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Your Additional Benefits and Programs

In addition to health care, disability income, survivor and retirement income benefits, Verizon provides other important benefits and programs to meet your needs. This book describes these additional benefits and programs available to you, as well as certain compensation incentives:

- Stock Options
- Educational Assistance
- Adoption Assistance Program
- LifeBalance[®], a family resource and referral program
- Leave of Absence Program.

About This Book

This book includes information on additional benefit and compensation programs for New York and New England Associates. This book is based on provisions effective January 1, 2001. It updates and replaces all previous communications and other descriptions provided by these programs and resources.

This book is divided into the following major sections:

- **Stock Options.** This section explains eligibility for receiving Verizon stock grants under the Founders' Grant Plan. Also, for associates who received options under the former *Take Stock in NYNEX* plan, it explains the status of these options.
- **Educational Assistance.** This section describes how Verizon can help you fund the cost of education.
- **Adoption Assistance Program.** This section describes the financial assistance Verizon offers to help you pay eligible agency and legal fees related to an adoption.

Important Note

Verizon has the discretionary authority to interpret the terms of this book and determine your eligibility for benefits under its terms.

- **LifeBalance.** This section gives an overview of LifeBalance, a family resource and referral program available to all associates for assistance in finding information and obtaining referrals for your elder care, child care, education and adoption needs.
- **Leave of Absence Program.** This section provides information on the Leave of Absence Program for associates, including how to apply for a leave and the effect of an approved leave on your other benefits.

Getting More Information

If you have questions about your benefits or need additional information after reading this book, you have the following resources:

- **For general information,** call Verizon's Bell Atlantic InTouch Center at the telephone number listed on your Important Benefits Contacts insert. The voice response system is available 24 hours a day, seven days a week. InTouch Representatives are available to answer your questions from 8:00 a.m. to 5:00 p.m. Eastern time, Monday through Friday (excluding holidays).
- **For specific details,** call the applicable administrator's telephone number directly (see your Important Benefits Contacts insert for the telephone numbers).

Changes to the Benefits and Programs

While the Company expects to continue these benefits and programs indefinitely, the Verizon Employee Benefits Committee, formerly named the Bell Atlantic Corporate Employees' Benefits Committee, reserves the right to amend, modify, suspend or terminate the benefits and programs at any time, at its discretion, with or without advance notice to participants, subject to any duty to bargain collectively. Also, the benefits and programs described in this book are **not** subject to federal law under the Employee Retirement Income Security Act of 1974 (ERISA) and its subsequent amendments. As a result, ERISA's protections do not extend to these benefits and programs. **Note:** The stock option plans are under the governance of the Human Resources Committee of the Verizon Board of Directors.

Decisions regarding changes to, or terminations of, benefits are made at the highest levels of management. Verizon employees below those levels do not know whether the Company will adopt any particular change and are not in a position to speculate about such changes. Unless and until changes formally are adopted and officially are announced, no one is authorized to assure that any particular change will or will not occur.

Stock Options

Founders' Grant Plan

If you received a Founders' Grant in September 2000, you have the opportunity to become an owner in the Company and to share in Verizon's financial success. As a share owner, you stand to benefit if the stock increases in value and/or if the Company declares dividends on the stock.

Eligibility

You received a Founders' Grant if you were a full-time or part-time benefits-eligible Verizon associate on September 7, 2000 or if you were hired between September 8, 2000 and September 29, 2000, and you were:

- On the U.S. payroll of a participating company or the "Verizon Overseas Payroll," including local national and third-country national employees
- Receiving short-term disability benefits
- On an authorized leave of absence with job return rights.

Note: If you were an eligible part-time associate, you received one-half of the appropriate grant size.

You did not receive a Founders' Grant if as of September 7, 2000, you were:

- A Verizon Wireless associate
- A Cincinnati or San Diego Verizon Wireless associate in the trust
- Receiving long-term disability benefits
- On an authorized leave of absence without job return rights
- On international "local" subsidiary payroll or others not identified by the eligibility definition, unless required by law
- A temporary employee or a working retiree.

For more information on the Founders' Grant Plan, call Salomon Smith Barney at the telephone number listed on your Important Benefits Contacts insert. Representatives are available Monday through Friday, from 8:00 a.m. to 6:00 p.m. Eastern time.

Your Founders' Grant

Your stock option grant entitles you to buy a certain number of shares at a fixed price over your grant term—the term the option can remain outstanding in this case is through June 30, 2010.

You never are obligated to exercise your Founders' Grant to buy shares of Verizon stock. You will want to consider your overall financial situation, the current stock price and your expectation of future price movement in the stock. There is no guarantee the stock price will increase in the future.

If you do not exercise your option by June 30, 2010, it automatically will be forfeited. If you separate from service with Verizon, you may have a shorter period of time to exercise your grant, depending on the reason for your separation, as shown below.

If You Leave Verizon Because of...	Then Your Option Expires on...
Voluntary resignation or retirement prior to June 30, 2003 or dismissal for cause	Your separation date
Retirement on or after June 30, 2003	The earlier of the fifth anniversary of your retirement or June 30, 2010
Termination of employment due to disability or involuntary termination without cause	Your options become exercisable on your date of separation and expire on the earlier of the fifth anniversary of your separation or June 30, 2010
Death	Your options become exercisable on your date of death and expire on the earlier of the fifth anniversary of your death or June 30, 2010

The Amount of Your Grant

The number of shares in your option grant was based on your scheduled work hours and status as of the grant date. If you were a regular full-time associate, you received the full grant amount. If you were a part-time associate, you received half the number of shares granted to full-time associates.

For information on your grant amount, call Salomon Smith Barney (see your Important Benefits Contacts insert for the telephone number).

Your Grant Price

The grant price at which you can purchase shares of Verizon stock is locked in for you, regardless of any increase in the actual market price. This price is the average of the high and low market prices of a share of Verizon stock on the New York Stock Exchange on the date of the grant.

- If you received the Founders' Grant on September 7, 2000, your grant price is \$43.34 for each share you purchase.
- If you received the Founders' Grant between September 8, 2000 and September 29, 2000, your grant price is \$48.22 for each share you purchase.

When You Can Exercise Your Grant

Before you can exercise your Founders' Grant, you must meet certain vesting requirements. If you remain employed continuously with Verizon, your Founders' Grant becomes vested on June 30, 2003.

You can purchase shares of stock under your Founders' Grant from June 30, 2003 until June 30, 2010, for as long as you remain employed continuously by Verizon. During this time period, you can purchase the total number of shares in your Founders' Grant at one time or partial numbers of shares at different times.

Pre-Merger NYNEX Stock Option Plan

Eligibility

If you received stock options under the pre-merger NYNEX Plan called *Take Stock in NYNEX*, your options automatically were vested on the effective date of the merger between NYNEX and the former Bell Atlantic. At this time, your options are available to purchase shares of Verizon stock until the expiration date indicated on your stock option grant.

Prior grant dates were March 31, 1992; October 21, 1994; and for non-bargained employees, January 12, 1996. If you were an active eligible employee on any of these dates, you have the right to buy a fixed number of shares of Company stock at a fixed price until March 31, 2002 for the March 1992 grant; October 21, 2004 for the October 1994 grant; and for non-bargained for employees, January 12, 2006 for the January 1996 grant. If you terminate employment prior to the expiration date indicated, you may have a shorter period of time to exercise your grant, depending on the reason for your separation (see [page 11](#)).

How to Enroll

Before you can exercise your option—or buy shares of Verizon stock—you need to complete and sign an enrollment agreement and return it to KeyBank, N.A., Inc. (KeyBank), the *Take Stock* administrator, at KeyBank; Attention: Stock Option Services; 4900 Tiedemann Road; Mailcode OH-01-49-0245; Brooklyn, OH 44144-2302. This gives KeyBank the authority to set up an account for you; however, it does not obligate you to buy shares. One enrollment agreement will cover all grants.

You also should complete a beneficiary form to designate to whom you want your option transferred if you die.

To request an enrollment agreement or beneficiary form, call KeyBank's voice response system, KeyInvest[®], at the telephone number listed on your Important Benefits Contacts insert.

Your Stock Option Grant

Your stock option grant entitles you to buy a certain number of shares at a fixed price over a 10-year period. The total number of shares granted was based on your scheduled work hours and status (regular full-time or regular part-time) at the time of the grant.

Your Option Price

The option price at which you can purchase Verizon stock is fixed, regardless of any increase in the actual market price:

- If you received the grant on March 31, 1992, your original option price was \$70.63. Due to the conversion to Bell Atlantic shares and the subsequent stock split, your stock option price is \$22.9948 per share. The option price for this grant is locked in for you until March 31, 2002.
- If you received the grant on October 21, 1994, your option price is \$25.1107 per share—adjusted for Bell Atlantic conversion and stock split. This remains the fixed price at which you can buy shares with this grant beginning October 21, 1995 until October 21, 2004.
- If you received the grant on January 12, 1996, your option price is \$33.0013 per share—adjusted for Bell Atlantic conversion and stock split. This remains the fixed price at which you can buy shares with this grant beginning January 12, 1997 until January 12, 2006.

Exercising Your Option (Buying Your Shares)

The Plan offers you three different payment methods for exercising your option: Cash, cashless and a combination of cash and cashless.

Deciding How Many Shares to Exercise

You are required to exercise a minimum of 38 shares with each transaction. If you have less than 38 shares left in your account, that amount can be exercised regardless of the minimum requirement.

Cost Considerations

Exercising your option involves several different costs. To determine which payment method is best for you, you will need to consider each of the following expenses:

- **The option cost.** This is the amount you owe for the shares you are exercising (taxes and any broker's fee are additional costs). You determine the option cost by multiplying the number of shares you decide to exercise by the option price.
- **Withholding taxes.** Your option gain (defined as the difference between the fair market value at the time you exercise your shares and the fixed option price) is considered taxable income for the year in which you exercise. Any applicable taxes will be withheld when you exercise your option.
- **Broker's fee.** This is a transaction fee paid to the broker whenever shares need to be sold to exercise your option. KeyBank handles all broker transactions—it is not your responsibility to contact a broker. The total broker's fee you are charged will vary, depending on the number of shares sold.

About Cash Exercises

If you choose the cash exercise method, you pay the option cost in cash. You must pay this expense with a cashier's check, certified check, money order or wire transfer. Because you do not have to sell shares to cover your option cost, this method gives you ownership of the largest number of shares after you have exercised your option.

If you have questions about your exercise decisions, call the telephone number listed on your Important Benefits Contacts insert to reach KeyCorp's voice response system, KeyInvest. Or, stay on the line and you can speak with a Take Stock representative. Either can help you determine the approximate amount you stand to gain—before taxes and the broker's fee—if you exercise your option.

To cover the withholding taxes on your cash exercise, you can either pay cash or sell shares:

- If you decide to pay cash, you will need to determine your tax withholding amount. You can obtain this information beginning the day after your exercise by calling the telephone number listed on your Important Benefits Contacts insert. Because your withholding cannot be determined until **after** your exercise is processed, you will need to send a separate payment to cover this amount. **Note:** If you pay cash for your withholding taxes, you are not required to pay a broker's fee because you are not selling any shares to cover the expense.
- If you decide to sell shares to pay your withholding taxes, the appropriate number of shares automatically will be sold for you to cover both the withholding taxes and broker's fee. The sale of these shares takes place the same day you exercise your option if you exercise before 3 p.m. Eastern time. If you exercise after 3 p.m., the next day's closing stock price will be used. This means that the stock price used for the **sale** of shares (closing price on the day of exercise) and the **exercise** of shares (fair market value) may vary.

About Cashless Exercises

With the cashless exercise method, you exercise your option without using any of your own money. In other words, the option cost, withholding taxes and broker's fee all are paid by selling some of the shares you have exercised. As a result, you will end up owning fewer shares than if you use the cash exercise method.

About Cash/Cashless Exercises

The combination cash/cashless exercise method allows you to pay a portion of the option cost in cash and request the remaining portion of the option cost be covered by selling the appropriate number of shares. You also cover the withholding taxes and broker's fee by selling shares.

For example, assume you have \$1,000 in cash to spend on your exercise, but your total option cost is \$4,000. With the cash/cashless exercise method, you can pay \$1,000 of the option cost using cash and have shares sold to cover the remaining option cost of \$3,000 plus the withholding taxes and broker's fee.

When all exercise costs are considered, using the combination method will leave you with ownership of fewer shares than if you use the cash-only method, but more than if you use the cashless method.

What You Need to Do to Exercise Your Option

All exercise requests can be made by telephone. Simply call KeyInvest at the telephone number listed on your Important Benefits Contacts insert and initiate your exercise through the automated system, which is available 24 hours a day. Or, to speak with a representative who also can help you exercise your option, call during normal business hours of 8:00 a.m. to 6:00 p.m. Eastern time. You will be asked to again provide your Personal Identification Number (PIN) to the representative. Your exercise will be processed according to your instructions.

Once you have exercised your option using any of the payment methods described on [pages 7 through 8](#), you will receive an Exercise Summarization form in approximately two weeks, which details all aspects and calculations of your exercise. You should keep this summary for your tax records. You also will receive a stock certificate for the shares you have purchased.

Note: If you are making a cash transaction or a combination cash/cashless exercise, make certain your certified check, cashier's check or money order is made payable to *Take Stock*, and includes your name and Social Security number. If you want to wire your payment to KeyBank directly, contact a representative for wire transfer instructions.

Cash and Combination Cash/Cashless Transactions

If you are making a cash or combination cash/cashless exercise, submit your option payment within 10 business days of your telephone call to KeyInvest to request your exercise. If your payment is not received within this time frame, your exercise will be cancelled. Also, your exercise will not be processed until your payment is received. This means the exercise date will be the date payment is received by KeyBank.

If you elect to pay cash for taxes owed in a cash exercise, you must submit your second payment within 10 business days of the exercise date (the date KeyBank has received both the exercise request and the option payment). If your payment is not received within this time frame, KeyBank automatically will sell shares to cover withholding taxes and the resulting broker's fee.

Cashless Transactions

If you are using the cashless exercise method, you are not required to make any direct payments. KeyBank will sell shares to cover the cost of your exercise.

When You Become a Share Owner

When you exercise your stock option(s), you are entitled to the same rights as other Verizon share owners.

Receiving Dividend Payments

As a Company share owner, you will receive any dividend payments that may be declared on Verizon stock that you own. These payments, which generally reflect the Company's earnings, financial requirements and current business conditions, are declared periodically by Verizon's Board of Directors.

About Your Stock Certificate

Each time you exercise an option, you will receive a stock certificate for the number of shares you are entitled to receive. You will be asked for instructions on mailing and registering your stock certificate when you exercise your option. There are two ways you can register your certificate: Either in your name or jointly with another person with rights to survivorship.

Voting Rights

If you exercise your option and become a share owner of Verizon stock, you have voting rights associated with your shares. Before the annual share owners' meeting, you will receive a copy of the proxy material and a form to instruct the trustee how to vote the shares.

If You Want to Sell Your Shares

If you decide to sell your stock after receiving your stock certificate, you must contact a stockbroker to handle the transaction for you.

Tax Rules

Most gains you realize over and above the fixed option price are taxable. These gains are subject to federal and, in most cases, state and local taxes. If you have questions about tax implications, contact a tax advisor.

If You Leave the Company Before the Expiration Date

If you received the first grant on March 31, 1992, the date your option expires is March 31, 2002. If you received the grant on October 21, 1994, the date your option expires is October 21, 2004. And, for a non-bargained-for employees who received the January 12, 1996 grant, the date your option expires is January 12, 2006.

While you are employed by Verizon, these are the dates by which you must exercise each option or lose it. However, if you leave before the date on which the option(s) expires, the expiration date for your option(s) may be affected, as shown below.

If You Leave the Company

If You Leave Verizon Because of...	Then Your Option Expires... (March 31, 1992 Grant)	Then Your Option Expires... (October 21, 1994 Grant)	Then Your Option Expires... (January 12, 1996 Grant)
Retirement, long-term disability, Force Adjustment Plan (FAP) or lay-off	In 5 years or March 31, 2002—whichever comes first	In 5 years or October 21, 2004—whichever comes first	In 5 years or January 12, 2006—whichever comes first
Resignation or other termination	In 90 days or March 31, 2002—whichever comes first	In 90 days or October 21, 2004—whichever comes first	In 90 days or January 12, 2006—whichever comes first
Transfer to a nonparticipating Verizon company	March 31, 2002	October 21, 2004	January 12, 2006
Leave of absence	March 31, 2002	October 21, 2004	January 12, 2006

If You Die

If you die, your beneficiary has the right to exercise your option(s) as described below:

Your Beneficiary Only Has Until the Following Date to Exercise Your Option...			
If You Die...	For the March 31, 1992 Grant	For the October 21, 1994 Grant	For the January 12, 1996 Grant
While an active employee	Within 5 years from your date of death or March 31, 2002—whichever comes first	Within 5 years from your date of death or October 21, 2004—whichever comes first	Within 5 years from your date of death or January 12, 2006—whichever comes first
After retirement	Within 5 years from your retirement date or March 31, 2002—whichever comes first	Within 5 years from your retirement date or October 21, 2004—whichever comes first	Within 5 years from your retirement date or January 12, 2006—whichever comes first

In the event of your death, your beneficiary would be notified of his or her rights.

Educational Assistance

Verizon provides three ways to help fund the cost of education for you and, in some cases, your family:

- **Tuition assistance**, which supports out-of-hours education for professional and personal development.
- **The education loan program**, under which you and your family members may be eligible for private loans of up to \$25,000 a year to help defray the cost of tuition and related educational expenses of undergraduate, graduate, professional or private secondary schools. You also can get assistance in applying for federal loans.
- **A scholarship program**, which allows your children to apply for Verizon-sponsored scholarships to college, as long as you are a regular associate and have completed six months of employment.

Tuition Assistance Plan

Verizon supports out-of-hours education for professional and personal development through the Tuition Assistance Plan. Currently, there are distinct tuition policies for the former Bell Atlantic North, the former Bell Atlantic South and the former GTE. Ultimately, the new corporation intends to provide a more uniform policy as part of the overall integration of HR policies.

Verizon employees in the former Bell Atlantic North continue to be governed by the Bell Atlantic North Tuition Assistance Plan. Employees should contact the Tuition Assistance Plan (TAP) administrator for the former Bell Atlantic North at the telephone number listed on your Important Benefits Contacts insert.

Note: If you are on an Enhanced Educational Leave of Absence, your tuition assistance maximum per leave year is \$10,000.

Education Loan Program

Verizon sponsors the ConSern[®] Education Program, which assists you and your family members in reaching your educational goals by providing affordable education financing.

For more information on the ConSern program, call ConSern at the telephone number listed on your Important Benefits Contacts insert. Loan specialists are available Monday through Friday from 8:00 a.m. to 9:00 p.m. Eastern time and Saturday from 12:00 p.m. to 4:00 p.m. Eastern time.

Who Is Eligible

You may apply for an education loan if you:

- Are a regular full-time or part-time associate of a participating company (or a family member of an employee, such as a spouse, child, sibling, grandchild, niece or nephew) or are a retiree¹
- Are a citizen or permanent resident of the United States.

¹You may apply with up to two co-borrowers.

Eligible Expenses

The ConSern program covers all education-related expenses, including tuition, housing, living expenses or even a personal computer for:

- Undergraduate studies
- Graduate studies
- Professional studies or training
- Private K-12 schools.

You may use your loan to cover previous years' tuition, as long as the student (you or a family member) currently is enrolled in an accredited college or university.

Loan Amounts

You or a qualifying family member can borrow between \$1,000 and \$20,000 a year for tuition and education-related expenses.

Your Costs

When you take a loan through the ConSern program, you pay standard loan costs, including:

- A monthly payment of principal and interest depending on the type of loan
- A loan origination fee added to your requested loan.

How to Apply

You can apply for a ConSern education loan any time by contacting ConSern at the telephone number or Internet site listed on your Important Benefits Contacts insert.

The ConSern program also offers assistance in applying for the Federal Family Education Loans (some of which are subsidized), such as the Stafford Loan Program and the Parent Loan for Students (PLUS). For information, contact ConSern at the telephone number listed on your Important Benefits Contacts insert.

Verizon Scholarship Program for Children of Associates

Eligibility

If you meet the following eligibility requirements, your natural or legally adopted children, stepchildren or legal wards who are high school seniors may apply for a Verizon scholarship:

- You are a regular full-time or part-time associate of Verizon.
- You have completed at least six months of net credited service as of the scholarship application date.

In addition, if you die as an eligible employee, eligibility continues for your children.

To be considered for a Verizon scholarship, your child must:

- Be a high school senior during the current academic year
- Enroll in a full-time course of study in the upcoming college academic year at an accredited four-year college or university.

Scholarship

College scholarships are available for highschool seniors who plan to enroll (or students who currently are enrolled) in a full-time program of undergraduate study at an accredited college or university. The study generally leads to a bachelor's degree.

Scholarship recipients receive \$5,000 a year, up to a total of \$20,000 over four years.

Scholarship funds may be used to pay for tuition, books, laboratory fees, room and board and other related educational expenses.

How Recipients Are Chosen

The program, including the selection process, is administered by Citizens' Scholarship Foundation of America, Inc. (CSFA), a national, non-profit student aid service organization. Scholarship recipients are chosen competitively by CSFA on the basis of financial need, academic record, extracurricular activities and leadership qualities.

For more information on the Verizon Scholarship Program, call CSFA at the telephone number listed on your Important Benefits Contacts insert and ask to speak with the Verizon Scholarship Program Manager.

How to Apply

To apply, the high school senior should:

- Request and complete an application during the annual application period. Forms and deadline information are available online from the Verizon Foundation and from CSFA (see your Important Benefits Contacts insert for information).
- Give the application to a school counselor or teacher who can complete the Applicant Appraisal and Transcript Information sections. The application then should be returned to the applicant in a sealed envelope.
- Forward the completed application with the applicant's official transcript of grades to:

Verizon Scholarship Program for Children of Associates
Citizens' Scholarship Foundation of America, Inc.
P.O. Box 297
St. Peter, MN 56082

Note: Applications must be received by the deadline to be eligible.

Announcement and Distribution of Awards

All applicants will be notified of CSFA's award decision following the application period. Award recipients must notify CSFA of acceptance of the award within 10 days of notification. Payment of awards is subject to college acceptance and will be paid by check, made out jointly to the recipient and to the school, in two equal installments in August and December. Checks are mailed directly to the school.

Renewing a Scholarship

College scholarships are renewable for a maximum of three years or until a bachelor's degree is awarded. The student must maintain satisfactory academic progress in a full-time course of study to qualify for renewal. CSFA will initiate the renewal process each year.

Deferring a Scholarship

In cases of serious illness, injury or an approved leave of absence that interrupts studies, scholarships may be eligible for deferral. CSFA must be notified immediately should these or other unusual circumstances arise. CSFA will make decisions about deferrals on a case-by-case basis.

Adoption Assistance Program

Verizon offers associates two different kinds of assistance to help cover adoption-related expenses:

- *AdoptionOptions*[®], a referral and assistance service provided through LifeBalance
- The Adoption Reimbursement Plan.

AdoptionOptions

Eligibility

All full-time and part-time associates are eligible for *AdoptionOptions*. The service is offered at no charge to associates and can be used as often as necessary.

Benefits Available

AdoptionOptions is a service available through LifeBalance, which is administered through Ceridian. This service provides you with a range of consultation and resources on adoption issues, including:

- Infertility issues
- Infant, older child and “special needs” adoptions
- Domestic and international adoptions
- Agency and independent adoptions
- Single parent, older parent and stepparent adoptions
- Information about searching for birth relatives
- Post-adoption issues.

For more information on <i>AdoptionOptions</i> , call a LifeBalance consultant at the telephone number listed on your Important Benefits Contacts insert. Consultants are available 24 hours a day, seven days a week.

Adoption Reimbursement Plan

Eligible associates can receive up to \$10,000 per family per adoption for eligible expenses.

Eligibility

You are eligible for reimbursement benefits under this Plan if you incur eligible adoption expenses and the adoption is finalized while you are a full-time or part-time associate who works at Verizon or a participating company.

Eligible Expenses

Eligible expenses for reimbursement under this Plan include:

- Legal fees
- Court costs
- Temporary child care expenses prior to placement of the child in your home
- Necessary medical expenses for the child being adopted to the extent not reimbursed by Company-sponsored or other medical coverage
- Fees for a public or private agency licensed to provide adoption services (such as application fees, home study fees or placement fees)
- Any medical expenses for an adoption-related condition (for example, prenatal or hospital care) for the biological mother.
- All transportation and travel expenses for anyone connected with the adoption, including but not limited to:
 - The child
 - Adoptive parents
 - Biological parents
 - Appointed guardians.

For more information on the Adoption Reimbursement Plan, call a LifeBalance consultant at the telephone number listed on your Important Benefits Contacts insert. Consultants are available 24 hours a day, seven days a week.

Eligible expenses must be related to the adoption of a child who is:

- Under age 18
- Age 18 and mentally or physically incapable of self-care.

Ineligible Expenses

Expenses **not** eligible for reimbursement under this Plan include:

- Expenses for the biological parents, other than medical expenses and transportation or travel expenses as indicated above that are related to the birth of the child
- Voluntary donations or contributions to the adoption agency
- Costs to obtain guardianship or custody of the child that are not connected with the child's legal adoption
- Expenses otherwise reimbursed or covered under other Verizon Plans or programs, or under the plans or programs of the non-Verizon parent's employer, or expenses paid or reimbursed by any other source.

Note: Only one parent is eligible to receive reimbursement under this Plan—even if you and your spouse both work for Verizon. In addition, if you apply for adoption reimbursement, you cannot later transfer your application for benefits to your spouse, and vice versa. If you or your spouse has a change in employment status, the parent who has not applied may submit a new application for benefits. However, the total benefit per family cannot exceed \$10,000 per adoption.

Filing a Claim for Benefits

Once your adoption is final, you can request reimbursement of eligible expenses:

- Call LifeBalance (see your Important Benefits Contacts insert for the telephone number) to request an Adoption Reimbursement Claim Form. You may submit only one claim form per child per adoption.
- Complete the Adoption Reimbursement Claim Form and attach the following required documents:
 - Documentation stating that the adoption legally is final, such as a notarized or certified copy of the placement agreement
 - Adoption papers and records provided by the state, if applicable
 - **Original** receipts showing payment was made for all covered expenses (these receipts will be returned to you).
- Send your completed form, along with the required documentation, to the address indicated on the form. Forms must be submitted within 90 days after the adoption is finalized.

If your claim is approved, your reimbursement will be processed within 60 days of the receipt of your form. If your claim is denied, in whole or part, written notification with the reasons for denial will be sent to you within 30 days of receipt of your form. You may appeal any denial by calling LifeBalance (see your Important Benefits Contacts insert for the telephone number) or by writing to:

Ceridian
3043 Walton Road, Suite 110
Plymouth Meeting, PA 19462
Attention: Verizon Adoption Reimbursement

You may appeal the denial by writing to the Plan administrator within 60 days. The Plan administrator will reply to the appeal within 60 days. Call the InTouch Center with questions about the appeals process.

LifeBalance®

LifeBalance, a family resource and referral program, provides information and referral for your elder care, child care, education and adoption needs, as well as everyday issues. Verizon pays the full cost of providing the program—there is no cost to you.

Eligibility

You are eligible to use the LifeBalance program starting with your first day at work with Verizon. If you are married or have a same-sex domestic partner, your spouse or same-sex domestic partner also can use the program. In general, your eligibility for the program ends when you terminate employment with Verizon for any reason.

How the Program Works

LifeBalance can help with a broad range of family needs. Depending on your needs when you call the program, you will be provided with the names of caregivers or services available in your community, expert advice from specialists, assistance with regulatory and financial issues and free publications related to your area of concern. (See “Key Service Areas” for more information.)

Keep in mind, the program is designed to provide you with information and community referrals, **not** recommendations, and the quality of outside resources cannot be guaranteed. Verizon has no role in the selection of recommended providers. You and your family members are responsible for deciding on the options or resources that best meet your needs.

Key Service Areas

Parenting and Childcare

Making the right decisions as a parent and finding the right kind of care for children can be a challenge. Whether you need infant care, advice on how to parent from a distance, programs for your school-aged children or backup arrangements, LifeBalance consultants are ready to answer your childcare and parenting questions.

When you call, a consultant will discuss your needs and give you the names of providers in your community with current openings, as well as detailed information about hours, programs and fees.

For more information, contact LifeBalance at the telephone number or Internet site listed on your Important Benefits Contacts insert.

Parenting

LifeBalance consultants can talk with you about parenting issues, such as discipline, bedtime routines and how to ease the transition from staying at home to putting your child in care. You also can receive free educational materials.

If you have elementary-school-age children, LifeBalance consultants can provide assistance with a variety of issues:

- Helping your child feel good about himself or herself
- Safety before, during and after school
- Planning your family's summer
- Helping your children get along.

For pre-teen and teenage issues, LifeBalance can help you:

- Know what is normal versus when to be concerned
- Understand peer pressure
- Communicate better with your teenager.

Education and Schooling

LifeBalance can provide information to help you determine which school is right for your child and you, including your own pursuit to continue your education. Personalized reports on schools that meet your specifications, a customized college financial planner based on your income, college financing information and resources on post-secondary schools and colleges are all part of the service LifeBalance can provide.

LifeBalance consultants can work with you to ensure that your school-age child gets the most from his or her education. Information will be provided on how to motivate your child, work with teachers and find tutors and gifted programs. Also, information is available on how to encourage independence and responsibility, address school problems and homework and prepare your child for life after high school.

Adoption Assistance

Adoption assistance includes practical advice on topics such as understanding the adoption process; stepparenting and relative adoption; adopting over age 40; contact with a birth parent; and/or assistance on finding resources such as adoption agencies, attorney referral services and support groups. For more information on *AdoptionOptions*, see [page 16](#).

Resources for Seniors

Elder care can mean many things, from helping an older relative with shopping to finding living arrangements for a parent or grandparent. Whatever your situation, LifeBalance is designed to answer your questions and help you find the services your family needs.

When you call LifeBalance, you will have access to the information you need, including referrals and publications. You also will speak with an expert who will provide you with different types of information, including:

- Answers to your questions about housing, insurance, Medicaid and services available in the home
- Helpful hints on how to provide support from a distance
- Free publications
- Customized referrals to services where you or your elder live, including housing options, in-home or medical services, transportation arrangements or financial resources.

If you are helping or caring for an adult family member with a disability, call LifeBalance to speak with an expert who is ready to discuss your concerns, help you understand your options and identify support and services that meet your or your elder's needs.

Everyday Issues

LifeBalance can help you with a number of personal issues by offering timesaving ideas for organizing and simplifying your daily routines. LifeBalance consultants can give you assistance in areas such as balancing work and family, planning a leave from work and managing household responsibilities, including consumer information and assistance with health issues, big ticket purchases, pet care, credit management, budgeting, insurance, tax planning and referrals to credit counselors, attorneys, financial planners and tax professionals.

Planning for Retirement

You can call LifeBalance for help with:

- Understanding what to expect in retirement
- Deciding where to live after retirement
- Considerations for social and recreational activities.

Situations That Can Affect Your Eligibility

Certain situations can affect your eligibility for the LifeBalance program:

- If you take an approved leave of absence, you can continue to use the program throughout your leave.
- If you retire or leave the Company, your eligibility ends.
- The Company reserves the right to stop offering the program at any time, subject to any duty to bargain collectively.

Leave of Absence Program

Eligibility

If you are a full-time, part-time or temporary associate, you are eligible from your first day of work with no service requirement for the following leaves.

- Anticipated Disability Leave
- Care for Newborn Children Leave
- Family Care Leave
- Other Leaves
 - Personal Leave
 - Education Leave
 - Civic Leave
 - Military Leave
 - Union Leave.

If you are a full-time associate with five or more years of service, you also are eligible for:

- Enhanced Educational Leave.

Your eligibility for a leave ends when you end employment from Verizon or a participating company. You will be considered a terminated employee if you do not return to work from a leave on the scheduled date or, if you are a temporary associate, you do not return to work before your job is scheduled to end.

Verizon complies with the Family and Medical Leave Act of 1993 (FMLA). Certain provisions of the Care for Newborn Children Leave (including the Gradual Return to Work provision) and Family Care Leave may overlap or run concurrently with the FMLA leave.

Note that for purposes of the FMLA, in general, a family member includes your spouse, children or parents. See [page 35](#) for family members included under the Family Care Leave.

See [pages 54 through 60](#) for additional information about FMLA and state rules.

Anticipated Disability Leave

Anticipated Disability Leaves are provided under the Verizon Anticipated Disability Program for New York and New England Associates.

The Anticipated Disability Leave allows you to take up to six months of unpaid leave before an anticipated disability, such as surgery or, if you are an expectant mother, before the birth of your child. You will need to provide medical evidence that a disability is expected to occur and medical treatment has been scheduled.

Once you become disabled, you also may be eligible to receive disability benefits under the Verizon Sickness and Accident Disability Benefit Plan (SADBP) for New York and New England Associates if you have at least six months of net credited service and are certified disabled by Verizon. If you are eligible, these benefits begin on the eighth consecutive calendar day you are absent. During the first seven consecutive calendar days of absence, you may be able to receive Incidental Absence payments. For more information on Incidental Absence and other benefits payable under the Verizon-sponsored Disability Plans, refer to Your Disability Benefits summary plan description (SPD).

Applying for Leave

You should apply for the leave at least four weeks before you want it to begin. To apply, request the appropriate Leave of Absence application by accessing the eWeb and clicking on “Get Forms OnLine” or by contacting the Benefits Delivery Office. Once you have completed the application, submit it to your supervisor for approval. You then should forward it to the Benefits Delivery Office (see your Important Benefits Contacts insert for the telephone number) located at 4 West Red Oak Lane, 3rd Floor; White Plains, NY 10604. In addition, your physician must submit an Attending Physician’s Report with proof of your anticipated disability.

Leave Approval

All requests for Anticipated Disability Leave should be forwarded to the Benefits Delivery Office for review. The Leave of Absence Administrator will notify your department of the approval or denial. As part of the review process, your medical information will be reviewed by the designated Verizon contact to confirm the anticipated disability.

Returning to Work

You will be reinstated to the job you held prior to the leave, or one of similar pay and status, provided you return to work upon conclusion of your period of certified disability under the Sickness and Accident Disability Benefit Plan.

Benefits During Your Leave

Health Care Coverage

Your medical, dental and vision care coverage can continue throughout your Anticipated Disability Leave. Verizon will pay the amount it normally does for your coverage during your leave. If you contribute to the cost of your health care coverage, however, you must continue making contributions during your leave. The Company will bill you monthly for these charges.

Life and AD&D Insurance Coverage

Basic Life and Accidental Death and Dismemberment (AD&D)

Basic Life and AD&D Insurance coverage automatically continue throughout your absence.

Supplemental Life, Dependent Life and Dependent AD&D

You can continue any Supplemental Life, Dependent Life and Dependent AD&D Insurance coverage you have in effect at the time your leave begins. You may continue coverage during your entire leave provided you pay the required premiums, which will be billed to you monthly. You also can reduce the amount of your Supplemental Life, Dependent Life and Dependent AD&D Insurance coverage or stop your coverage while you are on leave.

You may apply to increase your coverage or to enroll for Supplemental Life, Dependent Life and Dependent AD&D Insurance any time after you return to work, subject to the Statement of Health Form requirements of the Survivor Benefits Program.

Savings Plan Participation and Payroll Deductions

Your Savings Plan allotments and other payroll deductions end with your last paycheck prior to your unpaid leave.

If you qualify to receive Verizon Sickness and Accident Disability benefits during your period of disability, your Savings Plan contributions will be deducted from disability benefits when they are paid. The contribution percentage will be the same as that deducted from your pay, unless you increase, reduce or cancel it.

You can make contribution changes while on leave, which will take effect when your pay resumes. You also can make investment changes and take a withdrawal from the Plan. If you have an outstanding loan when your leave begins, you will receive a coupon book to use to continue making payments during your leave.

Bank loan payments, charitable and political contributions and other payroll deductions are cancelled for the duration of the leave.

When you return to work, your Savings Plan contributions will resume automatically. However, you will not be able to make up for contributions missed during your leave. Pioneer dues will resume automatically, but you must re-authorize all other deductions before they will begin again.

Health Care and Dependent Care Accounts

If you participate in the Health Care Account prior to your unpaid non-FMLA leave, your payroll deductions stop when your leave begins. You can elect to continue your participation in the Health Care Account by continuing to make scheduled payments on an after-tax basis through the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) and its subsequent amendments. If you elect to participate during your leave, you then will be able to submit claims for expenses incurred during your leave. If you elect not to participate during your leave, you can elect to have your payroll deductions reinstated when you return to work. If you do not return to work following your leave, you can elect to continue contributions through COBRA and submit claims for expenses incurred while COBRA coverage continues, through the end of the calendar year in which your leave ends.

If you participate in the Dependent Care Account prior to your leave, your contributions are suspended during your leave. However, you may continue to submit claims in accordance with the Plan for expenses incurred during the period of the Plan year for which you have made contributions. Your deposits end with your last paycheck prior to your leave. When you return to work, you will have the opportunity to re-enroll as an active employee.

Refer to Your Health Care and Dependent Care Accounts SPD for details.

Concession Telephone Service

Concession Telephone Service continues during your leave on the same basis as before your leave began.

Sickness Death Benefit

A Sickness Death benefit may be payable to your mandatory beneficiaries if you die during your leave and you were hired before January 1, 1987.

Service Credit While You Are on Leave

You receive service credit for:

- The first 30 days of your Anticipated Disability Leave, if you return to work
- The full period during which you receive Verizon Sickness and Accident Disability benefits.

Additional Information

- While on leave, you may not accept paid employment during your normal work hours.
- You cannot take vacation after you begin your Anticipated Disability Leave.
- You do not earn vacation time while on an Anticipated Disability Leave of over 30 days.
- If you return to work during the calendar year in which you begin your leave, you will be eligible for vacation for that year.
- If you do not return to active work for the Company following a leave, you may be eligible for cash payment for unused vacation.
- You will not be eligible for pay—or compensatory time off—for holidays or excused workdays that occur while you are on a leave of absence.

Care for Newborn Children Leave

Following the birth or adoption of your child or placement of a foster child in your home, you may take up to 12 months of unpaid leave. You can begin a Care for Newborn Children Leave any time within the 12-month period following the birth or placement of your child or after a period of Sickness and Accident Disability Benefit Plan payments due to the birth of your child. You will be guaranteed reinstatement to the same or similar job of equivalent pay if you return to work within one year from the date of birth, adoption or placement of the child.

Applying for Leave

You should apply for a Care for Newborn Children Leave at least four weeks before you want it to begin. To apply, request the appropriate Leave of Absence application by accessing the eWeb and clicking on “Get Forms OnLine” or by contacting the Benefits Delivery Office. Once you have completed the application, submit it to your supervisor for approval. You then should forward it to the Benefits Delivery Office (see your Important Benefits Contacts insert for the telephone number) located at 4 West Red Oak Lane, 3rd Floor; White Plains, NY 10604.

If you are a mother out on disability following the birth of your child, your disability certification serves as proof under the Care for Newborn Children Leave. If you are a father or same-sex domestic partner requesting a Care for Newborn Children Leave, you must provide proof of the baby’s birth to the Benefits Delivery Office before your leave can be approved. Adoptive and foster parents must provide proof of adoption or placement before the leave can be approved.

Leave Approval

All requests for Care for Newborn Children Leave should be forwarded to the Benefits Delivery Office for review. The Leave of Absence Administrator will notify your department of the approval or denial.

Enrolling a New Dependent for Medical Coverage

If you want to enroll your newly eligible dependent for medical coverage, you must do so as soon as possible, within 90 days after the child becomes eligible (the date of birth for a newborn, the date of placement in your home for an adopted or foster child). If you enroll your child within the 90-day timeframe, coverage will be effective as of the date of his or her eligibility. Otherwise, coverage is effective on the first of the month following enrollment.

For more information on eligible dependents and how to enroll a dependent for coverage, refer to Your Medical Benefits SPD.

Returning to Work

About Job Reinstatement

If you are a parent who takes a Care for Newborn Children Leave, you will be reinstated to the job you held prior to the leave or one of similar pay and status, provided you return to work within 12 months from the date of birth, adoption or placement.

You can return to work earlier than scheduled, and you will be reinstated to the job you held prior to your leave or one of similar pay and status. However, if you already have used your 12 weeks of annual FMLA entitlement, reinstatement may be deferred until a position is available, but no later than the date originally agreed upon for your return.

Gradual Return to Work

At Verizon and most participating companies, new mothers and fathers may return to work after or during a Care for Newborn Children Leave or after a disability absence due to the birth of your child (mothers only) on a reduced schedule called a Gradual Return to Work (GRW). Your eligibility may be affected by your collective bargaining agreement. The maximum period of combined GRW and Care for Newborn Children Leave you may take, however, is 12 months—beginning with the date your child is born or the date an adopted or foster child is placed with you.

With a GRW arrangement, you work a reduced schedule, but your employment status—full-time or part-time—remains the same as before you went on a Care for Newborn Children Leave or a disability absence due to the birth of a child. You continue to receive the same benefit coverage as prior to your leave, as well as service credit for the entire leave and GRW period. However, you are paid only for the hours you work and your reduced work schedule must fall within the same time period as your normal work hours. If you work in the Upstate and Downstate Traffic Bargaining Units (CWA Local 1110 and 1112), you must work a minimum of half-a-tour per week, as defined in your collective bargaining agreement. If you are a member of IBEW New England, you must work a minimum of one-half of a full-time workweek.

If you return to work on a reduced schedule, you will be eligible for paid holidays, excused workdays and vacation time on the same basis as before you took the Care for Newborn Children Leave. Payment for incidental absences and jury duty will be adjusted for your reduced work schedule.

Employee Benefits During Your Leave

Health Care Coverage

Your medical, dental and vision care coverage continue throughout your leave. Verizon will pay the amount it normally does for your coverage during your leave. If you contribute to the cost of your health care coverage, however, you must continue making contributions during your leave. The Company will bill you monthly for these charges.

Sickness and Accident Disability Benefits

If you are certified as disabled during the first 30 days of your leave, you may be eligible to receive benefits under the Verizon Sickness and Accident Disability Benefit Plan. In such situations, you must notify your department. If you qualify for benefits, your leave may be cancelled and Verizon Sickness and Accident Disability benefits may begin on the eighth consecutive calendar day after your leave ends.

If you become disabled after the first 30 days of your leave, you can submit a request to your department to terminate your leave. Your department will notify the Benefits Delivery Office of your request. If your request is approved and benefits are authorized, Verizon Sickness and Accident Disability benefits will begin on the eighth consecutive calendar day after your leave ends.

Contact the Benefits Delivery Office for more information.

Life and AD&D Insurance Coverage

Basic Life and AD&D

Basic Life and AD&D Insurance coverage automatically continue throughout your leave for up to 12 months.

Supplemental Life, Dependent Life and Dependent AD&D

You can continue any Supplemental Life, Dependent Life and Dependent AD&D Insurance coverage you have in effect at the time your leave begins. You also may apply to increase your coverage or to enroll for Supplemental Life, Dependent Life and Dependent AD&D while on a Care for Newborn Children Leave, subject to the Statement of Health Form requirements of the Survivor Benefits Program. You may continue coverage during your entire leave for up to 12 months provided you pay the required premiums which will be billed to you monthly. You also can reduce the amount of your Supplemental Life, Dependent Life and Dependent AD&D Insurance coverage or stop your coverage while you are on leave.

Savings Plan Participation and Payroll Deductions

If you take a Care for Newborn Children Leave, Savings Plan allotments and other payroll deductions will stop when your unpaid leave begins. The contributions will not resume until you return to work, unless you become disabled and qualify to receive Sickness and Accident Disability benefits after the leave begins. In this case, Savings Plan allotments will be deducted from disability benefits when they are paid. The contribution percentage will be the same as that deducted from your pay, unless you increase, reduce or cancel it.

You can make contribution changes while on leave, which will take effect when your pay resumes. You also can make investment changes and take a withdrawal from the Plan. If you have an outstanding loan when your leave begins, you will receive a coupon book to use to continue making payments during your leave.

Bank loan payments, charitable and political contributions and other payroll deductions are cancelled for the duration of the leave.

When you return to work, your Savings Plan contributions will resume automatically. However, you will not be able to make up for contributions missed during your leave period. Pioneer dues will resume automatically, but you must re-authorize all other deductions before they will begin again.

Health Care and Dependent Care Accounts

If you participate in the Health Care Account prior to your unpaid FMLA leave, your payroll deductions stop when your leave begins. You can elect to continue your participation in the Health Care Account during your unpaid FMLA leave by contacting the InTouch Center before the leave begins. If you elect to participate, you will be able to submit claims for expenses incurred during your unpaid FMLA leave. Upon your return, your monthly payroll deductions will be increased to account for the missed payroll deductions. If you elect not to participate, you can elect to have your payroll deductions reinstated when you return to work. Your Health Care Account goal amount will be reduced, due to the missed payroll deductions.

If you do not return to work following your unpaid FMLA leave (for example, you terminate or continue your leave beyond the FMLA period), you can elect to continue contributions through COBRA. You may submit claims for expenses incurred while COBRA coverage continues through the end of the calendar year in which your leave ends.

If you participate in the Dependent Care Account prior to your leave, your contributions are suspended during your leave. However, you may continue to submit claims in accordance with the Plan for expenses incurred during the period of the Plan year for which you have made contributions. Your deposits end with your last paycheck prior to your leave. When you return to work, you will have the opportunity to re-enroll as an active employee.

Refer to Your Health Care and Dependent Care Accounts SPD for details.

Concession Telephone Service

Concession Telephone Service continues during your leave on the same basis as before your leave began.

Sickness Death Benefit

A Sickness Death benefit may be payable to your mandatory beneficiaries if you die during your leave and you were hired before January 1, 1987.

Service Credit While You Are on Leave

You receive service credit for the entire time you are on the Care for Newborn Children Leave, even if you do not return to work at the end of your leave.

Additional Information

- While on leave, you may not accept paid employment during your normal work hours.
- New mothers can take a paid vacation after their period of disability ends, and before they begin a Care for Newborn Children Leave—without returning to active work.
- You continue to earn vacation time while on a Care for Newborn Children Leave.
- If you return to work during the calendar year in which you begin your leave, you will be eligible for vacation for that year.
- If you do not return to active work for the Company following a leave, you may be eligible for cash payment for unused vacation.
- You will not be eligible for pay—or compensatory time off—for holidays or excused workdays that occur while you are on a leave of absence.

Family Care Leave

If one of your family members becomes seriously ill and you need time away from work to care for him or her, you can take a Family Care Leave for up to 24 months over a 10-year period. Note that your Family Care Leave will run concurrently with any FMLA leave to which you are entitled.

You may request a leave to care for the following family members:

- Your spouse or same-sex domestic partner
- Your children, including adopted children and stepchildren who live with you, as well as any other children who live with you and for whom you or your spouse or same-sex domestic partner is the legal guardian
- Your grandchildren
- Your brother or sister
- Your parent or parent-in-law or the parents of your same-sex domestic partner
- Your grandparent or grandparent-in-law or the grandparent of your same-sex domestic partner
- Any other relative who takes the place of a parent or lives in your home.

Intermittent or Reduced Work Schedule

You may be eligible to take a Family Care Leave on an intermittent or reduced schedule basis if these accommodations are medically necessary. If you choose to take your leave on an intermittent or reduced schedule basis, you temporarily may be transferred to a job of similar pay and status that better accommodates your schedule.

Applying for Leave

You should apply for the leave at least four weeks before you want it to begin. In emergency cases, retroactive approval for a leave can be arranged. To apply, request the appropriate Leave of Absence application by accessing the eWeb and clicking on “Get Forms OnLine” or by contacting the Benefits Delivery Office. Once you have completed the application, submit it to your supervisor for approval. You then should forward it to the Benefits Delivery Office (see your Important Benefits Contacts insert for the telephone number) located at 4 West Red Oak Lane, 3rd Floor; White Plains, NY 10604. In addition to the application you submit, the personal physician for the family member who needs your care must provide your designated Verizon contact with a letter including the following information:

- Date your family member’s health condition started
- Probable duration of the health condition
- A description of the illness
- Both the family member’s and your names and Social Security numbers.

The letter also must state that you are needed to care for the family member and the probable duration of time you will need to provide such care. Also, if you are caring for a family member on an intermittent or reduced schedule basis, the physician also should certify that such a leave is medically necessary and identify the dates of any planned medical treatments (e.g., chemotherapy or radiation). In addition, this letter should be in a sealed envelope to ensure the confidentiality of sensitive medical information.

Leave Approval

All requests for Family Care Leave should be forwarded to the Benefits Delivery Office for review. The Leave of Absence Administrator will notify your department of the approval or denial. As part of the review process, your medical information will be reviewed by the designated Verizon contact to confirm the medical necessity of your leave.

Enrolling a New Dependent for Medical Coverage

If a family member you are caring for comes to live with you due to serious illness, he or she may qualify for dependent coverage under your Verizon-sponsored Medical Plan. If you want to enroll a newly eligible Class I Dependent for coverage, you must do so as soon as possible, within 90 days after he or she becomes eligible. If you enroll the individual within the 90-day timeframe, coverage will be effective as of the date of his or her eligibility. Otherwise, coverage will be effective on the first of the month following enrollment. If you are enrolling a newly eligible Class II Dependent or Sponsored Child, coverage will be effective on the first day of the month following enrollment.

For more information on eligible dependents and how to enroll a dependent for coverage, refer to Your Medical Benefits SPD.

Returning to Work

About Job Reinstatement

When you return to work, you will be reinstated to the job you held prior to the leave, or one of similar pay and status, provided you return to work on the date agreed upon before your leave began.

You can return to work earlier than scheduled, and you will be reinstated to the job you held prior to your leave, or one of similar pay and status. However, if you already have used your 12 weeks of annual FMLA entitlement, your reinstatement may be deferred until a position is available, but no later than the date originally agreed upon for your return.

If you are able to return to work earlier than scheduled because the family member you are caring for no longer needs your assistance, you must notify your supervisor immediately. If your job or one of similar pay and status is available, you must return to work. If you do not notify your supervisor when your family member no longer needs assistance, you will lose your right to re-employment.

Extending Your Leave

If you need to extend your Family Care Leave beyond the time originally planned, you should notify your department immediately. A new date for your return to work will be established if your leave extension is approved.

Benefits During Your Leave

Health Care Coverage

Your medical, dental and vision care coverage continue throughout your leave. Verizon will pay the amount it normally does for your coverage during your leave. If you contribute to the cost of your health care coverage, however, you must continue making contributions during your leave. The Company will bill you monthly for these charges.

Sickness and Accident Disability Benefits

If you become disabled during the first 30 days of your leave, you may be eligible for sickness benefits under the Verizon Sickness and Accident Disability Plan for New York and New England Associates. In such situations, you must notify your department. If you qualify for sickness benefits, your leave may be cancelled and Verizon Sickness and Accident Disability benefits may begin on the eighth consecutive calendar day after your leave ends.

If you become disabled after the first 30 days of your leave, you can submit a request to your department to terminate your leave. Your department will notify the Benefits Delivery Office of your request. If your request is approved and benefits are authorized, Verizon Sickness and Accident Disability benefits will begin on the eighth consecutive calendar day after your leave ends.

Contact the Benefits Delivery Office for more information.

Life and AD&D Insurance Coverage

Basic Life and AD&D

Basic Life and AD&D Insurance coverage automatically continue throughout your entire leave for up to 24 months.

Supplemental Life, Dependent Life and Dependent AD&D

You can continue any Supplemental Life, Dependent Life and Dependent AD&D Insurance coverage you have in effect at the time your leave begins. You may continue coverage during your entire leave, up to 24 months, provided you pay the required premiums, which will be billed to you monthly. You also can reduce the amount of your Supplemental Life, Dependent Life and Dependent AD&D Insurance coverage or stop your coverage while you are on leave.

You may apply to increase your coverage or to enroll for Supplemental Life, Dependent Life and Dependent AD&D Insurance any time after you return to work, subject to the Statement of Health Form requirements of the Survivor Benefits Program.

Savings Plan Participation and Payroll Deductions

If you take a Family Care Leave, Savings Plan allotments and other payroll deductions will stop when your unpaid leave begins. The contributions will not resume until you return to work, unless you become disabled and qualify to receive Sickness and Accident Disability benefits after the leave begins. In this case, Savings Plan allotments will be deducted from disability benefits when they are paid. The contribution percentage will be the same as that deducted from your pay, unless you increase, reduce or cancel it.

You can make contribution changes while on leave, which will take effect when your pay resumes. You also can make investment changes and take a withdrawal from the Plan. If you have an outstanding loan when your leave begins, you will receive a coupon book to use to continue making payments during your leave.

Bank loan payments, charitable and political contributions and other payroll deductions are cancelled for the duration of the leave.

When you return to work, your Savings Plan contributions will resume automatically. However, you will not be able to make up for contributions missed during your leave period. Pioneer dues will resume automatically, but you must re-authorize all other deductions before they will begin again.

Health Care and Dependent Care Accounts

If you participate in the Health Care Account prior to your unpaid FMLA leave, your payroll deductions stop when your leave begins. You can elect to continue your participation in the Health Care Account during your unpaid FMLA leave by contacting the InTouch Center before the leave begins. If you elect to participate, you will be able to submit claims for expenses incurred during your unpaid FMLA leave. Upon your return, your monthly payroll deductions will be increased to account for the missed payroll deductions. If you elect not to participate, you can elect to have your payroll deductions reinstated when you return to work. Your Health Care Account goal amount will be reduced, due to the missed payroll deductions.

If you do not return to work following your unpaid FMLA leave (for example, you terminate or continue your leave beyond the FMLA period), you can elect to continue contributions through COBRA. You may submit claims for expenses incurred while COBRA coverage continues through the end of the calendar year in which your leave ends.

If you participate in the Dependent Care Account prior to your leave, your contributions are suspended during your leave. However, you may continue to submit claims in accordance with the Plan for expenses incurred during the period of the Plan year for which you have made contributions. Your deposits end with your last paycheck prior to your leave. When you return to work, you will have the opportunity to re-enroll as an active employee.

Refer to Your Health Care and Dependent Care Accounts SPD for details.

Concession Telephone Service

Concession Telephone Service continues during your leave on the same basis as before your leave began.

Sickness Death Benefit

A Sickness Death benefit may be payable to your mandatory beneficiaries if you die during your leave of absence and you were hired before January 1, 1987.

Service Credit While You Are on Leave

You will receive service credit for up to the entire 24 months of an approved Family Care Leave over a 10-year period—even if you do not return to work at the end of your leave period.

Additional Information

- While on leave, you may not accept paid employment during your normal work hours.
- If you return to work during the calendar year in which you begin your leave, you will be eligible for vacation for that year.
- If you do not return to active work for the Company following a leave of absence, you may be eligible for cash payment for unused vacation.
- You will not be eligible for pay—or compensatory time off—for holidays or excused workdays that occur while you are on a leave of absence.

Enhanced Educational Leave

The Enhanced Educational Leave allows regular full-time associates with at least five years of net credited service to take an unpaid leave of absence for a minimum of six months to a maximum of 24 months of unpaid leave to attend a qualifying institution on a full-time basis. Qualifying institutions include accredited colleges, universities and technical institutes.

Applying for Leave

If possible, you should apply for an Enhanced Educational Leave at least four weeks before you want it to begin. To apply, request the appropriate Leave of Absence application by accessing the eWeb and clicking on “Get Forms OnLine” or by contacting the Benefits Delivery Office. Once you have completed the application, submit it to your supervisor for approval. You then should forward it to the Benefits Delivery Office (see your Important Benefits Contacts insert for the telephone number) located at 4 West Red Oak Lane, 3rd Floor; White Plains, NY 10604. In addition, you may take advantage of the Tuition Assistance Plan. See [page 12](#). **Note:** If you are on an Enhanced Educational Leave of Absence, your tuition assistance maximum per leave year is \$10,000.

If you want to extend your leave, you must complete a new Application for Enhanced Educational Leave. Extensions must be taken in no less than six-month increments. However, your total leave may not be longer than 24 months. The initial leave and any extensions must be taken in whole months.

Leave Approval

All requests for Enhanced Educational Leave should be forwarded to the Benefits Delivery Office for review. The Leave of Absence Administrator will notify your department of the approval or denial.

Returning to Work

When you return to work, you will be reinstated to the job you held prior to the leave, or one of similar pay and status, provided you return to work on the date agreed upon before your leave began.

If you extend your Enhanced Educational Leave, a new date for your return to work will be set. If you want to return to work earlier than scheduled, you should contact your department. The Company will make every effort to place you in the job you held prior to the leave if it is available, or one of similar pay and status. However, the Company is under no obligation to offer you a job until the date originally agreed upon for your return.

Benefits During Your Leave

Health Care Coverage

Your medical, dental and vision coverage continue throughout your leave. Verizon will pay the amount it normally does for your coverage during your leave. If you contribute to the cost of your health care coverage, however, you must continue making contributions during your leave. The Company will bill you monthly for these charges.

Sickness and Accident Disability Benefits

If you take an Enhanced Educational Leave, Sickness and Accident Disability benefits generally are paid if you become disabled at any point during your leave.

- If you cannot continue in your education program on a full-time basis, you should notify your department. Your leave will be cancelled and you will be returned to the payroll. You then will be eligible to apply for benefits under the Verizon Sickness and Accident Disability Benefit Plan for New York and New England Associates.
- If you can continue your education program as a full-time student, you will be eligible to apply for benefits under the Verizon Sickness and Accident Disability Benefit Plan for New York and New England Associates as of the day you originally were scheduled to return to work.

Contact the Benefits Delivery Office for more information.

Life and AD&D Insurance Coverage

Basic Life and AD&D

Basic Life and AD&D Insurance coverage continue automatically throughout your entire leave for up to 24 months.

Supplemental Life, Dependent Life and Dependent AD&D

You can continue any Supplemental Life, Dependent Life and Dependent AD&D Insurance coverage you have in effect at the time your leave begins. You may continue coverage during your entire leave, up to 24 months, provided you pay the required premiums, which will be billed to you monthly. You also can reduce the amount of your Supplemental Life, Dependent Life and Dependent AD&D Insurance coverage or stop your coverage while you are on leave.

You may apply to increase your coverage or to enroll for Supplemental Life, Dependent Life and Dependent AD&D Insurance any time after you return to work, subject to the Statement of Health Form requirements of the Survivor Benefits Program.

Savings Plan Participation and Payroll Deductions

If you take an Enhanced Educational Leave, Savings Plan allotments and other payroll deductions will stop when your unpaid leave begins. The contributions will not resume until you return to work, unless you become disabled and qualify to receive Sickness and Accident Disability benefits after the leave begins. In this case, Savings Plan allotments will be deducted from disability benefits when they are paid. The contribution percentage will be the same as that deducted from your pay, unless you increase, reduce or cancel it.

You can make contribution changes while on leave, which will take effect when your pay resumes. You also can make investment changes and take a withdrawal from the Plan. If you have an outstanding loan when your leave begins, you will receive a coupon book to use to continue making payments during your leave.

Bank loan payments, charitable and political contributions and other payroll deductions are cancelled for the duration of the leave.

When you return to work, your Savings Plan contributions will resume automatically. However, you will not be able to make up for contributions missed during your leave period. Pioneer dues will resume automatically, but you must re-authorize all other deductions before they will begin again.

Health Care and Dependent Care Accounts

If you participate in the Health Care Account prior to your unpaid non-FMLA leave, your payroll deductions stop when your leave begins. You can elect to continue your participation in the Health Care Account by continuing to make scheduled payments on an after-tax basis through COBRA. If you elect to participate during your leave, you then will be able to submit claims for expenses incurred during your leave. If you elect not to participate during your leave, you can elect to have your payroll deductions reinstated when you return to work. If you do not return to work following your leave, you can elect to continue contributions through COBRA and submit claims for expenses incurred while COBRA coverage continues, through the end of the calendar year in which your leave ends.

If you participate in the Dependent Care Account prior to your leave, your contributions are suspended during your leave. However, you may continue to submit claims in accordance with the Plan for expenses incurred during the period of the Plan year for which you have made contributions. Your deposits end with your last paycheck prior to your leave. When you return to work, you will have the opportunity to re-enroll as an active employee.

Refer to Your Health Care and Dependent Care Accounts SPD for details.

Concession Telephone Service

Concession Telephone Service continues during your leave on the same basis as before your leave began.

Sickness Death Benefit

A Sickness Death benefit may be payable to your mandatory beneficiaries if you die during your leave of absence and you were hired before January 1, 1987.

Service Credit While You Are on Leave

You will receive service credit for your entire leave period.

Other Leaves—Personal, Education, Civic, Military and Union

Personal Leave

If you need time off to tend to personal business not covered under other Verizon Leave Programs, the Personal Leave allows you to take an unpaid leave of up to 12 months.

If you are a Verizon New York associate, you can use a Personal Leave to participate in political, civic and community activities.

Applying for Personal Leave

If possible, you should apply for a Personal Leave at least four weeks before you want it to begin. To apply, you need to complete the Application for Education, Civic, Military or Personal Leave, which you can request by accessing the eWeb and clicking on “Get Forms OnLine” or by contacting the Benefits Delivery Office. Once you have completed the application, submit it to your supervisor for approval. If you are requesting a leave for longer than 30 days, you then should forward it to the Benefits Delivery Office (see your Important Benefits Contacts insert for the telephone number) located at 4 West Red Oak Lane, 3rd Floor; White Plains, NY 10604.

Leave Approval

All requests for Personal Leave should be forwarded to the Benefits Delivery Office for review. The Leave of Absence Administrator will notify your department of the approval or denial.

Returning to Work

If you take a Personal Leave of more than 30 days, there is no guarantee that you will be reinstated in your job. You **may** be reinstated to the job you held prior to the leave, or one of similar pay and status, if you return to work as scheduled.

Education Leave

If you want to attend school on a full-time basis to study subjects related to your job or another Verizon job you are interested in, the Education Leave allows you to take off up to a total of 24 months of unpaid time. The Education Leave Program allows you to take an unpaid leave to attend an accredited secondary school, college or university full time to study subjects pertaining to your current position or to a job you would like to have within the Company.

An Education Leave typically is granted for up to six months—with three-month extensions—for a total of 24 months of unpaid leave. In general, you must return to work during semester breaks. Exception: Verizon New England associates can take an Education Leave for the entire academic year, which normally is nine or 10 months, including semester breaks.

Applying for Education Leave

If possible, you should apply for the Education Leave at least four weeks before you want it to begin. To apply for the leave, complete the Application for Education, Civic, Military or Personal Leave, which you can request by accessing the eWeb and clicking on “Get Forms OnLine” or by contacting the Benefits Delivery Office. Once you have completed the application, submit it to your supervisor for approval. You then should forward it to the Benefits Delivery Office (see your Important Benefits Contacts insert for the telephone number) located at 4 West Red Oak Lane, 3rd Floor; White Plains, NY 10604.

On the application, be sure you indicate how the course you plan to take relates to your current job or to a future job within the Company. You also need to provide a copy of your approved registration form or letter of acceptance with your application.

Leave Approval

All requests for Education Leave should be forwarded to the Benefits Delivery Office for review. The Leave of Absence Administrator will notify your department of the approval or denial.

Returning to Work

If you take an Education Leave of more than 30 days, there is no guarantee that you will be reinstated in your job. You **may** be reinstated to the job you held prior to the leave, or one of similar pay and status, if you return to work as scheduled.

Civic Leave

The Civic Leave allows Verizon New England associates to take unpaid time off from work to participate in activities such as working for a charitable organization, performing volunteer work, giving your time to political causes, holding public office or serving in the Peace Corps or Vista.

Note: If you are a Verizon New York associate, you can take a Personal Leave for these activities. (See [pages 44 through 45](#).)

For participating in political activities or holding public office, you generally can take unpaid leave for up to six months—with three-month extensions—for a total of 24 months of unpaid leave. You can take a Civic Leave to serve in the Peace Corps or Vista for up to 12 months—with a 12-month extension—for up to 24 months of unpaid leave. If you want to work for a charitable organization or perform volunteer work, you can take up to two days of unpaid leave each calendar year. These days must be approved a half-day at a time.

Applying for Civic Leave

If possible, you should apply for Civic Leave at least four weeks before you want it to begin. To apply, you need to complete an Application for Education, Civic, Military or Personal Leave, which you can request by accessing the eWeb and clicking on “Get Forms OnLine” or by contacting the Benefits Delivery Office. Once you have completed the application, submit it to your supervisor for approval. If you are requesting a leave for longer than 30 days, you then should forward it to the Benefits Delivery Office (see your Important Benefits Contacts insert for the telephone number) located at 4 West Red Oak Lane, 3rd Floor; White Plains, NY 10604.

Leave Approval

All requests for Civic Leave should be forwarded to the Benefits Delivery Office for review. The Leave of Absence Administrator will notify your department of the approval or denial.

Returning to Work

If you take a Civic Leave of more than 30 days, there is no guarantee that you will be reinstated in your job. You **may** be reinstated to the job you held prior to the leave, or one of similar pay and status, if you return to work as scheduled.

Military Leave

If you need time off for military training or for active duty, you can take a Military Leave. The length of leave available to you depends on the type of duty and your participating company, as shown below:

Reason for Leave	Amount of Leave Available
Active service in the armed forces	Up to 5 years
National Guard or Armed Forces Reserves training	Up to 17 calendar days per fiscal year (October 1 through September 30); Exception: Verizon New England associates receive up to 15 calendar days per fiscal year
Initial period of training for new enlistees in the National Guard or Armed Forces Reserves	Usually not more than 6 months
Extended training in the National Guard or Armed Forces Reserves	Up to 30 days
Military call-up to active duty	The entire period duty lasts
Active duty call-up for National Guard for a state of emergency	The entire period duty lasts

Extensions of Military Leave generally can be arranged.

How You Are Paid During a Military Leave

While you are on Military Leave, the Company will pay the difference between your Verizon pay and the government pay you receive for military service according to the following schedule:

If You Are on Leave for...	The Company Continues Supplemental Pay for...
Active service and you have less than 1 year of credited service	2 weeks
Active service and you have 1 or more years of credited service	3 months
Military training or emergency service	13 scheduled workdays. Exception: Verizon New England associates receive up to 11 days

Some Special Rules About Pay

If you are married or you have a dependent child under age 18 when your Military Leave for active duty begins, Verizon will pay the difference between your Verizon pay and your government military pay for an additional three months.

If there is a military call-up for duty or the period of emergency service is longer than shown in the chart above, the Company **may** continue paying the difference between your Verizon pay and your government military pay for longer than the chart above indicates. Each situation is evaluated based on individual circumstances.

Note: You will not begin receiving supplemental pay until your department completes the appropriate form.

Applying for Military Leave

If possible, you should apply for Military Leave at least four weeks before you want it to begin. To apply, you need to complete an Application for Education, Civic, Military or Personal Leave, which you can request by accessing the eWeb and clicking on “Get Forms OnLine” or by contacting the Benefits Delivery Office. Once you have completed the application, submit it along with a copy of your military orders to your supervisor for approval. You then should forward it to the Benefits Delivery Office (see your Important Benefits Contacts insert for the telephone number) located at 4 West Red Oak Lane, 3rd Floor; White Plains, NY 10604.

About Leave Approval

All requests for Military Leave should be forwarded to the Benefits Delivery Office for review. The Leave of Absence Administrator will notify your department of the approval or denial.

Returning to Work

If you take a Military Leave, you are guaranteed reinstatement to your former job or one of similar pay and status when you return to work as scheduled.

Union Leave

You may be eligible to take a Union Leave under the terms of your collective bargaining agreement. See your collective bargaining agreement for the maximum duration of a Union Leave.

Applying for Union Leave

If possible, you should apply for Union Leave at least four weeks before you want it to begin. To apply, you need to complete an Application for Education, Civic, Military or Personal Leave, which you can request by accessing the eWeb and clicking on “Get Forms OnLine” or by contacting the Benefits Delivery Office. Once you have completed the application, submit it to your supervisor for approval. You then should forward it to the Benefits Delivery Office (see your Important Benefits Contacts insert for the telephone number) located at 4 West Red Oak Lane, 3rd Floor; White Plains, NY 10604.

Leave Approval

All requests for Union Leave should be forwarded to the Benefits Delivery Office for review. The Leave of Absence Administrator will notify your department of the approval or denial.

Returning to Work

If you take a Union Leave, you are guaranteed reinstatement in a job of like status and pay.

Employee Benefits During Other Leaves

Health Care Coverage

- **During a Personal, Education or Civic Leave**, your health care coverage continues until the end of the calendar month of your last day of work before your leave begins. Then, you can elect to continue coverage through COBRA while you are on leave. If you elect to continue coverage through COBRA, you will be required to pay the premium costs. The COBRA administrator will send you the necessary information to enroll. For more information on COBRA, refer to Your Medical Benefits SPD.
- **During a Military Leave**, your health care coverage continues under the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA) for the first 30 days after your leave begins; you continue to pay your active employee cost for coverage. Then, you can elect to continue coverage through COBRA while you are on leave. If you elect to continue coverage through COBRA, you will be required to pay the premium costs. The COBRA administrator will send you the necessary information to enroll. For more information on COBRA, refer to Your Medical Benefits SPD.

Note: If you are taking a Military Leave, you may be eligible for the U.S. government health plans.

- **During a Union Leave**, your medical coverage continues according to your collective bargaining agreement. Your dental and vision coverage continues until the end of the calendar month of your last day of work before your leave begins. Then, you can elect to continue coverage by paying the required premiums, which will be billed to you.

Sickness and Accident Disability Benefits

If you become disabled during the first 30 days of most leaves, you may be eligible for sickness benefits under the Sickness and Accident Disability Benefits Plan. In such situations, you must notify your department. If you qualify for benefits, your leave may be cancelled and sickness benefits may begin on the eighth consecutive calendar day after your leave ends.

If you become disabled after the first 30 days of your leave, you can submit a request to your department to terminate your leave. Your department will notify the Benefits Delivery Office of your request. If your request is approved and benefits are authorized, Verizon Sickness and Accident Disability benefits will begin on the eighth consecutive calendar day after your leave ends.

Contact the Benefits Delivery Office for more information.

If You Are Disabled on Military Leave

If you become disabled while on Military Leave, you generally will be covered under the U.S. government-sponsored plans. This means you will not be eligible to receive Verizon disability benefits during your leave. However, you may be eligible to receive these benefits after your leave ends.

Life and AD&D Insurance Coverage ***Basic Life and AD&D***

- If you are on an Education, Disability or Other Leave, Basic Life and AD&D Insurance coverage continue for up to 12 months.
- If you are on a Military Leave that lasts more than 30 days, your Basic Life and AD&D Insurance coverage continue for up to 24 months.
- If you are on a Union Leave, Basic Life and AD&D Insurance coverage continue for the duration of your leave.

Supplemental Life, Dependent Life and Dependent AD&D

You can continue any Supplemental Life, Dependent Life and Dependent AD&D Insurance coverage you have in effect at the time your leave begins.

- If you are on an Education, Disability or Other Leave, you can continue coverage up to 12 months, provided you pay the required premiums, which will be billed to you monthly.
- If you are on a Union Leave, you can continue this coverage for the duration of your leave, provided you pay the required premiums, which will be billed to you monthly.
- If you are on a Military Leave, you can continue Supplemental Life Insurance up to 12 months and Dependent Life and Dependent AD&D Insurance coverage up to 24 months, provided you pay the required premiums, which will be billed to you monthly.

You also can reduce the amount of your Supplemental Life, Dependent Life and Dependent AD&D Insurance coverage or stop your coverage while you are on leave.

You may apply to increase your coverage or to enroll for Supplemental Life, Dependent Life and Dependent AD&D Insurance any time after you return to work, subject to the Statement of Health Form requirements of the Survivor Benefits Program. If you are returning from a Military Leave of more than 30 days and you reduced or stopped your coverage while on leave, you may reinstate your coverage to the terms you had before your leave began in accordance with the terms of USERRA.

Savings Plan Participation and Payroll Deductions

Savings Plan allotments and other payroll deductions will stop when your unpaid leave begins. The contributions will not resume until you return to work, unless you become disabled and qualify to receive Sickness and Accident Disability benefits after the leave begins. In this case, Savings Plan allotments will be deducted from disability benefits when they are paid. The contribution percentage will be the same as that deducted from your pay, unless you increase, reduce or cancel it.

You can make contribution changes while on leave, which will take effect when your pay resumes. You also can make investment changes and take a withdrawal from the Plan. If you have an outstanding loan when your leave begins, you will receive a coupon book to use to continue making payments during your leave.

Bank loan payments, charitable and political contributions and other payroll deductions are cancelled for the duration of the leave.

When you return to work, your Savings Plan contributions will resume automatically. However, under a Personal, Education, Civic or Union Leave, you will not be able to make up for contributions missed during your leave period; under a Military Leave, you may elect to contribute make-up contributions missed during your leave period, within certain limits. Pioneer dues will resume automatically, but you must re-authorize all other deductions before they will begin again.

Health Care and Dependent Care Accounts

If you participate in the Health Care Account prior to your unpaid non-FMLA leave, your payroll deductions stop when your leave begins. You can elect to continue your participation in the Health Care Account by continuing to make scheduled payments on an after-tax basis through COBRA. If you elect to participate during your leave, you then will be able to submit claims for expenses incurred during your leave. If you elect not to participate during your leave, you can elect to have your payroll deductions reinstated when you return to work. If you do not return to work following your leave, you can elect to continue contributions through COBRA and submit claims for expenses incurred while COBRA coverage continues, through the end of the calendar year in which your leave ends.

Note: If you take a Military Leave that is subject to USERRA, you may be eligible to continue your Health Care Account participation under COBRA for up to 18 months.

If you participate in the Dependent Care Account prior to your leave, your contributions are suspended during your leave. However, you may continue to submit claims in accordance with the Plan for expenses incurred during the period of the Plan year for which you have made contributions. Your deposits end with your last paycheck prior to your leave. When you return to work, you will have the opportunity to re-enroll as an active employee.

Refer to Your Health Care and Dependent Care Accounts SPD for details.

Concession Telephone Service

Concession Telephone Service continues during your leave on the same basis as before your leave began. **Note:** You are not eligible for Concession Telephone Service if:

- You are a New England associate and you take a Civic Leave for the purpose of participating in political activities
- You are a New York associate and you take a Personal Leave for the purpose of participating in political activities.

Sickness Death Benefit

A Sickness Death benefit may be payable to your mandatory beneficiaries if you die during your leave and you were hired before January 1, 1987.

Service Credit While You Are on Leave

You receive service credit for:

- Up to the first 30 days of a Personal or Civic Leave
- Up to the first 30 days of your first Education Leave but no service credit during any subsequent Education Leave
- The entire period of a Military Leave or Union Leave.

Additional Information

- While on leave, you may not accept paid employment during your normal work hours, unless the leave is granted for purposes of paid employment.
- You cannot take vacation after you begin your leave.
- If you return to work during the calendar year in which you begin your leave, you will be eligible for vacation for that year. If you do not return to active work for the Company following a leave of absence, you may be eligible for cash payment for unused vacation.
- If you take a Military Leave, your vacation days will not be affected. However, if your leave extends beyond the end of the calendar year, you may be paid for any unused vacation days.
- You will not be eligible for pay—or compensatory time off—for holidays or excused workdays that occur while you are on a leave of absence.

Situations That May Affect Your Leave

You will be considered a terminated employee if you do not return to work on the date scheduled. However, you still will be eligible to:

- Continue your medical, dental and vision care coverage through COBRA
- Convert your Basic and/or Supplemental Life Insurance to an individual policy
- Receive a deferred vested pension benefit at your normal retirement age if you are vested when you terminate employment
- Take a distribution of your Savings Plan account, including any vested Company matching contributions.

FMLA Overview

The Family and Medical Leave Act (FMLA) was signed into law on February 5, 1993. Under the Act, employers must provide up to 12 workweeks annually in unpaid, job-protected leave to eligible employees who request the leave for certain family and medical reasons. An approved FMLA leave may run concurrently with certain types of approved **paid or unpaid absences**, or leaves of absence. This is based on the leave provisions, absence payment policies and/or collective bargaining agreements of your employing company (e.g., Family/Dependent Care Leave, Care for Newborn Children Leave, Personal Leave or any paid leave for which an employee may qualify). In addition to complying with the Federal FMLA, Verizon complies with applicable collective bargaining agreements and state laws.

Refer to the Employees' FMLA Reporting Guide for information on how to apply for an FMLA leave.

Eligibility

An associate is eligible for up to 12 workweeks of FMLA if he or she meets all of the following:

- Has been employed by one or more of the Verizon companies for at least 12 months, which need not be consecutive.
- Has worked 1,250 hours (actual time worked, including overtime) during the 12 months preceding the absence. Hours worked **does not include** vacation days, personal days, paid or unpaid incidental absences, time for which benefits were paid under your Sickness and Accident Disability Benefit Plan, unpaid unexcused absence, medically restricted hours not worked and any leaves of absence taken during such a 12-month period.
- Has not exhausted his or her annual FMLA allotment.

Reasons for Leave

Employees who meet the FMLA eligibility requirements may be eligible for absences to be considered under the FMLA for a total of 12 workweeks per the current calendar year (January through December). There is no carryover of unused FMLA time from one calendar year to another. FMLA leave may be taken for any of the following reasons:

- For the care of the employee's infant, after birth, who may be up to one year old, or after placement of a child with the employee for adoption or foster care within the past 12 months
- For the care of any of the following family members with a serious health condition: Parent, spouse or child (under age 18) or a child of any age who is incapable of self-care because of a mental or physical disability
- For the employee's own serious health condition.

Serious Health Condition

A serious health condition is an illness, injury, impairment or physical or mental condition that involves:

- Inpatient care in a hospital, hospice or residential medical care facility, including any period of incapacity or any subsequent treatment in connection with such inpatient care
- Period of incapacity of more than three consecutive calendar days.

Plus Either One of the Following:

- Two or more treatments by a health care provider

OR

- One treatment by a health care provider followed by a regimen of continuing treatment (e.g., prescription drugs or therapy).

A serious health condition also includes:

- Any period of incapacity due to pregnancy or for prenatal care
- A period of incapacity or treatment for a “chronic” serious health condition which requires periodic visits for treatment by a health care provider, continues over an extended period and may cause episodic rather than a continuing period of incapacity (e.g., asthma, diabetes)
- Any period of incapacity relating to receipt of multiple treatments by, under orders of or referral by a health care provider, either for restorative surgery after an injury or for a condition that would likely result in a period of incapacity of more than three consecutive calendar days in the absence of medical treatment (e.g., chemotherapy, physical therapy for severe arthritis, dialysis for kidney disease)
- Any permanent or long-term period of incapacity due to a condition for which treatment may not be effective, and where the employee or family member suffering from the incapacity is under the continuing supervision of, but not necessarily the active treatment by, a health care provider.

For more information or questions regarding FMLA, call the Absence Reporting Center (ARC) at the telephone number listed on your Important Benefits Contacts insert.

Note:

- Incapacity is defined as the inability to work, attend school or perform other regular daily activities due to the serious health condition, treatment for it or recovery from it.
- A regimen of continuing treatment that includes the taking of over-the-counter medications such as aspirin, antihistamines or salves, bed-rest drinking fluids, exercise or other similar activities that can be initiated without a visit to a health care provider is **not**, by itself, sufficient to constitute a regimen of continuing treatment for purposes of FMLA leave.

Not a Serious Health Condition (Unless There Are Complications)

“Serious health condition” is not intended to cover short-term conditions for which treatment and recovery are very brief. Conditions for which cosmetic treatments are administered (such as most treatments for acne or plastic surgery) are not serious health conditions unless inpatient hospital care is required or unless complications develop. Ordinarily, unless complications arise, the common cold, the flu, ear aches, upset stomach, minor ulcers, headaches other than migraine, routine dental or orthodontia problems, periodontal disease, etc., are examples of conditions that do not meet the definition of a serious health condition and do not qualify for FMLA leave.

Substituting Paid Time for Unpaid Time

Employees do have the right to **substitute** paid time off, such as earned, unused vacation, personal days or floating holidays to run concurrently with the unpaid approved FMLA time. It is up to the employee to tell the supervisor if he or she wants to substitute paid vacation, personal days or floating holidays to run concurrent with the unpaid approved FMLA time for the unpaid approved FMLA time. For example, if the employee chooses to substitute vacation time for an approved FMLA time, the absence counts toward both his or her FMLA allotment and vacation time.

Individual State Rules

Certain states have enacted legislation that supplements or duplicates the FMLA, and Verizon also complies with these laws. For further information or to use the leave provided by these state statutes, contact your supervisor.

Included below is a summary of provisions that existed at the time this book was written for those states in which Verizon New York and New England associates work or live.

Connecticut

An eligible employee is one who has worked only 1,000 hours in the preceding 12-month period. Employees may take up to 16 weeks in a two-year period. The state law extends the definition of dependent to include foster parents, stepparents, parents-in-law and legal guardians.

Maine

Maine’s FMLA provides that an employee is entitled to 10 consecutive weeks of leave in any two-year period. Leave applies for adoptions up to 16 years of age.

Massachusetts

Full-time female employees after three months of service may take at least eight weeks of leave following birth of a child (after completing probationary period set by employer), but not more than six months. Leave applies for adoptions up to the age of 18, or 23 if a mentally handicapped child. The Small Necessities Leave Act provides for an additional 24 hours of unpaid leave per rolling 12-month period for employees to attend to certain family obligations, such as accompanying family members to routine medical/dental appointments and participation in a child's school activities. Leave also applies for adoption up to the age of 18.

New Jersey

New Jersey law allows leave after 12 months and 1,000 hours. Employees may take leave for up to 12 weeks in a 24-month period. Definition of parent includes parents-in-law. Reduced (or intermittent) leave is not available for periods exceeding 24 consecutive weeks.

New York

The Bone Marrow Leave Law requires employers to allow employees up to 24 hours of leave to donate bone marrow.

Rhode Island

The Rhode Island Parental Leave Law extends benefits to 13 weeks in a two-year period for birth or adoption of a child under 16 years of age, or for a serious health condition for the employee, spouse, parent or child. If both parents work for same employer, both are entitled to 13 weeks in all instances.

Vermont

The Vermont Parental Leave Law allows employees to use any accrued leave for parental or family leave. This law provides "family leave" for parents and parents-in-law, in addition to stepchild or any child who resides with the employee. It also provides for "parental leave" for up to 12 weeks per year for care of a newborn or following adoption of a child under 16 years of age. Employees are entitled to take four hours in a 30-day period not to exceed 24 hours in a 12-month period to participate in the child's school activities.

Your Rights Under the Family and Medical Leave Act of 1993

The Family and Medical Leave Act of 1993 (FMLA) requires covered employers to provide up to 12 weeks of unpaid, job-protected leave to “eligible” employees for certain family and medical reasons.

Employees are eligible if they have worked for a covered employer for at least one year, and for 1,250 hours over the previous 12 months, and if there are at least 50 employees within 75 miles.

Reasons for Taking Leave

Unpaid leave must be granted for any of the following reasons:

- To care for the employee’s child after birth, or placement for adoption or foster care
- To care for the employee’s spouse, son, daughter or parent who has a serious health condition
- For a serious health condition that makes the employee unable to perform the employee’s job.

At the employee’s or employer’s option, certain kinds of paid leave may be substituted for unpaid leave.

Advance Notice and Medical Certification

The employee may be required to provide advance leave notice and medical certification. Taking of leave may be denied if requirements are not met.

- The employee ordinarily must provide 30 days advance notice when the leave is “foreseeable.”
- An employer may require medical certification to support request for leave because of a serious health condition, and may require second or third opinions (at the employer’s expense) and a fitness for duty report to return to work.

Job Benefits and Protection

- For the duration of the FMLA leave, the employer must maintain the employee's health coverage under any "group health plan."
- Upon return from the FMLA leave, most employees must be restored to their original or equivalent positions with equivalent pay, benefits and other employment terms.
- The use of the FMLA leave cannot result in the loss of any employment benefit that accrued prior to the start of an employee's leave.

Unlawful Acts by Employers

The FMLA makes it unlawful for any employer to:

- Interfere with, restrain or deny the exercise of any right provided under the FMLA.
- Discharge or discriminate against any person for opposing any practice made unlawful by the FMLA or for involvement in any proceeding under or relating to the FMLA.

Enforcement

- The U.S. Department of Labor is authorized to investigate and resolve complaints of violations.
- An eligible employee may bring a civil action against an employer for violations.

The FMLA does not affect any federal or state law prohibiting discrimination, or supercede any state or local law or collective bargaining agreement which provides greater family or medical leave rights.

For Additional Information

Contact the nearest office of the Wage and Hour Division, listed in most telephone directories under U.S. Government, Department of Labor.

