500
Coordination of Benefits	Non-duplication of benefits. Cross coordination applies. Birthday rule applies.	Non-duplication of benefits. Cross coordination applies. Birthday rule applies.
Pre-existing Conditions	None	None
<u>Hospital Services</u>		
Room and Board (Subject to Care Coordination)	80% of negotiated rate after deductible satisfied. <ul style="list-style-type: none"> • Semi Private Room • Intensive & Cardiac Care Units 	70% of R&C after deductible satisfied. <ul style="list-style-type: none"> • Semi Private Room • Intensive & Cardiac Care Units
Emergency Outpatient for Accidents	80% of negotiated rate after deductible satisfied.	80% of R&C after deductible satisfied.
Preadmission Tests	100% of negotiated rate after deductible satisfied. (Outpatient tests and x-rays for a proposed surgery as long as the resulting hospital admission is scheduled within 7 days of the tests and x-rays are performed at the facility in which the surgery is to take place.)	100% of R&C after deductible satisfied. (Outpatient tests and x-rays for a proposed surgery as long as the resulting hospital admission is scheduled within 7 days of the tests and x-rays are performed at the facility in which the surgery is to take place.)
Inpatient Services and Supplies	80% of negotiated rate after deductible satisfied.	80% of R&C after deductible satisfied.

COMPREHENSIVE MEDICAL PLAN HIGHLIGHTS
In Area and Out of Area Plans

Benefits	<ul style="list-style-type: none"> • PPO Available and Used • PPO Not Available 	<ul style="list-style-type: none"> • PPO Available and Not Used
<u>Professional Services</u>		
Doctor's Surgical Charges	80% of negotiated rate after deductible satisfied.	80% of R&C after deductible satisfied.
Outpatient Surgery	80% of negotiated rate after deductible satisfied.	80% of R&C after deductible satisfied.
Doctor's Office Visits	\$15 per office visit	80% of R&C after deductible satisfied.
Diagnostic Lab and X-ray in Doctor's Office	\$15 per office visit	80% of R&C after deductible satisfied.
Doctor's Home Visits	80% of negotiated rate after deductible satisfied.	80% of R&C after deductible satisfied.
Allergy Shots	\$5 copay for injection only if not billed for any other office visit services	80% of R&C after deductible satisfied.
Maternity	\$15 office visit copay, first visit only. Covered the same as any other illness or injury.	80% of R&C after deductible satisfied.
High Risk Maternity (If Care Coordination recommends special care because pregnancy is considered high risk)	100% of negotiated rate outpatient, no deductible. Physician and hospital charges are paid at 100% of negotiated rate, no deductible.	80% of R&C for physicians, 70% of R&C for hospital charges after deductible satisfied.
Nurse/Midwife	80% of negotiated rate after deductible satisfied.	80% of R&C after deductible satisfied.
Birthing Center	80% of negotiated rate after deductible satisfied.	80% of R&C after deductible satisfied.
Artificial Insemination & In Vitro Fertilization (Subject to Care Coordination)	Limited to 50% of negotiated rate to a maximum of \$15,000 per lifetime. (\$15,000 applies to overall lifetime maximum.)	Limited to 50% of R&C to a maximum of \$15,000 per lifetime. (\$15,000 applies to overall lifetime maximum.)

COMPREHENSIVE MEDICAL PLAN HIGHLIGHTS
In Area and Out of Area Plans

Benefits	<ul style="list-style-type: none"> • PPO Available and Used • PPO Not Available 	<ul style="list-style-type: none"> • PPO Available and Not Used
<u>Other Services</u>		
Acupuncture	80% of negotiated rate after deductible satisfied. (Limited to 20 visits per year. Additional services are covered if approved by Care Coordination. Cover MD, DO, DC or Acupuncturist licensed by the state or certified by the National Commission of Acupuncturists.)	80% of R&C after deductible satisfied. (Limited to 20 visits per year. Additional services are covered if approved by Care Coordination. Cover MD, DO, DC or Acupuncturist licensed by the state or certified by the National Commission of Acupuncturists.)
Chiropractor Services	\$15 office visit copay (12 visits per year threshold. Additional services may be covered if approved by Care Coordination.)	80% of R&C after deductible satisfied. (12 visits per year threshold. Additional services may be covered if approved by Care Coordination.)
Diagnostic X-ray & Lab Tests	80% of negotiated rate after deductible satisfied.	80% of R&C rate after deductible satisfied.
Physical & Occupational Therapy	80% of negotiated rate after deductible satisfied.	80% of R&C after deductible satisfied.
Radiation Therapy	80% of negotiated rate after deductible satisfied.	80% of R&C after deductible satisfied.
Speech Therapy	80% of negotiated rate after deductible satisfied. Expanded speech therapy benefit for children under age 3. (20 visit limit per calendar year.)	80% of R&C after deductible satisfied. Expanded speech therapy benefit for children under age 3 (20 visit limit per calendar year.)
Transplants (Subject to Care Coordination)	Voluntary - when a designated transplant facility is used, benefits are payable at 100%, no deductible or copay. When a designated facility is not used, benefits are payable the same as any other illness. <ul style="list-style-type: none"> • Travel & Lodging lifetime maximum of \$10,000. 	Voluntary - when a designated transplant facility is used, benefits are payable at 100%, no deductible or copay. When a designated facility is not used, benefits are payable the same as any other illness. <ul style="list-style-type: none"> • Travel & Lodging lifetime maximum of \$10,000.

COMPREHENSIVE MEDICAL PLAN HIGHLIGHTS
In Area and Out of Area Plans

Benefits	<ul style="list-style-type: none"> • PPO Available and Used • PPO Not Available 	<ul style="list-style-type: none"> • PPO Available and Not Used
	<ul style="list-style-type: none"> • Lodging & Meal Allowance of \$50 individual / \$100 family per day. 	<ul style="list-style-type: none"> • Lodging & Meal Allowance of \$50 individual / \$100 family per day.
	Organ Search & Procurement - when a designated facility is not used, benefits are payable up to the medical plan maximum except bone marrow is limited to \$25,000.	Organ Search & Procurement - when a designated facility is not used, benefits are payable up to the medical plan maximum except bone marrow is limited to \$25,000.
Corrective Appliances & Artificial Limbs	80% of negotiated rate after deductible satisfied.	80% of R&C after deductible satisfied.
Home Rental of Durable Medical Equipment (Subject to Care Coordination if amounts exceeds \$1,000)	80% of negotiated rate after deductible satisfied.	80% of R&C after deductible satisfied.
Oral Surgeries	80% of negotiated rate after deductible satisfied. (Surgery meeting medical necessity guidelines covered.)	80% of R&C after deductible satisfied. (Surgery meeting medical necessity guidelines covered.)
Voluntary Sterilization	80% of negotiated rate after deductible satisfied.	80% of R&C after deductible satisfied.
Home Health Care (Subject to Care Coordination)	100% of negotiated rate not subject to deductible. (No deductible required up to 52 HHC visits in a calendar year.)	100% of R&C not subject to deductible. (No deductible required up to 52 HHC visits in a calendar year.)
Skilled Nursing Facility (Subject to Care Coordination, in lieu of hospitalization)	80% of negotiated rate after deductible satisfied. (Semi-private rate - 120 days per calendar year.)	80% of R&C after deductible satisfied. (up to 120 days per calendar year)
Hospice Care (Subject to Care Coordination)	Hospice Facility - 100% of negotiated rate, no deductible;	Hospice Facility - 100% of R&C, no deductible;
	At Home Hospice (if life expectancy is less than 6 months) - 100% of R&C;	At Home Hospice (if life expectancy is less than 6 months) - 100% of R&C;

COMPREHENSIVE MEDICAL PLAN HIGHLIGHTS
In Area and Out of Area Plans

Benefits	<ul style="list-style-type: none"> • PPO Available and Used • PPO Not Available 	<ul style="list-style-type: none"> • PPO Available and Not Used
	Bereavement Counseling - 100% of R&C (While patient is in Hospice care, plan covers reasonable expenses for an unlimited number of counseling services for the patient and covered family members.)	Bereavement Counseling - 100% of R&C (While patient is in Hospice care, plan covers reasonable expenses for an unlimited number of counseling services for the patient and covered family members.)
Second Surgical Opinion	100% of negotiated rate, no deductible, voluntary.	80% of R&C, no deductible, voluntary.
<u>Preventive Care</u>	In-network - 100% of negotiated rate (Not subject to copay or deductible)	Out-of-network - 100% of R&C, no deductible.
Well Woman Exam	One annual Well Woman Examination with or without a Pap Smear including Blood Count and Urinalysis. (Additional Pap Smears covered at 80% of negotiated rate after deductible satisfied.)	One annual Well Woman Examination with or without a Pap Smear including Blood Count and Urinalysis. (Additional Pap Smears covered at 80% of R&C after deductible satisfied.)
Mammograms	One routine Mammogram every two years for women through age 49; once a year thereafter. (Additional mammograms covered at 80% of negotiated rate after deductible satisfied.)	One routine Mammogram every two years for women through age 49; once a year thereafter. (Additional mammograms covered at 80% of R&C after deductible satisfied.)
Immunizations	One complete regimen of immunizations per lifetime for children and adults covered at 100%, not subject to deductible.	One complete regimen of immunizations per lifetime for children and adults covered at 100%, not subject to deductible.
Influenza Immunizations	One influenza immunization per year. (The office visit associated with immunizations is a covered expense.)	One influenza immunization per year. (The office visit associated with immunizations is a covered expense.)

COMPREHENSIVE MEDICAL PLAN HIGHLIGHTS
In Area and Out of Area Plans

Benefits	<ul style="list-style-type: none"> • PPO Available and Used • PPO Not Available 	<ul style="list-style-type: none"> • PPO Available and Not Used
Prostate Specific Antigen	One routine PSA test every calendar year for men age 50 and over. (The office visit associated with the PSA test is a covered expense.)	One routine PSA test every calendar year for men age 50 and over. (The office visit associated with the PSA test is a covered expense.)
Sigmoidoscopy	One routine Sigmoidoscopy every three years for men and women age 50 and over. (The office visit associated with sigmoidoscopy is a covered expense.)	One routine Sigmoidoscopy every three years for men and women age 50 and over. (The office visit associated with sigmoidoscopy is a covered expense.)
Colonoscopy	One routine Colonoscopy every three years for men and women age 50 and over. (The office visit associated with colonoscopy is a covered expense.)	One routine Colonoscopy every three years for men and women age 50 and over. (The office visit associated with colonoscopy is a covered expense.)
Fecal Occult Blood Test	One annual Fecal Occult Blood Test for men and women age 40 and over.	One annual Fecal Occult Blood Test for men and women age 40 and over.
<u>Care Coordination</u> (Pre-notification Required)	<ul style="list-style-type: none"> • Hospitalization • Admission to hospital through ER • In-patient services • Skilled Nursing Facility • Home Health Care • Hospice • Chiropractic services beyond 12th visit • Artificial Insemination • In-Vitro Fertilization • Durable Medical Equipment exceeding \$1000 • Continued stay for Maternity • Private Duty Nursing • Organ Transplant <p>Non-notification penalty: Lessor of actual charge or \$200</p>	<ul style="list-style-type: none"> • Hospitalization • Admission to hospital through ER • In-patient services • Skilled Nursing Facility • Home Health Care • Hospice • Chiropractic services beyond 12th visit • Artificial Insemination • In-Vitro Fertilization • Durable Medical Equipment exceeding \$1000 • Continued stay for Maternity • Private Duty Nursing • Organ Transplant <p>Non-notification penalty: Lessor of actual charge or \$200</p>

COMPREHENSIVE MEDICAL PLAN HIGHLIGHTS
In Area and Out of Area Plans

Benefits	<ul style="list-style-type: none">• PPO Available and Used• PPO Not Available	<ul style="list-style-type: none">• PPO Available and Not Used
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The benefits outlined herein are governed by the Summary Plan Description (SPD) and where conflicts exist, the SPD shall prevail.

PPO Not Available (i.e., employee does not reside in the PPO Service Area):

- For all benefits payable under this plan, coverage levels are based on R&C.
- If copay applies (e.g., Doctor's Office Visit, Chiropractor Services, Allergy Shots), benefits are paid at 80% R&C.

MEDICAL PLAN HIGHLIGHTS
In Area and Out of Area Plans

MENTAL HEALTH/SUBSTANCE ABUSE CARE

BENEFITS	IN VERIZON STANDARD MH/SA NETWORK	OUTSIDE VERIZON STANDARD MH/SA NETWORK
Inpatient Hospital Room and Board (Subject to Care Coordination)	80% of negotiated rate after deductible satisfied <ul style="list-style-type: none"> • Semi Private Room 	PPO Available and not used: 70% of R&C after deductible satisfied PPO Not Available: 80% of R&C after deductible <ul style="list-style-type: none"> • Semi Private Room
Inpatient Services and Supplies	80% of negotiated rate after deductible satisfied	80% of R&C after deductible satisfied
Outpatient	\$15 per office visit.	80% of R&C after deductible satisfied

Note: Employees must call their Medical Plan prior to routine care and within 48 hours of emergency care.

MEMORANDUM OF AGREEMENT
between
VERIZON CALIFORNIA INC.
and
IBEW LOCAL UNION NO. 543

MEDICAL PLAN

Verizon California Inc. and IBEW Local Union No. 543 agree to the Medical Plan benefits set forth in this Memorandum of Agreement. Current benefits will remain in effect.

The provisions set forth in "Addendum ~~Two~~ **One** To Collective Bargaining Agreement" will apply to the Medical Plan and will remain in effect up to and including **June 30, 2011**. This Memorandum of Agreement and the terms and conditions set forth within shall terminate at midnight on **June 30, 2011**, unless extended by mutual agreement of the parties.

Verizon California Inc.

IBEW Local Union No. 543

Dyann Johnston

Jerry Koger

Date

Date

POINT OF SERVICE PLAN

<u>COVERAGE ITEM</u>	<u>IN NETWORK</u>	<u>OUT-OF-NETWORK</u>	<u>OUT-OF-AREA</u>
Deductible	\$0	\$350 Individual \$700 Individual + one \$1050 Family	\$150 Individual \$300 Individual + one \$450 Family
Annual Out-of-Pocket Maximum	\$0	\$2000 Individual \$4000 Individual + one \$6000 Family	\$1500 Individual \$3000 Individual + one \$4500 Family
Maximum Lifetime Benefit	\$2,000,000	\$2,000,000	\$2,000,000
Office Visit Co-Pay	\$15 per visit	75% of R&C after deductible	80% of R&C after deductible
Chiropractic Care	\$15 per visit	50% of R&C after deductible \$10,000 annual limit	80% of R&C for covered services after deductible
Podiatry	\$15 per visit	75% of R&C after deductible	80% of R&C for covered services after deductible
Surgeon & Asst. Surgeon	No Charge	75% of R&C for covered procedures after deductible	80% of R&C for covered procedures after deductible
Anesthetist, Physicians, Hospital Visits	No Charge	75% of R&C for covered procedures after deductible	80% of R&C for covered procedures after deductible
Physician Home or Office Visits	\$15 per visit	75% of R&C for covered procedures after deductible	80% of R&C for covered procedures after deductible
Radiology & Laboratory	No Charge	75% of R&C for covered procedures after deductible	80% of R&C for covered procedures after deductible

<u>COVERAGE ITEM</u>	<u>IN NETWORK</u>	<u>OUT-OF-NETWORK</u>	<u>OUT-OF-AREA</u>
Physiotherapist	No Charge	75% of R&C for covered procedures after deductible	80% of R&C for covered procedures after deductible
(Acute) Semi-private Room, ICU etc.	No Charge	75% of R&C for covered procedures after deductible	80% of R&C for covered procedures after deductible
Emergency Room	\$75 (waived if admitted)	75% of R&C for covered procedures after deductible	80% of R&C for covered procedures after deductible
Urgent Care	\$50 (waived if admitted)	75% of R&C for covered procedures after deductible	80% of R&C for covered procedures after deductible
Ambulance	No charge if medically necessary	75% of R&C if medically necessary after deductible	80% of R&C if medically necessary after deductible
Blood	No Charge	75% of R&C for covered procedures after deductible	80% of R&C for covered procedures after deductible
Prosthetics & Durable Medical Equipment	No Charge	75% of R&C for covered products after deductible	80% of R&C after deductible
Private Duty Nursing	No charge if medically necessary	75% of R&C after deductible if medically necessary. \$10,000 annual limit	80% of R&C after deductible if medically necessary
Outpatient Surgery	No Charge	75% of R&C for covered procedures after deductible	80% of R&C for covered procedures after deductible
Home Health Care	No Charge	75% of R&C for covered Services after deductible	80% of R&C after deductible for covered services. Max. 52 visits per yr. If commenced within 14 days of discharge.

<u>COVERAGE ITEM</u>	<u>IN NETWORK</u>	<u>OUT-OF-NETWORK</u>	<u>OUT-OF-AREA</u>
Hospice Care	No charge if authorized	75% of R&C for covered services after deductible	80% of R&C for covered services after deductible
Skilled Nursing Facility	No Charge 100 day annual limit	75% of R&C for covered services after deductible. For up to 60 days per year	80% of R&C after deductible for covered services. Maximum of 120 days per year if commenced within 14 days of discharge.
Birthing Center	No charge if authorized	75% of R&C for covered services after deductible	80% of R&C after deductible
Newborn Exam	No charge in hospital	75% of R&C after deductible. For one inpatient pediatric exam	80% of R&C after deductible In hospital only
Well Child Care	\$15 per visit	Not covered	80% of R & C after deductible
Immunizations (Routine Childhood)	\$15 per visit	Not covered	100% of R&C for covered services
Routine Health Assessment	\$15 per visit for periodic health evaluation	Not covered	100% of R & C for preventative healthcare routine assessment .
Routine Mammogram (Bi-annual over age 40)	\$15 per visit	75% of R&C for covered services	100% of R&C for covered services
Routine Pap Test - Annual	15 per visit	75% of R&C for covered services	100% of R&C for covered services
Second Surgical Opinion	\$15 per visit	75% of R&C for covered Services	100% of R&C for covered services

<u>COVERAGE ITEM</u>	<u>IN NETWORK</u>	<u>OUT-OF-NETWORK</u>	<u>OUT-OF-AREA</u>
High Risk Maternity - Outpatient	\$15 per visit	75% of R&C for necessary services after deductible	100% of R&C for necessary services
X-Ray & Lab Exams to Diagnose or Treat Illness or Injury	No Charge	75% of R&C for necessary services after deductible	80% of R&C for necessary services after deductible
Medical & Surgical Supplies Needed to Treat Illness or Injury	No Charge	75% of R&C for necessary supplies after deductible	80% of R&C for necessary supplies after deductible
Pre-admission	No Charge	75% of R&C for covered procedures after deductible (see note)	80% of R&C for covered procedures after deductible (see note)
Non-Duplication of Benefits	Yes	Yes	Yes
Artificial Insemination	50% covered	50% with lifetime maximum up to \$1,000	50% with lifetime maximum of up to \$1,000
In Vitro Fertilization	50% with lifetime maximum of \$10,000	50% with lifetime maximum of \$10,000	50% with lifetime maximum of \$10,000
Treatment Review Pre-certification	NA	See Note	See Note

*Note: All out-of-network and out-of-area inpatient admissions, surgeries and specific outpatient diagnostics require treatment review pre-certification, or an additional deductible of \$500 will apply to services that are not certified.

Employees whose principle residence is in "network areas", who elect to use out-of-network providers, will receive benefits as outlined in "out-of-network" benefits.

Employees whose principle residence is outside any and all "network areas" will receive benefits as outlined in "out-of-area" benefits, unless they elect to enroll in an established "network area".

All deductibles are "first dollar" unless otherwise specified.

MENTAL HEALTH/SUBSTANCE ABUSE BENEFITS

<u>COVERAGE ITEM</u>	<u>IN NETWORK</u>	<u>OUT-OF-NETWORK</u>	<u>OUT-OF-AREA</u>
<u>Mental Health & Substance Abuse</u>			
Inpatient	100% payment for up to 45 days/calendar year	Not Covered	100% payment for up to 45 days/calendar year
Partial hospitalization	100% payment for up to 90 days per year for intensive outpatient therapy (2 days intensive outpatient in lieu of 1 day inpatient care)	Not Covered	100% payment for up to 90 days per year for intensive outpatient therapy (2 days intensive outpatient in lieu of 1 day inpatient care)
Outpatient	\$15 per visit for up to 50 visits per calendar year	Not Covered	\$15 per visit for up to 50 visits per calendar year

Treatment is obtained through the providers determined most appropriate by the Company.

Supplemental Benefit -

If you reach an annual maximum, a supplemental benefit of 50% of covered charges up to a lifetime maximum of \$2,000,000 is provided.

CERTIFICATION FOR SERVICES

Some services require certification before being rendered or received. If you do not contact Treatment Review indicated on your identification card prior to receiving such services, an additional \$500 deductible will apply to services that are not certified.

The following services require prior certification:

- A) All inpatient admissions to any facility type
- B) All surgeries, regardless of setting
- C) All Home Health and Hospice services
- D) All conditions of pregnancy (excluding elective abortions)
- E) Specified outpatient tests and procedures:

- Thallium Treadmill - heart
- Esophagastroduodenoscopy
- Fiberoptic Colonoscopy
- Cardiac Catheterizations
- Venous Thrombosis Study
- MUGA - Grated Cardiac Scan
- Nuclear Medicine Studies - Thyroid Scan
- Bone Scan
- Liver Scan
- Kidney Scan
- Gallium Scan
- CAT Scan
- Echocardiography
- Arteriography
- PET
- ERCP
- MRI
- Cystoscopy
- Hysteroscopy
- Laparoscopy
- Bronchoscopy

MEMORANDUM OF AGREEMENT
between
VERIZON CALIFORNIA INC.
and
IBEW LOCAL UNION NO. 543

PENSION PLAN – PENSION MINIMUMS

Verizon California Inc. and IBEW Local Union No. 543 agree to the provisions of the Plan for Hourly Employees' Pensions.

1. The following provisions continue to be in place:

<u>Years of Accredited Service</u>	<u>Annual Minimum Pension</u>
40 or more years	\$12,900
35 but less than 40 years	\$11,300
30 but less than 35 years	\$ 9,800
25 but less than 30 years	\$ 8,200
20 but less than 25 years	\$ 6,600
15 but less than 20 years	\$ 5,200

2. For employees who retire on or after July 1, 2011 the present Plan for Hourly Employees' Pensions will be modified to effect the following:

<u>Years of Accredited Service</u>	<u>Annual Minimum Pension</u>
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

This Agreement shall become effective as of **September 12, 2010** and shall remain in effect until midnight, **September 7, 2013** and shall automatically continue in full force and effect thereafter until terminated, or amended, in accordance with the following procedure:

If this Agreement is to be terminated, a written notice must be sent by either party to the other not less than sixty (60) days prior to any date thereafter on which such cancellation is to become effective.

This Agreement may be amended or modified by either party giving written notice to the other of such desire to so amend or modify at least sixty (60) days and not more than ninety (90) days prior to the termination date set forth above. The written notice shall contain a full statement as to the amendments or modifications desired.

Verizon California Inc.

IBEW Local Union No. 543

Dyann Johnston

Jerry Koger

Date

Date

September 2, 2010

MEMORANDUM OF AGREEMENT

between

VERIZON CALIFORNIA INC.

and

IBEW LOCAL UNION NO. 543

COMPANY COUNTER TO UNION PROPOSAL # 51

RECLASSIFY CUSTOMER SERVICE TECHNICIAN II

Verizon California Inc. and IBEW Local Union No. 543 agree to reclassify the attached list of Customer Service Technician II's to the Customer Service Technician I job title.

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

VERIZON CALIFORNIA INC.

IBEW LOCAL UNION NO. 543

Dyann Johnston

Jerry Koger

Date

Date

LAST	FIRST	TITLE	ADDRESS	CITY
BIEN	JOHN	CUSTOMER SERVICE TECH II	560 BARTLETT RD	BIG BEAR LAKE
WALLACE	RONALD	CUSTOMER SERVICE TECH II	385 S FOWLER	BISHOP
ADAMS	RICHARD	CUSTOMER SERVICE TECH II	12156 ROBERTS	BORON
SAM	FARON	CUSTOMER SERVICE TECH II	85 N SINCLAIR ST	BRIDGEPORT
VAN BUREN	JAMES	CUSTOMER SERVICE TECH II	1823 MARGUERITE ST	DOS PALOS
GLASER	J.V.	CUSTOMER SERVICE TECH II	485 CONGER ST	GARBERVILLE
ARBUTHNOT	DANIEL	CUSTOMER SERVICE TECH II	485 CONGER ST	GARBERVILLE
JOHNSON	WALLACE	CUSTOMER SERVICE TECH II	39 PINECREST	MAMMOTH LAKES
ERWIN	STEVEN	CUSTOMER SERVICE TECH II	39 PINECREST	MAMMOTH LAKES
ADAMS	BRIAN	CUSTOMER SERVICE TECH II	17855 COMCONEX RD	MANTECA
RODRIGUEZ	DAVID	CUSTOMER SERVICE TECH II	21925 NEVADA ST	SAN JOAQUIN
EDDY	CHRIS	CUSTOMER SERVICE TECH II	115 BREMER ST	WEAVERVILLE
ERWIN	KEVIN	CUSTOMER SERVICE TECH II	115 BREMER ST	WEAVERVILLE
HURLEY	JAMES	CUSTOMER SERVICE TECH II	19120 HWY 178	WELDON
HOGUE	TIMOTHY	CUSTOMER SERVICE TECH II	19120 HWY 178	WELDON
HUMMELL	JAMES	CUSTOMER SERVICE TECH II	65 WILLOW WAY	WILLOW CREEK
MOODIE	ANDY	CUSTOMER SERVICE TECH II	65 WILLOW WAY	WILLOW CREEK

MEMORANDUM OF AGREEMENT
between
VERIZON CALIFORNIA INC.
and
IBEW LOCAL UNION NO. 543
COMPANY COUNTER TO UNION # 52

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 12, 2010 and shall expire on September 7, 2013. The parties specifically agree that the terms and conditions set forth in the Memorandum of Agreement shall also terminate on September 7, 2013, and shall not survive the expiration of this Memorandum of Agreement unless agreed by the parties in writing.

Verizon California Inc.

IBEW LOCAL UNION NO. 543

Dyann Johnston

Jerry Koger

Date

Date

MEMORANDUM OF AGREEMENT
between
VERIZON CALIFORNIA INC.
and
IBEW LOCAL UNION NO. 543

REVISION TO COMPANY PROPOSAL # 13

VACATION BANKING

1. Verizon California Inc. and IBEW Local Union No. 543 agree that eligible employees may carry forward into future years and bank a limited number of weeks of vacation for each vacation year as set forth in this Memorandum of Agreement.
2. **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 banked vacation time is subject to advanced written application and approval.
5. This Memorandum of Agreement is effective on **September 12, 2010** and shall expire on **September 7, 2013**. The parties specifically agree that the terms and conditions set forth in this Memorandum of Agreement shall also terminate on **September 7, 2013**, and shall not survive the expiration of this Memorandum of Agreement unless agreed to by the parties in writing. Employees who have accumulated banked vacation time will not lose such vacation time should this Memorandum of Agreement not be extended.

Verizon California Inc.

IBEW Local Union No. 543

Dyann Johnston

Jerry Koger

Date

Date

MEMORANDUM OF AGREEMENT
Between
VERIZON CALIFORNIA INC.
And
IBEW LOCAL UNION NO. 543

VISION PLAN

1. Verizon California Inc. and IBEW Local Union No. 543 agree **to modify** the provisions of the Vision Plan set forth in this Memorandum of Agreement.
2. For a summary of details, refer to the attachments entitled Vision Plan Highlights.
3. Some of the major provisions include:
 - No annual deductible
 - Eye exam every twelve (12) months
 - One pair of prescription eyeglasses or contact lenses every 24 months
Effective July 1, 2011, one pair of prescription eyeglasses or contact lenses every twelve (12) months)
4. Employees are automatically eligible for the Vision Plan after enrollment in any Verizon medical option. If the employee waives Verizon medical coverage, the employee will not be enrolled in the Vision Plan.
5. The cost of the Vision Plan coverage will be paid by the Company.
6. The amount and availability of benefits under the Vision 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 Vision Plan, selection of the insurance carrier, eligibility for the benefits, eligibility requirements, all terms and conditions related thereto and the resolution of any disputes involving Vision Plan 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 12, 2010**, and shall expire on **September 7, 2013**. The parties specifically agree that the terms and conditions set forth in this Memorandum of Agreement, relating to the Vision Plan, shall terminate on **September 7, 2013** and shall not survive the expiration of this Memorandum of Agreement, unless agreed to by the parties in writing.

Verizon California Inc.

IBEW Local Union No. 543

By

By

Date

Date

VISION PLAN HIGHLIGHTS – through June 30, 2011

Feature	Participating Provider	Non-participating Provider
Annual Deductible	None	None
Eye Exam (Once every 12 months)	You pay the network provider a \$25 co-payment. No claim filing is required.	You pay the expense in full and file a claim with Davis Vision. The Plan reimburses you up to \$25.
Lenses and Frames (Once every 24 months)*	You pay the network provider a \$75 co-payment for lenses and frames or \$37.50 for just lenses or frames.	You pay the expense in full and file a claim with Davis Vision. The Plan reimburses you up to \$25 for lenses and \$25 for frames for a maximum reimbursement of \$50.
Contact Lenses (Once every 24 months)*	You pay nothing for standard-wear, soft, daily-wear, or disposable contact lenses. Discounts available for replacement lenses.	You pay the expense in full and file a claim with Davis Vision. The Plan reimburses you up to \$50.
Laser Vision Correction	Discounts available.	No discounts available.

* Limited to one pair of prescription eyeglasses or one pair of prescription contact lenses every 24 months.

Additional Provisions

- Two or more opticians, optometrists, or ophthalmologists within 20 miles of the employee's home.
- Employees that have no provider within 20 miles can use the Out-of-Area Provision.

Out-of-Area Provisions

Steps to find an Out-of-Area Provider:

1. Call Davis Vision when ready to schedule an appointment for services. The number for Davis Vision can be obtained from the Verizon Benefits Center.
2. Ask the Member Service Associate to locate a non-participating provider (NPP) or give them the name and address of a local provider.
3. Davis Vision will contact the provider to arrange in-network vision care services for you and will contact you with an authorization to receive your services.
4. Employee will receive the participating provider benefits.

Professional Provider Services

Standards of care for eye examinations are entirely consistent with those established by State Departments of Health and include preventive eye care with glaucoma testing, refractive care and the prescribing of eyeglasses.

Each patient receives a comprehensive eye examination with a preferred optometrist or ophthalmologist which includes the following components:

- Case History – chief complaint, eye and vision history, medical history
- Entrance distance acuities
- External ocular evaluation including slit lamp examination
- Internal ocular examination inclusive of dilated fundus evaluation
- Tonometry
- Distance refraction – objective and subjective
- Binocular coordination and ocular motility evaluation
- Evaluation of pupillary function
- Biomicroscopy
- Gross visual fields
- Assessment and plan
- Patient education
- Form completion – school, motor vehicle, etc.

All of these components are fully within the education, training and scope of licensure for both optometrists and ophthalmologists.

VISION PLAN HIGHLIGHTS – Effective July 1, 2011

Feature	Participating Provider	Non-participating Provider
Annual Deductible	None	None
Eye Exam (Once every 12 months)	You pay the network provider a \$25 copay No claim filing is required.	You pay the expense in full and file a claim with EyeMed . The Plan reimburses you up to \$42 .
Lenses* (Once every 12 months)*	You pay the network provider \$0 co-pay for just lenses.	You pay the expense in full and file a claim with EyeMed . The Plan reimburses you after copay as follows: Single vision – up to \$40 Bifocal – up to \$60 Trifocal – up to \$80 Lenticular – up to \$125
Standard Progressive Lens	\$65 co-pay	Plan reimburses up to \$60
Premium Progressive Lens	20% off retail price, then apply a \$55 allowance, and you pay the remaining amount.	Plan reimburses up to \$60
Frames* (Once every 12 months)*	\$0 copay, \$115 allowance, then 20% off balance over \$115, and you pay the remaining amount.	Reimbursement up to \$45 . You pay the expense in full and file a claim with EyeMed .
Contact Lenses (Once every 12 months – allowances cover material only)*		You pay the expense in full and file a claim with EyeMed.
	Conventional: \$0 Co-pay, \$105 allowance, then 15% off balance over \$105 and you pay the remaining amount	The plan reimburses you up to \$105 after co-pay
	Disposable: \$0 Co-pay, \$105 allowance	The plan reimburses you up to \$105 after co-pay
	Medically Necessary: \$0 Co-pay, plan pays in full	The plan reimburses you up to \$210
Laser Vision Correction	Discounts available.	No discounts available.

* Limited to one pair of prescription eyeglasses or one pair of prescription contact lenses every **twelve (12)** months.

MEMORANDUM OF AGREEMENT
between
VERIZON CALIFORNIA INC.
and
IBEW LOCAL UNION NO. 543

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 7, 2013**, 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.
3. Effective July 1, 1997, the level and type of Retiree Medical Benefits for the Eligible Participants shall be governed by the Point of Service (POS) plan description for in area non-Medicare eligible participants and by Verizon RETIREE OPTIONS Summary Plan Description, for out-of-area non-Medicare eligible participants and Medicare eligible participants, which may be amended or discontinued by the Company at its discretion subject to paragraph 9 below.
(a) **Effective July 1, 2011, the level and type of Retiree Medical Benefits for all eligible participants shall be governed by the Verizon RETIREE OPTIONS Summary Plan Description.**
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 7, 2013** the following service linked contribution schedule applies:

<u>Years of Service at Retirement</u>	<u>Company Contribution</u>	<u>Retiree Contribution</u>
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%

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 \$345 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.**
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) **Effective through June 30, 2011, when the Retiree Medical Benefits Premiums for the Point of Service (POS) plan (in area non-Medicare eligible participants) or for the \$400 deductible coverage option (Medicare eligible participants and out of area non-Medicare eligible participants) reach 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.

- (c) **Effective July 1, 2011, when the Retiree Medical Benefits Premiums for the \$400 deductible coverage option reaches the figures set forth in the chart below, the Company Contribution Amount shall be capped and the Company shall make no additional contributions toward Retiree Medical Benefits Premiums.**

<u>Coverage Category</u>	<u>Capped Retiree Medical Benefits Premium</u>
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 affect 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 12, 2010**, 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 on **September 7, 2013**, and shall not survive the expiration of this Memorandum of Agreement unless agreed to by the parties in writing.

Verizon California Inc.

IBEW Local Union No. 543

Dyann Johnston

Jerry Koger

Date

Date

MEMORANDUM OF AGREEMENT

between

VERIZON CALIFORNIA INC.

and

IBEW LOCAL UNION NO. 543

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 plan 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 12, 2010, and shall expire on September 7, 2013. The parties specifically agree that all the terms and conditions set forth in this Memorandum of Agreement shall also expire on September 7, 2013, and shall not survive the expiration of this Memorandum of Agreement, unless agreed to by the parties in writing.

Verizon California Inc.

IBEW Local Union No. 543

Dyann Johnston

Jerry Koger

Date

Date

MEMORANDUM OF AGREEMENT
between
VERIZON CALIFORNIA INC.
and
IBEW LOCAL UNION NO. 543

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 18, 2005 and shall remain in effect until September 11, 2010. The parties specifically agree that the terms and conditions set forth in this Memorandum of Agreement shall also terminate on September 11, 2010 and shall not survive the expiration of this Memorandum of Agreement unless agreed to by the parties in writing.

VERIZON CALIFORNIA INC.

IBEW LOCAL UNION NO. 543

By _____

By _____

Date _____

Date _____

Wage Schedule: C-A

	9/12/2010	9/11/2011	9/9/2012
Start	\$10.76	\$11.05	\$11.36
6 Mo.	\$10.82	\$11.12	\$11.42
12 Mo.	\$11.09	\$11.39	\$11.70
18 Mo.	\$11.88	\$12.20	\$12.54
24 Mo.	\$13.44	\$13.81	\$14.19
30 Mo.	\$13.97	\$14.36	\$14.75
Top	\$14.89	\$15.30	\$15.72

Job Titles: LANG ASST-OPERATOR II , OPERATOR II

Wage Schedule: C-B

	9/12/2010	9/11/2011	9/9/2012
Start	\$10.71	\$11.00	\$11.30
6 Mo.	\$11.31	\$11.62	\$11.94
12 Mo.	\$11.43	\$11.74	\$12.06
18 Mo.	\$11.55	\$11.87	\$12.19
24 Mo.	\$12.22	\$12.55	\$12.90
30 Mo.	\$13.06	\$13.42	\$13.79
36 Mo.	\$13.96	\$14.35	\$14.74
42 Mo.	\$15.09	\$15.51	\$15.94
48 Mo.	\$16.28	\$16.72	\$17.18
54 Mo.	\$17.68	\$18.17	\$18.67
60 Mo.	\$19.23	\$19.76	\$20.31
66 Mo.	\$21.06	\$21.64	\$22.24
Top	\$23.38	\$24.02	\$24.68

Job Titles: OPERATOR

Wage Schedule: C-C

	9/12/2010	9/11/2011	9/9/2012
Start	\$10.71	\$11.00	\$11.30
6 Mo.	\$11.38	\$11.70	\$12.02
12 Mo.	\$12.20	\$12.53	\$12.88
18 Mo.	\$13.06	\$13.42	\$13.79
24 Mo.	\$14.77	\$15.17	\$15.59
30 Mo.	\$15.36	\$15.78	\$16.22
Top	\$16.04	\$16.48	\$16.93

Job Titles: LANGUAGE ASSISTANCE - RETAIL SALES CONSULTANT ,
RETAIL SALES CONSULTANT

Wage Schedule: C-2

	9/12/2010	9/11/2011	9/9/2012
Start	\$11.00	\$11.31	\$11.62
6 Mo.	\$11.34	\$11.66	\$11.98
12 Mo.	\$12.09	\$12.43	\$12.77
18 Mo.	\$12.94	\$13.29	\$13.66
24 Mo.	\$13.82	\$14.20	\$14.59
30 Mo.	\$14.94	\$15.35	\$15.77
36 Mo.	\$16.12	\$16.56	\$17.02
42 Mo.	\$17.50	\$17.98	\$18.47
Top	\$23.17	\$23.81	\$24.46

Job Titles: REPORTS & RECORDS CLERK

Wage Schedule: C-3

	9/12/2010	9/11/2011	9/9/2012
Start	\$12.10	\$12.44	\$12.78
6 Mo.	\$13.00	\$13.36	\$13.72
12 Mo.	\$13.85	\$14.23	\$14.62
18 Mo.	\$14.97	\$15.38	\$15.81
24 Mo.	\$16.17	\$16.62	\$17.07
30 Mo.	\$17.54	\$18.02	\$18.52
36 Mo.	\$19.15	\$19.68	\$20.22
42 Mo.	\$21.05	\$21.63	\$22.23
Top	\$23.38	\$24.02	\$24.68

Job Titles: TRAFFIC CLERK , VEHICLE MAINTENANCE ASSISTANT

Wage Schedule: C-5

	9/12/2010	9/11/2011	9/9/2012
Start	\$12.47	\$12.82	\$13.17
6 Mo.	\$13.40	\$13.77	\$14.15
12 Mo.	\$14.48	\$14.88	\$15.28
18 Mo.	\$15.69	\$16.12	\$16.56
24 Mo.	\$17.17	\$17.64	\$18.13
30 Mo.	\$18.88	\$19.39	\$19.93
36 Mo.	\$20.82	\$21.39	\$21.98
42 Mo.	\$23.22	\$23.86	\$24.52
Top	\$25.94	\$26.66	\$27.39

Job Titles: WAREHOUSE ATTENDANT

Wage Schedule: C-6

	9/12/2010	9/11/2011	9/9/2012
Start	\$12.85	\$13.21	\$13.57
6 Mo.	\$13.82	\$14.20	\$14.59
12 Mo.	\$14.91	\$15.32	\$15.74
18 Mo.	\$16.14	\$16.59	\$17.04
24 Mo.	\$17.64	\$18.13	\$18.63
30 Mo.	\$19.42	\$19.95	\$20.50
36 Mo.	\$21.46	\$22.05	\$22.66
42 Mo.	\$23.83	\$24.48	\$25.16
Top	\$26.51	\$27.24	\$27.99

Job Titles: NON-POPULATED WAGE SCHEDULE

Wage Schedule: C-7

	9/12/2010	9/11/2011	9/9/2012
Start	\$12.94	\$13.29	\$13.66
6 Mo.	\$13.88	\$14.26	\$14.66
12 Mo.	\$15.04	\$15.46	\$15.88
18 Mo.	\$16.28	\$16.72	\$17.18
24 Mo.	\$17.82	\$18.31	\$18.81
30 Mo.	\$19.57	\$20.11	\$20.67
36 Mo.	\$21.69	\$22.29	\$22.90
42 Mo.	\$24.18	\$24.84	\$25.53
Top	\$27.60	\$28.36	\$29.14

**Job Titles: COLLECTOR MAINTAINER , CUSTOMER CARE ADVOCATE,
CUSTOMER SERVICE TECHNICIAN III , EQUIPMENT INSTALLER
ASSISTANT , FRAME WORKER , NETWORK ASSISTANT , PUBLIC
ACCESS SALES TECHNICIAN**

Wage Schedule: C-8

	9/12/2010	9/11/2011	9/9/2012
Start	\$14.24	\$14.63	\$15.04
6 Mo.	\$15.40	\$15.83	\$16.26
12 Mo.	\$16.75	\$17.21	\$17.68
18 Mo.	\$18.25	\$18.75	\$19.27
24 Mo.	\$20.05	\$20.60	\$21.16
30 Mo.	\$22.12	\$22.73	\$23.36
36 Mo.	\$24.56	\$25.23	\$25.93
42 Mo.	\$27.63	\$28.39	\$29.17
Top	\$31.59	\$32.45	\$33.35

Job Titles: CABLE SPLICER , CUSTOMER SERVICE TECHNICIAN II ,
 FACILITY SURVEYOR , FIBER NETWORK FIELD TECHNICIAN , LINE
 WORKER , OSP CONST INSTALLER-SPLICER

Wage Schedule: C-9

	9/12/2010	9/11/2011	9/9/2012
Start	\$14.47	\$14.87	\$15.27
6 Mo.	\$15.64	\$16.07	\$16.51
12 Mo.	\$16.97	\$17.44	\$17.92
18 Mo.	\$18.48	\$18.99	\$19.52
24 Mo.	\$20.25	\$20.81	\$21.38
30 Mo.	\$22.40	\$23.02	\$23.65
36 Mo.	\$25.02	\$25.71	\$26.41
42 Mo.	\$28.51	\$29.30	\$30.10
Top	\$32.86	\$33.76	\$34.69

Job Titles: 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

	9/12/2010	9/11/2011	9/9/2012
Start	\$17.67	\$18.16	\$18.66
6 Mo.	\$18.86	\$19.38	\$19.92
12 Mo.	\$20.19	\$20.75	\$21.32
18 Mo.	\$21.69	\$22.29	\$22.90
24 Mo.	\$23.47	\$24.11	\$24.78
30 Mo.	\$25.61	\$26.31	\$27.03
36 Mo.	\$28.24	\$29.01	\$29.81
42 Mo.	\$31.71	\$32.58	\$33.48
Top	\$36.09	\$37.08	\$38.10

Job Titles:

CUSTOMER ENGINEER - DATA APPLICATION

2010 NEGOTIATIONS
VERIZON CALIFORNIA INC. / IBEW LOCAL UNION NO. 543
COMPANY PROPOSAL #18

**MEMORANDUMS OF AGREEMENT
RESIGN WITH NEW EFFECTIVE DATES**

Adoption Assistance
Contractor Committee
Customer Engineer Data Application
Dental Open Enrollment
Dental Plan
Dental Plan - Alternative
Departmental Orientation
Domestic Partner Benefits
Education And Life-Long Learning
Excused Absence (Family Leave)
Family Related Shift Trades
Fingerprinting
FiOS Jobs Of The Future
Flexible Reimbursement Plan (FRP)
Flexible Workweek
Global Positioning System (GPS)
Health Care Meetings
Hearing Aid Benefit
Home Dispatch
Hourly Savings Plan (Company Match)
Hourly Savings Plan (HSP)
Inclement Weather
Income Security Plan (ISP)
Jurisdictional Boundaries
LiveSource - Common Interest Forum
LiveSource - Incentive Compensation Plan
LiveSource Term Employee
Long Term Care Plan
Lump Sum Payment Option (Pension)
Mail Order Prescription Plan (MOPP)
Medical Benefits Opt-Out credit and Spousal Surcharge
Network Services - Overtime (Customer Operations And Construction)
Network Services - Staffing (Customer Operations & Construction)
Neutrality And Consent Election
Outplacement Services

Overtime MOA
Pension Accrual Service
Pension Plan Survivor Benefits
Performance Differential
Performance Standards
Personal Lines Of Insurance
Prescription Identification Card (PIC)
Retiree Life Insurance
Sales Incentive Programs
Supplemental Term Life Insurance
Survivor Benefit - Medical Continuation
Team Performance Award
Technology Meetings
Third Party Medical
Training Failure
Vacation Donation
Vacation Utilization 2 Hour Scheduling - LiveSource
Vacation/Holiday Scheduling Priority
Vehicle Maintenance Technician Differential
Voluntary Excused Time Leave Of Absence
Voluntary Part-Time Assignment

2010 NEGOTIATIONS
VERIZON CALIFORNIA INC. / IBEW LOCAL UNION NO. 543
COMPANY PROPOSAL #19

**MEMORANDUMS OF AGREEMENT
RETAIN AS IS**

Common Interest Forum
Flextime
Four/Ten (4/10) Work Schedule
Grandfathered Retiree Medical Coverage
Mediation
Nine/Eighty (9/80) Work Schedule
Notification to Union of Surplus Condition
Priorities for Filling Vacancies
Substance Abuse Policy
Surplus Classifications - Notification to System Companies
Temporary Employees Beyond Six (6) Months
Victorville Operator Services Conversion to Directory Assistance
Workplace Performance Monitoring/Recording

2010 NEGOTIATIONS
VERIZON CALIFORNIA INC. / IBEW LOCAL UNION NO. 543
COMPANY PROPOSAL #20

**MEMORANDUMS OF AGREEMENT
TO BECOME INACTIVE**

Business Attire
Custom Calling Services
Customer Service Technician III - Transfer Consideration
Deduction For Union Dues And Services Fees
Fiber Network Field Technician
Fiber Network Field Technician Reclassify Customer Service Technician II
Group Universal Life (GUL) Insurance
HMO's
Jury Duty
LiveSource Lang Assist Operator II SA Differential
LiveSource Operator II Wage Adjustment
LiveSource Payroll Issues
LiveSource Procedures
Living Benefit Rider (LBR)
Long Term Disability (LTD)
Part-Time Contributions
Pension Plan - Pension Minimums
Public Access Sales Technician
Retail Sales Incentive Compensation Plan
Retraining
Vacation Banking
Vacation Utilization - 1/2 Day Scheduling
Verizon Plus Stores Sunday Lease Requirement
Vision Plan
Voluntary Employees Beneficiary Association (VEBA)
Workgroup