

REDACTED

DEFINITIVE PURCHASE AGREEMENT
BY AND AMONG
VERIZON COMMUNICATIONS INC.,
VERIZON INVESTMENT MANAGEMENT CORP.,
FIDUCIARY COUNSELORS INC.
THE PRUDENTIAL INSURANCE COMPANY OF AMERICA
AND
PRUDENTIAL FINANCIAL, INC.

October 17, 2012

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DEFINITIVE PURCHASE AGREEMENT

This **DEFINITIVE PURCHASE AGREEMENT** (this "Agreement") is entered into as of October 17, 2012 (the "Execution Date") by and among The Prudential Insurance Company of America, a New Jersey life insurance company (the "Insurer"), Prudential Financial, Inc., a New Jersey corporation ("Insurer Parent"), Verizon Communications Inc., a Delaware corporation (the "Company"), acting solely in a non-fiduciary capacity as the sponsor of Verizon Management Pension Plan (the "Plan"), Verizon Investment Management Corp., a Delaware corporation (the "Plan Investment Fiduciary"), acting in its capacity as named fiduciary for the investment of the assets of the Plan, and Fiduciary Counselors Inc., a Delaware corporation (the "Independent Fiduciary"), acting solely in its capacity as an independent fiduciary of the Plan with certain authority and responsibility to represent the Plan and its Plan Participants and Plan Beneficiaries in regard to the transactions set forth in this Agreement. The Insurer, Insurer Parent, the Company, the Plan Investment Fiduciary and the Independent Fiduciary as the representative of the Plan are referred to collectively herein as the "Parties."

WITNESSETH

WHEREAS, the Company, as sponsor of the Plan, has amended the Plan to require that Plan liabilities for certain participants currently receiving benefits be transferred to a licensed insurance company, and that such insurance company fully and irrevocably guarantee such benefits in accordance with a group annuity contract;

WHEREAS, in furtherance thereof, the Insurer wishes to issue to the Company the Group Annuity Contract on the terms and subject to the conditions set forth herein and therein;

WHEREAS, Insurer Parent expects to derive substantial benefit from the consummation of the transactions contemplated by this Agreement and the Insurer's issuance of the Group Annuity Contract;

WHEREAS, the Company and the Plan Investment Fiduciary are desirous of proceeding with the Plan's purchase and the Company's receipt of the Group Annuity Contract from the Insurer;

WHEREAS, the Independent Fiduciary has determined that the Plan's purchase of the Group Annuity Contract as provided for herein satisfies the requirements of ERISA;

WHEREAS, the Parties wish to enter into this Agreement to provide for the purchase and the issuance of the Group Annuity Contract by the Insurer to the Company and certain related transactions and agreements;

WHEREAS, the Company is entering into this Agreement and any Ancillary Agreements to which it is a party, and undertaking the actions contemplated by each, solely in a non-fiduciary capacity as plan sponsor of the Plan; and

WHEREAS, the Plan Investment Fiduciary is entering into this Agreement and any Ancillary Agreements to which it is a party, and undertaking the actions contemplated by each, solely in its capacity as named fiduciary for the investment of the assets of the Plan.

NOW, THEREFORE, in consideration of the mutual promises herein made, and in consideration of the representations, warranties and covenants herein contained, the Parties agree as follows:

ARTICLE I DEFINITIONS AND INTERPRETATION

Section 1.1 Definitions. For purposes of this Agreement:

“Action” means any claim, action, suit, arbitration, complaint, charge, investigation, inquiry or proceeding by or before any Governmental Authority.

“[* * *]” means, as of any date, the following quotient: (a) [* * *] divided by (b) [* * *].

“Affiliate” of any particular Person means any other Person controlling, controlled by or under common control with such particular Person. For the purposes of this definition, “controlling,” “controlled” and “control” means the possession, directly or indirectly, of the power to direct the management and policies of a Person whether through the ownership of voting securities, Contract or otherwise.

“Agency Debentures” is defined in [* * *].

“Agency RMBS” is defined in [* * *].

“Agreement” is defined in the preamble.

“Alternative Arrangement” is defined in Section 7.4(c).

“Alternative Transaction Proposal” is defined in Section 7.6.

“Ancillary Agreements” means the Group Annuity Contract, any Transition Services Agreement, the [* * *] and all other written agreements, documents or certificates to be delivered by a Party, or the Plan Trustee, at the Closing.

“Annuitant” has the meaning ascribed to such term in the Group Annuity Contract.

“Annuity Benefits Correspondence Center” is defined in Section 8.4(a).

“Annuity Certificate” means an annuity certificate substantially in the applicable form set forth in Appendix 1.1(a), with such modifications as may be made by the Insurer as required by, or permitted under, applicable Law.

“Annuity Commencement Date” means January 1, 2013.

“Annuity Exhibit” means Schedule 1 to the calculation of the Closing Final Premium in substantially the form of Schedule 1 to Appendix 2.7, with such changes as may be mutually agreed by the Insurer and the Company.

“Annuity Exhibit BGD Error” means an error in the Annuity Exhibits respecting date of birth, gender, or date of death of an Annuitant or Contingent Annuitant.

“Annuity Form” has the meaning ascribed to such term in the Group Annuity Contract.

“Annuity Payment” means the monthly payments payable to Annuitants and Contingent Annuitants pursuant to the Group Annuity Contract.

“Approved Firm” is defined in Appendix 2.9.

“Arbitration Dispute” is defined in Section 2.9(a).

“ASC 715” means Accounting Standards Codification Section 715: Compensation-Retirement Benefits.

“Back-Up [* * *] List” means a ranked list of each [* * *] on Appendix 2.5(d)(I) that is not included on the [* * *] in the order such [* * *] appears on Appendix 2.5(d)(I) followed by each [* * *] on Appendix 2.5(d)(II) (or in the case of a [* * *] denoted with an asterisk on the Appendix 2.5(d)(II), a portion thereof, if applicable) that is not included on the [* * *] in the order such [* * *] appears on Appendix 2.5(d)(II).

“Base Annuity Premium” means an amount equal to [* * *].

“Base File” is defined in [* * *].

“Base Total Asset Value” means (i) the total aggregate market value of the assets held by the Plan, calculated in accordance with the generally accepted accounting principles of the Plan, consistently applied and in a manner consistent with the sample calculation set forth on Schedule 9.2(f), *minus* (ii) the dollar amount of contributions made to the Plan on or after September 6, 2012.

“[* * *] Premium” is defined in [* * *].

“Benefit Mismatch” means (i) a mismatch between the Annuity Payments or the Annuity Form (as defined in the Group Annuity Contract) with respect to an Annuitant or Contingent Annuitant and the pension payments or form of pension payments under the terms of the Plan (as in effect on the Closing Date) to such Annuitant and/or Contingent Annuitant prior to the Closing Date, or (ii) an error in the classification of an Annuitant or Contingent Annuitant, or in the identification of a person who under the terms of the Plan (as in effect on the Closing Date) was intended by the Plan as of the Closing Date to be a Contingent Annuitant.

“Bill of Sale” is defined in Appendix 2.1(b).

[* * *]

“Business Day” means any day other than a Saturday, a Sunday or a day on which banks located in New York, New York are authorized or required by Law to close.

“Cash” means (a) currency of the United States of America or wire transfers thereof that is legal tender for payment of all public and private debts, and (b) marketable direct obligations issued or unconditionally guaranteed by the United States of America, or issued by any agency thereof, maturing within 30 days from the date of acquisition thereof.

“Cash Closing Payment” is defined in Section 2.1(a).

“Closing” is defined in Section 2.1(b).

“Closing Adjusted Base Annuity Premium” means (i) the Base Annuity Premium, *plus* (ii) the Closing [* * *] Adjustment, *plus* (iii) the Closing New Lives Premium.

“Closing Adjusted Basis Amount” means (i) the Closing Market Adjusted Base Annuity Premium, *plus* (ii) the Closing [* * *] Charge.

“Closing Asset Transfers” is defined in Section 2.1(a).

“Closing Asset Valuation” is defined in Section 2.8(a).

“Closing [* * *] Adjustment” means the adjustment included in the Closing Final Premium with respect to the period commencing on the DPA Pricing Date through the close of business on the last Business Day prior to the Closing Date, stated as a percentage and calculated in accordance with the methodology and procedures set forth in [* * *].

“Closing Date” is defined in Section 2.1(b).

“Closing Date Adjustment” means the adjustment included in the Closing Final Premium, stated as a percentage and calculated in accordance with the methodology and procedures set forth in [* * *].

“Closing Date [* * *] Threshold” means a threshold that is deemed to be met or exceeded, as applicable, if either:

(a) the aggregate [* * *] of each of the [* * *] on the [* * *] plus the [* * *] is equal to (in which case such threshold shall be met) or greater than (in which case such threshold shall be exceeded) [* * *] of the [* * *]; or

(b) the aggregate amount of the [* * *] of each of the [* * *] on the [* * *] is equal to (in which case such threshold shall be met) or greater than (in which case such threshold shall be exceeded) [* * *] of the aggregate amount of [* * *] of each of the [* * *] on the Final Asset Statement.

“Closing Final Premium” is defined in Section 2.7(c).

“Closing [* * *] Adjustment” means the adjustment included in the Closing Final Premium that is determined as of the close of business on the last Business Day prior to the Closing Date, calculated in accordance with the methodology and procedures set forth in [* * *].

“Closing [* * *] Adjustment” means the adjustment included in the Closing Final Premium that takes into account [* * *], if any, in each case calculated based on the Updated Data File and in accordance with the methodology and procedures set forth in [* * *].

“Closing Market Adjusted Base Annuity Premium” means (i) the Closing Adjusted Base Annuity Premium, *multiplied by* (ii) [* * *] plus the Closing Date Adjustment, *multiplied by* (iii) the Closing [* * *] Adjustment plus the Closing [* * *] Adjustment.

“Closing [* * *] Adjustment” means the aggregate dollar price adjustment included in the Closing Final Premium relating to [* * *] and determined as of the close of business on the last Business Day prior to the Closing Date, as calculated in accordance with the methodology and procedures set forth in [* * *].

“Closing New Lives Premium” means the adjustment included in the Closing Final Premium equal to the amount of the New Lives Premium proposed by the Insurer with regard to the individuals for whom a Pre-Closing New Lives Election was made by the Company pursuant to Section 2.20(a)(ii).

“Closing [* * *] Adjustment” means the adjustment included in the Closing Final Premium with respect to the period from the DPA Pricing Date through the close of business on the last Business Day prior to the Closing Date, stated as a percentage and calculated in accordance with the methodology and procedures set forth in [* * *].

“Closing [* * *] Charge” means the dollar price adjustment included in the Closing Final Premium calculated in accordance with the procedures and methodologies set forth in [* * *].

“Code” means the Internal Revenue Code of 1986 and the applicable Treasury Regulations issued thereunder.

“Commercially Reasonable Efforts” means, with respect to the efforts to be expended by a Party with respect to any objective under this Agreement, reasonable, diligent, good faith efforts to accomplish such objective as such Party would normally use to accomplish a similar objective as expeditiously as reasonably possible under similar circumstances exercising reasonable business judgment. Notwithstanding the foregoing, “Commercially Reasonable Efforts” shall not require a Person to make payments to unaffiliated third parties (other than in respect of the fees and expenses of such Party’s counsel and other advisors), to incur non-de minimis Liabilities to unaffiliated third parties or to grant any non-de minimis concessions or accommodations.

“Company” is defined in the preamble.

“Company Disclosure Letter” means the disclosure letter as delivered by the Company to the other Parties immediately prior to the execution of this Agreement.

“Company Material Litigation” means any Action that is initiated against [* * *].

"Company's Knowledge" means the actual knowledge of any officer of the Company responsible for the day to day administration or oversight of the Plan or directly involved in the negotiation of this Agreement or the transactions contemplated hereby, in each case, (a) after making appropriate inquiry of those people reporting directly to such officer who have substantial responsibility for the relevant subject matter, and (b) if none of such officers or people reporting directly to them have substantial responsibility for the relevant subject matter, after making appropriate inquiry of an officer of the Company that has substantial responsibility for such subject matter.

"Company Indemnified Claim" is defined in Section 10.1.

"Company Indemnified Party" is defined in Section 10.1.

"Compelled Disclosing Party" is defined in Section 12.14(d).

"Confidential Information" means all business and technical information or processes, stored in any medium, to the extent the same is reasonably construed or generally accepted as containing a trade secret, proprietary or confidential information of or belonging to any Party, its Representatives, its Affiliates or its Affiliates' Representatives, including know-how and trade secrets, customer or client requirements and lists, life-by-life information with respect to the Priced Lives, the [* * *], the Identified CD-ROM, technology, software and data processing procedures, insurance, actuarial, accounting and financial data, management systems, records and any other information that is designated as confidential, and the portions of any reports or other documents prepared by the Approved Firm or any other professional engaged in connection with this Agreement and any report or other document prepared by a receiving Party that contains or incorporates a trade secret, proprietary or confidential information of a disclosing Party. Confidential Information includes information communicated orally, in writing or in any other recorded or tangible form, includes information supplied by the disclosing Party and includes information delivered prior to the Execution Date pursuant to the Confidentiality Agreements. Information received by the receiving Party containing trade secrets or proprietary or confidential information constitutes Confidential Information.

"Confidentiality Agreement" means the Mutual Non-disclosure Agreement, dated [* * *] 2012, between the Plan Investment Fiduciary and the Insurer.

"[* * *] Asset" means any [* * *] that is a Transferred Asset that is within the [* * *] and [* * *] set forth and described in [* * *]. [* * *].

"Consent" means any consent, approval (or deemed approval after the expiry of all appropriate waiting periods), authorization, notice, permission or waiver.

"Contingent Annuitant" has the meaning ascribed to such term in the Group Annuity Contract.

"Contract" means any legally enforceable agreement, contract, commitment, instrument, undertaking, lease, note, mortgage, indenture, license or arrangement, whether written or oral.

“Credit Rating Agencies” means each of Standard & Poor’s Rating Services, a division of The McGraw-Hill Companies, Inc., Moody’s Investors Service, Inc. and Fitch Ratings Ltd., and their respective successors and assigns.

“Curable Excluded Asset” is defined in Section 2.12(a).

“Curable Lien” means a Lien on an asset where such Lien would not reasonably be expected to adversely affect in any material respect the value or marketability of such asset.

“Curable Lien Removal Period” is defined in Section 2.12(a).

“[* * *] Agreement” is defined in Section 7.14.

“[* * *]” is defined in [* * *].

“[* * *] Adjustment” is defined in [* * *].

“December Adjusted Basis Amount” means the Dry-Run Adjusted Basis Amount calculated in connection with the Dry-Run Closing Premium delivered on the December Dry-Run Calculation Delivery Date.

“December Dry-Run Calculation Delivery Date” means December 2, 2012.

“Dispute” means any claim, counterclaim, demand, cause of action, controversy or dispute.

“DPA Pricing Date” means July 31, 2012.

“Dry-Run Adjusted Base Annuity Premium” means (i) the Base Annuity Premium, *plus* (ii) the Dry-Run [* * *] Adjustment.

“Dry-Run Adjusted Basis Amount” means (i) the Dry-Run Market Adjusted Base Annuity Premium, *plus* (ii) the Dry-Run [* * *] Charge.

“Dry-Run Closing Premium” is defined in Section 2.4(a).

“Dry-Run [* * *] Adjustment” means the adjustment included in the Dry-Run Closing Premium, with respect to the period from the DPA Pricing Date to the date that is 7 days prior to the November Dry-Run Calculation Delivery Date or the December Dry-Run Calculation Delivery Date, as applicable, stated as a percentage and calculated in accordance with the methodology and procedures set forth in [* * *].

“Dry-Run [* * *] Adjustment” means the adjustment included in the Dry-Run Closing Premium determined as of the close of business on the last Business Day prior to the November Dry-Run Calculation Delivery Date or the December Dry-Run Calculation Delivery Date, as applicable, calculated in accordance with the methodology and procedures set forth in [* * *].

“Dry-Run [* * *] Adjustment” means the adjustment included in the Dry-Run Closing Premium that takes into account [* * *], if any, in each case, calculated based on the Supplemental Base File, with respect to the November Dry-Run Calculation Delivery Date or the Updated Data File with respect to the December Dry-Run Calculation Delivery Date, as applicable, and in accordance with the methodology and procedures set forth in [* * *].

“Dry-Run Market Adjusted Base Annuity Premium” means (i) the Dry-Run Adjusted Base Annuity Premium, *multiplied by* (ii) 100% plus the Target Closing Date Adjustment, *multiplied by* (iii) the Dry-Run [* * *] Adjustment plus the Dry-Run [* * *] Adjustment.

“Dry-Run [* * *] Adjustment” means the aggregate dollar price adjustment to the Dry-Run Closing Premium relating to [* * *] and determined as of the close of business on the last Business Day prior to the November Dry-Run Calculation Delivery Date or the December Dry-Run Calculation Delivery Date, as applicable, as calculated in accordance with the methodology and procedures set forth in [* * *].

“Dry-Run [* * *] Adjustment” means the adjustment included in the Dry-Run Closing Premium, with respect to the period from the DPA Pricing Date to the date that is 7 days prior to the November Dry-Run Calculation Delivery Date or the December Dry-Run Calculation Delivery Date, as applicable, stated as a percentage and calculated in accordance with the methodology and procedures set forth in [* * *].

“Dry-Run [* * *] Charge” means the dollar price adjustment included in the Dry-Run Closing Premium calculated in accordance with the procedures and methodologies set forth in [* * *].

[* * *]

“Effective Date” has the meaning ascribed to such term in the Group Annuity Contract.

“[* * *]” will be those [* * *] on Appendix 2.5(d)(I) or Appendix 2.5(d)(II), but will exclude any [* * *] thereon that (i) is excluded pursuant to Section 2.5(d), (ii) the Company and the Insurer, negotiating in good faith, conclude that there is no reasonable likelihood that [* * *] or (iii) is otherwise [* * *].

“ERISA” means the Employee Retirement Income Security Act of 1974.

“Excluded Asset” means an asset that [* * *].

“Execution Date” is defined in the preamble.

“Expected [* * *] Fee” is defined in Appendix 7.4(c).

“Final Asset Statement” is defined in Section 2.5(a).

“Final [* * *] Adjustment” means the adjustment included in the Post-Closing Final Premium, taking into account (i) [* * *] based on [* * *] to the Insurer after the Pre-Closing [* * *] Cut-Off Date and on or prior to the Post-Closing [* * *] Cut-Off Date and

(ii) [* * *] Corrections discovered after the Pre-Closing [* * *] Cut-Off Date and on or prior to the Post-Closing [* * *] Cut-Off Date in accordance with the procedures set forth in Section 2.17(b), in each case, calculated and in accordance with the methodology and procedures set forth in [* * *].

“Final New Lives Premium” means the adjustment included in the Post-Closing Final Premium equal to the amount of the New Lives Premium proposed by the Insurer with regard to the individuals for whom a Post-Closing New Lives Election was made by the Company pursuant to Section 2.20(a)(iii).

“Final Pre-Closing Asset Valuation” is defined in Section 2.5(h).

“Final Pre-Closing [* * *] Valuations” is defined in Section 2.5(h).

“Final [* * *] Charge” means the dollar price adjustment included in the Post-Closing Final Premium calculated in accordance with the procedures and methodologies set forth in [* * *].

“Final [* * *] Fee” means (a) the Expected [* * *] Fee *plus* (b) [* * *] (i) the [* * *] *minus* (ii) the [* * *].

“[* * *]” is defined in [* * *].

“[* * *] Assets” means a total amount of [* * *] up to [* * *] less the dollar amount of [* * *] that are Transferred Assets.

“Fixed Income In-Kind Asset Information” is defined in [* * *].

“GAAP” means United States generally accepted accounting principles and practices in effect from time to time applied consistently throughout the periods involved.

“[* * *]” is defined in [* * *].

“Governmental Approval” means any Consent of a Governmental Authority.

“Governmental Authority” means any federal, state, municipal, foreign or local government or quasi-governmental authority or any regulatory or administrative body, department, agency, insurance commission or commissioner, subdivision, court or other tribunal, arbitrator or arbitral body of any of the foregoing.

“[* * *]” means, with respect to any [* * *], any and all amounts attributable to such [* * *] that [* * *], to the Insurer prior to the [* * *] anniversary of the Closing Date with respect to any [* * *] prior to the Closing Date that is determined under the applicable [* * *] to be in excess of the amount that was actually required [* * *], but only to the extent [* * *].

“Group Annuity Contract” means a single premium, non-participating group annuity contract, and all exhibits thereto, substantially in the form set forth in Appendix 1.1(b).

“Group Annuity Contract Issuance” is defined in Section 2.1(a).

“Guaranteed Separate Account” means the Insurer’s dedicated, non-commingled separate account identified as [* * *] that will be used to pay all or a portion of the Annuity Payments due under the Group Annuity Contract.

“Identified CD-ROM” means the CD-ROM containing, collectively, (a) [* * *], and (b) [* * *]. Such items will also be downloaded by RR Donnelly onto a tangible CD-ROM delivered from the Insurer to the Company on the Execution Date, or as promptly as practical thereafter, and will be initialed by the Company and the Insurer.

“IF Engagement Letter” has the meaning set forth in Section 4.4.

“Incremental Final [* * *] Adjustment” means the adjustment included in the Post-Closing Final Premium calculated in accordance with the methodology and procedures set forth in [* * *].

“Indemnifying Party” is defined in Section 10.3(a).

“Independent Fiduciary” is defined in the preamble.

“Independent Fiduciary MAC” means (i) the occurrence of a material adverse change, as determined in the sole discretion of the Independent Fiduciary, in or affecting directly the Insurer subsequent to the Execution Date that would cause the selection of the Insurer and the Plan’s purchase of the Group Annuity Contract to fail to satisfy ERISA; or (ii) the occurrence of a change in ERISA after the date hereof that would cause the selection of the Insurer and the Plan’s purchase of the Group Annuity Contract to fail to satisfy ERISA.

“Independent Third Party” is defined in Appendix 2.9.

“In-Kind Asset Ranges” is defined in [* * *].

“In-Kind Asset Tolerances” is defined in [* * *].

“Insurer” is defined in the preamble.

“Insurer’s Knowledge” means the actual knowledge of any officer of the Insurer or Insurer Parent that will be responsible for the day to day administration of the Group Annuity Contract or was directly involved in the negotiation of this Agreement or the transactions contemplated hereby, in each case, (a) after making appropriate inquiry of those people reporting directly to such officer who have substantial responsibility for the relevant subject matter, and (b) if none of such officers or people reporting directly to them have substantial responsibility for the relevant subject matter, after making appropriate inquiry of an officer of the Insurer or Insurer Parent that has substantial responsibility for such subject matter.

“Insurer Parent” is defined in the preamble.

“Insurer Payment Commencement Date” means July 1, 2013, or such later date as agreed by the Insurer, the Company and the counterparties to any Transition Services Agreement.

“Law” means any federal, state, foreign or local law, statute, ordinance, regulation, rule or Order of any Governmental Authority.

“Liability” means any direct or indirect liability, debt, obligation, commitment, guaranty, claim, loss, damage, deficiency, penalty, fine, cost or expense of any kind, whether relating to payment, performance or otherwise, known or unknown, fixed, absolute or contingent, accrued or unaccrued, matured or unmatured, disputed or undisputed, liquidated or unliquidated, secured or unsecured, joint or several, due or to become due, vested or unvested, executory, determined, determinable or otherwise, whenever and however arising (including whether or not required to be reflected or reserved under GAAP against on the financial statements of the obligor or responsible Person).

“Lien” means any lien, mortgage, security interest, pledge, deposit, encumbrance, restrictive covenant or other similar restriction.

“Losses” means any and all liabilities, losses, damages, expenses (including reasonable expenses of investigation, enforcement and collection and reasonable attorneys’ and accountants’ fees and expenses, in each case, in connection with any Action), costs, fines, fees, penalties and obligations.

“Material Litigation” means any Action that is initiated against [* * *].

“[* * *]” is defined in [* * *].

“[* * *] Adjustment” is defined in [* * *].

“New Lives Notice” is defined in Section 2.20(a).

“New Lives Premium” is defined in [* * *].

[* * *]

“[* * *]” means any asset that is a Transferred Asset but is not a [* * *].

“Non-Exempt Prohibited Transaction” means a transaction prohibited by ERISA section 406 or Code section 4975 for which no statutory or regulatory exemption applies.

“Notice of Extension” is defined in Section 11.4(a).

“Notifying Party” is defined in Section 2.14(b).

“November Dry-Run Calculation Delivery Date” means November 15, 2012.

“Order” means any order, award, decision, injunction, judgment, ruling, decree, writ, subpoena or verdict entered, issued, made or rendered by any Governmental Authority or arbitrator.

“Outside Date” is defined in Section 11.1(b).

“Parties” is defined in the preamble.

“[* * *] Adjustment” means [* * *].

“[* * *] Consent Coordinators” is defined in Section 8.6.

“[* * *]” means a [* * *] that is identified on Appendix 2.5(d)(I) or Appendix 2.5(d)(II).

“[* * *] Documentation” means the assignment and assumption agreement(s) or consents or similar transfer documents necessary to transfer [* * *] to the Insurer.

“[* * *]” means, collectively, the Primary [* * *], the [* * *], the [* * *] and the [* * *].

“[* * *] Claim” is defined in Section 2.14(a).

“[* * *] Date” means, with respect to any [* * *], the date on which such [* * *] transfers to the Insurer [* * *], which may be (1) [* * *], or (2) [* * *] (it being understood that such transfer may be effective as of [* * *] as the Company and the Insurer may mutually agree, negotiating in good faith and taking into account any requirements or preferences of the relevant [* * *] with respect to which such [* * *]).

“Permitted Liens” means:

(a) any Liens created by operation of Law in respect of restrictions on transfer of securities (other than restrictions relating to the transfer of assets at Closing, unless such transfer complies with such applicable Law);

(b) with respect to any [* * *], any Lien created under any subscription document, partnership agreement, side letter, offering document or other similar organizational document or credit, security or similar agreement to which such [* * *] is subject, including any restriction on sale, assignment, disposition or transfer thereunder (other than restrictions relating to the transfer of such [* * *] in connection herewith, unless all required consents and conditions have been obtained and satisfied prior to such transfer); or

(c) with respect to any Public Bond, any transfer restrictions or other limitations on assignment, transfer or the alienability of rights under any indenture, debenture or other similar governing agreement to which such Public Bonds are subject (other than restrictions relating to the transfer of a Public Bond at Closing, unless such transfer does not violate any such restriction).

“Person” means any individual, corporation, limited liability company, partnership, sole proprietorship, joint venture, trust, estate, association, organization, labor union, Governmental Authority or other entity.

“Plan” is defined in the preamble.

“Plan Asset” means an asset of the Plan within the meaning of ERISA.

“Plan Beneficiary” means a person designated by a current or former Plan Participant, by a QDRO, or by the terms of the Plan to become entitled to receive a pension benefit from the Plan.

“Plan Benefits Correspondence Center” is defined in Section 8.4(b).

“Plan Governing Documents” means the Plan and any documents and instruments governing the Plan as contemplated under Section 404(a)(1)(D) of ERISA.

“Plan Investment Fiduciary” is defined in the preamble.

“Plan of Operations” means the Essentials of Method of Operations and Constraints on Investment Standards filed by the Insurer with the State of New Jersey Department of Banking and Insurance and approved by such Governmental Authority on October 9, 2012.

“Plan Participant” means a person who is eligible to receive, and is receiving, a pension benefit from the Plan.

“Plan Trust” means the Bell Atlantic Master Trust.

“Plan Trustee” means The Bank of New York Mellon, in its capacity as directed trustee of the Plan and, in circumstances in which it receives assets or other payments hereunder or pursuant to the Ancillary Agreements, for the benefit of the Plan.

“Plan Trustee Agreement” means the agreement, substantially in the form of Exhibit C hereto, between the Plan Trustee, the Plan Investment Fiduciary and the Insurer.

“POINT” is defined in [* * *].

“Point Access Event” is defined in Section 2.7(c).

“Post-Closing Adjusted Base Annuity Premium” means (i) the Closing Adjusted Base Annuity Premium, or if a Point Access Event has occurred, the Preliminary Adjusted Base Annuity Premium, *plus* (ii) the Final [* * *] Adjustment, *plus* (iii) the Final New Lives Premium.

“Post-Closing Adjusted Basis Amount” means (i) the Post-Closing Market Adjusted Base Annuity Premium, *plus* (ii) the Final [* * *] Charge.

“Post-Closing [* * *] Cut-Off Date” means the day that is 30 days prior to the date that the calculation of the Post-Closing Final Premium is delivered pursuant to Section 2.8(b)(i).

“Post-Closing Final Premium” is defined in Section 2.8(b)(i).

“Post-Closing [* * *] Adjustment” means the adjustment included in the Post-Closing Final Premium, calculated in accordance with the methodology and procedures set forth in [* * *].

“Post-Closing Market Adjusted Base Annuity Premium” means (i) the Post-Closing Adjusted Base Annuity Premium, *multiplied by* (ii) 100% plus the Closing Date Adjustment, *multiplied by* (iii) the Closing [* * *] Adjustment plus the Closing [* * *] Adjustment.

“Post-Closing New Lives Election” is defined in Section 2.20(a)(iii).

“Pre-Closing [* * *] Cut-Off Date” means the date that the Updated Data File is delivered to the Insurer.

“Pre-Closing New Lives Election” is defined in Section 2.20(a)(ii).

“Preliminary Adjusted Base Annuity Premium” means (i) the Base Annuity Premium, *plus* (ii) the Preliminary [* * *] Adjustment, *plus* (iii) the Preliminary New Lives Premium.

“Preliminary Adjusted Basis Amount” means (i) the Preliminary Market Adjusted Base Annuity Premium, *plus* (ii) the Preliminary [* * *] Charge.

“Preliminary Closing Premium” is defined in Section 2.6(a).

“Preliminary [* * *] Adjustment” means the adjustment included in the Preliminary Closing Premium with respect to the period from the DPA Pricing Date through the close of business on the day that is two Business Days prior to the Target Closing Date, stated as a percentage and calculated in accordance with the methodology and procedures set forth in [* * *].

“Preliminary [* * *] Adjustment” means the adjustment included in the Preliminary Closing Premium determined as of the close of business on the day that is two Business Days prior to the Target Closing Date, calculated in accordance with the methodology and procedures set forth in [* * *].

“Preliminary [* * *] Adjustment” means the adjustment included in the Preliminary Closing Premium, taking into account [* * *], if any, in each case calculated based on the Updated Data File and in accordance with the methodology and procedures set forth in [* * *].

“Preliminary Market Adjusted Base Annuity Premium” means (i) the Preliminary Adjusted Base Annuity Premium, *multiplied by* (ii) 100% plus the Target Closing Date Adjustment, *multiplied by* (iii) the Preliminary [* * *] Adjustment plus the Preliminary [* * *] Adjustment.

“Preliminary [* * *] Adjustment” means the aggregate dollar price adjustment included in the Preliminary Closing Premium relating to [* * *] and determined as of the close of business on the day that is two Business Days prior to the Closing Date, as calculated in accordance with the methodology and procedures set forth in [* * *].

“Preliminary New Lives Premium” means the adjustment included in the Preliminary Closing Premium equal to the amount of the New Lives Premium proposed by the Insurer with regard to the individuals with respect to whom a Pre-Closing New Lives Election was made by the Company pursuant to Section 2.20(a)(ii).

“Preliminary [* * *] Valuation” means, for any [* * *], the value of such [* * *] calculated in accordance with Appendix 2.5(b) as of the day that is eight days prior to the Closing Date.

“Preliminary [* * *] Adjustment” means the adjustment included in the Preliminary Closing Premium with respect to the period from the DPA Pricing Date through the close of business on the day that is two Business Days prior to the Closing Date, stated as a percentage and calculated in accordance with the methodology and procedures set forth in [* * *].

“Preliminary [* * *] Charge” means the dollar price adjustment included in the Preliminary Closing Premium calculated in accordance with the procedures and methodologies set forth in [* * *].

“Priced Lives” means all Plan Participants and Plan Beneficiaries who are referenced by Appendix 1.1(c).

“[* * *]” is defined in Section 2.5(c)(i).

“Prior Period Lump Sum Payment” is defined in Section 2.20(b)(iv).

“Procedures Manual” means [* * *].

“[* * *] Ratio” means the following quotient:

$$\frac{[* * *]}{[* * *]}$$

where [* * *]
[* * *]
[* * *]
[* * *]
[* * *].

“[* * *]” means a [* * *] in the form set forth as Exhibit D, [* * *].

“[* * *] Direction” is defined in Section 2.5(f).

“[* * *] Schedule” is defined in Section 2.5(f).

“Public Bonds” means (a) US Treasuries, (b) Agency RMBS, (c) Agency Debentures, (d) any other asset classes listed under heading “Asset Class” in Table 1 of the “Public Bonds” section of Appendix 2.5(b) that, in the case of clause (d), (i) are registered under the Securities Act of 1933 or (ii) (A) may be traded pursuant to Rule 144A promulgated under the Securities

Act of 1933 and (B) contain registration rights in favor of the holder of such note or obligation that are effective within one year of the date of transfer, and (e) any assets listed under heading “Rule 144A Bonds” in Table 3 of the “Public Bonds” section of Appendix 2.5(b). Public Bonds may be of any maturity, but do not include preferred stocks, hybrids, convertibles or tax-exempt municipal bonds.

“QDRO” means a domestic relations order that satisfies the qualification requirements set forth in ERISA § 206(d)(3) and Code § 401(a)(13)(B).

[* * *]

“Re-Pricing Offer” is defined in Section 11.4(b).

“Representatives” means, in respect of any Person that is an entity, such Person’s officers, directors, employees, advisors and agents.

“[* * *] Commitment” is defined in Section 2.5(g).

“[* * *] Funded Amount” means, as of any date of calculation, the aggregate Cash received in exchange for any [* * *] for which, on or prior to such date, [* * *].

“SEC” means the Securities and Exchange Commission.

“Securities Act” means the Securities Act of 1933.

“Supplemental Annuity Payments” is defined in Section 2.20(b)(iv).

“Supplemental Base File” is defined in Section 2.4(d).

“Target Closing Date” means (i) December [* * *], 2012 or (ii) such other date on or prior to the Outside Date that the Insurer, the Company and the Independent Fiduciary may mutually agree.

“Target Closing Date Adjustment” means the adjustment included in the Dry-Run Closing Premium and the Preliminary Closing Premium, stated as a percentage and calculated in accordance with the methodology and procedures set forth in [* * *].

“Tax Qualified” means qualified by the Code for preferential tax treatment under Code sections 401(a) and 501(a).

“[* * *] Adjustment” is defined in [* * *].

[* * *]

“[* * *] Value” means the total aggregate [* * *], calculated in accordance with GAAP as a good faith estimate of the [* * *], consistently applied and in a manner consistent with the sample calculation set forth on Appendix 9.2(f), it being understood that this shall be calculated as of [* * *].

“Total [* * *] Payments” means, as of any date of determination, (i) the actual fees paid by the Insurer in connection with [* * *] on or prior to such date *plus* (ii) any additional fees, if any, that the Insurer and the Company mutually agree (acting in good faith) are reasonably expected to be paid by the Insurer in connection with [* * *].

“Transaction” means the transaction contemplated to close on the Closing Date by this Agreement.

“Transaction Announcements” is defined in Section 7.2(a).

[* * *]

[* * *]

“Transferor” is defined in Section 2.14(a).

“Transferred Assets” means the assets included on the Transferred Assets Schedule and any Transferred Liabilities associated therewith.

“Transferred Assets Schedule” means the statement of assets to be transferred to the Insurer in the Transaction, in the form of the Transferred Assets Schedule attached hereto as Exhibit A, as produced in accordance with Section 2.7(a) and updated in accordance with Section 2.8(b)(ii).

“Transferred Liabilities” means any and all Liabilities relating to the ownership of any Transferred Asset, including [* * *].

“Transition Services Agreement” means collectively, the Transition Services Agreement that may be entered into between the Insurer and Wells FargoBank, N.A. and the Transition Services Agreement that may be entered into between the Insurer and Xerox Business Services, LLC, in each case, to provide for the payments pursuant to the Group Annuity Contract from the Annuity Commencement Date up to the Insurer Payment Commencement Date.

“Uncovered Claim” is defined in Section 10.3(c).

“Updated Data File” is defined in Section 2.4(d).

“US Treasuries” is defined in [* * *].

“VDR” means the RR Donnelly Venue Virtual Data Room, Project Name Chronos Commercial Diligence.

Section 1.2 Interpretation.

(a) Whenever the words “include,” “includes” or “including” are used in this Agreement they shall be deemed to be followed by the words “without limitation.” The use of “or” is not intended to be exclusive unless expressly indicated otherwise.

(b) Words denoting any gender shall include all genders. The meanings given to terms defined herein shall be equally applicable to both singular and plural forms of such terms. Where a word or phrase is defined herein, each of its other grammatical forms shall have a corresponding meaning.

(c) The Appendices, Exhibits, the Company Disclosure Letter, the [* * *] and the Identified CD-ROM are incorporated by reference and made a part of this Agreement as if set forth fully in this Agreement.

(d) A reference to any party to this Agreement or any other agreement or document shall include such party's successors and permitted assigns.

(e) A reference to any Law or to any provision of any Law shall include any amendment thereto, any modification or re-enactment thereof, any Law substituted therefor and all regulations issued thereunder or pursuant thereto.

(f) All references to "\$" and dollars shall refer to United States currency. All references to the word "days" shall refer to calendar days unless otherwise specified in a particular case.

(g) All references to any financial or accounting terms shall be defined in accordance with GAAP to the extent GAAP is applicable; provided, that with respect to any financial or accounting terms related to Insurer's accounting, the accounting terms shall be in accordance with relevant state insurance statutory accounting principles (including applicable permitted practices).

(h) Reference to any agreement (including this Agreement), document or instrument means such agreement, document or instrument as amended or modified and in effect from time to time in accordance with the terms thereof and, if applicable, the terms hereof.

(i) The words "hereof," "herein" and "hereunder" and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement, and Section, Appendix, Exhibit, Schedule and Letter references relate to this Agreement unless otherwise specified.

(j) The Parties each hereby acknowledge that (i) the Parties jointly and equally participated in the drafting of this Agreement and all other agreements contemplated hereby, (ii) the Parties have each been adequately represented and advised by legal counsel with respect to this Agreement and the transactions contemplated hereby, and (iii) no presumption shall be made that any provision of this Agreement shall be construed against any Party by reason of such role in the drafting of this Agreement and any other agreement contemplated hereby.

(k) The Table of Contents and the headings of the Articles and Sections herein are inserted for convenience of reference only and are not intended to be a part of, or to affect the meaning or interpretation of, this Agreement.

(l) If there is any conflict between this Agreement (excluding the [* * *] and the Identified CD-ROM) and either the [* * *] or the Identified CD-ROM, this Agreement (excluding the [* * *] and the Identified CD-ROM) shall control and govern in all respects.

(m) All capitalized terms not defined in the [* * *], the [* * *], the Company Disclosure Letter or any Appendix will have the meanings ascribed to them in this Agreement. The representations and warranties of the Company in this Agreement are made and given, and the covenants are agreed to, subject to the disclosures and exceptions set forth in the Company Disclosure Letter. The disclosure of any matter in any section of the Company Disclosure Letter shall be a disclosure for all purposes of this Agreement and all other sections of the Company Disclosure Letter to which such matter relates to the extent that the applicability of such matter to such other section of the Company Disclosure Letter is reasonably apparent on its face. The Company Disclosure Letter has been arranged in sections corresponding to the sections and paragraphs of this Agreement for the convenience of the Parties. The listing of any matter by the Company in the Company Disclosure Letter shall expressly not constitute an admission by the Company, or to otherwise imply, that any such matter is material, is required to be disclosed under this Agreement or falls within relevant minimum thresholds or materiality standards set forth in this Agreement. No disclosure in the Company Disclosure Letter relating to any possible breach or violation of any Contract or Law will be construed as an admission or indication that any such breach or violation exists or has actually occurred. In no event will the listing by the Company of any matter in the Company Disclosure Letter expand the scope of the Company's representations, warranties or covenants set forth in this Agreement. All attachments to the Company Disclosure Letter are incorporated by reference into the Company Disclosure Letter in which they are directly or indirectly referenced. The information contained in the Company Disclosure Letter is in all events provided subject to the confidentiality restrictions in Section 12.14.

ARTICLE II PURCHASE OF SINGLE PREMIUM GROUP ANNUITY CONTRACT

A. Group Annuity Contract Issuance and Transfer of Transferred Assets

Section 2.1 Closing; Overview of the [* * *].

(a) Closing. At the Closing, (i) the Plan Investment Fiduciary shall irrevocably direct the Plan Trustee to (A) assign, transfer and deliver to the Insurer the Transferred Assets as set forth on the Final Asset Statement in accordance with the procedures set forth in Appendix 2.1(a) (including the execution and delivery to the Insurer of [* * *], but not including the delivery of any [* * *] not included on the Transferred Assets Schedule as of the Closing Date), and (B) pay to the Insurer an amount of Cash (the "Cash Closing Payment") equal to the excess, if any, of the Closing Final Premium over the aggregate Final Pre-Closing Asset Valuation of the Transferred Assets (collectively, the "Closing Asset Transfers") and (ii) contemporaneously with the completion of the Closing Asset Transfers, the Insurer shall issue and deliver to the Company the Group Annuity Contract (the "Group Annuity Contract Issuance").

(b) Time and Place of Closing. On the terms and subject to the conditions set forth in this Agreement, the consummation of the Group Annuity Contract Issuance and the Closing

Asset Transfers (the “Closing”) shall take place at 1 Verizon Way, Basking Ridge, New Jersey (or such other location as will be mutually agreed upon by the Company and the Insurer) on (i) December [* * *], 2012, if at least three Business Days prior to December [* * *], 2012, all of the conditions set forth in Article IX have been satisfied or waived (other than conditions that by their nature or pursuant to the terms of this Agreement are to be satisfied at or immediately prior to the Closing, but subject to the satisfaction or, where permitted, waiver of those conditions) or (ii) if the Closing has not occurred on or prior to December [* * *], 2012, on December [* * *], 2012, if at least three Business Days prior to December [* * *], 2012, all of the conditions set forth in Article IX have been satisfied or waived (other than conditions that by their nature or pursuant to the terms of this Agreement are to be satisfied at or immediately prior to the Closing, but subject to the satisfaction or, where permitted, waiver of those conditions). The date on which the Closing occurs is referred to in this Agreement as the “Closing Date.”

(c) Overview of the [* * *]. The Parties acknowledge and agree that:

(i) At the Closing, subject to Section 2.5(f), a portion of the Closing Final Premium may be satisfied through [* * *].

(ii) Subject to the terms and conditions of the [* * *] and this Agreement, and as more fully described herein and therein, the [* * *] may be satisfied through [* * *] (or [* * *], to the extent contemplated by Section 2.5(g) or the terms of the [* * *]) to the holder of the [* * *], provided that if the transfer [* * *] (and [* * *], if applicable) is insufficient to satisfy such [* * *], the remaining balance [* * *] will be satisfied in [* * *] (or, [* * *]).

(iii) Except as otherwise expressly stated herein, any references herein to “Transferred Assets” will include the [* * *] that are transferred to the Insurer in satisfaction [* * *] (as well as any [* * *] that the Plan Trustee transfers to the Insurer in satisfaction [* * *]). The Parties agree that for purposes of the Transferred Assets Schedule attached to the Group Annuity Contract pursuant to Section 2.7(a), the [* * *] will be listed in lieu [* * *] that may be transferred [* * *].

(iv) For purposes of calculating the amount of Transferred Assets payable or anticipated to be payable to the Insurer in satisfaction of the Dry-Run Closing Premium, Preliminary Closing Premium, Closing Final Premium or Post-Closing Final Premium, such calculation will be made without duplication [* * *] (and, if applicable, [* * *]) [* * *].

Section 2.2 Deliveries at Closing.

(a) At the Closing, (x) with respect to the items set forth in clause (i) below, the Independent Fiduciary shall deliver to the Insurer, with a copy to the Company, (y) with respect to the items set forth in clauses (ii), (iii), (vi), (vii) and (viii) below, the Plan Investment Fiduciary shall irrevocably direct the Plan Trustee to deliver to the Insurer, with a copy to the Company and (z) with respect to the items set forth in clauses (iv) and (v) below, the Company shall deliver to the Insurer:

(i) a certificate, dated as of the Closing Date, duly executed by an officer of the Independent Fiduciary certifying as to the satisfaction of the conditions specified in Section 9.3(a) and Section 9.3(b), in each case, as to the Independent Fiduciary;

(ii) the Bill of Sale (including all schedules thereto), duly executed by the Plan Trustee;

(iii) [* * *] Transfer Documentation for any [* * *] transferred to the Insurer at the Closing, duly executed by the Plan Trustee;

(iv) the Group Annuity Contract (including all exhibits and attachments thereto), duly executed by the Company;

(v) a certificate, dated as of the Closing Date, duly executed by a duly authorized officer of the Company certifying as to the satisfaction of the conditions specified in Section 9.3(a) and Section 9.3(b), in each case, as to the Company;

(vi) the Plan Trustee Agreement, duly executed by the Plan Investment Fiduciary and the Plan Trustee;

(vii) if a [* * *] Direction was required by Section 2.5(f), the [* * *] duly executed by the Plan Trustee; and

(viii) the deliveries and copies of the filings relating to the [* * *] and [* * *] referenced in Section 2 of the [* * *], including the [* * *].

(b) At the Closing, the Insurer will deliver to the Company, with a copy to the Independent Fiduciary (provided that with respect to clause (v) below, such certificate shall also be addressed to the Independent Fiduciary), the following duly executed documents and other items:

(i) the Group Annuity Contract (including all exhibits and attachments thereto), duly executed by the Insurer;

(ii) the Bill of Sale, duly executed by the Insurer;

(iii) [* * *] Transfer Documentation for any [* * *] transferred to the Insurer at the Closing, duly executed by the Insurer;

(iv) evidence of the Governmental Approvals contemplated by Section 9.2(c);

(v) a certificate, dated as of the Closing Date, duly executed by a duly authorized officer of the Insurer certifying as to the satisfaction of the conditions specified in Section 9.2(a), Section 9.2(b) and Section 9.2(c);

(vi) fully executed copies of one or more Transition Services Agreements (or, if an Alternative Arrangement is utilized, a fully executed binding written agreement providing for such Alternative Arrangement); and

(vii) the Plan Trustee Agreement, duly executed by the Insurer.

(c) At the Closing, the Company will deliver to the Independent Fiduciary, the following duly executed documents and other items:

(i) a certificate, dated as of the Closing Date, duly executed by a duly authorized officer of the Company certifying as to the satisfaction of the conditions specified in Section 9.3(a) and Section 9.3(b), in each case, as to the Company; and

(ii) a certificate, dated as of the Closing Date, duly executed by a duly authorized officer of the Plan Investment Fiduciary certifying as to the satisfaction of the conditions specified in Section 9.3(a) and Section 9.3(b), in each case, as to the Plan Investment Fiduciary.

Section 2.3 Allocation of Transferred Assets. Upon the Group Annuity Contract Issuance, the Insurer shall deposit the Transferred Assets to be transferred at Closing (including the [* * *]) into the Guaranteed Separate Account.

B. Calculation of Closing Final Premium

Section 2.4 Calculation of Dry-Run Premium; Delivery of Data Files.

(a) On the November Dry-Run Calculation Delivery Date and the December Dry-Run Calculation Delivery Date, the Insurer shall deliver to the Company a calculation of the Dry-Run Closing Premium. The "Dry-Run Closing Premium" shall be equal to (i) the Dry-Run Adjusted Basis Amount, *plus* (ii) the Dry-Run [* * *] Adjustment, *plus* (iii) the Dry-Run [* * *] Adjustment, *plus* (iv) the Expected [* * *] Fee, *minus* (v) the [* * *] Adjustment.

(b) On the Business Day prior to the November Dry-Run Calculation Delivery Date and the December Dry-Run Calculation Delivery Date, the Plan Investment Fiduciary shall deliver to the Insurer the Fixed Income In-Kind Asset Information and a calculation of the Dry-Run [* * *] Adjustment.

(c) The Insurer shall calculate the Dry-Run Closing Premium using in part the data provided in accordance with Section 2.5(b) by the Plan Investment Fiduciary on November 8, 2012.

(d) On or prior to (i) the date hereof, the Company has delivered to the Insurer a supplement to the Base File reflecting any changes to the Base File known to the Company as of October 12, 2012 (the "Supplemental Base File") and (ii) the Company shall deliver on November 12, 2012 an updated data file in a form consistent with the Base File that will reflect any changes in the Base File known to the Company as of November 9, 2012 (the "Updated Data File").

Section 2.5 Determination and Preliminary Valuation of Transferred Assets.

(a) Creation of the Final Asset Statement. On November 8, 2012 and again on the dates that are eight days and two Business Days prior to the Target Closing Date, the Plan Investment Fiduciary shall deliver to the Insurer a statement, in the form of the Transferred Assets Schedule that will be produced in connection with the Closing, listing [* * *] intended to be transferred pursuant to Section 2.5(e), each [* * *] that the Plan Trustee proposes to transfer to the Insurer at Closing and, if the Plan Investment Fiduciary intends to deliver [* * *] Direction, the [* * *]. During the five-day period beginning 8 days prior to the Target Closing Date and ending 3 days prior to the Target Closing Date, the Insurer and the Company shall cooperate in good faith to agree, in writing, upon a final statement in the form of Exhibit B (the "Final Asset Statement"), which shall list [* * *] intended to be transferred pursuant to Section 2.5(e), each [* * *] that the Plan Trustee proposes to transfer to the Insurer at Closing, and, if the Plan Investment Fiduciary intends to deliver a [* * *] Direction, the [* * *]; provided, that the Insurer may only object to the inclusion of assets on such Final Asset Statement (i) because such asset is not [* * *], or [* * *] or [* * *], (ii) if such asset is not a [* * *], because such asset is or will be, to the Insurer's Knowledge, an [* * *] because [* * *]; (iii) if such asset is a [* * *], because such [* * *] is not included on the [* * *], or (iv) if such asset is a [* * *], because such asset would constitute an [* * *] under clauses (ii), (v), or (x) of the definition of [* * *].

(b) Plan Investment Fiduciary Deliveries. On each date identified in the first sentence of Section 2.5(a) above, the Plan Investment Fiduciary shall:

(i) deliver to the Insurer a calculation of the value of each asset in the projected Transferred Assets (including with respect to the [* * *], the value of the [* * *] intended to be transferred [* * *]), calculated in accordance with the methodology set forth in Appendix 2.5(b). The valuation date shall be the close of the Business Day immediately prior to such delivery date or in the case of [* * *], as of the close of business on the second Business Day prior to such delivery date;

(ii) deliver to the Insurer the Fixed Income In-Kind Asset Information and its calculation of the applicable [* * *] Adjustment; and

(iii) notify the Insurer of each [* * *] with respect to which (A) [* * *], or (B) [* * *].

(c) Creation of [* * *].

(i) On the date that is 8 days prior to the Closing Date, the Company shall create a list (the "[* * *]"):

(A) [* * *]; and

(B) [* * *]

(ii) [* * *]

(d) Exclusion of [* * *]. Notwithstanding Section 2.5(c), the Insurer may exclude from the [* * *] any [* * *] identified on Appendix 2.5(d)(I) or Appendix 2.5(d)(II) in any of the following circumstances:

(i) [* * *];

(ii) [* * *];

(iii) [* * *];

(iv) [* * *]; or

(v) [* * *].

(vi) [* * *].

(e) Closing Date [* * *] Transfers. Each [* * *] on the [* * *] for which (i) [* * *], and (ii) the transfer of such [* * *] on the Closing Date would not cause the threshold in clause (b) of the Closing Date [* * *] Threshold to be exceeded, shall be added to the Final Asset Statement; provided, however, [* * *].

(f) Procedures for the Issuance of the [* * *].

(i) If, pursuant to Section 2.5(e), every [* * *] on the [* * *] was not added to the Final Asset Statement then, the Plan Investment Fiduciary shall, at the Closing, direct the Plan Trustee to, on behalf of the Plan Trust, (i) issue on the Closing Date (and execute and deliver to the Insurer on the Closing Date), the [* * *], and (ii) [* * *].

(ii) [* * *].

(g) [* * *]

(h) Final Pre-Closing Asset Valuation. (i) On the Business Day immediately prior to the Closing Date, the Plan Investment Fiduciary shall deliver to the Insurer a calculation of the value of each [* * *] that is a Transferred Asset in accordance with the methodology set forth in Appendix 2.5(b) as of the close of business on the second Business Day prior to the Closing Date (the "Final Pre-Closing [* * *] Valuations") and (ii) thereafter, but prior to the Closing, the Plan Investment Fiduciary shall deliver to the Insurer a calculation of the value of each Transferred Asset other than [* * *] (including [* * *]), calculated in accordance with the methodology set forth in Appendix 2.5(b), as of the close of business on the Business Day immediately preceding the Closing Date (together with the Final Pre-Closing [* * *] Valuations, the "Final Pre-Closing Asset Valuation").

Section 2.6 Calculation of the Preliminary Closing Premium.

(a) On the Business Day prior to the Target Closing Date the Insurer shall deliver to the Company a calculation of the Preliminary Closing Premium. The "Preliminary Closing Premium" shall be equal to (i) the Preliminary Adjusted Basis Amount, *plus* (ii) the Preliminary [* * *] Adjustment, *plus* (iii) the Preliminary [* * *] Adjustment, *plus* (iv) the Expected [* * *] Fee, *minus* (v) the [* * *] Adjustment.

(b) Pursuant to Section 2.5(b)(ii), on the second Business Day prior to the Target Closing Date, the Plan Investment Fiduciary shall deliver to the Insurer the Fixed Income In-Kind Asset Information and its calculation of the Preliminary [* * *] Adjustment.

(c) The Insurer shall calculate the Preliminary Closing Premium using in part the data provided by the Plan Investment Fiduciary on the date that two Business Days prior to the Target Closing Date as provided in Section 2.5(b).

Section 2.7 Calculation of the Closing Final Premium.

(a) As early as practicable on the Closing Date (and prior to the Closing) the Insurer shall produce and deliver to the Company the Transferred Assets Schedule, which shall incorporate the Final Asset Statement and the Final Pre-Closing Asset Valuation and which shall also reflect the Cash Closing Payment. The Insurer shall attach such Transferred Assets Schedule as the "Cash and Transferred Assets Exhibit" to the Group Annuity Contract.

(b) On the Closing Date (but prior to the Closing), the Plan Investment Fiduciary shall deliver to the Insurer the Fixed Income In-Kind Asset Information and its calculation of the Closing [* * *] Adjustment (each using asset values as of the close of business on the Business Day prior to Closing).

(c) On the Closing Date (but prior to the Closing), the Insurer shall deliver to the Company a calculation of the Closing Final Premium in the form of Appendix 2.7 (including a proposed Annuity Exhibit incorporating [* * *] calculated based on the Updated Data File and in accordance with the methodology and procedures set forth in [* * *] and any Closing New Lives Premium, but not any other [* * *]). The "Closing Final Premium" shall be equal to (i) the Closing Adjusted Basis Amount, *plus* (ii) the Closing [* * *] Adjustment, *plus* (iii) the Closing [* * *] Adjustment, *plus* (iv) the Expected [* * *] Fee, *minus* (v) the [* * *] Adjustment; provided that if the unavailability or inaccessibility of POINT prevents the calculation on the Closing Date of the Closing Final Premium (a "Point Access Event"), the Closing Final Premium shall be equal to the Preliminary Closing Premium.

(d) The Insurer shall calculate the Closing Final Premium using in part the data provided in accordance with Section 2.7(b) by the Plan Investment Fiduciary.

C. Calculation of Post-Closing Final Premium

Section 2.8 Final Valuation of Transferred Assets and Post-Closing Final Premium Calculation.

(a) On or prior to the day that is [* * *] days following the Closing Date, the Plan Investment Fiduciary shall deliver to the Insurer (i) a calculation of the value of each Transferred Asset, (A) with respect to the Public Bonds (other than [* * *] Public Bonds) that are Transferred Assets, valued in an amount equal to the value assigned to such Public Bonds in connection with the calculation of the Final Pre-Closing Asset Valuation, (B) with respect to each [* * *] Public Bond that is a Transferred Asset, valued in accordance with the methodology set forth in Appendix 2.5(b) as of the close of business on the Business Day immediately prior to the Closing Date and (C) with respect to each [* * *] that was transferred on the Closing Date or a [* * *] (or any [* * *] transferred on a [* * *]), valued as of [* * *] in accordance with the methodology set forth in Appendix 2.5(b) (the "Closing Asset Valuation") and (ii) the Fixed Income In-Kind Asset Information and its calculation of the Incremental Final [* * *] Adjustment (each using the asset values set forth in the Closing Asset Valuation).

(b) On the [* * *] day following the Closing Date:

(i) the Insurer shall deliver to the Company a calculation of the Post-Closing Final Premium in the form of Appendix 2.7 (including a proposed Annuity Exhibit incorporating (A) [* * *] Adjustments and [* * *] Premiums calculated based on [* * *] discovered by or communicated in writing (in a form consistent with the Base File) to the Insurer after the Pre-Closing [* * *] Cut-Off Date and on or prior to the Post-Closing [* * *] Cut-Off Date, (B) [* * *] discovered after the Pre-Closing [* * *] Cut-Off Date and on or prior to the Post-Closing [* * *] Cut-Off Date in

accordance with the procedures set forth in Section 2.17(b) and (C) any New Lives Premium relating to any New Lives Notice delivered following the date that is 20 Business Days prior to the Pre-Closing [* * *] Cut-Off Date but on or prior to the date that is 20 Business Days prior to the Post-Closing [* * *] Cut-Off Date, but not any other [* * *] based on any [* * *], New Lives Premium or [* * *] Premiums), where the "Post-Closing Final Premium" will be equal to (i) the Post-Closing Adjusted Basis Amount, *plus* (ii) the Post-Closing [* * *] Adjustment, *plus* (iii) the Closing [* * *] Adjustment, *plus* (iv) the Incremental Final [* * *] Adjustment, *plus* (iv) the Final [* * *] Fee, *minus* (v) the [* * *] Adjustment; and

(ii) the Insurer shall deliver to the Company a Transferred Assets Schedule which shall incorporate the Final Asset Statement, any [* * *] transferred on a [* * *] and the Closing Asset Valuation, as may be modified by the Insurer based on any disputed items it has with respect to the Final Asset Statement, any [* * *] transferred on [* * *] or the Closing Asset Valuation and which shall also reflect the Cash Closing Payment.

Section 2.9 Post-Closing Final Premium and Closing Asset Valuation Disputes.

(a) Within [* * *] days following the delivery by the Insurer of the calculation of the Post-Closing Final Premium in accordance with Section 2.8(b)(i), (i) the Company may dispute (by providing written notice to the Insurer) any component of the calculation of the Post-Closing Final Premium (other than the Incremental Final [* * *] Adjustment or the Closing [* * *] Adjustment (or if a Point Access Event has occurred, the Preliminary [* * *] Adjustment)), including the Closing Final Premium and any component of its calculation (other than the Closing [* * *] Adjustment (or if a Point Access Event has occurred, the Preliminary [* * *] Adjustment)), the calculation of [* * *] (including the calculation of [* * *]), or [* * *] Premiums with respect to any [* * *], the calculation of the Preliminary New Lives Premium, Closing New Lives Premium or Final New Lives Premium or whether an asset is an [* * *], but excluding the Fixed Income In-Kind Asset Information and the Closing Asset Valuation and (ii) the Insurer may dispute (by providing written notice to the Company) whether an asset was an [* * *] as of the Closing Date, the Fixed Income In-Kind Asset Information, the Closing Asset Valuation, the Incremental Final [* * *] Adjustment or the Closing [* * *] Adjustment (or if a Point Access Event has occurred, the Preliminary [* * *] Adjustment). Any such dispute (an "Arbitration Dispute") shall be resolved in accordance with the procedures set forth in Appendix 2.9. For the avoidance of doubt, if the Insurer is permitted to dispute the Independent Third Party's calculation of any [* * *] pursuant to Section II of Appendix 2.9, it shall be permitted to pursue that dispute pursuant to the procedures set forth in Section I of Appendix 2.9, even if submitted following the date that is [* * *] days following the delivery by the Insurer of the calculation of the Post-Closing Final Premium in accordance with Section 2.8(b)(i).

(b) Any component of the calculation of (i) the Post-Closing Final Premium, including whether [* * *] or (ii) the Closing Asset Valuation and the Fixed Income In-Kind Asset Information which is not disputed pursuant to Section 2.9(a) shall be final and binding on the Parties.

Section 2.10 True-Up Payments.

(a) By the date that is [* * *] Business Days following the final resolution of all disputes in accordance with Section 2.9:

(i) if the sum of (A) the aggregate Closing Asset Valuation of the Transferred Assets (as may be adjusted following the resolution of disputes in accordance with Section 2.9) and (B) the amount of the Cash Closing Payment, exceeds the amount of the Post-Closing Final Premium (as may be adjusted following the resolution of any disputes in accordance with Section 2.9), then, subject to the execution by the Company of an amendment of the Group Annuity Contract in accordance with Section 2.11, the Insurer shall pay out of the source provided in the Group Annuity Contract to the Plan Trustee, , an amount, in Cash, equal to such excess; and

(ii) if the amount of the Post-Closing Final Premium (as adjusted following the resolution of disputes in accordance with Section 2.9) exceeds the sum of (A) the aggregate Closing Asset Valuation of the Transferred Assets (as may be adjusted following the resolution of any disputes in accordance with Section 2.9) and (B) the amount of the Cash Closing Payment, then, subject to the execution by the Insurer of an amendment of the Group Annuity Contract in accordance with Section 2.11, the Plan Investment Fiduciary shall irrevocably direct the Plan Trustee to pay to the Insurer's Guaranteed Separate Account, an amount, in Cash, equal to such excess.

(b) All payments made pursuant to Section 2.10(a) shall be made without duplication to any Contribution Adjustment Amount (as defined in the Group Annuity Contract) that may be payable under the Group Annuity Contract together with interest thereon for the period on and including the Closing Date through the date on which such payment is made, calculated at a rate equal to [* * *], calculated daily for each day during such period on the basis of a year of 360 days and the actual number of days elapsed. Any interest paid pursuant to the preceding sentence will not constitute a payment of premium or a deduction from the premium in respect of the Group Annuity Contract.

(c) Notwithstanding anything herein to the contrary, neither the Insurer nor the Company will be entitled to seek [* * *].

Section 2.11 Amendments to the Group Annuity Contract. By the date that is five Business Days following the final resolution of all disputes in accordance with Section 2.9, the Insurer and the Company shall amend the Group Annuity Contract to reflect any differences between (x) the amount of the Post-Closing Final Premium (as adjusted following the resolution of any disputes in accordance with Section 2.9) and the amount of the Closing Final Premium, (y) the Annuity Exhibit delivered in connection with the calculation of the Post-Closing Final Premium (as adjusted following the resolution of any disputes in accordance with Section 2.9) and the Annuity Exhibit delivered in connection with the delivery of the calculation of the Closing Final Premium and (z) the Transferred Assets Schedule delivered in connection with the calculation of the Post-Closing Final Premium (as adjusted following the resolution of any disputes in accordance with Section 2.9 and updated to reflect any [* * *], if any, transferred [* * *]) and the Transferred Assets Schedule delivered pursuant to Section 2.7(a).

Section 2.12 Return of Excluded Assets.

(a) If, subject to Section 2.12(c), prior to the date that is 30 days following the Closing Date, [* * *] to the Insurer at Closing or [* * *] is identified by either the Insurer or the Company as [* * *] due to clauses (vi) or (viii) of the definition thereof, (i) the Insurer or the Company, as applicable, shall promptly inform the other, and, subject to the following sentence, if such [* * *], (ii) the Insurer shall, within 5 days, [* * *] and (iii) the Plan Investment Fiduciary shall [* * *].

(b) [* * *].

(c) [* * *].

Section 2.13 Reimbursement of [* * *].

(a) If, during the period from and after the Closing Date through the [* * *], the Insurer (or, on or following the Closing Date but prior to [* * *], the Plan) makes a payment to, or [* * *] at the Closing or on [* * *] due to the following:

(i) an obligation pursuant to an [* * *], in whole or in part, or otherwise reimburse or pay to the [* * *] prior to the Closing Date; provided [* * *];

(ii) any tax, fee or other governmental charge (including, without limitation, any deductions or offsets relating to withholding tax deductions or other payments of taxes) to the extent attributable [* * *] prior to the Closing Date; or

(iii) any Losses arising from a breach [* * *] of its representations, warranties or covenants made by it under the applicable [* * *], which may be either the Closing Date or the [* * *],

then (other than with respect to payments [* * *] taking place prior to [* * *]), the Insurer will promptly deliver notice to the Company setting forth in reasonable detail the amount of the claim and indemnification reimbursement that the Insurer seeks (provided that, the failure so to notify the Company will not relieve the Company of its obligations hereunder except to the extent that (and only to the extent that) such failure shall have prejudiced the Company). In connection with any such notice, the Insurer shall provide such supporting documentation as may be reasonably requested by the Company in connection therewith. The Company thereafter will be permitted to assume the defense of the such claim in a manner consistent with the procedures set forth in Section 10.3(b), and the provisions of Section 10.3(c) and Section 10.3(d) shall apply to the same extent that they would be applicable for an analogous indemnification claim. The Company shall, within ninety (90) days following its receipt of such notice, remit such amount to the Insurer (or if such claim is disputed in good faith, promptly on resolution of such dispute). For the avoidance of doubt, only those amounts that (i) result in an actual payment by the Insurer [* * *] and (ii) only with respect to Section 2.13(a)(i), are related to [* * *] to the Company on behalf of the Plan, are eligible for payment by the Company pursuant to this Section 2.13. The maximum aggregate obligation of the Company to make payments under this Section 2.13(a) is [* * *].

(b) If, during the period from and after the Closing Date through [* * *], the Insurer (or, on or following the Closing Date but prior to [* * *], the Plan) receives [* * *] to it at the Closing [* * *], then upon becoming aware that [* * *], the Insurer shall deliver a notice to the Company setting forth in reasonable detail the amount of the [* * *]. The maximum aggregate obligation of the Insurer to make payments [* * *] under this Section 2.13(b) is [* * *].

D. Other Matters

Section 2.14 [* * *].

Section 2.15 [* * *].

Section 2.16 Access and Cooperation. The Company and the Insurer shall provide the other and their Representatives with reasonable access during normal business hours to examine and shall provide copies of (a) the work papers and files related to the preparation of, or support for, the calculations and valuations contemplated by this Article II, including any such work papers or files related to POINT and (b) the relevant books and records of the Insurer or the Company, as applicable, and to discuss with the Insurer's or the Company's, as applicable, employees and Representatives involved with respect thereto; provided, however, that notwithstanding anything to the contrary set forth herein, (i) the Insurer shall not have any obligation to provide the Company and its Representatives with access to any life-by-life information with respect to the Priced Lives or any work papers or other information that discloses or reveals such life-by-life information, nor shall the Company or any of its Representatives attempt to derive, directly or indirectly, any such life-by-life information from any other information provided to the Company, the Company's Affiliates or Representatives or the Company's Affiliates' Representatives and (ii) the Company shall not have any obligation to provide the Insurer or its Representatives with any work papers of its certified public accountants. If, notwithstanding the foregoing, the Company or any of its Representatives obtain any such life-by-life information, whether directly or indirectly, or through a process of derivation, the Company shall and shall direct its Representatives to not use such information and to destroy (and certify to the Insurer destruction of) such information and to otherwise transfer any rights in such information to the Insurer.

Section 2.17 Data Updates; [* * *] Adjustments.

(a) Access To Information. From and after the date hereof through the date on which the Post-Closing Final Premium is finally determined pursuant to Section 2.8 and Section 2.9, the Plan Investment Fiduciary shall provide the Insurer with reasonable access to all updates in the Plan Investment Fiduciary's possession of the data, including benefit amounts, benefit forms, dates of birth, dates of death, gender, and lives missing from the original data provided by the Plan Investment Fiduciary that relate to the premium payable to the Insurer, in each case limited to data in connection with Annuitants or Contingent Annuitants.

(b) Insurer's Verification of [* * *]. From and after the Pre-Closing [* * *] Cut-Off Date until the Post-Closing [* * *] Cut-Off Date, the Insurer will, in accordance with the Insurer's standard verification practices and procedures, [* * *]. If (i) subject to such

standard verification practices and procedures, such data source indicates that [* * *] then, the Insurer shall reflect such [* * *] as a [* * *], as applicable, in its calculation of the Post-Closing Final Premium. The Insurer will provide monthly updates to the Plan Investment Fiduciary of such [* * *] review.

(c) Insurer's Review for [* * *]. From and after the Pre-Closing [* * *] Cut-Off Date until the Post-Closing [* * *] Cut-Off Date, the Insurer will, in accordance with the Insurer's standard verification practices and procedures, [* * *]. If any such [* * *] are found, the Insurer will treat such [* * *] as a [* * *] in its calculation of the Post-Closing Final Premium. The Insurer will provide monthly updates to the Plan Investment Fiduciary of such review.

Section 2.18 Business Day Adjustments. If any calculation set forth in this Article II is to be performed as of a day that is not a Business Day, such calculation shall be performed as of the immediately preceding Business Day.

Section 2.19 Adjustment to the Target Closing Date. If subsequent to the calculation or delivery of a calculation or other deliverable that was required to be performed or delivered as of, on or prior to a day that is some number of days prior to the Target Closing Date, the Target Closing Date is adjusted so that it is a later date, the applicable Party shall re-calculate or deliver such calculation or other deliverable as of, on or prior, as applicable, to such number of days prior to the Target Closing Date as so adjusted.

Section 2.20 Addition of New Lives; Issuance of Supplemental Annuity Payments.

(a) Addition of New Lives.

(i) On or prior to the date that is 20 Business Days prior to the Post-Closing [* * *] Cut-Off Date, the Company may notify the Insurer in writing (a "New Lives Notice") of additional individuals the Company proposes to include as Annuitants under the Group Annuity Contract but that were not set forth on the Base File (or that were subsequently removed from the Base File, including in connection with the delivery of the Supplemental Base File or the Updated Data File). Any such New Lives Notice shall set forth the proposed new Annuitants in a form and including information consistent with the Base File.

(ii) With respect to any New Lives Notices delivered on or prior to the date that is 20 Business Days prior to the Pre-Closing [* * *] Cut-Off Date, the Insurer shall, on or prior to the date that is 10 Business Days prior to the Pre-Closing [* * *] Cut-Off Date deliver to the Company a calculation of the aggregate New Lives Premium associated with the applicable individuals and if, within 5 Business Days following the Company's receipt of the Insurer's calculation of such New Lives Premium, the Company notifies the Insurer in writing that it has elected to include such individuals as Annuitants under the Group Annuity Contract (a "Pre-Closing New Lives Election") then such individuals will be included as Annuitants under the Group Annuity Contract issued on the Closing Date.

(iii) With respect to any New Lives Notices delivered following the date that is 20 Business Days prior to the Pre-Closing [* * *] Cut-Off Date and on or prior to the date that is 20 Business Days prior to the Post-Closing [* * *] Cut-Off Date, the Insurer shall, on or prior to the date that is 10 Business Days prior to the Post-Closing [* * *] Cut-Off Date deliver to the Company a calculation of the aggregate New Lives Premium associated with the applicable individuals and if, within 5 Business Days following the Company's receipt of the Insurer's calculation of such New Lives Premium, the Company notifies the Insurer in writing that it has elected to include such individuals as Annuitants under the Group Annuity Contract (a "Post-Closing New Lives Election") then such individuals will be included as Annuitants in connection with the amendment of the Group Annuity Contract contemplated by Section 2.11.

(iv) If the Company does not make a Pre-Closing New Lives Election or Post-Closing New Lives Election, as applicable, with respect to such individuals, then such individuals will not be included as Annuitants under the Group Annuity Contract.

(b) Benefit Mismatch Corrections. After the Post-Closing [* * *] Cut-Off Date, if (i) the Company discovers a Benefit Mismatch as a result of an Annuity Exhibit BGD Error or otherwise, (ii) the Insurer discovers an Annuity Exhibit BGD Error, or (iii) an Annuitant or Contingent Annuitant (or his or her Representative) or any other individual claims that a Benefit Mismatch has occurred, the Company and the Insurer shall take the following actions:

(i) The Insurer shall give written notice to the Company when it discovers an Annuity Exhibit BGD Error; the Company shall give written notice to the Insurer of its discovery of a Benefit Mismatch; and each of the Insurer and the Company shall give written notice to the other of its receipt of the assertion of a claimed Benefit Mismatch, in each case within 30 days of such discovery or receipt of a claim, including all documentation and/or data received by it in connection therewith. The Insurer shall reasonably cooperate with the Company and provide to it (x) all documents and data received by it in connection with information relating to an Annuity Exhibit BGD Error and (y) any other documents in its custody or control reasonably requested by the Company in connection with the discovery or claim of a possible Benefit Mismatch. The Insurer shall provide such documentation or data within 10 days of its receipt thereof. The Insurer will not evaluate any possible Benefit Mismatch. Except as provided in this clause (i) and clause (v) below, the Insurer's sole duty with respect to a possible Benefit Mismatch is to inform the Company of any Annuity Exhibit BGD Error it discovers or an assertion of a claimed Benefit Mismatch it receives pursuant to this clause (i).

(ii) The Company shall within 90 days after its discovery of a Benefit Mismatch or receipt of notice or assertion pursuant to clause (i) determine, in its sole discretion, whether a Benefit Mismatch occurred, and whether such Benefit Mismatch would, if corrected, result in a different or additional Annuity Form (as defined in the Group Annuity Contract), or an increase in or additional Annuity Payments, or both, or the addition of a Contingent Annuitant under the Group Annuity Contract.

(iii) In the event the Company determines in accordance with clause (ii), in its sole discretion, that a Benefit Mismatch has occurred and that correcting the Benefit

Mismatch would require a decrease in Annuity Payments (or no change in Annuity Payments or no additional Annuity Payments), or no additional Contingent Annuitant under the Group Annuity Contract, then no change shall be made to the amount of such Annuity Payments or to any other terms of the Annuity Exhibit(s) or Annuity Certificate(s) with respect to such Annuitant and Contingent Annuitant, or with respect to any provision of the Group Annuity Contract, and the Insurer will not be required to refund any contribution (or any part of such contribution) received by the Insurer under the Group Annuity Contract in respect of, or attributable or allocable to, any such Annuitant and/or Contingent Annuitant.

(iv) In the event the Company determines in accordance with clause (ii), in its sole discretion, that a Benefit Mismatch has occurred and that correcting the Benefit Mismatch requires an increased or additional Annuity Payment, or a different or additional Annuity Form in respect of an Annuitant or Contingent Annuitant, or a change in the classification of an Annuitant or Contingent Annuitant, or the addition of a Contingent Annuitant (but not the addition of an Annuitant), and the attendant addition of an Annuity Payment and Annuity Form, the Company agrees to and shall pay an additional premium to the Insurer to provide for such increased and/or additional Annuity Payments under the Group Annuity Contract, in the form necessary to correct such Benefit Mismatch for all applicable future periods, or prior periods as so determined.

(v) Within 10 Business Days after its receipt of any notice from the Company pursuant to clause (iv) and any information reasonably required by the Insurer, the Insurer will calculate the amount of premium to be paid by the Company for such amendment of the Group Annuity Contract. The Insurer shall calculate such additional premium in accordance with the applicable terms of the Group Annuity Contract. Upon receipt of such additional premium, the Company and the Insurer shall amend the Group Annuity Contract in accordance with the applicable terms of the Group Annuity Contract.

(vi) Insurer acknowledges that the Company will not use any assets of the Plan for any payment pursuant to clause (iv).

Section 2.21 [* * *].

Section 2.22 [* * *].

ARTICLE III COMPANY'S REPRESENTATIONS AND WARRANTIES

The Company hereby represents and warrants to Insurer Parent, the Insurer and the Independent Fiduciary as of the Execution Date and, except with respect to Sections 3.9 and 3.10, the Closing Date that, except as set forth in the Company Disclosure Letter:

Section 3.1 Due Organization, Good Standing and Corporate Power. The Company is a corporation, validly existing and in good standing under the Laws of the State of Delaware. The Company has all requisite power and authority to enter into and carry out its obligations under this Agreement and the Ancillary Agreements to which it is, or will be at Closing, a party

and to consummate the transactions contemplated to be undertaken by the Company herein or therein. The Company is duly qualified or licensed to do business and is in good standing in each jurisdiction in which its sponsorship of the Plan makes such qualification or licensing necessary, except in such jurisdictions where the failure to be in good standing, or so qualified or licensed is not material.

Section 3.2 Authorization of Agreement; Enforceability. The Company has received all appropriate corporate approvals and no other action on the part of the Company or its Affiliates is necessary to authorize the execution, delivery and performance of this Agreement and the Ancillary Agreements (to the extent a party thereto) and the consummation of the transactions contemplated to be undertaken by the Company under this Agreement and the Ancillary Agreements (to the extent a party thereto). This Agreement is, and the Ancillary Agreements (to the extent that the Company is a party thereto), when executed will be, duly executed and delivered by the Company, and each is (or when executed will be) a valid and binding obligation of the Company and enforceable against the Company in accordance with its terms, except to the extent that such enforceability may be affected by applicable bankruptcy, insolvency, reorganization, moratorium and similar Law affecting the enforcement of creditors' rights generally and by general equitable principles.

Section 3.3 Consents And Approvals; No Violations. The execution, delivery and performance of this Agreement by the Company and the consummation by the Company and the Plan Trustee of the transactions contemplated to be undertaken by the Company and the Plan Trustee pursuant to this Agreement do not (a) violate or conflict with any provision of the Plan Governing Documents, the certificate or articles of incorporation, bylaws or code of regulations, or the comparable governing documents of the Company or the Plan Trustee, (b) violate or conflict with any Law or Order of any Governmental Authority applicable to the Company or the Plan, (c) require any additional Governmental Approval, or (d) require any Consent of or other action by any Person under, constitute a default or an event that, with or without notice or lapse of time or both, would constitute a default under, or cause or permit termination, cancellation, acceleration or other change of any right or obligation or the loss of any benefit under, any provision of any Contract to which the Company or the Plan Trustee is a party, the absence or occurrence of any of the foregoing would have a material adverse impact on the Company's or the Plan Trustee's ability to consummate the Transaction.

Section 3.4 Compliance with ERISA and Code. The Plan and the Plan Trust are maintained under and are subject to ERISA and operated in compliance therewith in all material respects. The Plan's most recent favorable IRS determination letter is dated September 28, 2011 (however, due to mergers into the Plan that occurred after the date on which such letter was requested, the letter does not apply to certain components of the Plan which, nonetheless, are the subject of favorable IRS determination letters requested prior to merger). No event has occurred that is reasonably likely to result in the Plan losing its Tax Qualified status. All Plan amendments necessary to effect transactions contemplated by this Agreement, and the Ancillary Agreements, to the extent that they require authorization by the Company, have been duly authorized and made by the Company. The Plan Trustee has been duly appointed as the directed trustee of the Plan Trust.

Section 3.5 No Brokers' Fee. The Company has no Liability for any fee, commission or payment to any broker, finder or agent with respect to the Transaction for which any other Party, or its respective Affiliates or Representatives, could be liable.

Section 3.6 Appointment of the Plan Investment Fiduciary. The Plan Investment Fiduciary has been duly appointed by the Company in accordance with the Plan Governing Documents and has the requisite authority and responsibility to perform the covenants and agreements and make the representations and warranties set forth in this Agreement, the Ancillary Agreements (to the extent a party thereto) to be performed or made by the Plan Investment Fiduciary.

Section 3.7 Accuracy of Information. To the Company's Knowledge (a) the historical mortality data provided by the Company to the Insurer in the documents identified on Appendix 3.7 did not contain any misstatements or omissions that were, in the aggregate, material, and (b) the census data for date of birth, date of death or gender, in each case, with respect to Annuitant and Contingent Annuitants that is furnished by or on behalf of the Company to the Insurer was not generated using any materially incorrect systematic assumptions or material omissions.

Section 3.8 Delivery of Plan Governing Documents. True, correct and complete copies of the Plan Governing Documents set forth on Appendix 3.8 have been delivered to the Independent Fiduciary and the Insurer by the Company on or prior to the Execution Date.

Section 3.9 Settlement Accounting. As of the date hereof, to the Company's Knowledge there are no circumstances existing or that would reasonably be expected to occur that would be likely to cause the Company to conclude that the Company may not account for the transactions contemplated by this Agreement and the Ancillary Agreements as a settlement under ASC 715.

Section 3.10 Litigation by Plan Beneficiaries and Plan Participants. As of the date hereof, there is no Action pending or, to the Company's Knowledge, threatened, by or on behalf of any Plan Beneficiary or Plan Participant relating to the Plan or any benefit payable or alleged to be payable pursuant to the Plan.

Section 3.11 No Other Representations or Warranties; Reliance. Except for the representations and warranties of the Company expressly set forth in this Article III, neither the Company nor any of its Affiliates (aside from the Plan Investment Fiduciary pursuant to Article IV), nor any other Person makes any express or implied representation or warranty on behalf of the Company or any of its Affiliates with respect to the Company, its Affiliates, the Transferred Assets or the transactions contemplated by this Agreement. The Company acknowledges and agrees that Insurer Parent, the Insurer and the Independent Fiduciary have relied on the representations set forth in this Article III.

ARTICLE IV

PLAN INVESTMENT FIDUCIARY REPRESENTATIONS AND WARRANTIES

The Plan Investment Fiduciary hereby represents and warrants to Insurer Parent, the Insurer and the Independent Fiduciary as of the Execution Date and the Closing Date that:

Section 4.1 Due Organization, Good Standing and Corporate Power. The Plan Investment Fiduciary is a corporation, validly existing and in good standing under the Laws of the State of Delaware. The Plan Investment Fiduciary has all requisite power and authority to enter into and carry out its obligations under this Agreement and the Ancillary Agreements to which it is, or will be at Closing, a party and to consummate the transactions contemplated to be undertaken by the Plan Investment Fiduciary herein or therein and to effectuate the selection by the Independent Fiduciary and to direct the Plan Trustee to consummate the transactions. The Plan Investment Fiduciary is duly qualified or licensed to do business and is in good standing in each jurisdiction in which such qualification or licensing is necessary, except in such jurisdictions where the failure to be in good standing, or so qualified or licensed is not material.

Section 4.2 Authorization of Agreement; Enforceability. The Plan Investment Fiduciary has received all appropriate corporate approvals and no other action on the part of the Plan Investment Fiduciary or its Affiliates is necessary to authorize the execution, delivery and performance of this Agreement and the Ancillary Agreements (to the extent a party thereto) and the consummation of the transactions contemplated to be undertaken by the Plan Investment Fiduciary under this Agreement and the Ancillary Agreements (to the extent a party thereto). This Agreement is, and the Ancillary Agreements (to the extent that the Plan Investment Fiduciary is a party thereto), when executed will be, duly executed and delivered by the Plan Investment Fiduciary, and each is (or when executed will be) a valid and binding obligation of the Plan Investment Fiduciary and enforceable against the Plan Investment Fiduciary, in accordance with its terms, except to the extent that such enforceability may be affected by applicable bankruptcy, insolvency, reorganization, moratorium and similar Law affecting the enforcement of creditors' rights generally and by general equitable principles. [* * *] will be a valid and binding obligation of the Plan Trust, enforceable against the Plan Trust in accordance with its terms, except to the extent that such enforceability may be affected by applicable bankruptcy, insolvency, reorganization, moratorium and similar Law affecting the enforcement of creditors' rights generally and by general equitable principles. [* * *]

Section 4.3 Consents And Approvals; No Violations. The execution, delivery and performance of this Agreement by the Plan Investment Fiduciary and the consummation by the Plan Investment Fiduciary of the transactions contemplated to be undertaken by the Plan Investment Fiduciary pursuant to this Agreement do not (a) violate or conflict with any provision of its certificate or articles of incorporation, bylaws or code of regulations, or the comparable governing documents, (b) violate or conflict with any Law or Order of any Governmental Authority applicable to the Plan Investment Fiduciary, (c) require any additional Governmental Approval, or (d) [* * *] require any Consent of or other action by any Person under, constitute a default or an event that, with or without notice or lapse of time or both, would constitute a default under, or cause or permit termination, cancellation, acceleration or other change of any right or obligation or the loss of any benefit under, any provision of any Contract to which the Plan Investment Fiduciary is a party, the absence or occurrence of any of the foregoing of which would have a material adverse impact on the Plan Investment Fiduciary's ability to consummate the Transaction.

Section 4.4 Appointment of the Independent Fiduciary. The Independent Fiduciary has been duly appointed by the Plan Investment Fiduciary in accordance with the Plan Governing Documents as the sole fiduciary of the Plan with authority to select the insurer or

insurers to issue one or more group annuity contracts as set forth in an engagement letter with the Independent Fiduciary dated August 24, 2012, as amended (the "IF Engagement Letter"), and has the requisite authority and responsibility to (a) determine whether the transactions contemplated by this Agreement, the Group Annuity Contract, the Plan Trustee Agreement and [* * *] satisfy ERISA, and (b) perform the covenants and agreements and make the representations and warranties set forth in this Agreement, the Ancillary Agreements (to the extent a party thereto) and the IF Engagement Letter to be performed or made by the Independent Fiduciary.

Section 4.5 No Brokers' Fee. The Plan Investment Fiduciary has no Liability for any fee, commission or payment to any broker, finder or agent with respect to the Transaction for which any other Party, or its respective Affiliates or Representatives, could be liable.

Section 4.6 Investment of Plan Assets. There are no commingled investment vehicles that hold Plan Assets the units of which are or will be Plan Assets involved in the transactions contemplated by this Agreement and the Ancillary Agreements. No Plan Assets are or will be involved in the transactions contemplated by this Agreement and the Ancillary Agreements are managed pursuant to investment management agreements signed on behalf of the Plan by the Insurer or any investment manager listed on Appendix 6.11.

Section 4.7 No Other Representations or Warranties; Reliance. Except for the representations and warranties of the Plan Investment Fiduciary expressly set forth in this Article IV, neither the Plan Investment Fiduciary nor any of its Affiliates (aside from the Company pursuant to Article III), nor any other Person makes any express or implied representation or warranty on behalf of the Plan Investment Fiduciary or any of its Affiliates with respect to the Plan Investment Fiduciary, its Affiliates or the transactions contemplated by this Agreement. The Plan Investment Fiduciary acknowledges and agrees that Insurer Parent, the Insurer and the Independent Fiduciary have relied on the representations set forth in this Article IV.

ARTICLE V

INDEPENDENT FIDUCIARY'S REPRESENTATIONS AND WARRANTIES

The Independent Fiduciary hereby represents and warrants to the Company, the Plan Investment Fiduciary, Insurer Parent and the Insurer as of the Execution Date and the Closing Date that:

Section 5.1 Due Organization, Good Standing and Corporate Power.

(a) The Independent Fiduciary is a corporation duly organized, validly existing and in good standing under the Laws of the State of Delaware. The Independent Fiduciary has all requisite power and authority to enter into and carry out its obligations under this Agreement and the Ancillary Agreements (to the extent a party thereto) to which it is, or will be at Closing, a party. The Independent Fiduciary is duly qualified or licensed to do business and is in good standing in each jurisdiction in which its representation of the Plan makes such qualification or licensing necessary, except in such jurisdictions where the failure to be or in good standing or so qualified or licensed is not material.

(b) The Independent Fiduciary meets the requirements of, and in the transactions contemplated by this Agreement and the Ancillary Agreements (to the extent a party thereto) is acting as, an investment manager under ERISA § 3(38) with respect to the transactions contemplated by this Agreement, the Group Annuity Contract and [* * *]. The Independent Fiduciary is experienced in independent fiduciary work, and together with its reliance on its consultant Oliver Wyman Inc. and its counsel, K&L Gates, LLP, the Independent Fiduciary is knowledgeable concerning the large scale group annuity marketplace and reasonably believes that it has the requisite expertise to select the Insurer of the Group Annuity Contract and perform its obligations under this Agreement, the Ancillary Agreements (to the extent a party thereto) and the IF Engagement Letter. The Independent Fiduciary accepted its designation as fiduciary of the Plan with authority to select the insurer or insurers to issue one or more group annuity contracts by the Plan Investment Fiduciary in the IF Engagement Letter (a true and correct copy of which has been provided to the Insurer, with the fees to be paid to the Independent Fiduciary redacted therefrom), and the Independent Fiduciary reaffirms its fiduciary status as set forth in such letter. The Independent Fiduciary has provided and will continue to provide the services described in Section 1 of such letter prudently and for the exclusive benefit and in the sole interest of the Plan and its participants and beneficiaries. The Independent Fiduciary has the authority and responsibility to (a) determine whether the transactions contemplated by this Agreement, the Group Annuity Contract, the Plan Trustee Agreement and [* * *] satisfy ERISA and (b) perform the covenants and agreements and make the representations and warranties set forth in this Agreement, the Ancillary Agreements (to the extent a party thereto) and the IF Engagement Letter, to the extent to be performed or made by the Independent Fiduciary.

Section 5.2 Authorization of Agreement; Enforceability. The Independent Fiduciary has received all appropriate corporate approvals and no other action on the part of the Independent Fiduciary is necessary to authorize the execution, delivery and performance of this Agreement and the Ancillary Agreements (to the extent a party thereto) and the consummation of the transactions contemplated to be undertaken by the Independent Fiduciary under this Agreement and the Ancillary Agreements (to the extent a party thereto). This Agreement is, and the Ancillary Agreements (to the extent a party thereto), when executed will be, duly executed and delivered by the Independent Fiduciary, and each is (or when executed will be) a valid and binding obligation of the Independent Fiduciary and enforceable against the Independent Fiduciary, in accordance with its terms, except to the extent that such enforceability may be affected by applicable bankruptcy, insolvency, reorganization, moratorium and similar Law affecting the enforcement of creditors' rights generally and by general equitable principles; provided, that, except as set forth in Section 11.2, neither this Agreement nor the Ancillary Agreements (to the extent a party thereto) shall be enforceable against the Independent Fiduciary if this Agreement is terminated pursuant to Article XI, other than a termination pursuant to Section 11.1(c) or 11.1(e) as a result of a misrepresentation or breach of any representation, warranty, covenant or agreement on the part of the Independent Fiduciary.

Section 5.3 Consents And Approvals; No Violations. The execution, delivery and performance of this Agreement and the Ancillary Agreements (to the extent a party thereto) by the Independent Fiduciary do not: (a) violate or conflict with any provision of its certificate or articles of incorporation, bylaws or code of regulations (or the comparable governing documents); (b) violate or conflict with any Law or Order of any Governmental Authority

applicable to Independent Fiduciary; (c) require any Governmental Approval; (d) require any Consent of or other action by any Person; or (e) result in a Non-Exempt Prohibited Transaction.

Section 5.4 ERISA Related Determinations.

(a) The Independent Fiduciary is fully qualified to serve as an independent fiduciary in connection with the transactions contemplated by this Agreement and it is independent of the Company.

(b) The Independent Fiduciary has selected the Insurer to issue the Group Annuity Contract as set forth in this Agreement and such selection and the transactions contemplated by this Agreement, [* * *], the Plan Trustee Agreement and the Group Annuity Contract satisfy the requirements of ERISA. The Independent Fiduciary has delivered a certification confirming the foregoing, executed by a duly authorized officer of the Independent Fiduciary, to the Plan Investment Fiduciary.

(c) If (i) an Independent Fiduciary MAC has not occurred between the Execution Date and the Closing Date and is not continuing as of the Closing Date, and (ii) the officers' certificates contemplated by Section 2.2(b)(v) and Section 2.2(c) are delivered to the Independent Fiduciary, the selection of the Insurer to provide the Group Annuity Contract and the Plan's purchase of the Group Annuity Contract as contemplated hereby will continue to satisfy the requirements of ERISA as of the Closing Date.

(d) The transactions contemplated by this Agreement, [* * *], the Plan Trustee Agreement and the Group Annuity Contract do not result in a Non-Exempt Prohibited Transaction. The Independent Fiduciary represents that the Plan Trust (i) will receive no less than "adequate consideration" for the Transferred Assets that it transfers in connection with the transactions contemplated by this Agreement, [* * *] and the Plan Trustee Agreement, and (ii) will pay no more than "adequate consideration" for the Group Annuity Contract, in each case within the meaning of "adequate consideration" under Section 408(b)(17)(B) of ERISA and Section 4975(f)(10) of the Code.

Section 5.5 No Brokers' Fee. The Independent Fiduciary has no Liability for any fee, commission or payment to any broker, finder or agent with respect to the Transaction for which any other Party, or their respective Affiliates or Representatives, could be liable.

Section 5.6 No Other Representations or Warranties; Reliance. Except for the representations and warranties of the Independent Fiduciary expressly set forth in this Article V, none of the Independent Fiduciary, its Affiliates, nor any other Person makes any express or implied representation or warranty on behalf of the Independent Fiduciary or any of its Affiliates with respect to the Independent Fiduciary, the Plan, the Transferred Assets or the transactions contemplated by this Agreement and the Ancillary Agreements (to the extent a party thereto). The Independent Fiduciary acknowledges and agrees that Insurer Parent, the Insurer, the Plan Investment Fiduciary and the Company have relied on the representations set forth in this Article V.

ARTICLE VI

INSURER AND INSURER PARENT REPRESENTATIONS AND WARRANTIES

Each of Insurer Parent and the Insurer hereby represents and warrants to the Company, the Plan Investment Fiduciary and the Independent Fiduciary as of the Execution Date and the Closing Date that:

Section 6.1 Due Organization, Good Standing and Corporate Power. Insurer Parent is a corporation duly organized, validly existing and in good standing under the Laws of the State of New Jersey. The Insurer is a life insurance company duly organized, validly existing and in good standing under the Laws of the State of New Jersey. Each of Insurer Parent and the Insurer have all requisite power and authority to enter into and carry out their respective obligations under this Agreement and the Ancillary Agreements to which each is, or will be at Closing, a party and to consummate the transactions contemplated to be undertaken by Insurer Parent or the Insurer, as applicable, herein or therein. The Insurer is duly qualified or licensed to do business and is in good standing in each jurisdiction in which its performance of its obligations set forth in the Group Annuity Contract makes such qualification or licensing necessary, except in such jurisdictions where the failure to be in good standing or so qualified or licensed is not material.

Section 6.2 Authorization of Agreement; Enforceability. Each of Insurer Parent and the Insurer have received all appropriate corporate approvals and no other action on the part of Insurer Parent, the Insurer or their respective Affiliates is necessary to authorize the execution, delivery and performance of this Agreement and the Ancillary Agreements (to the extent a party thereto) and the consummation of the transactions contemplated to be undertaken by Insurer Parent or the Insurer under this Agreement and the Ancillary Agreements (to the extent a party thereto). This Agreement is, and the Ancillary Agreements (to the extent the Insurer is a party thereto), other than the Group Annuity Contract, which is addressed by Section 6.4 below, when executed will be, duly executed and delivered by the Insurer, and each is (or when executed will be) a valid and binding obligation of the Insurer and enforceable against the Insurer in accordance with its terms, except to the extent that such enforceability may be affected by applicable bankruptcy, insolvency, reorganization, moratorium and similar Law affecting the enforcement of creditors' rights generally and by general equitable principles. This Agreement has been, and the Ancillary Agreements (to the extent that the Insurer Parent is a party thereto) when executed will be, duly executed and delivered by Insurer Parent and each is a valid and binding obligation of Insurer Parent (to the extent the Insurer Parent is a party thereto) and enforceable against Insurer Parent, in accordance with its terms, except to the extent that such enforceability may be affected by applicable bankruptcy, insolvency, reorganization, moratorium and similar Law affecting the enforcement of creditors' rights generally and by general equitable principles.

Section 6.3 Consents And Approvals; No Violations. Assuming the Government Approvals described in the last sentence of this Section 6.3 have been obtained, the execution and delivery of this Agreement and the Ancillary Agreements (to the extent a party thereto) by Insurer Parent and the Insurer and the consummation by Insurer Parent and the Insurer of the transactions contemplated to be undertaken by the Insurer Parent and the Insurer do not (a) violate or conflict with any provision of their respective certificates or articles of incorporation, bylaws or code of regulations (or the comparable governing documents), (b) violate or conflict

with any Law or Order of any Governmental Authority applicable to Insurer Parent or the Insurer, (c) require any Governmental Approval, or (d) require any Consent of or other action by any Person under, constitute a default or an event that, with or without notice or lapse of time or both, would constitute a default under, or cause or permit termination, cancellation, acceleration or other change of any right or obligation or the loss of any benefit under, any provision of any Contract to which the Insurer is a party, to the extent the absence or occurrence of any of the foregoing would have a material adverse impact on the Insurer's ability to consummate the Transaction. The Plan of Operations has been approved by the New Jersey Department of Banking and Insurance. No further filing or approval is required to use the Annuity Certificates in accordance with the Group Annuity Contract, other than (i) any filing made or approval received as of the date hereof and (ii) filings with and approvals of state insurance Governmental Authorities in the State of Oklahoma and the State of Montana.

Section 6.4 Enforceability of Group Annuity Contract. The Group Annuity Contract when executed will be duly executed and delivered by the Insurer and will be a valid and binding obligation of the Insurer and enforceable against the Insurer by the Company, the Plan and each Annuitant and Contingent Annuitant, in accordance with its terms, except to the extent that such enforceability may be affected by applicable bankruptcy, insolvency, reorganization, moratorium and similar Law affecting the enforcement of creditors' rights generally and by general equitable principles.

Section 6.5 Compliance with Laws. The business of the Insurer Parent and the Insurer has been and is being conducted in material compliance with applicable Laws, and none of the licenses, permits or Governmental Approvals required for the continued conduct of the business of the Insurer Parent and the Insurer as such business is currently being conducted will lapse, terminate, expire or otherwise be impaired as a result of the consummation of the transactions contemplated to be undertaken by the Insurer Parent, the Insurer or their Affiliates hereunder or pursuant to the Ancillary Agreements, except as, in either case, would not reasonably be expected to be, individually or in the aggregate, materially adverse to the ability of the Insurer Parent and the Insurer to perform their obligations under this Agreement or the Ancillary Agreements.

Section 6.6 No Brokers' Fee. Neither Insurer Parent nor the Insurer has any Liability for any fee, commission or payment to any broker, finder or agent with respect to the Transaction for which any other Party, or their respective Affiliates or Representatives, could be liable.

Section 6.7 Accuracy of Disclosed Information.

(a) To the Insurer's Knowledge, (i) all material information (other than the information on the Identified CD-ROM) provided to the Company or the Independent Fiduciary in connection with the transactions contemplated by this Agreement, was, as of the date indicated on such information, true and correct in all material respects and (ii) no change has occurred since the date indicated on such information that the Insurer or Insurer Parent has not publicly disclosed or disclosed to the recipient of such information that would cause such information, taken as a whole, to be materially false or misleading.

(b) To the Insurer's Knowledge, (i) the information on the Identified CD-ROM and (ii) all information and data supplied to the Independent Third Party, if any (other than any such information that was supplied by the Company, the Plan Trustee, the Plan, the Independent Fiduciary, the Plan Investment Fiduciary or any of their respective Affiliates or Representatives, and has been reproduced by the Insurer, with no modifications or other changes) does not contain any material errors or omissions.

Section 6.8 No Post-Closing Liability. Following the Closing, none of the Company, the Plan, the Plan Investment Fiduciary, the Company's other Affiliates, the Independent Fiduciary, nor any of their respective directors, officers, trustees or fiduciaries will have any Liability to pay any Annuity Payment.

Section 6.9 Sufficient Resources and Market Sophistication. The Insurer is a sophisticated investor with experience in the purchase of [* * *] of the type to be included in the Transferred Assets. The Insurer has had access to such information as it deems necessary in order to make its decision to acquire the Transferred Assets from the Plan. Without limiting any rights or remedies of the Insurer set forth in this Agreement, or the Company's obligations under Section 7.8, the Insurer and Insurer Parent acknowledge that, other than with respect to information pertaining to whether a Transferred Asset is [* * *] (i) the Company currently may have information with respect to the Transferred Assets and the Transferred Liabilities that is not known to the Insurer or Insurer Parent and that may be material to a decision to acquire the Transferred Assets and assume the Transferred Liabilities and (ii) the Insurer and Insurer Parent have determined to acquire the Transferred Assets and assume the Transferred Liabilities and the investment risk associated with the Transferred Assets notwithstanding their lack of knowledge of such information. The Insurer and Insurer Parent acknowledge and agree that neither the Company nor the Plan has given any investment advice or rendered any opinion to the Insurer as to whether the acquisition of the Transferred Assets is prudent. For the avoidance of doubt, nothing in this Section 6.9 shall affect the truth or accuracy of the Company's, the Plan Investment Fiduciary's or the Independent Fiduciary's representations and warranties expressly set forth herein.

Section 6.10 Relationship to the Plan. The Insurer is not (a) a trustee of the Plan (other than a non-discretionary trustee who does not render investment advice with respect to any assets of the Plan), (b) a plan administrator (within the meaning of section 3(16)(A) of ERISA and section 414(g) of the Code), or (c) an employer any of whose employees are covered by the Plan.

Section 6.11 ERISA Compliance. A true and complete list of the Insurer's Affiliates that are investment managers within the meaning of section 3(38) of ERISA and that manage assets subject to ERISA is set forth on Appendix 6.11 (as may be updated pursuant to Section 8.8). Assuming the accuracy of the Plan Investment Fiduciary's representation in Section 4.6, and the Independent Fiduciary's representation in Section 5.4(d) (but only to the extent that such representation relates to adequate consideration), the execution and delivery of this Agreement and the Ancillary Agreements (to the extent a party thereto) by Insurer Parent and the Insurer and the consummation by Insurer Parent and Insurer of the transactions contemplated to be undertaken by the Insurer Parent and the Insurer do not result in a Non-Exempt Prohibited Transaction.

Section 6.12 No Other Representations or Warranties; Reliance. Except for the representations and warranties of Insurer and the Insurer Parent expressly set forth in this Article VI, none of the Insurer Parent, the Insurer, any of their respective Affiliates or any other Person makes any express or implied representation or warranty on behalf of Insurer Parent or the Insurer or any of their respective Affiliates with respect to Insurer Parent, the Insurer, their respective Affiliates, or the transactions contemplated by this Agreement and the Ancillary Agreements (to the extent a party thereto). Insurer Parent and the Insurer acknowledge and agree that the Company, the Plan Investment Fiduciary and the Independent Fiduciary have relied on the representations set forth in this Article VI.

ARTICLE VII PRE-CLOSING COVENANTS

The Parties agree as follows with respect to the period between the execution of this Agreement and the Closing (except as otherwise expressly stated to apply to a different period):

Section 7.1 Efforts to Close; Regulatory Clearances; Third-Party Consents.

(a) In addition to the actions specifically provided for elsewhere in this Agreement or in any Ancillary Agreement, each of the Parties will cooperate with each other and use (and, except with respect to the Independent Fiduciary, will cause their respective Affiliates to use) their respective Commercially Reasonable Efforts to take, or to cause to be taken, all actions, and to do, or to cause to be done, all things reasonably necessary on its part to consummate the Closing. Without limiting the generality of the foregoing, the Company, the Plan Investment Fiduciary, the Insurer and Insurer Parent shall use their respective Commercially Reasonable Efforts to obtain and to cause others to obtain, as soon as practicable, all required Governmental Approvals at the Closing or as otherwise contemplated by this Agreement, that may be or become necessary for the performance of their respective obligations under this Agreement and the Ancillary Agreements and the consummation of the transactions contemplated herein and therein, including approval of the Annuity Certificates from all state agencies from which approval is required, and will cooperate fully with each other in promptly seeking to obtain such Governmental Approvals and Consents. Without limiting the foregoing and subject to applicable legal limitations and the instructions of any Governmental Authority, from the Execution Date until the Closing Date, each of the Parties agrees to (A) reasonably cooperate and consult with one another, (B) furnish to the other Parties such necessary information and assistance as such other Party may reasonably request in connection with its preparation of any notifications or filings, (C) keep each other apprised of the status of material matters relating to the completion of the transactions contemplated thereby, including apprising the other Parties of the substance of material notices or communications received by such Party from any third party or any Governmental Authority with respect to such transactions, within five (5) Business Days of receipt thereof, and (D) to the extent reasonably practicable, permit the other Parties to review and incorporate the other Party's reasonable comments in any material communication to be given by it to any Governmental Authority with respect to the transactions contemplated by this Agreement.

(b) Without limiting the generality of Section 7.1(a) where the cooperation of third parties that are not Governmental Authorities, such as a trustee, record keeper or paying agent

would be necessary in order for a Party to completely fulfill its obligations under this Agreement or any Ancillary Agreement, such Party will use its Commercially Reasonable Efforts to cause such third parties to provide such cooperation.

Section 7.2 Public Announcements.

(a) Each of the Company and the Insurer may issue a press release announcing the execution and delivery of this Agreement and the transactions contemplated by this Agreement and the Ancillary Agreements (collectively, the “Transaction Announcements”). Each of the Company and the Insurer shall provide a draft of such Transaction Announcement, and any related Form 8-K filing, to the other Party (and to the Independent Fiduciary, to the extent such Transaction Announcement references the Independent Fiduciary, or the role, duties or conclusions of the Independent Fiduciary) for review prior to the issuance thereof and shall consider any comments made by such other Party (or the Independent Fiduciary, as applicable) in good faith.

(b) From the Execution Date through the Closing, the Company, the Independent Fiduciary and the Insurer shall not, and each shall cause their respective Affiliates not to, publish any press releases, or publish any other public statements (including to securities analysts), that contradicts or is inconsistent with the Transaction Announcements, without the prior approval of the other Parties, such approval not to be unreasonably withheld, conditioned or delayed, except as such Party determines in good faith may be required by Law or in connection with obligations pursuant to any listing agreement with any national securities exchange.

(c) Subject to paragraph (b) above, the Company and the Insurer each may make such public written or oral statements related to the transactions contemplated by this Agreement and the Ancillary Agreements, as it deems necessary or appropriate, in its sole discretion; provided that each such Party shall seek to give the other Party (and the Independent Fiduciary, to the extent the statement references the Independent Fiduciary or the role, duties or conclusions of the Independent Fiduciary) a reasonable opportunity to comment upon such statements in advance to the extent practicable, it being understood that neither the Company nor the Insurer (nor the Independent Fiduciary) shall have any right of approval over public statements by the other Party, except to the extent contemplated by paragraph (b) above. Subject to paragraph (b) above, the Independent Fiduciary may make such written or oral statements as it deems necessary or appropriate to respond to press inquiries.

(d) The Company confirms to Insurer Parent that the Company intends to file the press release referred to in clause (a) above with the SEC on Form 8-K promptly following execution of this Agreement, but that (i) this Agreement will not be filed as an exhibit thereto, (ii) the execution of this Agreement does not give rise to the disclosure required by Item 1.01 of Form 8-K, as such form is in effect as of the date hereof and (iii) the execution of this Agreement will not require that this Agreement be filed as an exhibit to the Company’s Form 10-Q or Form 10-K filings with the SEC, as such forms are in effect as of the date hereof. Notwithstanding the foregoing, Insurer Parent and the Insurer acknowledge that the Company will publicly disclose any information that it reasonably believes is required by the rules of the SEC to be so disclosed; provided, that, if the Company concludes that disclosure of this Agreement is required by such rules, (x) the Company and Insurer Parent will cooperate to make an application by the Company

with the SEC for confidential treatment of information relating to the pricing of the Group Annuity Contract and such other information as the Company and Insurer Parent may mutually conclude is competitively sensitive from the perspective of the Company or Insurer Parent, or otherwise merits confidential treatment and (y) the Company will include Insurer Parent in any material correspondence (written or oral) with the SEC regarding such application for confidential treatment, and the Company and Insurer Parent will otherwise reasonably cooperate in connection with such application, including by the Company proposing to redact confidential portions of documents as to which the SEC staff seeks disclosure.

Section 7.3 Notification of Certain Matters.

(a) From the Execution Date until the Closing Date, each Party will give written notice to the other Parties within five (5) Business Days of (i) any notice or other communication from any Person alleging that [* * *], (ii) any Action commenced or threatened in writing against, relating to or involving or otherwise affecting it or any of its Affiliates that relate to the consummation of the transactions contemplated hereby, (iii) any material communications with any Annuitant or Contingent Annuitant that relate to the transactions contemplated hereby, and (iv) the occurrence of any change or event that would reasonably be expected to cause, individually or in the aggregate, any condition to Closing set forth in Article IX not to be satisfied (it being understood, however, that no delay or failure to provide any such notice shall be deemed to be a waiver of such condition).

(b) From the Execution Date until the Closing Date, if (i) the Company, the Plan Investment Fiduciary, the Independent Fiduciary, or the Plan becomes involved in any [* * *] or (ii) the Insurer, becomes involved in any [* * *], then the Company or Plan Investment Fiduciary, or Independent Fiduciary, as the case may be (in connection with clause (i)) or the Insurer (in connection with clause (ii)), in each case, without duplication to their respective obligations under Section 7.3(a)(ii), shall notify in writing the other Parties of such [* * *], as applicable, within five (5) Business Days of the date on which it learns of such [* * *], as applicable.

Section 7.4 Administrative Transition Process. From the Execution Date until the Closing Date:

(a) Subject to the receipt of the information and the completion of all processes set forth in Appendix 7.4, and except as otherwise provided in Section 7.4(c) with respect to the entry into the Transition Services Agreements or an Alternative Arrangement, the Insurer shall use its best efforts to take, or cause to be taken, all actions and to do, or cause to be done, all things necessary to (i) coordinate and allow for the provision of recordkeeping and administration services regarding Annuity Payments under any Transition Services Agreement, and (ii) coordinate the transfer to the Insurer on and after the Insurer Payment Commencement Date of all administration responsibilities necessary to effectively provide the recordkeeping and administration services regarding Annuity Payments commencing on the Insurer Payment Commencement Date.

(b) The Plan Investment Fiduciary shall, or shall cause the Plan Trustee to, use their respective best efforts to provide to the Insurer with the information and complete all processes set forth in Appendix 7.4.

(c) The Insurer will use its reasonable best efforts to enter into one or more Transition Services Agreements, as applicable, on the Closing Date, [* * *]. If, despite these efforts, the Insurer is unable to enter into such agreement on the Closing Date, then the Insurer will use its reasonable best efforts, [* * *], to find an alternative method or methods to facilitate the issuance of Annuity Payments through existing commercial arrangements or any other method that is reasonably designed to ensure that such Annuity Payments are made in a manner that complies with the obligations of the Group Annuity Contract, for the period from the Closing Date to the Insurer Payment Commencement Date (an “Alternative Arrangement”). The Company will cooperate in good faith with the Insurer to find an Alternative Arrangement.

Section 7.5 Pre-Closing Meeting. No earlier than ten (10) Business Days prior to the Target Closing Date, and no later than five (5) Business Days prior to the Target Closing Date, the Independent Fiduciary, the Company, the Plan Investment Fiduciary and the Insurer shall meet to discuss any matters relating to the Closing or as otherwise may be reasonably requested by any such Party.

Section 7.6 Non-Solicitation. From and after the Execution Date and through the earlier to occur of [* * *], 2012 or the termination of this Agreement, the Company and the Plan Investment Fiduciary shall not and shall cause their respective Representatives (which for these purposes will not be deemed to include the Independent Fiduciary) not to (a) solicit, initiate or knowingly facilitate any Alternative Transaction Proposal or the making or consummation thereof, (b) enter into any agreement, letter of intent, agreement in principle or other similar instrument with respect to any Alternative Transaction Proposal, (c) continue or otherwise participate in any discussions (except, in response to an inquiry by any Person, to notify such Person of the existence of the provisions of this Section 7.6) or negotiations regarding, or furnish to any Person any information in connection with, any Alternative Transaction Proposal, or (d) enter into or amend any agreement or other arrangement to engage any Person (including the Independent Fiduciary) to solicit any Alternative Transaction Proposal. For purposes of this Agreement, an “Alternative Transaction Proposal” means any proposal or offer [* * *]; provided that an “Alternative Transaction Proposal” shall not include any insurance, reinsurance or other transaction that does not relate to the Annuitants or Contingent Annuitants.

Section 7.7 Information Provided To The Independent Fiduciary. Between the Execution Date and the Closing, the Insurer and the Insurer Parent shall provide to the Independent Fiduciary any information that (a) is consistent with the type and amount of information provided during the Independent Fiduciary’s pre-signing due diligence process, (b) is otherwise prepared in the ordinary course of business of the Insurer (including any information that is prepared for the purpose of providing information to Credit Rating Agencies) and (c) relates to the Insurer or Insurer Parent, in each case as may be reasonably requested by the Independent Fiduciary.

Section 7.8 [* * *].

(a) Following the Execution Date and until the last [* * *], the Plan Investment Fiduciary shall maintain an electronic data room containing the following information, materials and documentation [* * *]:

(i) [* * *];

[* * *]

(viii) [* * *];

provided, that each item of such information shall only be provided if and after any consent that is needed to share such information is obtained from [* * *] and to the extent such information is then in possession of the Plan Investment Fiduciary; provided, further, that if a consent is needed to share such information or such information is not in the possession of the Plan Investment Fiduciary, the Plan Investment Fiduciary shall use Commercially Reasonable Efforts to obtain such consent or obtain possession of such information, as applicable.

(b) [* * *]

(c) [* * *]

Section 7.9 [Intentionally Omitted].

Section 7.10 Restrictions on Extraordinary Transactions. From and after the date hereof and through the earlier of [* * *], 2012 and the termination of this Agreement, the Insurer shall not, without the prior written consent of the Company (not to be unreasonably withheld or delayed), (x) execute a commitment providing for the consummation prior to the Closing Date of any of the following or (y) consummate prior to the Closing Date any of the following that were not subject to a prior commitment:

(a) [* * *]; or

(b) [* * *];

[* * *]. For the avoidance of doubt, the Insurer's compliance with this Section 7.10 shall in no way limit the Independent Fiduciary's discretion in any respect, as to whether an Independent Fiduciary MAC has occurred.

Section 7.11 No Insurer Communications. From the date of this Agreement until the Closing, without the Company's prior written consent, [* * *]. In the event that any Plan Participant or Plan Beneficiary contacts the Insurer, Insurer Parent or any of their respective Affiliates, the Insurer and the Company shall cooperate to coordinate a response to such Plan Participant or Plan Beneficiary.

Section 7.12 Filing of Annuity Certificates. Within 10 Business Days following the Execution Date, the Insurer shall file the Annuity Certificates with the state Governmental Authorities in the State of Oklahoma and the State of Montana from which approval is required for use in accordance with the Group Annuity Contract.

Section 7.13 Definition of [* * *]. [* * *].

Section 7.14 [* * *] Agreement. The Company and the Insurer will negotiate in good faith to enter into a commercially reasonable [* * *] agreement with [* * *], in a form reasonably acceptable to each of the Company and the Insurer consistent with the terms set forth on Appendix 7.14 (the “[* * *] Agreement”), with any corresponding changes to the related provisions of [* * *] indicated in the footnotes in Exhibit D). From and after the date hereof and through the Closing Date, the Company and the Insurer shall provide reasonably detailed updates to the Independent Fiduciary on a periodic basis (and at such other times as the Independent Fiduciary may reasonably request) regarding such negotiations and the terms of the such [* * *] Agreement.

**ARTICLE VIII
OTHER COVENANTS**

Section 8.1 Company Actions. Except as otherwise expressly contemplated by this Agreement, following the Closing Date, the Company and the Plan Investment Fiduciary shall use their respective Commercially Reasonable Efforts to take, or cause to be taken, all actions, and to do, or cause to be done, all things reasonably necessary on their part to effectuate the transactions contemplated by this Agreement.

Section 8.2 Insurer Actions. Following the Closing Date, the Insurer shall:

(a) mail an Annuity Certificate to each Annuitant at the last address designated for such Annuitant by the Company, such mailing to be made as promptly as practicable but in no event later than the last date on which such Annuity Certificate would reasonably expected to be delivered to the Annuitant at such address by December 31, 2012; provided, however, that, solely with respect to any form of Annuity Certificate issuable to an Annuitant that must be approved by the relevant state insurance Governmental Authorities of the State of Oklahoma or the State of Montana, if such Annuity Certificate has not been approved by such relevant state insurance Governmental Authorities or has not become “available” (in a manner consistent with the use of such term in 29 C.F.R. § 4041.28(d)(1)), in each case, as of December [* * *], 2012, then the Insurer shall mail such Annuity Certificate to the relevant Annuitant (by delivery of such Annuity Certificate to the last address designated for such Annuitant by the Company) as promptly as reasonably practicable and in any case within 30 days following the date on which such Annuity Certificate has been approved by the relevant state insurance Governmental Authorities and so becomes “available”;

(b) make or cause to be made all Annuity Payments to each Annuitant and Contingent Annuitant, as required under the Group Annuity Contract, from and after the Insurer Payment Commencement Date;

(c) at the request of the Company, include a notice, provided by the Company and reasonably acceptable to the Insurer, regarding Annuity Certificates in the Insurer’s “welcome” mailing to the Annuitants and Contingent Annuitants, or other subsequent mailings made by the Insurer to the Annuitants and Contingent Annuitants; and

(d) use its Commercially Reasonable Efforts to take, or cause to be taken, all actions, and to do, or cause to be done, all things reasonably necessary on its part to effectuate the transactions contemplated by this Agreement.

Section 8.3 Cooperation with Independent Third Party. In the event that the Independent Third Party provides the services described in Appendix 2.9, each Party will cooperate in good faith with the Independent Third Party and will promptly provide the Independent Third Party access to and copies of all data, records and personnel of such Party and its Affiliates and Representatives as is reasonably necessary for the Independent Third Party to perform its functions under this Agreement; provided, however, that the Company shall not be required to share any work papers of its certified public accountants.

Section 8.4 Correspondence Center.

(a) The Insurer will maintain, at its cost and expense, a toll-free phone number or a website (the "Annuity Benefits Correspondence Center") which will be available from and after the Closing for Annuitants and Contingent Annuitants to call with questions related to the Group Annuity Contract and the Annuity Certifications, it being understood that the Annuity Benefits Correspondence Center need not be solely dedicated to Annuitants and Contingent Annuitants.

(b) The Company will maintain, at its cost and expense, a toll-free phone number or a website (the "Plan Benefits Correspondence Center") which will be available from and after the Closing for Annuitants and Contingent Annuitants to call with questions related to their Plan benefits, it being understood that the Plan Benefits Correspondence Center need not be solely dedicated to Annuitants and Contingent Annuitants.

(c) In the event that any Annuitant or Contingent Annuitant contacts the Insurer or any of its Affiliates or representatives with questions related to their Plan benefits, the Insurer, or its Affiliates or representatives, as applicable, may refer such person to the Plan Benefits Correspondence Center. In the event that any Annuitant or Contingent Annuitant contacts the Company or any of its Affiliates or representatives with questions related to the Group Annuity Contract or the Annuity Certificates, the Company or its Affiliates or representatives, as applicable, may refer such person to the Annuity Benefits Correspondence Center.

Section 8.5 Payment Agreement. The Company and the Insurer will negotiate in good faith to enter into a commercially reasonable agreement providing for the services described in Appendix 8.5 and the other terms set forth on such appendix on or prior to July 1, 2013.

Section 8.6 Cooperation to Obtain [* * *]. Each of the Insurer and the Company shall cooperate to obtain [* * *] on Appendix 2.1(a) and to negotiate all required [* * *]. Without limiting the foregoing, each of the Insurer and the Company shall, within 5 Business Days of the Execution Date, nominate one or more representatives to act as the primary contact person or persons with respect to [* * *] (such representatives or any such additional or replacement representatives as may be nominated by the Company or the Insurer, as applicable, the "[* * *] Coordinators") and [* * *] Coordinators shall communicate on a regular basis to coordinate the obtaining of such consents and the negotiation of such [* * *] following the Execution Date until the date that [* * *].

Section 8.7 Claims Procedures. From and after the Annuity Commencement Date, the Insurer shall maintain written rules and procedures to govern the submission to the Insurer of claims and requests by Annuitants and Contingent Annuitants regarding Annuity Payments. Such written rules and procedures shall be consistent with the Insurer's standard rules and procedures (for handling inquiries from annuitants covered by its group annuity contracts), as the same may change from time to time. For the avoidance of doubt, nothing in this covenant is intended to require Insurer to maintain rules and procedures related to Benefit Mismatch "claims" or other claims concerning Plan benefits.

Section 8.8 Compliance with Prohibited Transaction Exemptions. From the Execution Date until all Arbitration Disputes, if any, are resolved pursuant to Section 2.9 and all payments required by Section 2.10 have been made, (a) the Insurer agrees to keep current the information on Appendix 6.11 by providing the Plan Investment Fiduciary on a monthly basis with any updates relating to the formation of any new legal entities or the entry into any agreements with or by investment managers following the Execution Date and (b) the Plan Investment Fiduciary will not enter into any agreements with the Insurer or any investment manager listed on Appendix 6.11 (as it may be updated from time to time) whereby the Insurer or any of its Affiliates would be a fiduciary expressly authorized in writing to manage, acquire or dispose of Plan Assets on a discretionary basis that have been identified as, or are reasonably likely to be included as, a Transferred Asset. If the Insurer discovers the existence of any such agreement, the Insurer will, and will cause its Affiliates to, cease providing any discretionary asset management services with respect to any Plan Asset before such Plan Asset becomes a Transferred Asset and the Plan Investment Fiduciary hereby consents to any such termination of services. The preceding sentence shall not prohibit the entry into an agreement whereby an Affiliate of the Insurer would be acting as a non-discretionary trustee. If the Closing Date does not occur or this Agreement otherwise terminates, the Plan Investment Fiduciary and the Insurer will no longer be restricted as provided above in this Section 8.8.

ARTICLE IX CONDITIONS TO OBLIGATION TO CLOSE

Section 9.1 [Intentionally Omitted]

Section 9.2 Conditions to the Company's and the Plan Investment Fiduciary's Obligations. The Company's and the Plan Investment Fiduciary's respective obligations to consummate the transactions contemplated hereby in connection with the Closing are subject to satisfaction or, except in the case of the condition set forth in Section 9.2(e) below, which may not be waived, waiver by the Company of the following conditions:

(a) the representations and warranties set forth in Article V and Article VI (i) that are qualified by materiality shall be true and correct in all respects or (ii) that are not qualified by materiality shall be true and correct in all material respects, in each case, as of the Closing Date with the same force and effect as though made on the Closing Date;

(b) the Insurer and the Independent Fiduciary shall have performed and complied with their respective covenants and agreements hereunder through the Closing in all material respects;

(c) the Insurer shall have received all required Governmental Approvals with respect to the forms of Annuity Certificates to be issued under the Group Annuity Contract from all state agencies from whom approval is required (other than the relevant regulatory authorities in the states of Oklahoma and Montana), and the approval of the State of New Jersey Department of Banking and Insurance of the Plan of Operations has not been revoked;

(d) (i) no Order shall be in effect which prohibits consummation of any of the transactions contemplated by this Agreement, (ii) [* * *] and (iii) [* * *];

(e) the Independent Fiduciary shall have confirmed that the Transaction continues to satisfy ERISA, because, since the Execution Date, there has not occurred an Independent Fiduciary MAC that continues as of the Closing Date;

(f) the [* * *] as of the December Dry-Run Calculation Delivery Date is greater than or equal to the [* * *] as of such date, as such [* * *] and [* * *] are reasonably estimated by the Company in good faith;

(g) the Company shall have confirmed that it may account for the transactions contemplated by this Agreement and the Ancillary Agreements as a settlement as contemplated under ASC 715;

(h) each delivery contemplated by Section 2.2(b) shall have been delivered; and

(i) either (i) the requisite Transition Services Agreement has been executed and delivered by each of the parties thereto or (ii) an Alternative Arrangement shall have been effected.

Section 9.3 Conditions to the Insurer's Obligations. The Insurer's obligation to consummate the transactions contemplated hereby in connection with the Closing are subject to satisfaction or waiver by the Insurer of the following conditions:

(a) the representations and warranties in Article III, Article IV and Article V (i) that are qualified by materiality shall be true and correct in all respects or (ii) that are not qualified by materiality shall be true and correct in all material respects, in each case, as of the Closing Date with the same force and effect as though made on the Closing Date;

(b) the Company, the Plan Investment Fiduciary and the Independent Fiduciary shall have performed and complied with their respective covenants and agreements hereunder through the Closing in all material respects;

(c) (i) no Order shall be in effect which prohibits consummation of any of the transactions contemplated by this Agreement and (ii) [* * *];

(d) the approval of the State of New Jersey Department of Banking and Insurance of the Plan of Operations has not been revoked;

(e) each delivery contemplated by Section 2.2(a) shall have been delivered; and

(f) either (i) the requisite Transition Services Agreement has been executed and delivered by each of the parties thereto or (ii) an Alternative Arrangement shall have been effected.

Section 9.4 No Frustration of Closing Conditions. None of the Company, the Plan Investment Fiduciary or the Insurer may rely on the failure of any condition to its obligation to consummate the transactions contemplated hereby set forth in Section 9.2 or 9.3, as the case may be, to be satisfied if such failure was caused by such Party's or its Affiliates' breach of its representations, warranties or covenants hereunder. For the avoidance of doubt, the Company shall be under no obligation to make any voluntary contribution to the Plan, and no failure to make any voluntary contribution to the Plan that results, or allegedly results, in a failure of the condition in Section 9.2(f) to be satisfied shall be deemed to be within the Company's control.

ARTICLE X INDEMNIFICATION FOR THIRD PARTY CLAIMS

Section 10.1 Indemnification by the Insurer. From and after the Closing, the Insurer will indemnify, defend and hold the Company, the Plan, the Plan Investment Fiduciary, the Independent Fiduciary any other Person acting as fiduciary or agent for the Plan, and their respective Affiliates, officers, directors, stockholders, employees, agents and other Representatives (each, a "Company Indemnified Party") harmless from and against any and all Liabilities (in each case, including reasonable out-of-pocket expenses and reasonable fees and expenses of counsel) to the extent arising out of or relating to the portion of any action, lawsuit, proceeding, investigation, demand or other claim against the Company Indemnified Party by a third party that is threatened or brought against or that involves a Company Indemnified Party and that arises out of or relates to any failure by the Insurer to perform or comply with the terms of the Group Annuity Contract, including failing to make, or causing to be made, any payments required to be made to Annuitants or Contingent Annuitants pursuant to the Group Annuity Contract (collectively, "Company Indemnified Claims"); provided that Company Indemnified Claims shall not include any failure of any such payments to individual Annuitants or Contingent Annuitants to be made prior to the Insurer Payment Commencement Date for a reason other than the failure of the Insurer to make an Aggregate Monthly Payment (as such term is defined in the Group Annuity Contract).

Section 10.2 [Intentionally Omitted]

Section 10.3 Procedures For Indemnification Claims.

(a) Any Company Indemnified Party making a claim for indemnification for Company Indemnified Claims under Section 10.1 shall notify the Person against whom indemnification is sought (an "Indemnifying Party") of each Company Indemnified Claim in writing promptly after receiving notice of such, describing the Third Party Claim, the amount thereof (if known and quantifiable) and the basis thereof in reasonable detail; provided that, the failure to so notify the Indemnifying Party shall not relieve the Indemnifying Party of its obligations hereunder except to the extent that (and only to the extent that) such failure shall have caused the indemnifiable Liabilities to be greater than such Liabilities would have been had the Company Indemnified Party given the Indemnifying Party prompt notice hereunder.

(b) The Indemnifying Party shall have the right at any time to assume the defense against any Company Indemnified Claim with counsel of its choice reasonably satisfactory to the Company Indemnified Party and control the defense of such Company Indemnified Claim.

(c) From and after the date that the Indemnifying Party has assumed and is conducting the defense of a Company Indemnified Claim in accordance with Section 10.3(b), (i) the Company Indemnified Party may retain separate co-counsel at its sole cost and expense and participate in, but not control, the defense of such Company Indemnified Claim, (ii) the Company Indemnified Party may retain counsel at its sole cost and expense to control the defense of any portion of the action, lawsuit, proceeding, investigation, demand or other claim against the Company Indemnified Party that is not a Company Indemnified Claim (the "Uncovered Claim"), (iii) the Indemnifying Party and the Company Indemnified Party shall cooperate fully with each other and any of their respective counsel in connection with the defense, negotiation or settlement of any such Company Indemnified Claim or (if the Company Indemnified Party retains counsel for the Uncovered Claim) the Uncovered Claim, including providing access to any relevant books and records, properties, employees and Representatives; provided that, for avoidance of doubt, the foregoing will not require any Person to waive, or take any action which has the effect of waiving, its attorney-client privilege, attorney work-product, or any other applicable privilege with respect thereto, (iv) the Indemnifying Party shall not consent to the entry of any judgment on or enter into any settlement with respect to such Company Indemnified Claim without the prior written consent of the Company Indemnified Party (which will not be unreasonably withheld, conditioned or delayed) unless the judgment or proposed settlement involves only the payment of money damages by the Indemnifying Party and does not impose an injunction or other equitable relief upon the Company Indemnified Party, or adversely impact the Tax Qualified status of the Plan, or admit liability on the part of any Company Indemnified Party, (v) the Company Indemnified Party shall not consent to the entry of any judgment or enter into any settlement with respect to such Company Indemnified Claim without the prior written consent of the Indemnifying Party (which will not be unreasonably withheld, conditioned or delayed), and (vi) the Company Indemnified Party may consent to the entry of any judgment or enter into any settlement with respect to the Uncovered Claim without the prior consent of Indemnifying Party.

(d) If the Indemnifying Party has not assumed the defense of a Company Indemnified Claim after notice thereof, (i) the Company Indemnified Party may defend against the Company Indemnified Claim in any manner it reasonably determines to be appropriate, (ii) the Indemnifying Party shall reimburse the Company Indemnified Party promptly and periodically for the costs of defending against the Company Indemnified Claim (including reasonable attorneys' fees and expenses allocable to such Company Indemnified Claim) to the extent such costs are Liabilities for which the Company Indemnified Party is entitled to indemnification hereunder, and (iii) the Indemnifying Party shall remain responsible for any costs the Company Indemnified Party may incur resulting from the Company Indemnified Claim to the extent such costs are Liabilities for which the Company Indemnified Party is entitled to indemnification hereunder. If the Company Indemnified Party has not assumed the defense of an Uncovered Claim as contemplated by Section 10.3(c)(ii), the Indemnifying Party is not responsible in any way for any Liabilities or Orders resulting from not responding to or defending such Uncovered Claim; provided that the Indemnifying Party's responsibility for Company Indemnified Claims shall not be altered in any way.

Section 10.4 Claims and Payment; Treatment of Payments. On each occasion that any Company Indemnified Party shall be entitled to indemnification under this Article X, the Indemnifying Party shall, at each such time, promptly pay the amount of such indemnification within ten (10) Business Days following receipt of an invoice for out-of-pocket expense, fees or other amounts for which it is liable under this Article X. Any indemnification payments made pursuant to this Agreement shall be treated for tax purposes as an adjustment to the Final Premium, unless otherwise required by applicable Law.

ARTICLE XI TERMINATION

Section 11.1 Termination of Agreement. This Agreement may be terminated at any time prior to the Closing as provided below:

- (a) by the mutual written consent of the Company and the Insurer;
- (b) by the Company if the Closing has not occurred by or on [* * *] (the “Outside Date”) or any state of facts or circumstances exists as a result of which there is no reasonable probability that the Closing can occur by or on the Outside Date; provided that such right to terminate this Agreement shall not be available to the Company if any failure of the Company to perform any of its obligations under this Agreement required to be performed at or prior to the Closing has been the cause of, or resulted in, the failure of the Closing to occur on or before the Outside Date and such action or failure to perform constitutes a breach of this Agreement;
- (c) by the Company if there shall have been a misrepresentation or breach of any representation, warranty, covenant or agreement on the part of Insurer or the Independent Fiduciary contained in this Agreement such that any of the conditions set forth in Section 9.2(a) or 9.2(b) would not be satisfied, and which shall not have been cured prior to twenty (20) Business Days following notice of such misrepresentation or breach to the Insurer or the Independent Fiduciary, as applicable;
- (d) by the Insurer if the Closing has not occurred by or on the Outside Date or any state of facts or circumstances exists as a result of which there is no reasonable probability that the Closing can occur by or on the Outside Date; provided, that such right to terminate this Agreement shall not be available to the Insurer if any action of the Insurer or the failure of the Insurer to perform any of its obligations under this Agreement required to be performed at or prior to the Closing has been the cause of, or resulted in, the failure of the Closing to occur on or before the Outside Date and such action or failure to perform constitutes a breach of this Agreement; and
- (e) by the Insurer if there shall have been a misrepresentation or breach of any representation, warranty, covenant or agreement on the part of the Company, the Plan Investment Fiduciary or the Independent Fiduciary contained in this Agreement such that any of the conditions set forth in Section 9.3(a) or 9.3(b) would not be satisfied, and which shall not have been cured prior to twenty (20) Business Days following notice of such misrepresentation or breach to the Company, the Plan Investment Fiduciary or the Independent Fiduciary, as applicable.

Section 11.2 Effect of Termination; Survival. If this Agreement is terminated pursuant to Section 11.1, all rights and obligations of the Parties hereunder will terminate upon such termination and will become null and void, except that Section 1.1 (Definitions), Section 3.11 (No Other Representations or Warranties; Reliance), Section 4.7 (No Other Representations or Warranties; Reliance), Section 5.6 (No Other Representations or Warranties; Reliance), Section 6.12 (No Other Representations or Warranties; Reliance), Article XII (Miscellaneous) and this Section 11.2 (Effect of Termination; Survival) will survive any such termination and no Party will otherwise have any Liability to any other Party hereunder; provided, that nothing in this Section 11.2 will relieve any Party from Liability for any fraud or willful and material breach hereof.

Section 11.3 [* * *].

Section 11.4 Extension.

(a) If the Closing is not reasonably expected to occur on or prior to [* * *], the Company may deliver a request to the Insurer on or before 5:00 pm EST on [* * *] that the Outside Date be extended (a "Notice of Extension"), in which case the Outside Date shall be deemed to be extended to [* * *].

(b) If the Company timely delivers a Notice of Extension to the Insurer, the Insurer will deliver to the Company, the Plan Investment Fiduciary and the Independent Fiduciary a written [* * *] (a "Re-Pricing Offer"), which will be based on pricing assumptions and methodologies that are the same as the pricing assumptions and methodologies (including [* * *]) used to develop the Base Annuity Premium, except [* * *]. The Company shall deliver a written response to the Insurer either accepting or rejecting the Re-Pricing Offer and, for the avoidance of doubt, [* * *], within ten (10) Business Days following the Insurer's delivery of the Re-Pricing Offer to the Company. If the Company accepts the Re-Pricing Offer, the Parties will (i) set a new Target Closing Date as soon as reasonably practicable and (ii) cooperate in good faith for a period of ten (10) Business Days to negotiate any amendments to this Agreement, the Ancillary Agreements and the [* * *] necessary to implement the terms of the Re-Pricing Offer, and to agree upon any other open items that need to be resolved (including any administrative transition issues, and appropriate changes to the provisions of this Agreement that currently contemplate a Closing that takes place in [* * *]).

(c) If the Company rejects the Re-Pricing Offer or the Parties do not agree upon amendments necessary to implement the terms of the Re-Pricing Offer within the time frame set forth in Section 11.4(b), then (i) this Agreement shall immediately terminate and (ii) [* * *].

ARTICLE XII MISCELLANEOUS

Section 12.1 Expenses. Except as otherwise expressly set forth herein, each Party will bear its own costs and expenses incurred in connection with this Agreement and the transactions contemplated hereby, including all fees of law firms, commercial banks, investment banks, accountants, public relations firms, experts and consultants.

Section 12.2 Entire Agreement. This Agreement and the Ancillary Agreements, constitute the entire agreement among the Parties and supersede any prior understandings, agreements or representations (whether written or oral) by, among or between the Parties, written or oral, to the extent they relate in any way to the subject matter hereof. Notwithstanding the foregoing, (i) the IF Engagement Letter shall not be superseded by this Agreement or the Ancillary Agreements and (ii) nothing in this Agreement shall affect the terms or enforceability of the Group Annuity Contract.

Section 12.3 Amendments and Waivers. No amendment of any provision of this Agreement or the Ancillary Agreements will be valid unless the same will be in writing and signed by each party thereto, except as expressly provided herein. No waiver of any breach of this Agreement will be construed as an implied amendment or agreement to amend or modify any provision of this Agreement. No waiver by any Party of any default, misrepresentation or breach of warranty or covenant hereunder, whether intentional or not, will be valid unless the same will be in writing and signed by the Party making such waiver, nor will such waiver be deemed to extend to any prior or subsequent default, misrepresentation or breach of warranty or covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent default, misrepresentation or breach of warranty or covenant. No conditions, course of dealing or performance, understanding or agreement purporting to modify, vary, explain or supplement the terms or conditions of this Agreement will be binding unless this Agreement is amended or modified in writing pursuant to the first sentence of this Section 12.3. Except where a specific period for action or inaction is provided herein, no delay on the part of any Party in exercising any right, power or privilege hereunder will operate as a waiver thereof.

Section 12.4 Succession and Assignment. This Agreement will be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns. No Party may assign either this Agreement or any of its rights, interests or obligations hereunder without the prior written consent of the other Parties, and any attempt to do so shall be null and void *ab initio*, without any effect whatsoever.

Section 12.5 Notices. All notices, requests, demands, claims, certifications and other communications hereunder will be in writing except as expressly provided herein. Any notice, request, demand, claim or other communication hereunder will be deemed duly given (a) when delivered personally to the recipient, (b) one (1) Business Day after being sent to the recipient by reputable overnight courier service (charges prepaid), addressed as set forth below, or (c) when transmitted, if transmitted by facsimile, with confirmation of successful transmission received by the sender, with copies provided by email, if any, to those indicated below (including the recipient):

If to the Company:

Verizon Communications Inc.

[* * *]

Attention: [* * *]

Facsimile: [* * *]

Email: [* * *]

With a copy (which will not constitute notice to the Company) to:

Jones Day
[* * *]
Attention: [* * *]
Facsimile: [* * *]
Email: [* * *]

and

Jones Day
[* * *]
Attention: [* * *]
Facsimile: [* * *]
Email: [* * *]

If to the Plan Investment Fiduciary:

Verizon Investment Management Corp.
[* * *]
Attention: [* * *]
Facsimile: [* * *]
Email: [* * *]

With a copy (which will not constitute notice to the Plan Investment Fiduciary) to:

Verizon Investment Management Corp.
[* * *]
Attention: [* * *]
Facsimile: [* * *]
Email: [* * *]

If to Insurer Parent:

Prudential Financial, Inc.
[* * *]
Attention: [* * *]
Facsimile: [* * *]
Email: [* * *]

With a copy (which will not constitute notice to Insurer Parent) to:

Debevoise & Plimpton LLP
[* * *]

Attention: [* * *]
Facsimile [* * *]
Email: [* * *]

If to the Insurer:

Prudential Insurance Company of America
[* * *]
Attention: [* * *]
Facsimile: [* * *]
Email: [* * *]

With a copy (which will not constitute notice to the Insurer)
to:

Debevoise & Plimpton LLP
[* * *]
Attention: [* * *]
Facsimile [* * *]
Email: [* * *]

If to Independent Fiduciary:

Fiduciary Counselors Inc.
[* * *]
Attention: [* * *]
Facsimile: [* * *]
Email: [* * *]

With a copy (which will not constitute notice to
Independent Fiduciary) to:

K&L Gates LLP
[* * *]
Attention: [* * *]
Facsimile: [* * *]
Email: [* * *]

Any Party may change the address to which notices, requests, demands, claims and other communications hereunder are to be delivered by giving the other Parties notice in the manner set forth in this Section 12.5.

Section 12.6 Governing Law. Except to the extent preempted by applicable Federal Law, this Agreement will be governed by, and construed in accordance with, the Laws of the State of New York, without regard to any principles of conflicts of law thereof that would permit or require the application of the Laws of another jurisdiction.

Section 12.7 Submission to Jurisdiction; Service of Process.

(a) Subject to the provisions of Section 2.9, each of the Parties irrevocably and unconditionally submits to the jurisdiction of any state or federal court, and only federal court if diversity of Parties exists, sitting in New York County, New York in any Dispute arising out of or relating to this Agreement or any Ancillary Agreement and agrees that all claims in respect of such Action may be heard and determined in any such court. Each Party also agrees not to bring any Action arising out of or relating to this Agreement or any Ancillary Agreement in any other court. Each of the Parties irrevocably and unconditionally waives any objection to personal jurisdiction, venue, and any defense of inconvenient forum to the maintenance of, any Action so brought and waives any bond, surety or other security that might be required of any other Party with respect thereto. Any Party may make service on any other Party by sending or delivering a copy of the process to the Party to be served at the address and in the manner provided for the giving of notices in Section 12.5; provided, that nothing in this Section 12.7 will affect the right of any Party to serve legal process in any other manner permitted by Law.

(b) Notwithstanding anything to the contrary set forth herein, the Parties acknowledge and agree that in the course of any Action, if the Insurer or the Independent Third Party elects to, at its sole discretion, produce or otherwise disclose any life-by-life information with respect to the Priced Lives, or information from which such life-by-life information may be derived, to the Company, the Independent Fiduciary or their respective Affiliates or Representatives (for the avoidance of doubt, nothing herein shall obligate the Insurer or any of its Affiliates or Representatives to make such disclosure), the Company and the Independent Fiduciary shall consent to the filing of, and the Parties shall use their all reasonable efforts to move for and urge the court to adopt, a protective order implementing terms reasonably satisfactory to the Insurer to limit the disclosure of such life-by-life information with respect to the Priced Lives and ensure the strictly confidential treatment thereof, including requiring such life-by-life information to be submitted under seal and for the return and destruction of such life-by-life information or copies thereof following the conclusion of any such Action, provided, that in no case will the Company be required to take any steps that would compromise the ability of the Company to prosecute or defend the Action or otherwise prejudice the Company's position (including any restrictions on the ability of Company experts to review, access and analyze any materials that the Company determines are relevant to such prosecution or defense); provided, further, that the Company and the Independent Fiduciary agree that it will not be considered unreasonable for the Insurer to seek a protective order that prevents disclosure of such information in such a way that it would be reasonably likely to become available to competitors of the Insurer or other third parties not involved in any such Action.

Section 12.8 Waivers of Jury Trial. EACH PARTY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY ACTION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT, THE ANCILLARY AGREEMENTS OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT.

Section 12.9 Specific Performance. The Parties agree that irreparable damage would occur if any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. Accordingly, each Party will be entitled to an

injunction or injunctions to prevent breaches of this Agreement by the breaching Party and to enforce specifically the terms and provisions of this Agreement, in addition to any other remedy to which such Party is entitled at law or in equity. Without limiting the generality of the foregoing, the Parties acknowledge and agree that the Insurer will be entitled to enforce specifically the obligations of the Plan Investment Fiduciary set forth in this Agreement to direct the Plan Trustee to act. The Parties further agree that (a) by seeking the remedies provided for in this Section 12.9, a Party will not in any respect waive its right to seek any other form of relief that may be available to such Party under this Agreement (including monetary damages) if the remedies provided for in this Section 12.9 are not available or otherwise are not granted, and (b) nothing set forth in this Section 12.9 will require any Party hereto to institute any proceeding for (or limit any Party's right to institute any proceeding for) specific performance under this Section 12.9 prior or as a condition to exercising any termination right under Article XI (or receipt of any amounts due pursuant to Section 11.2), nor will the commencement of any legal action or legal proceeding pursuant to this Section 12.9 or anything set forth in this Section 12.9 restrict or limit any Party's right to terminate this Agreement in accordance with the terms of Article XI, or pursue any other remedies under this Agreement that may be available then or thereafter.

Section 12.10 Severability. The invalidity or unenforceability of any provision of this Agreement will not affect the validity or enforceability of any other provisions of this Agreement; provided, that if any of the material provisions of this Agreement are held illegal, invalid or unenforceable, this entire Agreement shall be null and void. If any of the provisions of this Agreement are held by a court or other tribunal of competent jurisdiction to be illegal, invalid or unenforceable, such provisions will be limited or eliminated only to the minimum extent necessary so that this Agreement will otherwise remain in full force and effect.

Section 12.11 No Third Party Beneficiaries. This Agreement will not confer any rights or remedies upon any Person other than the Parties and the respective successors and permitted assigns of the foregoing.

Section 12.12 Counterparts; Facsimile and Electronic Signatures. This Agreement may be executed in one or more counterparts, each of which will be deemed an original but all of which together will constitute one and the same instrument. This Agreement or any counterpart may be executed and delivered to the recipients in Section 12.5 by electronic communications by portable document format (.pdf), each of which will be deemed an original.

Section 12.13 Survival of Representations and Warranties. The representations and warranties of the Parties will survive the Closing until the sixth anniversary of the Closing.

Section 12.14 Confidentiality.

(a) It is understood that each Party has received and will receive Confidential Information from the other Parties in connection with the negotiation of this Agreement and the Ancillary Agreements as well as in previous discussions and interactions involving the matters addressed by this Agreement and the Ancillary Agreements. Except as set forth herein (including except as expressly permitted or contemplated by the other provisions of this Agreement), the Parties shall not use the Confidential Information of another disclosing Party except in connection with the performance of their respective obligations under this Agreement

and shall not disclose (and shall cause their respective Representatives, Affiliates, and Affiliates' Representatives not to disclose) any Confidential Information received from another Party, the Independent Third Party, or any affiliate or Representative of the foregoing, except to such receiving Party's Representatives, Affiliates, and Affiliates' Representatives, who have a need to know and have agreed to maintain the confidentiality of Confidential Information in accordance with this Section 12.14 (or are otherwise bound); the disclosing Party is and shall be an express third party beneficiary of such agreement by such receiving Party's Representatives, Affiliates, and Affiliates' Representatives.

(b) Section 12.14(a) shall not apply with respect to Confidential Information that the receiving Party can demonstrate is or was:

(i) already known to such Party or its Affiliates or Representatives prior to the confidential disclosure by the disclosing Party, the Independent Third Party or any affiliate or Representative of the foregoing;

(ii) independently developed by the receiving Party or its Affiliates or Representatives not in violation or breach of this Agreement or any other confidentiality obligation to the disclosing Party (such as the Confidentiality Agreements or any retention agreement with a firm or professional in connection with this Agreement);

(iii) already known to the public without breach of confidence by such Party or any of its Affiliates;

(iv) received by the receiving Party from a third party without restrictions on its use in favor of the disclosing Party, whether by Law or Contract; or

(v) subject to prior compliance with Section 12.14(c), required to be disclosed pursuant to any applicable Law, stock exchange regulation, regulatory provision, court order, subpoena or other legal process.

(c) Section 12.14(a) shall not apply from and after the Closing to restrict the use or disclosure by the Insurer of any Confidential Information related to Priced Lives, Annuity Payments, or the pricing or underwriting of the Group Annuity Contract, received from another disclosing Party, provided, that the Insurer shall use such Confidential Information only in compliance with all applicable Laws relating to privacy of personally identifying information. For the avoidance of doubt, this Section 12.14(c) does not apply to Confidential Information regarding the Company or the Plan (other than to the extent required in connection with the Group Annuity Contract).

(d) Except as otherwise provided in this Agreement, if any Party, its Representatives, its Affiliates or its Affiliates' Representatives, receives a request, subpoena, demand, or order for disclosure or becomes required by Law or stock exchange rule or regulation to disclose any Confidential Information (a "Compelled Disclosing Party"), such Compelled Disclosing Party shall promptly, and in no case more than five (5) Business Days following receipt of such a request, subpoena, demand, or order (so long as it is legally permitted to provide such notification), notify the other Parties to afford them the opportunity to object or seek a protective order or other remedy, including a protective order requiring Confidential Information to be

submitted under seal and for the return and destruction of Confidential Information or copies thereof following the conclusion of any Action, prior to the disclosure of any such Confidential Information. The Compelled Disclosing Party shall, to the extent permitted by Law, cooperate with the other Party's or Parties' efforts to obtain such protective order, at such other Party's or Parties' cost and expense. In the event that such protective order or other remedy is not sought or obtained, only that portion of Confidential Information which the Compelled Disclosing Party in good faith believes is legally required to be provided may be disclosed and such Compelled Disclosing Party shall request that appropriate confidential treatment will be accorded to such Confidential Information.

(c) Any engagement letter between any of the Parties on the one hand and the Independent Third Party or the Approved Firm on the other, or each other professional engaged in connection with this Agreement, on the other, shall include undertakings by such professional to maintain the confidentiality of Confidential Information in accordance with this Section 12.14 and to clearly mark any reports or other work product prepared in connection with such engagement as confidential and not subject to disclosure except as permitted by this Section 12.14.

(f) The Parties acknowledge and agree that this Section 12.14 shall supersede the Confidentiality Agreements. Notwithstanding the foregoing, this Section 12.4(f) shall not relieve any party from Liability for breaches of the Confidentiality Agreement that have occurred prior to the date hereof.

(g) The Insurer is, and the other Parties acknowledge that the Insurer is, the sole owner of all spreadsheets and formulas, including the methodologies reflected on the spreadsheets and manuals (including the [* * *]) on the Identified CD-ROM, and that all such materials constitute Insurer's valuable and proprietary know how. The foregoing remains true even with respect to any such materials or know how incorporated or reproduced in the work product of the Independent Third Party, the Approved Firm or any arbitrator or staff thereof or any other professional engaged in connection with this Agreement. The Insurer grants the Independent Fiduciary, the Company and, pursuant to the applicable engagement letter, if any, and subject to this Section 12.14 only, the Independent Third Party, the Approved Firm or any arbitrator or staff thereof or any other professional engaged in connection with this Agreement, the limited right to use such materials solely in connection with the transactions and proceedings contemplated by this Agreement and the Ancillary Agreements. No party having use thereof shall have any rights in connection therein except as specifically granted by the foregoing sentence.

Section 12.15 Waiver of Punitive Damages. To the fullest extent permitted by Law, and notwithstanding any other provision of this Agreement, none of the Parties shall be liable to any other Party for any punitive or exemplary damages of any nature in respect of matters arising out of this Agreement or the Ancillary Agreements, whether arising out of breach of contract, negligence, tort, strict liability or any other legal or equitable principle. The foregoing sentence will not preclude recovery of amounts claimed in a Company Indemnified Claim to the extent that claims for such amounts are subject to indemnification under this Agreement.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first above written.

**THE PRUDENTIAL INSURANCE
COMPANY OF AMERICA**

By: _____
Name:
Title:

PRUDENTIAL FINANCIAL, INC.

By: _____
Name:
Title:

VERIZON COMMUNICATIONS INC.

By: _____
Name:
Title:

**VERIZON INVESTMENT MANAGEMENT
CORP.**, acting in its capacity as named fiduciary
for the investment of the assets of the Verizon
Management Pension Plan

By: _____
Name:
Title:

FIDUCIARY COUNSELORS INC., acting
solely in its capacity as independent fiduciary of
the Verizon Management Pension Plan

By: _____
Name:
Title:

APPENDICES

Appendices to that certain Definitive Purchase Agreement (the “Agreement”), dated as of October 17, 2012 (the “Execution Date”) by and among The Prudential Insurance Company of America, a New Jersey life insurance company (the “Insurer”), Prudential Financial, Inc., a New Jersey corporation (“Insurer Parent”), Verizon Communications Inc., a Delaware corporation (the “Company”), acting solely in a non-fiduciary capacity as the sponsor of the Verizon Management Pension Plan (the “Plan”), Verizon Investment Management Corp., a Delaware corporation (the “Plan Investment Fiduciary”), acting in its capacity as the named fiduciary for the investment of the assets of the Plan, and Fiduciary Counselors Inc., a Delaware corporation (the “Independent Fiduciary”), acting solely in its capacity as an independent fiduciary of the Plan with certain authority and responsibility to represent the Plan and its Plan Participants and Plan Beneficiaries in regard to the transactions set forth in the Agreement. The Insurer, Insurer Parent, the Company, the Plan Investment Fiduciary and the Independent Fiduciary as the representative of the Plan are referred to collectively herein as the “Parties.” Capitalized terms used but not defined herein have the meanings set forth in the Agreement.

Appendix 1.1(a)

FORM OF ANNUITY CERTIFICATE

Appendix 1.1(b)

FORM OF GROUP ANNUITY CONTRACT



THE PRUDENTIAL INSURANCE COMPANY OF AMERICA
Newark, New Jersey

Contract-Holder: CHRONOS, as Sponsor of the Chronos Management Pension Plan	Plan: CHRONOS MANAGEMENT PENSION PLAN
Group Annuity Contract GA-XXX	Jurisdiction: New Jersey
Date: December [* * *], 2012 Amendment Date: Amendment Date:	Contribution Amount: \$XXX Contribution Adjustment Amount: Contribution Adjustment Amount: Total Contribution Amount as of: \$XXX
Pages Attached: [1-XX, Cash and Transferred Assets Exhibit, Cash and Transferred Assets Exhibit Supplement(s) and Annuity Exhibits]	

CHRONOS, as Sponsor of the Chronos
Management Pension Plan

THE PRUDENTIAL INSURANCE COMPANY OF
AMERICA
[200 Wood Avenue South
Iselin, New Jersey 08830]

[By: _____
Title:

[Chairman and Chief Executive Officer]

Date:]

[Secretary]

Attest: _____

Date:

Single-Premium Group Annuity Contract supported by the Separate Account and the General Account, as provided herein, and providing for an irrevocable commitment to make Annuity Payments, subject to the provisions of this Contract. The Annuity Payments hereunder do not vary based on any gains or losses of the assets allocated to the Separate Account or the General Account.

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DEFINITIONS; SEPARATE ACCOUNT OPERATIONS; PAYMENT OPERATIONS

Certain Terms Defined

In addition to other capitalized terms defined in this Contract, the following capitalized terms shall have the meanings indicated:

“Affiliate” means any person controlled by, or under common Control with, the Contract-Holder.

“Aggregate Monthly Payment” means, for each month, the aggregate amount of Annuity Payments payable in respect of all Annuitants (and, if applicable, Contingent Annuitants) for such month.

“Amendment Date” means, with respect to an amendment of this Contract, the date specified as such on the Cover Page of this Contract, as amended.

“Annuitant” means each person listed in the Annuity Exhibits as entitled to a periodic payment specified in the Annuity Exhibits. An Annuitant is not a Contingent Annuitant as such terms are used in this Contract. An Annuitant is a third-party beneficiary of this Contract and has the rights set forth herein. A Representative of an Annuitant shall have the rights of an Annuitant hereunder.

“Annuity Exhibit BGD Error” has the meaning ascribed in Section 2.6.

“Annuity Exhibits” means the Annuity Exhibits attached hereto setting forth the features of the Annuity Payments for, and identifying, each Annuitant and Contingent Annuitant.

“Annuity Form” means, in respect of an Annuitant, the form of annuity specified under the header “Form of Annuity” in the Annuity Exhibit for such Annuitant, pursuant to which such Annuitant (or the related Contingent Annuitant) is entitled to receive one or more Annuity Payments under this Contract.

“Annuity Payments” means, with respect to each Annuitant (and, if applicable to such Annuitant, each Contingent Annuitant), the amount of periodic and single payments determined in accordance with Provision II of this Contract.

“Asset Sweep Test” has the meaning ascribed in Section 1.7.

“Benefit Mismatch” has the meaning ascribed in Section 2.6.

“Business Day” means any weekday on which major commercial banks in New York City, New York are open for business. If any payment under this Contract (other than an Annuity Payment, to the extent so provided under Provision II) is due and payable on a day which is not a Business Day, or if any notice or report is required to be

given on a day which is not a Business Day, such payment shall be due and payable or such notice or report shall be given on the next succeeding Business Day.

“Cash and Transferred Assets Exhibit” means the Cash and Transferred Assets Exhibit (substantially in the form attached hereto), setting forth the Contribution Amount, as well as the amount of cash and certain information about non-cash assets constituting the Contribution Amount paid on the Effective Date.

“Cash and Transferred Assets Exhibit Supplement” means, with respect to an Amendment Date, a supplement (substantially in the form attached hereto) to the Cash and Transferred Assets Exhibit, setting forth the Contribution Adjustment Amount paid on such Amendment Date, as well as (i) the amount of cash and certain information about non-cash assets constituting the Contribution Adjustment Amount paid on such Amendment Date; and (ii) any agreed upon correction to the Market Value of any non-cash asset that was previously paid as part of the Contribution Amount or any Contribution Adjustment Amount.

“Code” means the Internal Revenue Code of 1986, as amended from time to time, or any successor statute.

“Commingled Account” means the Portfolio Protected Buyout Separate Account, an insurance company separate account the assets of which are owned by Prudential. The assets of this separate account will be held by Prudential in one or more custody accounts at entities independent of Prudential and each such custody account shall only hold assets allocated to this separate account. Following consummation of a Small Account Conversion, this commingled separate account shall hold assets supporting the payment obligations of Prudential under this Contract. Such separate account also supports Prudential’s payment obligations under other group annuity contracts issued by Prudential.

“Commuted Value” means the sum of the remaining Annuity Payments in respect of an Annuity Form, without adjustment.

“Contingent Annuitant” means a person listed in the Annuity Exhibits as entitled to a periodic payment following the death of the Annuitant in accordance with the related Annuity Form as a Contingent Annuitant. A Contingent Annuitant is a third-party beneficiary of this Contract and has the rights set forth herein. A Representative of a Contingent Annuitant shall have the rights of a Contingent Annuitant hereunder.

“Contract” means this Group Annuity Contract GA-XXX, including the Annuity Exhibits, the Cash and Transferred Assets Exhibit and each Cash and Transferred Assets Exhibit Supplement, as this Contract may be amended from time to time as provided for in Section 3.5.

“Contract-Holder” means the entity named as such on the Cover Page of this Contract, and any successors or permitted assigns.

“Contribution Adjustment Amount” means, with respect to an amendment of this Contract, the amount specified as such on the Cover Page of this Contract, as amended, payable on the applicable Amendment Date specified on the Cover Page.

“Contribution Amount” means the amount specified as such on the Cover Page of this Contract, payable on the Effective Date.

“Control” including the terms “controlling”, “controlled by” and “under common control with,” means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract (except a commercial contract for goods or non-management services) or otherwise; but no person shall be deemed to control another person solely by reason of his being an officer or director of such other person. Control shall be presumed to exist if any person directly or indirectly owns, controls or holds with the power to vote ten percent or more of the voting securities of any other person.

“Data Finalization Date” means June 30, 2013 or such other date as may be determined by mutual written consent of the Contract-Holder and Prudential.

“Date of First Payment” means the date the Annuity Payments commence, which (i) with respect to each Annuitant listed in the Annuity Exhibits immediately following the Effective Date, shall be January 1, 2013; and (ii) with respect to any other Annuitant, shall be the date specified as such for such Annuitant in the Annuity Exhibits.

“Dedicated Account” means the Chronos Portfolio Protected Buy-Out Separate Account, an insurance company separate account the assets of which are owned by Prudential. This separate account may only hold assets supporting the payment obligations of Prudential under this Contract, as amended from time to time. The assets of the Dedicated Account will be held by Prudential in one or more custody accounts at entities independent of Prudential and each such custody account shall only hold assets allocated to the Dedicated Account. After consummation of a Small Account Conversion, the assets of the Dedicated Account shall be transferred to the Commingled Account.

“Effective Date” means December [* * *], 2012.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended, or any successor statute.

“Final Data Amendment Date” means the Amendment Date on which the Annuity Exhibits are attached to this Contract reflecting the data determined by Prudential and the Plan as of the Data Finalization Date and, if applicable, the related Contribution Adjustment Amount is paid.

“General Account” means the General Account of Prudential.

“Market Value” (A) with respect to cash, means 100% thereof; (B) with respect to any non-cash assets of (x) the general account or (y) the Separate Account to the extent such Separate Account Assets are not covered by clause (C), means the fair market value

of such assets, as such fair market value is determined by Prudential in accordance with its standard procedures for establishing the market value of its assets, and (C) in respect of any portion of the Total Contribution Amount paid by delivery of securities and other non-cash assets pursuant to Section 1.2, means the fair market value of each such asset in an amount and as of a date shown (i) in the case of the Contribution Amount, as specified in the Cash and Transferred Assets Exhibit and (ii) in the case of any Contribution Adjustment Amount, as specified in the Cash and Transferred Assets Exhibit Supplement dated as of the Amendment Date on which such Contribution Adjustment Amount is payable.

“Plan” means the plan specified on the Cover Page of this Contract.

“Private Equity Investments” means limited partnership interests, limited liability company interests, other similar interests in entities which are not publicly traded, and instruments collateralized or payable thereby in full or in part.

“Prudential” means The Prudential Insurance Company of America, its successors and permitted assigns.

“Prudential’s Office” means the following office of Prudential, unless Prudential provides a notice specifying another address for certain or all communications:

The Prudential Insurance Company of America
200 Wood Avenue South
Iselin, New Jersey 08830-2706
Attention: Group Annuity Operations

“QDRO” means a qualified domestic relations order that meets the requirements of ERISA as applied to employee benefit plan participants in effect from time to time.

“Representative” means, with respect to an Annuitant or Contingent Annuitant, an individual or entity demonstrating to the reasonable satisfaction of Prudential that such individual or entity is duly appointed (a) as a guardian of such Annuitant or Contingent Annuitant, (b) as a holder of a power of attorney from such Annuitant or Contingent Annuitant, (c) as a trustee of such Annuitant or Contingent Annuitant or (d) as a testamentary executor of such Annuitant or Contingent Annuitant’s estate; *provided*, that a “Representative” does not include an assignee of the rights of such person hereunder in contravention of Provision II.

“Separate Account” means the Dedicated Account; *provided* that if the Commingled Account is substituted for the Dedicated Account following a Small Account Conversion, then thereafter “Separate Account” shall mean the Commingled Account. This Contract does not participate in the investment or other experience of either the Dedicated Account or the Commingled Account.

“Separate Account Interest Maintenance Reserve” means the interest maintenance reserve in respect of the Separate Account established from time to time pursuant to New Jersey Statutes and Regulations.

“Small Account Conversion” has the meaning ascribed in Section 1.10.

“Statutory Reserve Basis Established on the Effective Date” means the basis chosen by Prudential on the Effective Date to compute statutory reserves. The minimum basis for computing such reserves for contracts whose contract effective date is in 2012 is the 1994 Group Annuity Reserve table with provision for longevity improvement and 4.25% interest. Prudential may choose a more conservative basis as of the Effective Date. The Separate Account statutory reserves established on the Effective Date equal \$[], based on data consistent with the Annuity Exhibits as of such date and on the Statutory Reserve Basis Established on the Effective Date.

“Total Contribution Amount” means, as of any date, the Contribution Amount, as increased or decreased by any Contribution Adjustment Amounts specified on an amended Cover Page of this Contract through the most recent Amendment Date.

Contribution Amount; Effectiveness; Allocation to the Separate Account; Contribution Adjustment Amounts

On the Effective Date, the Plan shall have received the instruction to, and shall, transfer to Prudential the Contribution Amount. The Contribution Amount shall consist of cash and non-cash assets identified in the Cash and Transferred Assets Exhibit. The Market Value of each such non-cash asset (together with the cash to be paid, if any) shall be shown on the Cash and Transferred Assets Exhibit attached hereto.

Upon receipt of the Contribution Amount due on the Effective Date, Prudential agrees to pay the Annuity Payments due under this Contract and further agrees that such obligation shall be irrevocable and, thereafter, Prudential may not rescind, or seek to rescind, this Contract or declare this Contract to be, or seek to have this Contract declared to be, null and void from its inception.

On the Effective Date, Prudential will allocate the Contribution Amount received on such date into the Separate Account. All assets allocated by Prudential to the Separate Account will be held by Prudential in one or more custody accounts at entities independent of Prudential and each such custody account shall only hold assets allocated to the Separate Account.

On each Amendment Date specified on an amended Cover Page of this Contract, if any, Contract-Holder and Prudential may, by separate amendment to this Contract in accordance with Section 3.5(a), agree that (a) the Contribution Adjustment Amount specified on such amended Cover Page shall be paid on such Amendment Date (x) prior to or on the Final Data Amendment Date, in cash and/or non-cash assets and (y) following the Final Data Amendment Date, in cash; and (b) a Cash and Transferred Assets Exhibit Supplement dated as of such Amendment Date shall be attached to this Contract specifying: (i) such Contribution Adjustment Amount; (ii) the amount of cash and, if applicable, the Market Value and certain other information with respect to each non-cash asset being transferred as part of such Contribution Adjustment Amount; (iii) if such Contribution Adjustment Amount is payable by Prudential, whether each such asset is being paid from the General Account or from the Separate

Account; and (iv) any agreed upon correction to the Market Value of any asset specified on the Cash and Transferred Asset Exhibit or any Cash and Transferred Asset Exhibit Supplement that was previously agreed and attached to this Contract. No such amendment shall require the consent of any person other than Contract-Holder and Prudential. Any change to the Annuity Exhibits or date of Annuity Payment will be effected pursuant to Section 2.6, Section 3.5(b) or the last paragraph of Section 3.5(a).

If the Contribution Adjustment Amount that is payable on the Amendment Date is a negative number, such amount shall be paid by Prudential to the Plan on such Amendment Date by delivering cash and/or non-cash assets agreed to by Prudential and the Plan having the Market Value as of the determination date equal to such Contribution Adjustment Amount, as indicated on the applicable Cash and Transferred Assets Exhibit Supplement. Prudential shall pay such Contribution Adjustment Amount by first using assets of the General Account in an amount not to exceed assets transferred to the General Account pursuant to the periodic adjustment provisions of Section 1.7 (reduced by Contribution Adjustment Amounts previously paid by the General Account) and then by using assets allocated to the Separate Account.

If the Contribution Adjustment Amount that is payable on the Final Data Amendment Date or any prior Amendment Date is a positive number, the Plan shall pay such amount to Prudential on such Amendment Date by delivering cash and/or non-cash assets acceptable to Prudential having the Market Value as of the determination date equal to such Contribution Adjustment Amount, as indicated on the applicable Cash and Transferred Exhibit Supplement. If a Contribution Adjustment Amount is payable on an Amendment Date subsequent to the Final Data Amendment Date, Contract-Holder shall pay such amount to Prudential in cash on such Amendment Date. On each Amendment Date, Prudential will allocate the Contribution Adjustment Amount received on such date to the Separate Account.

For the avoidance of doubt, with respect to any amendment to the Annuity Exhibits increasing any Annuity Payments or adding Annuity Payments in respect of new Annuitants or Contingent Annuitants under this Contract, Prudential's obligation to make any such increase or addition with respect to any such Annuity Payment or to add any such new Annuitants or Contingent Annuitants shall be conditioned on Prudential's prior receipt of any payment due to Prudential under this Contract with respect to any such amendment.

Annuity Payments; Associated Withdrawals from Accounts; General Account Guarantee of Separate Account; Termination

In connection with Annuity Payments owed in each month, Prudential will withdraw from the Separate Account assets equal to the Aggregate Monthly Payment in accordance with Prudential's standard procedures but in no event more than 30 days before such Annuity Payments are due. A withdrawal from the Separate Account will be made only on a Business Day. In the event that the assets in the Separate Account are not sufficient to make the Annuity Payments when due, Prudential shall withdraw assets from the General Account to make such payments.

After all Annuity Payments are made under this Contract and no further Annuity Payments are due under this Contract, this Contract shall terminate and none of Contract-Holder

or any Annuitant or Contingent Annuitant shall have any right to receive any further payments from the Separate Account or from the General Account or any other assets of Prudential.

Separate Account

During the period starting on the Effective Date and ending on the earlier of (i) the consummation of a Small Account Conversion and (ii) the payment of the last Annuity Payment due under this Contract, the Dedicated Account shall be the "Separate Account" supporting Annuity Payments hereunder. After consummation of a Small Account Conversion, the Commingled Account shall be the "Separate Account" supporting Annuity Payments hereunder.

Investments of the Separate Account

The Separate Account is intended to be invested primarily in investment-grade fixed income securities, but other investments are permitted, *provided, however*, that all investments of the Separate Account shall be invested in accordance with applicable law, regulations and regulatory approvals (for purposes of this Section 1.5, "**applicable law**"). Prudential will invest and reinvest the assets of the Separate Account at the time and in the amounts as Prudential determines, in its discretion and in accordance with applicable law. To the extent permitted by applicable law, the investments of the Separate Account may be made without regard to any limitations otherwise imposed on the investment of assets allocated to the General Account or in its other separate accounts. Prudential may, with respect to any assets allocated to the Separate Account, delegate Prudential's investment management and/or voting rights to other entities, including institutions not affiliated with Prudential.

Insulation of Separate Account Assets

Prudential owns all the assets allocated to the Separate Account. As authorized by applicable law and regulations, including Section 17B:28-9(c) of the New Jersey Insurance Statutes:

prior to any Small Account Conversion, none of the assets allocated to the Dedicated Account, to the extent of the reserves established in the Separate Account in respect of Prudential's payment obligations under this Contract and

from and after any Small Account Conversion, none of the assets allocated to the Commingled Account, to the extent of the sum of (i) reserves established in the Commingled Account in respect of Prudential's payment obligations under this Contract supported by the Commingled Account and (ii) reserves established in the Commingled Account in respect of the payment obligations of Prudential under any other group annuity contracts supported by the Commingled Account,

will be chargeable with liabilities arising out of any other business of Prudential.

Expenses; Transfer of Separate Account Assets; Reserving

Expenses shall be charged against the Separate Account. Such expenses shall represent the direct and indirect costs (inclusive of general and administrative expenses allocated as described below) relating to this Contract and the Separate Account and shall be charged against the Separate Account in accordance with statutory accounting principles. Such expenses must fall within an expense category that would be chargeable to Prudential's General Account. Further, such expenses must be charged using an expense rate or allocation methodology not greater than the rate charged or different than the relative amount charged to the General Account for similar services or categories of expense. In addition, any such indirect expenses must not be charged more frequently than charged to the General Account, and any such direct expenses shall be charged when due. Expense payables and withdrawals from the Separate Account will include custody fees applicable to the Separate Account, investment management related expenses, taxes due on the Separate Account earnings and general and administrative expenses allocated to the Separate Account as described in the preceding sentence. If Prudential's General Account pays such expenses or contractual obligations, then a payable owed by the Separate Account shall arise, and Prudential's General Account shall be later reimbursed by charging the Separate Account. None of the deductions, charges, withdrawals, allocations, and/or reimbursements described in this paragraph shall be limited or in any way constrained by the Asset Sweep Test.

From time to time, in connection with the satisfaction of expenses owed by the Separate Account to the General Account, Prudential may transfer assets with a Market Value equal to the amount of any such expense obligation from the Separate Account to the General Account.

On or promptly after the Effective Date, Prudential shall exchange assets in-kind between the Separate Account and the General Account, as follows: (i) assets to be transferred from the Separate Account shall consist of the Private Equity Investments allocated to the Separate Account on the Effective Date and (ii) assets to be transferred to the Separate Account shall consist of cash and/or non-cash assets having an aggregate Market Value equal to the Market Value of such Private Equity Investments. Any such exchange must be fair and equitable to both the Separate Account and the General Account of Prudential. In addition, from time to time, subject to the receipt of any applicable regulatory approvals, Prudential may exchange assets then allocated to the Separate Account for assets allocated to the General Account; *provided* that the Market Value as of a determination date of the assets withdrawn from the Separate Account equals the Market Value as of the same determination date of the assets transferred to the Separate Account. Any such exchange must be fair and equitable to both the Separate Account and the General Account of Prudential.

Periodically, Prudential will compare (A) the statutory carrying value of the assets allocated to the Separate Account reduced by payables related to expenses and to Contract obligations (and, following a Small Account Conversion, obligations of the other contracts supported by the Commingled Account) due on or prior to the date of determination, to (B) the statutory liability for the contractual annuity benefits with respect to the Contract under the Statutory Reserve Basis Established on the Effective Date of the Contract (and, from and after a Small Account Conversion, the statutory liability for the other contracts supported by the Commingled Account), plus any Separate Account Interest Maintenance Reserve established for the Separate Account.

If the amount described in clause (B) exceeds the amount described in clause (A), then Prudential will establish and fund reserves in the General Account in support of this Contract equal to the amount by which (B) exceeds (A) on such date of determination; otherwise such reserves will be zero.

If the amount described in clause (A) is greater than the amount described in clause (B), and if the date of determination is the Effective Date, any Amendment Date, or a date not less frequently than annually nor more frequently than quarterly, then, subject to applicable law and regulations, Prudential may withdraw assets allocated to the Separate Account in an amount such that, immediately after giving effect to such withdrawal, the amount described in (A) will equal or exceed: (i) prior to a Small Account Conversion, [] percent of the amount described in (B), or (ii) from and after a Small Account Conversion, the aggregate amount described in (B) for the contracts supported by the Commingled Account (the “**Asset Sweep Test**”).

A withdrawal from the Separate Account will be made on a Business Day, and the assets withdrawn will no longer be allocated to the Separate Account.

Process for Making Annuity Payments

Starting on the Date of First Payment, Prudential, or its agent, shall make Annuity Payments owed by Prudential to an Annuitant or Contingent Annuitant arising from and after such date pursuant to Provision II directly to such Annuitant or Contingent Annuitant, as the case may be.

Persons Entitled to Enforce this Contract

Notwithstanding any other provision of this Contract to the contrary,

Annuitants and Contingent Annuitants. After the Effective Date, any Annuitant or Contingent Annuitant shall have the contractual right to enforce any provision of this Contract against Prudential, its successors and assigns, by the sole choice of such Annuitant or Contingent Annuitant. The rights of an Annuitant or Contingent Annuitant under this clause (a) are not diminished if Contract-Holder ceases to exist and no successor is appointed. Notwithstanding the foregoing sentences, any and all third-party beneficiary rights of an Annuitant or Contingent Annuitant under this Contract, including pursuant to this clause (a), refer, and are subject, to the provisions of this Contract as it may be amended in accordance with Section 3.5, and nothing in this clause (a) shall prevent, or impose any limitations on, any such amendment or modification of this Contract made in accordance with Section 3.5, or give any right to an Annuitant or Contingent Annuitant to consent to, or otherwise participate in, any such amendment (other than with respect to any affected Annuitant or Contingent Annuitant in connection with an amendment pursuant to Section 3.5(a)(ii)). Nothing in this Section 1.9(a) shall prohibit an Annuitant or Contingent Annuitant from having the right to challenge a

change made after the Final Data Amendment Date as not being made in accordance with Section 3.5(b).

Contract-Holder and the Plan. After the Effective Date, neither Contract-Holder nor the Plan shall have any obligation to any Annuitant or Contingent Annuitant with respect to the Annuity Payments under this Contract. During the period from the Effective Date until the Final Data Amendment Date, Contract-Holder shall have the right to enforce any provision of this Contract (and the Plan shall have the right to enforce the payment of any Contribution Adjustment Amount payable by Prudential to the Plan) against Prudential, its successors and assigns.

Prudential. During the period from the Effective Date until the Final Data Amendment Date, Prudential shall have the right to enforce any provision of this Contract against Contract-Holder. Following the Final Data Amendment Date, Prudential shall have no right to enforce any provision of this Contract against Contract-Holder.

Small Account Conversion

If at any time the Market Value of the assets allocated to the Dedicated Account does not equal at least \$50 million, Prudential reserves the right to discontinue the Dedicated Account. In the event of such discontinuance, without the consent of Contract-Holder, any Annuitant, Contingent Annuitant or any other person, Prudential may transfer the assets allocated to the Dedicated Account to the Commingled Account, subject to the receipt of all necessary consents and approvals, including regulatory approvals (such as those relating to the transfer of assets in-kind from the Dedicated Account to the Commingled Account) (such transfer, a “**Small Account Conversion**”).

PAYMENT TERMS AND CONDITIONS FOR FORMS OF ANNUITIES

General

Prudential will determine the amount that Prudential owes an Annuitant (and, if applicable, the related Contingent Annuitant) under this Contract in accordance with the terms of this Provision II.

Each Annuity Payment shall be made no later than the first day of the month in which it is due, except that if an Annuitant or Contingent Annuitant has the relevant indicator in the Annuity Exhibits and such Annuitant or Contingent Annuitant has elected to receive Annuity Payments by electronic funds transfer, each Annuity Payment shall be made no later than the first Business Day of the month.

Prudential will apply the terms of this Provision II using the information contained in the Annuity Exhibits with respect to an Annuitant (and, if applicable, the related Contingent Annuitant), as such information is updated or corrected pursuant to this Contract.

If an Annuitant or Contingent Annuitant is shown on the attached Annuity Exhibits as having been paid, prior to the Date of First Payment, Plan benefits in excess of the amount owed under the Plan, such overpayments shall be deducted from the Annuity Payments otherwise owed to such Annuitant or Contingent Annuitant as set forth in this Provision II and the Annuity Exhibits.

If an Annuitant or Contingent Annuitant is shown on the attached Annuity Exhibits prior to or as of the Data Finalization Date as having been paid Plan benefits that were less than the amount owed under the Plan, a lump sum equal to the aggregate amount of such underpayments shall be added to one of the two immediately following Annuity Payments otherwise owed to such Annuitant or Contingent Annuitant as set forth in this Provision II and the Annuity Exhibits.

Certain Definitions Related to Forms of Annuities

For purposes of this Provision II, the following terms shall have the meanings indicated:

“Annuity Forms” means one of the following types of Annuities:

Life Annuity means the Annuity Form having payment terms specified in Section 2.3(a);

Period Certain Only Annuity means the Annuity Form having payment terms specified in Section 2.3(b);

Life Annuity – Period Certain means the Annuity Form having payment terms specified in Section 2.3(c);

Joint and Survivor Life Annuity means the Annuity Form having payment terms specified in Section 2.3(d);

Pop-Up Joint and Survivor Life Annuity means the Annuity Form having payment terms specified in Section 2.3(e); and

Social Security Supplement means the supplement having payment terms specified in Section 2.3(f).

Terms of Annuity Forms

Life Annuity. If an Annuitant is identified in the Annuity Exhibits as receiving a distribution of a “Life Only” Annuity Form then starting on the Date of First Payment, Prudential will make monthly payments to such Annuitant in the “Initial Monthly Payment Amount” (as specified in the Annuity Exhibits with respect to such Annuitant). Prudential will continue to pay this amount to such Annuitant on the first day of each calendar month

thereafter for the remainder of such Annuitant's life. Subject to Section 2.3(g), Prudential will make the final payment on the first day of the calendar month in which such Annuitant dies.

Period Certain Only Annuity. If an Annuitant is identified in the Annuity Exhibits as receiving a distribution of a "Period Certain Only" Annuity Form:

starting on the Date of First Payment, Prudential will make monthly payments to such Annuitant in the "Initial Monthly Payment Amount" (as specified in the Annuity Exhibits with respect to such Annuitant) Prudential will continue to pay this amount to such Annuitant on the first day of each calendar month thereafter until Prudential has made the "Number of Guaranteed Monthly Payments" (as specified in the Annuity Exhibits with respect to such Annuitant), except as provided in sub-clause (ii) below; and

- (ii) if such Annuitant dies before Prudential has made the Number of Guaranteed Monthly Payments, Prudential will pay to such Annuitant's estate the Commuted Value of the remaining monthly payments which taken together with the number of monthly payments made to such Annuitant equal the Number of Guaranteed Monthly Payments.

Life Annuity – Period Certain. If an Annuitant is identified in the Annuity Exhibits as receiving a distribution of a "Life Annuity – Period Certain" Annuity Form:

starting on the Date of First Payment, Prudential will make monthly payments to such Annuitant in the "Initial Monthly Payment Amount" (as specified in the Annuity Exhibits with respect to such Annuitant). Prudential will continue to pay this amount to such Annuitant on the first day of each calendar month thereafter for the remainder of such Annuitant's life;

Prudential will make the final payment on the first day of the calendar month in which such Annuitant dies (subject to Section 2.3(g)), if Prudential has made at least the "Number of Guaranteed Monthly Payments" by then (as specified in the Annuity Exhibits with respect to such Annuitant). If such Annuitant dies before Prudential has made at least the Number of Guaranteed Monthly Payments, Prudential will continue to make monthly payments in the Initial Monthly Payment Amount to the Contingent Annuitant. The Contingent Annuitant will continue to receive such monthly payments until the number of Prudential's monthly payments to such Annuitant and the related Contingent Annuitant equals the

Number of Guaranteed Monthly Payments, except as provided in sub-clause (iii) below; and

if neither the Annuitant nor the related Contingent Annuitant are alive at a time an Annuity Payment is due, Prudential will pay (x) to such Annuitant's estate, if such Annuitant died after the related Contingent Annuitant or (y) to the Contingent Annuitant's estate, if the Contingent Annuitant died after the Annuitant, the Commuted Value of the remaining monthly payments which, taken together with the number of monthly payments made to the Annuitant and, if applicable, the related Contingent Annuitant, equal the Number of Guaranteed Monthly Payments.

Joint and Survivor Life Annuity. If an Annuitant is identified in the Annuity Exhibits as receiving a distribution of a "J&S" Annuity Form:

starting on the Date of First Payment, Prudential will make monthly payments to such Annuitant in the "Initial Monthly Payment Amount" (as specified in the Annuity Exhibits with respect to such Annuitant). Prudential will continue to pay this amount to such Annuitant on the first day of each calendar month thereafter for the remainder of such Annuitant's life. If the Contingent Annuitant (as specified in the Annuity Exhibits with respect to such Annuitant) dies before such Annuitant or in the same calendar month such Annuitant dies, subject to Section 2.3(g), Prudential will make the final payment on the first day of the calendar month in which such Annuitant dies; and

if the Contingent Annuitant is still alive on the first day of the calendar month immediately following such Annuitant's death, then, starting on that date, Prudential will make monthly payments to the Contingent Annuitant in the "Dollar Amount Payable to Contingent Annuitant" (as specified in the Annuity Exhibits with respect to such Annuitant), subject to Section 2.3(g). Prudential will continue paying this same amount to the Contingent Annuitant on the first day of each calendar month thereafter while the Contingent Annuitant is alive. Subject to Section 2.3(g), Prudential will make the final payment on the first day of the calendar month in which the Contingent Annuitant dies.

Pop-Up Joint and Survivor Life Annuity. If an Annuitant is identified in the Annuity Exhibits as receiving a distribution of a "J&S with Pop-Up" Annuity Form:

starting on the Date of First Payment, Prudential will make monthly payments to such Annuitant in the "Initial Monthly Payment Amount" (as specified in the Annuity Exhibits with respect to such

Annuitant). Except as described below, Prudential will continue to pay this amount to such Annuitant on the first day of each calendar month thereafter for the remainder of such Annuitant's life;

if the Contingent Annuitant (as specified in the Annuity Exhibits with respect to such Annuitant) is still alive on the first day of the calendar month immediately following such Annuitant's death, then, starting on that date (subject to Section 2.3(g)), Prudential will make monthly payments to the Contingent Annuitant in the "Dollar Amount Payable to Contingent Annuitant" (as specified in the Annuity Exhibits with respect to such Annuitant). Prudential will continue to pay this same amount to the Contingent Annuitant on the first day of each calendar month thereafter for the remainder of the Contingent Annuitant's life. Prudential will make the final payment on the first day of the calendar month in which the Contingent Annuitant dies (subject to Section 2.3(g)); and

- (iii) if the Contingent Annuitant dies before the Annuitant does, then, Prudential will make monthly payments to such Annuitant in the "Pop-Up Monthly Payment Amount" (as specified in the Annuity Exhibits with respect to such Annuitant). Such change to the Annuitant's monthly payments will be made as of the first day of the month following the Contingent Annuitant's death. However, if the Annuitant is not identified on the Annuity Exhibits as receiving a "Pop-Up with Retroactive Payments" and if Prudential is informed of the Contingent Annuitant's death more than one year after it occurs, such Annuitant's payment amount will not change until the month following the month in which Prudential receives notice of the Contingent Annuitant's death. Prudential will continue to pay this new, higher amount to the Annuitant on the first day of each calendar month thereafter for the remainder of such Annuitant's life. Subject to Section 2.3(g), Prudential will make the final monthly payment on the first day of the calendar month in which such Annuitant dies.

Social Security Supplement. If an Annuitant is identified in the Annuity Exhibits as receiving a distribution of a "Social Security Supplement" then starting on the Date of First Payment, Prudential will make monthly payments to such Annuitant in the "Initial Monthly Payment Amount" (as specified in the Annuity Exhibits with respect to such Annuitant). Prudential will continue to pay this amount to such Annuitant on the first day of each calendar month thereafter until the final payment. The final payment will be made on the first day of the calendar month in which such Annuitant dies (unless otherwise provided pursuant to Section 2.3(g)) or the "Temporary Period" (as specified in the Annuity Exhibits with respect to such Annuitant) comes to an end, whichever comes first.

Payment in Arrears Feature. The Payment in Arrears feature may be included with the Annuity Forms set forth above in this Section 2.3. If an Annuitant or Contingent Annuitant is identified on the Annuity Exhibits as receiving “Payment in Arrears”, then the Annuity Payment for a month is paid on the payment date in the following month. Accordingly, the last payment to be paid to such Annuitant or Contingent Annuitant is paid in the month following the month to which it relates. In the case of Annuity Payments that cease upon the death of an individual, the last payment is made to the estate of the individual in the month following the individual’s death. For example, in the case of a Joint and Survivor Annuity, if the Annuitant dies during June 2014, an Annuity Payment is made (i) on the payment date in June 2014 to the Annuitant (or his or her estate if the payment date is after the date of death), (ii) on the payment date in July 2014 to the Annuitant’s estate, and (iii) beginning with the payment date in August 2014, to the Contingent Annuitant, if applicable. However, if Annuity Payments cease on account of the end of a payment period, no payment is made after the payment period on account of the Payment in Arrears Feature. The Payment in Arrears Feature does not delay the first payment due under this Contract.

No Assignment by Annuitants and Contingent Annuitants

Neither an Annuitant or Contingent Annuitant nor such person’s Representative may (a) assign, pledge or otherwise transfer his or her rights under the Contract or their respective Annuity Form or an annuity certificate, or (b) enter into a transaction in which one or more Annuity Payments are anticipated or accelerated. Any attempt to do so shall be null and void at the outset, without any effect whatsoever. Also, to the maximum extent permitted by law, including but not limited to the relevant provisions of the Code, no Annuity Payment is subject to the claims of creditors. For the avoidance of doubt, compliance with the terms of a QDRO will not be considered to be an impermissible transaction or claim under the Contract.

Proof of Continued Existence

As a condition to making any Annuity Payment arising from an Annuity Form that is dependent upon an Annuitant or Contingent Annuitant being alive, Prudential may require such Annuitant or Contingent Annuitant to provide Prudential with evidence satisfactory to Prudential that such Annuitant or Contingent Annuitant is alive. No such payment is owed under this Contract unless and until Prudential receives such evidence.

Data Errors and Benefit Mismatches

After the Effective Date and prior to or on the Data Finalization Date, if (i) Prudential and the Plan conclude that there is an error in the Annuity Exhibits respecting date of birth, gender, or date of death of an Annuitant or Contingent Annuitant (an “**Annuity Exhibit BGD Error**”), or (ii) the Plan concludes that, as a result of an Annuity Exhibit BGD Error or otherwise (x) the Annuity Payment or the Annuity Form with respect to an Annuitant or

Contingent Annuitant differs from the payment or form that, under the terms of the Plan (as in effect on the Effective Date) was intended by the Plan to be covered by this Contract or (y) there is an error in the classification of an Annuitant or Contingent Annuitant or the identification of an individual who under the terms of the Plan (as in effect on the Effective Date) was intended by the Plan to be covered by this Contract (any such difference or error specified in sub-clause (ii)(x) or (y), a “**Benefit Mismatch**”), then Prudential and Contract-Holder shall amend this Contract on the Final Data Amendment Date consistent with the correction of such Annuity Exhibit BGD Error or Benefit Mismatch to provide for an equitable adjustment to the Total Contribution Amount and/or a correction of the amount of an Annuity Payment, change in Annuity Form, change in the classification of an Annuitant or Contingent Annuitant, or the inclusion of any such individual as an Annuitant or Contingent Annuitant and the attendant addition of Annuity Payment and Annuity Form, as the case may be. The amount of an Annuity Payment may increase or decrease as a consequence of correcting any such Benefit Mismatch pursuant to this Section 2.6(a), without the consent of any affected Annuitant and/or Contingent Annuitant.

After the Data Finalization Date, if (i) Contract-Holder concludes that a Benefit Mismatch has occurred and that correcting such Benefit Mismatch would require an increased or additional Annuity Payment or a different or additional Annuity Form in respect of an Annuitant or Contingent Annuitant, or a change in the classification of an Annuitant or Contingent Annuitant or the addition of a Contingent Annuitant (but not the addition of an Annuitant), (ii) Contract Holder notifies Prudential to amend this Contract, including the Annuity Exhibits to correct such Benefit Mismatch; (iii) Contract-Holder provides the information reasonably required by Prudential; and (iv) Contract-Holder pays to Prudential all amounts due in connection with such amendment (including the premium for all applicable future periods and, if applicable, a lump sum payment for any shortfall related to the applicable prior periods), then Prudential and Contract Holder shall amend this Contract, in a manner necessary to correct such Benefit Mismatch, without the consent of any affected Annuitant and/or Contingent Annuitant. The amount of an Annuity Payment may not decrease as a consequence of correcting any such Benefit Mismatch pursuant to this Section 2.6(b), and, after the Final Data Amendment Date, Prudential will not be required to refund any contribution (or any part of such contribution) received by Prudential from Contract-Holder or the Plan under this Contract in respect of, or attributable or allocable to, any relevant Annuitant and/or Contingent Annuitant.

Prudential shall calculate the amount of premium payable in connection with any amendment pursuant to Section 2.6(b) by (x) using the mortality assumptions used when calculating the Contribution Amount and (y) in all other respects using Prudential’s then current methods and assumptions

applicable to the pricing of group pension annuities on the date of determination (but for the avoidance of doubt, using the relevant Date of First Payment and using the actual age and gender of the relevant person(s) (as verified upon Prudential's request)).

Upon receipt of all amounts due to Prudential under this Contract with respect thereto, in connection with any amendment pursuant to Section 2.6(a) or Section 2.6(b), Prudential and Contract-Holder, will amend each relevant Annuity Exhibit and, in each case, Prudential will amend, cancel or issue a new or additional annuity certificate, to the extent necessary or appropriate to reflect such amendment and such changes.

Escheatment of Unpaid Amounts

After the period of time prescribed by applicable state law, any payments under a Period Certain Only Annuity, Life Annuity – Period Certain or lump sum payment owed by Prudential which an Annuitant or Contingent Annuitant or the Representative of such person has not claimed may be considered abandoned or escheatable property. In such case, Prudential will follow the laws applicable to the disposition of any such payment obligations. Any payments made to the state under such circumstances will relieve Prudential of all further obligations under this Contract with respect to such amounts.

Qualified Domestic Relations Orders

If the Annuity Payments to an Annuitant or Contingent Annuitant become subject to a domestic relations order, Prudential will not make any adjustments or payments to such Annuitant or the related Contingent Annuitant until Prudential has (i) received the domestic relations order, (ii) approved the domestic relations order, applying Prudential's then current practices and standards, and (iii) the domestic relations order has been qualified and is therefore a QDRO. Any such Annuity Payment adjustment will take effect when entered in Prudential's records.

Payments to Representatives

Prudential may withhold Annuity Payments owed to any Annuitant or Contingent Annuitant if, in the judgment of Prudential, such person is incapable for any reason of personally receiving and giving a valid receipt for such payment. In such case, Prudential may discharge its obligation to any Annuitant or Contingent Annuitant by making payments to such person's Representative. Prudential may pay to the Representative of an Annuitant or Contingent Annuitant amounts otherwise owed to such Annuitant or Contingent Annuitant if Prudential receives satisfactory evidence of such Representative's authority. Any amount paid in accordance with this Section 2.9 will completely discharge the liability of Prudential for the amount paid.

Annuity Certificates

Upon receipt of applicable regulatory approvals, Prudential will issue each Annuitant (and, if receiving Annuity Payments on the date annuity certificates are issued, a

Contingent Annuitant) an annuity certificate. Each such certificate will set forth in substance the payments to which each Annuitant (and, if applicable, a Contingent Annuitant) is entitled under this Contract. Also, Prudential may issue a substitute annuity certificate to correct errors contained in the previously issued certificate, whereupon the previously issued annuity certificate shall be null and void.

Each annuity certificate shall provide that only the Annuitant (and, if applicable, a Contingent Annuitant) has the right to Annuity Payments under this Contract, and that such right to Annuity Payments is enforceable by the certificate-holder solely against Prudential and against no other person including the Plan, Plan sponsor, Plan fiduciary, Contract-Holder or any affiliate thereof. Each certificate shall describe the consequences of any misstatements of age or other relevant fact, including Prudential's rights and obligations relating to such misstatements.

The rights of Annuitants and Contingent Annuitants under this Contract are not conditioned upon the issuance of annuity certificates, and any delay in issuing an annuity certificate to such Annuitant or Contingent Annuitant does not delay the date on which the Annuitant or Contingent Annuitant begins to have third-party beneficiary rights under this Contract.

Reliance on Records; Correction of Errors

Until the Data Finalization Date, the Plan shall be the source of the information which Prudential may reasonably require for the administration of this Contract. Furthermore, Prudential may at any time request any Annuitant or Contingent Annuitant to provide any such information not previously supplied. If Prudential is legally required to do so, Prudential may withhold all or a portion of any Annuity Payment until Prudential receives a Social Security or taxpayer identification number for the Annuitant or Contingent Annuitant and any other items required by law.

Prudential will maintain the records necessary for the administration of this Contract. Such records will be prepared using the information Prudential receives under this Contract and will constitute *prima facie* evidence as to the truth of the information recorded in those records. However, Prudential reserves the right to correct Prudential's records to eliminate erroneous information that Prudential receives and to reflect information Prudential gathers and which Prudential reasonably believes is reliable. Prudential may assume the accuracy of the Plan's records that relate to Annuitants and Contingent Annuitants. Any payment that Prudential makes in reliance on such records shall be a valid discharge of Prudential's obligations under the Contract.

GENERAL TERMS

Communications

All communications to Prudential regarding this Contract shall be addressed to Prudential's Office.

All communications to Contract-Holder will be addressed as shown in Prudential's records, as updated from time to time on Prudential's records based on notice provided by Contract-Holder to Prudential.

All communications to Contract-Holder or Prudential will be in writing.

Currency; Payments

All moneys, whether payable to or by Prudential, shall be in lawful money of the United States of America. Dollars and cents refer to lawful currency of the United States of America. Payments owed to Prudential or to the Plan shall be made pursuant to agreed procedures and wire instructions.

Contract-Holder

Prudential will be entitled to rely on any action taken or omitted to be taken by or on behalf of Contract-Holder pursuant to the terms of this Contract, and such reliance shall not require the consent of any other person or organization with an interest in the Plan. If Contract-Holder (i) notifies Prudential that it will cease to exist and no successor is appointed by Contract-Holder or (ii) is no longer entitled to enforce this Contract pursuant to Section 1.9(b), this Contract nevertheless shall remain irrevocable and in full force and effect in accordance with its terms, and not subject to amendment or modification except as otherwise provided herein, it being acknowledged and understood that the intended third-party beneficiary rights of each Annuitant and Contingent Annuitant hereunder shall survive until the date on which there ceases to be any further Annuity Payments payable in accordance with the terms of this Contract.

No Implied Waiver

Except as expressly provided herein, the failure by Prudential, Contract-Holder, any Annuitant or Contingent Annuitant or any Representative to insist in any one or more instances upon strict performance by the other of any of the terms of this Contract shall not be construed as a waiver of any continuing or subsequent failure to perform or delay in performance of any term hereof.

Changes; Interpretation

Mutual Agreement. This Contract may be amended at any time by written agreement between Prudential and (i) Contract-Holder pursuant to Section 2.6 or the fourth paragraph of Section 1.2; or (ii) except as provided in Section 2.6 and the fourth paragraph of Section 1.2, an affected Annuitant or Contingent Annuitant; *provided that*, (x) no amendment under this clause (ii) that changes the time, form, or amount of an Annuity Payment (other than in connection with the settlement of a bona fide dispute) shall be made prior to the fifth anniversary of the Effective Date (and thereafter, prior to making any such amendment (other than in connection with the settlement of a bona fide dispute), Prudential will review such amendment with the New Jersey Department of Banking and Insurance and obtain any required regulatory approvals) and (y) an amendment made under this

clause (ii) shall comply with the requirements of sections 401(a)(9), 401(a)(11), and 417 of the Code (or any successor provisions).

In connection with any amendment pursuant to Section 3.5(a)(ii), Prudential may amend each relevant Annuity Exhibit and/or amend, cancel or issue a new or additional annuity certificate, to the extent necessary or appropriate to reflect such amendment.

Law or Regulation. Prudential may change this Contract to satisfy the requirements of any generally applicable law enacted by (or of any regulation promulgated by) any legislative or governmental authority, body or agency.

Interpretation. In interpreting this Contract, typographical errors, cross-reference errors and any other immaterial errors shall be disregarded.

Assignments and Transfers by Contract-Holder and Prudential

From and after the Final Data Amendment Date, Contract-Holder may assign this Contract to any Affiliate domiciled and operating in the United States. From and after the Effective Date, Prudential may not transfer or assign this Contract or its obligations hereunder unless (i) Prudential will be the obligor to Contract-Holder, the Annuitants and Contingent Annuitants in respect of its obligations under this Contract; (ii) the written consent of an affected Annuitant or Contingent Annuitant is obtained or (iii) such obligations are fully transferred to another entity by operation of law, and any successor entity to Prudential by operation of law shall be automatically bound by all of Prudential's obligations under this Contract. Any transfer or assignment by Prudential or Contract-Holder in violation of the immediately preceding two sentences shall be null and void from the outset.

Consideration; Entire Contract; Construction

This Contract is being entered into in consideration of the payment of the Total Contribution Amount and the other promises and covenants contained herein, the sufficiency of which is hereby acknowledged by Prudential and Contract-Holder.

This Contract, together with the exhibits hereto, constitutes the entire agreement between Contract-Holder and Prudential solely with respect to the Annuity Payments owed to each Annuitant and Contingent Annuitant under this Contract, and supersedes all prior agreements and understandings, both oral and written, between Contract-Holder and Prudential solely with respect to such Annuity Payments. For the avoidance of doubt, (a) Contract-Holder agrees that nothing in this Section 3.7 or elsewhere in this Contract (or any amendment hereof) shall supersede or impair Prudential's right to receive Contribution Adjustment Amounts or enforce any other rights against Contract-Holder or any other person related to the subject matter of this agreement as provided for in any other written agreement to which Contract-Holder and Prudential are parties, and (b) Prudential agrees that nothing in this Section 3.7 or elsewhere in this Contract (or any amendment hereof) shall supersede or impair Contract-Holder's right to enforce any rights against Prudential or any other person related to the subject matter of this

agreement as provided for in any other written agreement to which Contract-Holder and Prudential are parties.

In the event of a conflict between this Contract and any voluntary regulatory filing or submission made by Prudential in respect of this Contract or the Separate Account, this Contract shall govern.

This Contract will be construed according to the laws of the jurisdiction set forth on the Cover Page without regard to the principles of conflicts of laws thereof except to the extent that those laws have been preempted by the laws of the United States of America.

Third-Party Beneficiaries

Each Annuitant and Contingent Annuitant is an intended third-party beneficiary of this Contract, as it may be amended from time to time in accordance with its terms. Additionally, the Plan is an intended third-party beneficiary of this Contract solely for the purpose of receiving any Contribution Adjustment Amounts payable by Prudential to the Plan pursuant to Section 1.2. Except as set forth in this Section 3.8, no rights or remedies are conferred on any person other than Contract-Holder and Prudential, and their respective successors and permitted assigns.

Date: []

CASH AND TRANSFERRED ASSETS EXHIBIT

Contribution Amount	\$XX
Agreed Market Value of Cash and Other Assets Transferred	\$XX

Cash Assets: \$ _____

Fixed Income Assets: \$ _____, comprised of the following

CUSIP	ISSUER	COUPON	MATURITY DATE	PAR AMOUNT	CREDIT QUALITY	MKT VALUE (AS OF MM/DD/YY)
SUB TOTAL						

Private Equity Assets: \$ _____, comprised of the following

FUND NAME	NET ASSET VALUE	UNFUNDED COMMITMENT	[OTHER]	TOTAL EXPOSURE
SUB TOTAL				

Other Assets: \$ _____, comprised of the following

CUSIP	ISSUER	[COUPON]	[MATURITY DATE]	[PAR AMNT]	[CREDIT QUALITY]	[MKT VALUE (AS OF MM/DD/YY)]
SUB TOTAL						

Date: []

CASH AND TRANSFERRED ASSETS EXHIBIT SUPPLEMENT

Contribution Adjustment Amount	\$XX
Payable by:	
Agreed Market Value of Cash and Other Assets Transferred	\$XX

Cash Assets: \$ _____

[If the Contribution Adjustment Amount is payable by Prudential, insert:

\$ _____ from the General Account
 \$ _____ from the Separate Account]

Fixed Income Assets: \$ _____, **comprised of the following**

CUSIP	ISSUER	COUPON	MATURITY DATE	PAR AMOUNT	CREDIT QUALITY	MKT VALUE (AS OF MM/DD/YY)
SUB TOTAL						

[If the Contribution Adjustment Amount is payable by Prudential, insert:

Transferred from the [General Account][Separate Account]]

Private Equity Assets: \$ _____, **comprised of the following**

FUND NAME	NET ASSET VALUE	UNFUNDED COMMITMENT	[OTHER]	TOTAL EXPOSURE
SUB TOTAL				

[If the Contribution Adjustment Amount is payable by Prudential, insert:

Transferred from the [General Account][Separate Account]]

Other Assets: \$ _____, **comprised of the following**

CUSIP	ISSUER	[COUPON]	[MATURITY DATE]	[PAR AMNT]	[CREDIT QUALITY]	[MKT VALUE (AS OF MM/DD/YY)]
SUB TOTAL						

[If the Contribution Adjustment Amount is payable by Prudential, insert:

Transferred from the [General Account][Separate Account]

CORRECTION TO THE MARKET VALUE OF NON-CASH ASSETS

[]

ANNUITY EXHIBITS

Appendix 1.1(c)

PRICED LIVES

Reference is made to the Excel spreadsheet titled “Chronos Priced Lives Exhibit 10.14.2012.xlsx” contained on the Identified CD-ROM and setting forth each of the Priced Lives, which is hereby incorporated by reference.

Appendix 2.1(a)

MECHANICS FOR TRANSFER OF TRANSFERRED ASSETS

I. All Transferred Assets

The Plan Investment Fiduciary shall direct the Plan Trustee to transfer to the Insurer the Transferred Assets by issuing such direction to the Plan Trustee in the following form:

FORM OF TRUSTEE DIRECTION

Re: Verizon Management Pension Plan (the "Plan")

Ladies and Gentlemen:

The Bank of New York Mellon (the "Plan Trustee") is a directed trustee of the Bell Atlantic Master Trust (the "Plan Trust"), established under the Plan, dated January 1, 1995, (the "Trust Agreement"). Capitalized terms used but not defined herein have the meaning set forth in the Definitive Purchase Agreement (the "Agreement"), dated as of October 17, 2012 by and among The Prudential Insurance Company of America, a New Jersey life insurance company (the "Insurer"), Prudential Financial, Inc., a New Jersey corporation ("Insurer Parent"), Verizon Communications Inc., a Delaware corporation (the "Company"), acting solely in a non-fiduciary capacity as the sponsor of the Plan, Verizon Investment Management Corp., a Delaware corporation (the "Plan Investment Fiduciary"), acting in its capacity as the named fiduciary for the investment of the assets of the Plan, and Fiduciary Counselors Inc., a Delaware corporation (the "Independent Fiduciary"), acting solely in its capacity as an independent fiduciary of the Plan with certain authority and responsibility to represent the Plan and its Plan Participants and Plan Beneficiaries in regard to the transactions set forth in the Agreement.

The undersigned Plan Investment Fiduciary is the named fiduciary for the investment of the assets of the Plan and has all necessary power and authority to direct the Plan Trustee in connection with the purchase of a single premium, non-participating group annuity contract (the “Group Annuity Contract”) with the Insurer, including the transfer of assets from the Plan Trust to the insurance company selected by the Independent Fiduciary in consideration for the Group Annuity Contract and related matters.

The Plan Investment Fiduciary hereby directs you in your capacity as Plan Trustee on behalf of the Plan Trust to (i) assign, transfer and deliver to the Insurer in consideration for the Group Annuity Contract, the Transferred Assets as set forth on the Final Asset Statement (but, for the avoidance of doubt, not including the delivery of [* * *] not included on the Transferred Assets Schedule as of the Closing Date) including taking all actions reasonable and necessary to effectuate such transfer, (ii) (A) issue (and execute and deliver to the Insurer), [* * *] and (B) pay the outstanding principal [* * *] on [* * *] to the extent required under the terms thereof and (iii) pay to the Insurer the Cash Closing Payment, if applicable. The Plan Investment Fiduciary will prepare all necessary transfer documents and provide execution copies of such documents to the Plan Trustee for signature, and such execution documents are listed on Schedule A (the “Execution Documents”). The Plan Investment Fiduciary will also set forth on Schedule A the delivery instructions and wire transfer instructions required to effect the transfer of the Transferred Assets and the Cash Closing Payment.

In connection herewith, the Plan Investment Fiduciary represents and warrants to the Plan Trustee for the benefit of the Plan Trust that:

- (i) the Plan Investment Fiduciary is the named fiduciary for the investment of the assets of the Plan within the meaning of sections 402 and 403 of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and is acting in such capacity in issuing the direction set forth in this letter;
- (ii) the Independent Fiduciary has determined that the execution of the Group Annuity Contract and transferring the assets on the Final Asset Statement satisfies ERISA;
- (iii) the Group Annuity Contract is in proper legal form to be executed by the Company in a non-fiduciary capacity as the sponsor of the Plan without review or inquiry upon direction of the undersigned Plan Investment Fiduciary; and
- (iv) the officer signing this letter is duly authorized to execute and deliver this direction on behalf of the Plan Investment Fiduciary.

* * *

Schedule A to Plan Trustee Direction

[The actual Plan Trustee Direction will contain a Schedule A to list all Execution Documents, asset delivery instructions and wire transfer instructions. The actual Plan Trustee Direction will have a signature line to be signed by the Plan Investment Fiduciary.]

II. Additional Requirements Regarding [* * *]

[* * *] will be transferred pursuant to [* * *] on the Closing Date or [* * *].

Promptly following the Closing Date or [* * *], as applicable, the Insurer and the Plan Investment Fiduciary shall deliver joint written notice to the applicable [* * *], as applicable, of the actual transfer of each [* * *], and that the Insurer is responsible for the Transferred Liabilities following the Closing Date. The Insurer shall take all actions it deems reasonably necessary to [* * *], if any, due following the relevant transfer date which may be either the [* * *], as applicable.

For the avoidance of doubt, the [* * *] shall not expand or diminish any of the rights, obligations or remedies of the Parties under the Agreement.

A [* * *] shall be an [* * *] unless all of the following are met:

- A. such [* * *] is set forth on [* * *] and is transferrable to the Insurer in accordance [* * *];
- B. as of the Closing Date or applicable [* * *], the Plan Trustee shall have assigned, transferred and delivered (“Transferred”) to the Insurer all rights, title and interests of the Plan Trust in [* * *] and, as of the Closing Date, the Plan Trustee shall have Transferred to the Insurer all Transferred Liabilities relating to [* * *];
- C. the Transfer described in clause (B) above shall have been effected by the execution and delivery of [* * *];
- D. as of the Closing Date or [* * *], all required [* * *] relating to the Transfer [* * *] have been obtained on customary terms and in a form reasonably acceptable to the Insurer and the Plan Investment Fiduciary [* * *];
- E. All required contracts and transfer documents relating to the Transfer of [* * *] been executed by the required parties on customary terms and in a form reasonably acceptable to the Insurer and the Plan Investment Fiduciary ([* * *]); and
- F. such [* * *] is not subject to any [* * *] arising out of the proposed Transfer thereof (unless any such [* * *] have been complied with or waived).

Appendix 2.1(b)

ASSET TRANSFER INSTRUMENT

This Appendix 2.1(b) sets forth a form of Bill of Sale pursuant to which the Plan Trustee will transfer the Public Bonds contained on the Final Asset Statement to the Insurer on the Closing Date.

Form of Bill of Sale

This BILL OF SALE (this “Bill of Sale”), dated as of [●], 2012, with effect from 12:01 a.m. on [●], 2012 Eastern time, is entered into by and among The Prudential Insurance Company of America, a life insurance company (the “Insurer”), and The Bank of New York Mellon, the trustee of the Plan the assets of which will be used to purchase the Group Annuity Contract, not individually, but solely in its capacity as trustee for the Plan (the “Plan Trustee”) acting solely in its capacity as the directed trustee of the Bell Atlantic Master Trust (the “Plan Trust”). Capitalized terms used herein and not herein defined shall derive their meaning from Section 1.1 of the DPA (as defined below).

WHEREAS, the Insurer, Insurer Parent, the Company, the Independent Fiduciary and the Plan Investment Fiduciary have entered into a Definitive Purchase Agreement, dated as of October 17, 2012 (the “DPA”), pursuant to which the Insurer has agreed to issue to the Company, solely in a non-fiduciary capacity as the sponsor of the Plan, the Group Annuity Contract in exchange for payment from the Plan Trustee of the Closing Final Premium, which payment will be satisfied by the Plan Trustee’s transfer of the Transferred Assets to the Insurer; and

WHEREAS, the Plan Trustee and the Insurer desire to execute this Bill of Sale to evidence the assignment and transfer of the Public Bonds that comprise a subset of the Transferred Assets, from the Plan Trustee to the Insurer.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and promises contained herein and in the DPA and Group Annuity Contract, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties to this Bill of Sale agree as follows:

1. Sale of Specified Assets. Effective as of 12:01 a.m. on [●], 2012 Eastern time, the Plan Trustee hereby does assign, transfer and deliver (“Transfer”), on behalf of the Plan Trust, to the Insurer and its successors and permitted assigns all rights, title and interests of the Plan Trust, in and to each of the securities set forth on Schedule 1 hereto¹ (collectively, the “Specified Assets”) in accordance with Section 2.

¹ **NOTE TO DRAFT:** Schedule 1 is the Transferred Asset Schedule [***].

2. Separate Account. The Transfer of the Specified Assets as described in Section 1 shall be effected by the Transfer of the Specified Assets from the Plan Trust to the Guaranteed Separate Account.

3. Assumption of Liabilities. Effective as of 12:01 a.m. on [●], 2012 Eastern time, the Insurer shall assume any and all Transferred Liabilities relating to the ownership of any Specified Asset.

4. Additional Actions. The Plan Trustee shall promptly give all notices that are required, under applicable Law and the terms of each Specified Asset, in connection with the sale, assignment and transfer of the Specified Assets. The Plan Trustee and the Insurer shall promptly execute, deliver, record or file any and all releases, affidavits, waivers, notices or other documents that any other party hereto may reasonably request in order to implement the Transfer of the Specified Assets to the Insurer.

5. Miscellaneous. Sections 12.2, 12.3, 12.4, 12.6, 12.7, 12.8, 12.9, 12.10, 12.11 and 12.12 of the DPA are incorporated hereby by reference, *mutatis mutandis*.

6. Headings. Section headings used herein are for convenience and reference only, are not part of this Bill of Sale and shall not affect the construction of, or be taken into consideration in interpreting, this Bill of Sale.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties have executed this Bill of Sale as of the date first written above.

THE BANK OF NEW YORK MELLON

By: _____
Name:
Title:

THE PRUDENTIAL INSURANCE
COMPANY OF AMERICA

By: _____
Name:
Title:

Schedule 1 to the Bill of Sale

Appendix 2.5(b)

ASSET VALUATION FORMULAS AND METHODS

Public Bonds

The Plan Investment Fiduciary will provide to the Insurer the value for each Public Bond, as of any date, in an amount equal to the fair market value as of such date of such Public Bond as indicated (i) by the primary pricing source set forth in Table 1 below that corresponds to the applicable asset class of such Public Bond, (ii) if such primary pricing source is not available or no fair market value is indicated by such primary pricing source for such Public Bond, by the secondary pricing source set forth in Table 1 below that corresponds to the applicable asset class of such Public Bond or (iii) if neither such primary nor secondary pricing source is available or no fair market value is indicated by either such source for such Public Bond, by the tertiary pricing source, if any, set forth in Table 1 below that corresponds to the applicable asset class of such Public Bond. For any pricing source, the mean price of the bid and offer quotations, or if such quotations are not provided by the pricing source, the mean price (as applicable, the “Mean Price”), as [* * *] shall be used.

Table 1

Asset Class	Primary Pricing Source	Secondary Pricing Source	Tertiary Pricing Source
Treasuries	[* * *]	[* * *]	[* * *]
Agencies	[* * *]	[* * *]	[* * *]
Agency MBS	[* * *]	[* * *]	[* * *]
ABS	[* * *]	[* * *]	[* * *]
IG Corp	[* * *]	[* * *]	[* * *]
EM	[* * *]	[* * *]	[* * *]
HY	[* * *]	[* * *]	[* * *]

If with respect to any Public Bond, as of any date, none of the primary pricing source, the secondary pricing source or the tertiary pricing source (if any) set forth in Table 1 above that corresponds to the applicable asset class of such Public Bond are available as of such date or no fair market value is indicated by any such source as of such date [* * *] by each of three brokers set forth in Table 2 below that correspond to the applicable asset class of such Public Bond; *provided* that [* * *] will provide the value for each [* * *] by such brokers.

Table 2

Asset Class	Brokers
Treasuries	[* * *]
Agencies	[* * *]
Agency MBS	[* * *]
ABS	[* * *]
IG Corp	[* * *]
EM	[* * *]

HY	[* * *]
----	-----------

If, with respect to any Public Bond as of the Closing Date (i) [* * *] (ii) [* * *] then such Public Bond shall be [* * *].

[* * *]

[* * *] as of each applicable date of determination (each a [* * *]) will be determined in accordance with the following methodology:

1. [* * *] As of [* * *], the value of [* * *] shall be equal to:

(A) [* * *] plus

(B) [* * *] minus

(C) [* * *]

For purposes of calculating the foregoing, [* * *] will be as set forth in the table below. For purposes of determining the applicable currency exchange rate for [* * *] denominated in a foreign currency, the Insurer and the Company agree to use the applicable currency exchange rate [* * *].

[* * *]

2. Assumptions Regarding [* * *] Respecting [* * *]. Subject to Section 2.12 and Section 2.13 of the Agreement, Insurer shall [* * *] listed on the Final Asset Statement or that [* * *].

Certain Definitions

[* * *]

[* * *]

[* * *]

[* * *]

[* * *]

[* * *]

[* * *]

[* * *]

[* * *]

[* * *]

[* * *]

Appendix 2.5(d)(I)

“PRIMARY” [* * *]

[* * *]

Appendix 2.5(d)(II)

“BACK UP” [* * *]

[* * *]

Appendix 2.5(d)(III)

INSURER [* * *] REQUIREMENTS

[* * *]

Appendix 2.7

FORM OF PREMIUM CALCULATION

[* * *]

FORM OF SCHEDULE 1 TO PREMIUM CALCULATION (ANNUITY EXHIBIT)

[* * *]

Appendix 2.9

ARBITRATION DISPUTE RESOLUTION

I. Procedures for Disputes Other Than Mortality Corrections

The procedures for resolving any Arbitration Dispute under Section 2.9 of the Agreement, subject to Section II regarding an Arbitration Dispute relating to Mortality Corrections, are set forth in this Appendix 2.9, Section I.

1. To the fullest extent permitted by Section 2.9 of the Agreement, either the Company or the Insurer may submit any Arbitration Dispute arising out of, relating to, or in connection with any component of the calculation of the Post-Closing Final Premium to be settled by arbitration. This arbitration procedure applicable to any such Arbitration Dispute is set forth in the paragraphs below. Nothing in these arbitration procedures will be deemed to expand or alter in any way the Parties' agreement as to the scope of permitted arbitration under Section 2.9 of the Agreement.
2. The arbitration shall be conducted by one arbitrator, in accordance with Commercial Arbitration Rules and Expedited Procedures for Large, Complex Commercial Disputes of the American Arbitration Association ("AAA"), as such rules and procedures are in effect at the time of the arbitration, except as they may be modified herein or by mutual agreement of the Company and the Insurer. The seat of the arbitration shall be New York City, New York, at a mutually agreed upon location, or in the absence of agreement at the New York City offices of the AAA.
3. The Company and the Insurer shall jointly engage a mutually agreed upon firm (such firm, the "Approved Firm"), within forty-five (45) days after the Closing, on terms mutually agreed by the Company, the Insurer and the Approved Firm, provided that the engagement letter shall include an undertaking by such Approved Firm to comply with the time limits specified in this Appendix 2.9, Section I, and other customary terms. If the Company and the Insurer are unable to engage an Approved Firm within forty-five (45) days following the Closing, which agrees to undertake the arbitration within the time limits specified in this Appendix 2.9, Section I, then the AAA shall appoint an arbitrator within five (5) Business Days thereafter. Any arbitrator from an Approved Firm or appointed by the AAA shall (i) (A) if resolving an Arbitration Dispute regarding the calculation of the Post-Closing Final Premium, be an enrolled actuary with at least ten (10) years of experience as a signing actuary for one or more single-employer pension plans or (B) if resolving an Arbitration Dispute regarding the calculation of the value of any asset on the Transferred Asset Schedule, have at least ten (10) years of experience in valuing fixed income and [* *], (ii) agree in writing to undertake the arbitration within the time limits specified in this Appendix 2.9, Section I, and (iii) have access to POINT. The Approved Firm will provide the Company and the Insurer with a list of potential arbitrators who are

employed by or principals of such Approved Firm which meet such requirements and the Company and Insurer shall mutually agree on which arbitrator to appoint. In all events an arbitrator shall be appointed within ten (10) days of the issuance of a Dispute Notice (as defined below). The day on which the arbitrator is appointed shall be the “Arbitrator Appointment Date.” The arbitrator shall be permitted to draw upon the resources of the Approved Firm, or his or her firm in the event the AAA selects the arbitrator, in the conduct of the performance of his or her duties as arbitrator, provided that the Approved Firm and each individual engaged in the performance of services relating to the arbitration shall have executed and delivered an agreement in a form to be mutually agreed among the arbitrator, the Company and the Insurer agreeing to treat all information submitted to the arbitrator or developed by the arbitrator in the conduct of his or her duties as confidential.

4. If the Company or the Insurer deliver a timely notice of an Arbitration Dispute (such notice, a “Dispute Notice” and the party delivering such notice, the “Disputing Party”) in accordance with Section 2.9(a) of the Agreement, the following procedures shall apply:

- 4.1 The Dispute Notice shall contain the grounds for such Arbitration Dispute in reasonable detail and, in connection with any Arbitration Dispute with respect to a calculation or valuation, the Disputing Party’s position as to what such calculation or valuation should be. The Disputing Party may also include in such Dispute Notice a request for any documents, information or materials, including any data, records, notes, technology or software used in connection with the calculation of the Post-Closing Final Premium and/or Closing Asset Valuation, from any other Party that are in the possession or under the control of such other Party and that are reasonably relevant and not unduly burdensome to request in light of the nature and amount of the Arbitration Dispute (such request, a “Document Request”); provided, however, that the Insurer shall not be obligated under any circumstance to disclose a [* * *] pursuant to Section I of this Appendix 2.9, whether contained on [* * *], unless the Arbitration Dispute under Section I of this Appendix 2.9 is commenced by the Insurer in accordance with paragraph (iv) of Section II of this Appendix 2.9.

- 4.2 The Document Request contained in any Dispute Notice must be complied with or objected to (in whole or in part) by each Party receiving the Dispute Notice in accordance with the following procedures:

- 4.2.1 if the Party receiving the Dispute Notice chooses to comply with the Document Request, in whole or in part, then it shall deliver all responsive documents, information and materials to the Disputing Party, with a copy to the arbitrator, within ten (10) Business Days of the Arbitrator Appointment Date.

- 4.2.2 if the Party receiving the Dispute Notice chooses to object to the Document Request, in whole or in part, then it shall deliver a written objection (a “Notice of Objection”, which must specify in reasonable detail the basis for the objection) to the arbitrator and to the Disputing Party within five (5) Business Days after the Arbitrator Appointment Date.
- 4.2.3 in the event the Disputing Party receives a Notice of Objection as described in the preceding paragraph, the Disputing Party may within two (2) Business Days deliver a response (an “Objection Response”, which must specify in reasonable detail the basis for opposing the Notice of Objection) to the arbitrator and the other Party.
- 4.2.4 in the event the arbitrator receives a Notice of Objection as described in Section 4.2.2 above, the arbitrator shall make a final and binding ruling on the objection no sooner than three (3) Business Days but within five (5) Business Days after receipt of such Notice of Objection, and the Party that submitted the Notice of Objection must comply with such ruling within three (3) Business Days after receipt thereof.
- 4.3 Within five (5) Business Days following the Arbitrator Appointment Date, the Party that receives a Dispute Notice that requests documents as provided for above (the “Responding Party”) may issue a Document Request.
- 4.4 The Document Request described in the preceding paragraph must be complied with or objected to (in whole or in part) by each Party receiving such request in accordance with the following procedures:
 - 4.4.1 if the Party receiving such Document Request chooses to comply with the Document Request, in whole or in part, then it shall deliver all responsive documents, information and materials to the Responding Party, with a copy to the arbitrator, within ten (10) Business Days following receipt of such Document Request.
 - 4.4.2 if the Party receiving the Document Request chooses to object to the Document Request, in whole or in part, then it shall deliver a written Notice of Objection, which must specify in reasonable detail the basis for the objection, to the arbitrator and to the Responding Party within five (5) Business Days after receipt of the Document Request.
 - 4.4.3 in the event the Party issuing the Document Request receives a Notice of Objection as described in the preceding paragraph, the Party

receiving such Notice of Objection may within two (2) Business Days deliver an Objection Response to the arbitrator and the other Party.

- 4.4.4 in the event the arbitrator receives a Notice of Objection as described in Section 4.4.2 above, the arbitrator shall make a final and binding ruling on the objection no sooner than three (3) Business Days but within five (5) Business Days after receipt of such Notice of Objection, and the Party that submitted the Notice of Objection must comply with such ruling within three (3) Business Days after receipt thereof.
- 4.5 Within ten (10) Business Days of the delivery of all information as specified in the Dispute Notice and any responsive Document Request (after giving effect to the resolution of any objections thereto), the Insurer and the Company shall submit to the arbitrator briefs, witness statements, and all such other information and supporting materials that they intend for the arbitrator to review in connection with the Arbitration Dispute.
- 4.6 Unless the Company and the Insurer waive, in writing, a hearing within five (5) Business Days of delivering such information to the arbitrator, the arbitrator shall hear evidence in connection with the Arbitration Dispute. The hearing shall be no longer than two (2) Business Days. [* * *] witness lists shall be exchanged at least three (3) Business Days prior to the hearing.
- 4.7 Within ten (10) Business Days following the hearing, the arbitrator shall deliver to the Company and the Insurer a draft arbitration award setting forth in reasonable detail the findings of the arbitrator and the basis for the award. Upon receipt of such draft award, each of the Company and the Insurer may, within the three (3) Business Day period following such receipt, submit to the arbitrator a proposed revised award and such additional supporting information and materials as it determines to be appropriate to support such revised award.
- 4.8 Within five (5) Business Days following the expiration of the three (3) Business Day period described in the preceding paragraph, the arbitrator shall issue the final arbitration award and specify in reasonable detail any changes between such final arbitration award and the draft arbitration award delivered by the arbitrator pursuant to Section 4.7 above. Such award shall meet the conditions of Section 7 below.
- 5. Any resolution by the Company and the Insurer during the course of good faith negotiation with respect to any Arbitration Dispute will be set forth in writing and will be final, binding and conclusive upon the Company and the Insurer. Any Arbitration Disputes concerning the propriety of the commencement of the arbitration

and the jurisdiction of the arbitrator shall be finally settled by arbitration pursuant to this Appendix 2.9, Section I.

6. Each of the Company and the Insurer has the right to apply to any court of competent jurisdiction for interim relief necessary to preserve such Party's rights until the arbitrator is appointed. After appointment of the arbitrator, the arbitrator shall have exclusive jurisdiction to consider applications for interim relief.
7. With respect to an Arbitration Dispute regarding the Insurer's calculation of the Post-Closing Final Premium, the arbitrator shall resolve such Arbitration Dispute within the range of difference between either (i) the Post-Closing Final Premium as calculated by the Insurer or (ii) the Post-Closing Final Premium as calculated by the Company in connection with the delivery of the applicable Dispute Notice. With respect to an Arbitration Dispute regarding the Company's calculation of the value of any asset on the Transferred Assets Schedule, the arbitrator shall resolve such Arbitration Dispute within the range of difference between either (i) the Company's calculation of the value of such asset or (ii) the Insurer's calculation of the value of such asset in connection with the delivery of the applicable Dispute Notice. The arbitrator will have no authority to award any other damages other than as provided for herein.
8. Any arbitration award shall be final and binding on the Company and the Insurer. The Company and the Insurer undertake to carry out any award without delay and waive their right to any form of recourse based on grounds other than personal conflict of interest of the arbitrator that was undisclosed at the time of the arbitrator's appointment. Judgment upon the award may be entered by any court having jurisdiction thereof or having jurisdiction over the Company or the Insurer, as applicable, or their respective assets.
9. The arbitrator shall use his or her best efforts to take the actions required in the time periods stated herein, provided that if he or she does not do so the arbitrator shall not become *functus officio*.
10. [* * *] The Company and the Insurer shall each bear their own costs and expenses incurred in connection with prosecuting and/or defending any Arbitration Dispute, including all fees of law firms, commercial banks, investment banks, accountants, public relations firms, experts and consultants.
11. All Confidential Information exchanged between the Parties in connection with any Arbitration Dispute, and the proceedings relating to any Arbitration Dispute, shall be subject to the provisions of Section 12.7(b) (disclosure) and Section 12.14 (Confidentiality) of the Agreement, to the extent provided therein.

12. The Parties agree that the foregoing procedures and deadlines are intended to ensure that in all events the final award of any arbitrator with respect to Arbitration Disputes under Section 2.9 of the Agreement shall be issued not later than 300 days following the Closing Date.

II. Procedures for Disputes Regarding Mortality Corrections

The procedures for resolving any Arbitration Dispute relating to Mortality Corrections is set forth in this Appendix 2.9, Section II. In connection with the Company's review of the Post-Closing Final Premium under Section 2.9 of the Agreement, the Company may, in its reasonable discretion and at its sole expense, require that Deloitte Touche Tohmatsu, Ernst & Young, PricewaterhouseCoopers or KPMG, at the election of the Company, or such other firm of independent certified public accountants mutually selected by the Company and Insurer (such selected party, the "Independent Third Party") verify and certify the Insurer's calculation of the Mortality Correction included in the Closing [* * *] or Final [* * *] (or both) as follows:

- (i) As of the Execution Date, the Insurer has uploaded the Original File (as defined in [* * *]) to the VDR and provided the Company with a screenshot showing the Original File inside the VDR, including the modification date and time stamps associated with the Original File. The Insurer agrees to take such actions as are necessary to ensure that the VDR is not disabled, including the payment of any fees associated with its upkeep, until final determination of the Post-Closing Final Premium pursuant to Section 2.9 of the Agreement. Furthermore, the Insurer will administer the VDR such that no Person may access the Original File except for the Independent Third Party in connection with any dispute under Section 2.9 of the Agreement and that, in the event of such a dispute, the Independent Third Party is able to verify that no other Person has accessed or modified the Original File since the Execution Date.
- (ii) In the event the Company requires that Mortality Corrections be certified under this Appendix 2.9, Section II, the Company will notify the Insurer and the Independent Third Party of such requirement in connection with any dispute under Section 2.9 of the Agreement, and the Insurer will promptly, and in no event later than two Business Days thereafter, (A) provide the Independent Third Party with access to the Original File and (B) provide the Independent Third Party with a second data file with [* * *] that reflects the Insurer's proposed Mortality Corrections as well as the premiums for all other Annuitants that are not included in the aggregate Mortality Correction (the "Mortality File"). [* * *] In addition, the Company will provide such Independent Third Party a list of all Annuitants that it believes should have been removed from the premium calculations as the result of a Mortality Correction. The Independent Third Party will compare the Original File with

the Mortality File and certify to the Company that (1) [* * *] (2) [* * *] and (3) [* * *]. The Company and Insurer will cooperate with the Independent Third Party and provide any additional information reasonably requested by the Independent Third Party to resolve any dispute related to the aggregate Mortality Correction calculations. The Company and Insurer will provide the information required pursuant to paragraph (ii) of Section II of this Appendix 2.9, promptly and in a manner consistent with the dispute resolution process in Section 2.9 of the Agreement and this Appendix 2.9, Section II.

- (iii) If the Independent Third Party certifies to the Company that items (1), (2) and (3) in clause (ii) immediately above are true and correct, the aggregate Mortality Correction prepared by the Insurer will be used for the applicable premium calculation and [* * *].
- (iv) If the Independent Third Party is unable to certify to the Company that items (1), (2) and (3) in clause (ii) above are true and correct, then the Independent Third Party shall notify the Insurer and the Company of the reasons thereof and, for a period of fifteen (15) Business Days, the Insurer and the Independent Third Party shall reasonably cooperate to identify the reasons for the Independent Third Party's failure to certify the items (1), (2) and (3) in clause (ii) above and seek to resolve all items causing such failure to certify. If the Independent Third Party continues to be unable to certify the items (1), (2) and (3) in clause (ii) above within such fifteen (15) Business Day period, the Insurer may elect, in its sole discretion, (A) [* * *] or (B) [* * *]. Notwithstanding anything in Section I of Appendix 2.9, in the event that the Insurer elects to dispute [* * *] pursuant to the Arbitration Dispute procedures set forth in Section I of this Appendix 2.9, [* * *].

Appendix 3.7

COMPANY PROVIDED [*] DATA**

The Company (via Aon Hewitt) delivered [* * *] data to the Insurer in a secure email dated as of October 16, 2012 at 5:03 p.m. (preceded by instructions for access at 5:00 p.m.) attaching two identical files containing (1) certain census data for the Plan for 2005 to 2011, which file was sent from a representative of Aon Hewitt to a representative of the Insurer on March 23, 2012 and (2) a data structure which provides a description of the fields included in the census data file, each as uploaded to the VDR on or prior to the Execution Date.

Appendix 3.8

PLAN GOVERNING DOCUMENTS

1. Amended and Restated Verizon Management Pension Plan, Effective January 1, 2002, with amendments adopted through December 31, 2009 and as further amended and supplemented
2. Amended and Restated Part I of the Pension Plan for Employees of MCI Communications Corporation and Subsidiaries, effective August 2009, as amended and supplemented
3. Amended and Restated Part II of the Pension Plan for Employees of MCI Communications Corporation and Subsidiaries, effective August 2009, as amended and supplemented
4. Amended and Restated Rules and Regulations, Hourly Employees Retirement System of GTE Hawaiian Telephone Company Incorporated, Effective April 1, 2001, as amended and supplemented
5. Amended and Restated GTE South Incorporated (Kentucky) Plan for Hourly-Paid Employees' Pensions, Effective April 1, 2001, as amended and supplemented
6. Amended and Restated GTE Northwest Incorporated Plan for Hourly-Paid Employees' Pensions, Effective April 1, 2001, as amended and supplemented
7. Amended and Restated GTE North Incorporated Pension Plan for Hourly-Paid Employees of Wisconsin, Effective April 1, 2001, as amended and supplemented
8. Amended and Restated GTE North Incorporated Pension Plan for Hourly-Paid Employees of Ohio, Effective April 1, 2001, as amended and supplemented
9. Amended and Restated GTE North Incorporated Pension Plan for Hourly-Paid Employees of Illinois, Effective April 1, 2001, as amended and supplemented
10. Amended and Restated GTE North Incorporated Pension Plan for Hourly-Paid Employees of Michigan, Effective April 1, 2001, as amended and supplemented

Appendix 6.11

INSURER INVESTMENT MANAGERS

[* * *]

Appendix 7.4

ADMINISTRATIVE TRANSITION PROCESS

This Appendix 7.4 sets forth the actions that the Insurer, Aon Hewitt (the “Recordkeeper”) and the Plan shall take at the times identified on the table below. The purpose of these actions is to transfer all administrative data to the Insurer sufficiently prior to the Closing so that the Insurer can ensure payments are made to the Annuitants from and after the Annuity Commencement Date.

All Delivery Dates after October 15, 2012 assume the prior delivery to a party responsible for a deliverable of relevant materials needed from other parties, on or prior to the required Delivery Dates set forth in this Appendix 7.4, including cooperation of other parties in resolving any open issues.

Defined Terms

“Closing Data Load File” means the complete Updated Data Load File reflecting all corrections since the Preliminary Data Load File and any addendums thereto.

“Data Load File” means the Closing Data Load File as loaded to Insurer’s recordkeeping systems and reflected in a report provided to the Plan and Recordkeeper.

“Data Load File Sign-Off” means the written confirmation by the Plan that the Data Load File accurately reflects the data provided on the Closing Data Load File.

“Preliminary Data Load File” means the Base Data Load File, as populated by the Recordkeeper based on information from the Recordkeeper’s internal system.

Deliverable	Delivery Date	Action by the Plan Administrator	Action by Recordkeeper	Action by Insurer
Preliminary Information - Preliminary Data Load File (“ <u>Preliminary Information</u> ”)	October 15, 2012	Instruct Recordkeeper to deliver Preliminary Information	Deliver Preliminary Information	Receive and reconcile Preliminary Data Load File to Priced Lives Exhibit Begin data cleanse

Deliverable	Delivery Date	Action by the Plan Administrator	Action by Recordkeeper	Action by Insurer
Production Data File - Closing Data Load File (<u>"Production Data"</u>)	November 12, 2012	Instruct Recordkeeper to deliver Production Data	Deliver Production Data	Receive and load Production Data to Insurer recordkeeping systems
Data Load File	November 21, 2012	Receive file	Receive file	Deliver Data Load File
Data Load File Sign-Off	November 30, 2012	Approve Data Load File		Receive Data Load File Sign-Off

Appendix 7.4(c)

TRANSITION SERVICES AGREEMENT [* * *]

[* * *]

Appendix 7.8

[* * *]TAX QUESTIONNAIRE

TAX REQUESTS [* * *]FOR DATA GATHERING

1. [* * *]
2. [* * *]
3. [* * *]
4. [* * *]
5. [* * *]
6. [* * *]
7. [* * *]
8. [* * *]
9. [* * *]

Appendix 7.10

[* * *]

[* * *]

Appendix 7.13

[* * *] CALCULATION PROCEDURES

For purposes of [* * *] of the form of the Group Annuity Contract, the Insurer will calculate such amount (stated as a percentage not less than 100%) at the issuance of the Group Annuity Contract as the lesser of [* * *], where:

(i) equals [* * *]; and

(ii) equals (A) [* * *], *multiplied by* (B) [* * *], *divided by* (C) [* * *], *multiplied by* (D) [* * *].

Appendix 7.14

[* * *] AGREEMENT TERMS

The Company and the Insurer will negotiate in good faith to enter into a commercially reasonable [* * *] agreement with [* * *], in a form reasonably acceptable to each of the Company and the Insurer. The terms of such [* * *] agreement shall include:

1. [* * *]

	[* * *]			
[* * *]	< 1 year	1-5 years	> 5-10 years	>10 years
[* * *]	[* * *]	[* * *]	[* * *]	[* * *]
[* * *]	[* * *]	[* * *]	[* * *]	[* * *]
[* * *]	[* * *]	[* * *]	[* * *]	[* * *]
[* * *]	[* * *]	[* * *]	[* * *]	[* * *]
[* * *]	[* * *]	[* * *]	[* * *]	[* * *]
[* * *]	[* * *]	[* * *]	[* * *]	[* * *]
[* * *]	[* * *]	[* * *]	[* * *]	[* * *]

2. The Insurer will have access to [* * *].

3. [* * *].

Appendix 8.5

PAYMENT AGREEMENT TERMS

Services To Be Provided. The Insurer will enter into an agreement with the Company pursuant to which it will agree to perform certain services for the Annuitants and, if applicable, the Contingent Annuitants (the “Services”), in each case in a commercially reasonable manner, substantially consistent with the manner in which the Services are performed by or on behalf of the Company immediately prior to the Annuity Commencement Date. Such services shall include:

- Making various deductions from Annuitant payments as such deductions are in effect as of the Annuity Commencement Date, which shall be identified in a schedule attached to the Payment Agreement (expected to be approximately 20 types of deductions)
- Processing of garnishments and tax liens, including both the assumption of existing agreements and ability to implement new ones
- Providing the Annuitants (and, if applicable, Contingent Annuitants) with a check or direct deposit option (up to three bank accounts)
- Providing ancillary payment processing, including Medicare Part B reimbursement and Opt Out credits, including required coordination with retiree medical vendor
- Providing the Annuitants with online access to a website that enables the viewing of payment history and tax reporting forms, substantially similar to the website currently in existence

Duration. The Insurer will provide the Services until there cease to be any Annuitants or Contingent Annuitants.

Appendix 9.2(f)

ILLUSTRATION OF [* * *] CALCULATION

[* * *]

Appendix 11.4(b)

RE-PRICING OFFER ADJUSTMENTS TO [* * *]

The Parties agree that the revised pricing roll-forward adjustments included in the Re-Pricing Offer will be based on [* * *]:

- (a) [* * *];
- (b) [* * *];
- (c) [* * *]; and
- (d) [* * *].

Exhibit A

Date: []

CASH AND TRANSFERRED ASSETS EXHIBIT

Contribution Amount	\$XX
Agreed Market Value of [* * *]	\$XX

Cash Assets: \$ _____

Fixed Income Assets: \$ _____, comprised of the following

CUSIP	ISSUER	COUPON	MATURITY DATE	PAR AMOUNT	CREDIT QUALITY	MKT VALUE (AS OF MM/DD/YY)
SUB TOTAL						

[* * *]\$ _____, comprised of the following

[* * *]	[* * *]	[* * *]	[* * *]
SUB TOTAL			

Other Assets: \$ _____, comprised of the following

CUSIP	ISSUER	[COUPON]	[MATURITY DATE]	[PAR AMNT]	[CREDIT QUALITY]	[MKT VALUE (AS OF MM/DD/YY)]
SUB						

TOTAL						
-------	--	--	--	--	--	--

Date: []

CASH AND TRANSFERRED ASSETS EXHIBIT SUPPLEMENT

Contribution Adjustment Amount	\$XX
Payable by:	
Agreed Market Value of Cash and Other Assets Transferred	\$XX

Cash Assets: \$ _____

[If the Contribution Adjustment Amount is payable by Prudential, insert:

\$ _____ from the General Account

\$ _____ from the Separate Account

Fixed Income Assets: \$ _____, comprised of the following

CUSIP	ISSUER	COUPON	MATURITY DATE	PAR AMOUNT	CREDIT QUALITY	MKT VALUE (AS OF MM/DD/YY)
SUB TOTAL						

[If the Contribution Adjustment Amount is payable by Prudential, insert:

Transferred from the [General Account][Separate Account]

[* * *] \$ _____, comprised of the following

[* * *]	[* * *]	[* * *]	[* * *]
SUB TOTAL			

[If the Contribution Adjustment Amount is payable by Prudential, insert:

Transferred from the [General Account][Separate Account]]

Other Assets: \$_____, comprised of the following

CUSIP	ISSUER	[COUPON]	[MATURITY DATE]	[PAR AMNT]	[CREDIT QUALITY]	[MKT VALUE (AS OF MM/DD/YY)]
SUB TOTAL						

[If the Contribution Adjustment Amount is payable by Prudential, insert:

Transferred from the [General Account][Separate Account]]

CORRECTION TO THE MARKET VALUE OF NON-CASH ASSETS

[]

Date: [_____]

Exhibit B

FORM OF FINAL ASSET STATEMENT

Fixed Income Assets

CUSIP	ISSUER	COUPON	MATURITY DATE	PAR AMOUNT	CREDIT QUALITY
SUB TOTAL					

Other Assets

CUSIP	ISSUER	[COUPON]	[MATURITY DATE]	[PAR AMNT]	[CREDIT QUALITY]
SUB TOTAL					

[* * *]

[* * *]	[* * *]	[* * *]	[* * *]	[* * *]
SUB TOTAL				

[* * *]

[* * *]	[* * *]	[* * *]	[* * *]	[* * *]
SUB TOTAL				

Exhibit C

FORM OF PLAN TRUSTEE AGREEMENT

This PLAN TRUSTEE AGREEMENT (this "Agreement") is dated as of [●], and effective as of [the Closing Date], by and among The Prudential Insurance Company of America, a New Jersey life insurance company (the "Insurer"), Verizon Investment Management Corp., a Delaware corporation (the "Plan Investment Fiduciary"), acting in its capacity as the named fiduciary for the investment of the assets of the Verizon Management Pension Plan (the "Plan"), and The Bank of New York Mellon, the trustee of the Plan the assets of which will be used to purchase the Group Annuity Contract, not individually, but solely in its capacity as trustee for the Plan (the "Plan Trustee"). The Insurer, the Plan Investment Fiduciary and the Plan Trustee are referred to collectively herein as the "Parties."

RECITALS

WHEREAS, the Insurer, Prudential Financial, Inc., Verizon Communications Inc., the Plan Investment Fiduciary and the Independent Fiduciary, have entered into that certain Definitive Purchase Agreement, dated as of October 17, 2012 (the "DPA");

WHEREAS, from time to time pursuant to the terms of the DPA, the Plan Investment Fiduciary will direct the Plan Trustee to pay certain amounts to the Insurer and to take certain other actions;

WHEREAS, the DPA contemplates that the Plan Trustee will make the payments and take such actions if and when the Plan Investment Fiduciary, subject to the terms and conditions of the DPA, gives it an instruction to do so;

WHEREAS, the Plan Investment Fiduciary, in its capacity as investment fiduciary of the Plan, has the authority to (i) direct the Plan Trustee to pay such amounts and take such actions and (ii) direct the Plan Trustee to enter into this Agreement, in each case in the Plan Trustee's capacity as trustee for one or more trusts that hold Plan assets; and

WHEREAS, the Independent Fiduciary has determined that the transactions contemplated by the DPA, including the entering into and amendment of the single premium, non-participating group annuity contract issued by the Insurer substantially in the form of Appendix 1.1(b) to the DPA, and the transferring of certain assets in connection therewith, satisfies the Employee Retirement Income Security Act of 1974, as amended.

NOW THEREFORE, in consideration of the mutual covenants herein contained, and other good and valuable consideration, the receipt and adequacy of which are hereby expressly acknowledged, the Parties hereto agree as follows:

Section 1. Plan Investment Fiduciary Directions. The Plan Trustee covenants and agrees with the Insurer that it shall promptly and unconditionally comply with any direction given to it by the Plan Investment Fiduciary that directs the Plan Trustee to (a) pay from Plan assets to the Insurer all amounts it is directed to pay in any direction letter to the Plan Trustee and (b) take any other actions in relation to the Insurer.

Section 2. Representations and Warranties. Each Party represents and warrants to each of the other Parties that, as of the date hereof, such Party has received all appropriate approvals and

authorizations and no other action on the part of such Party or any other person or entity is necessary to authorize the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated to be undertaken by such Party under this Agreement. This Agreement is duly executed and delivered by such Party and is a valid and binding obligation of such Party and enforceable against such Party, in accordance with its terms, except to the extent that its enforceability may be subject to applicable bankruptcy, insolvency, reorganization, moratorium and similar law affecting the enforcement of creditors' rights generally and by general equitable principles.

Section 3. Amendments and Waivers. No amendment of any provision of this Agreement will be valid unless the same will be in writing and signed by each party thereto, except as expressly provided herein. No waiver of any breach of this Agreement will be construed as an implied amendment or agreement to amend or modify any provision of this Agreement. No waiver by any Party of any default, misrepresentation or breach of warranty or covenant hereunder, whether intentional or not, will be valid unless the same will be in writing and signed by the Party making such waiver, nor will such waiver be deemed to extend to any prior or subsequent default, misrepresentation or breach of warranty or covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent default, misrepresentation or breach of warranty or covenant. No conditions, course of dealing or performance, understanding or agreement purporting to modify, vary, explain or supplement the terms or conditions of this Agreement will be binding unless this Agreement is amended or modified in writing pursuant to the first sentence of this Section 3. Except where a specific period for action or inaction is provided herein, no delay on the part of any Party in exercising any right, power or privilege hereunder will operate as a waiver thereof.

Section 4. Succession and Assignment. This Agreement will be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns. No Party may assign either this Agreement or any of its rights, interests or obligations hereunder without the prior written consent of the other Parties.

Section 5. Notices. All notices, requests, demands, claims and other communications hereunder will be in writing except as expressly provided herein. Any notice, request, demand, claim or other communication hereunder will be deemed duly given (a) when delivered personally to the recipient; or (b) 1 business day after being sent to the recipient by reputable overnight courier service (charges prepaid), addressed as set forth below, with copies provided by email to those indicated below (including the recipient):

If to the Plan Trustee:

The Bank of New York Mellon

[* * *]

Attention: [* * *]

Email: [* * *]

With a copy (which will not constitute notice to the Company) to:

The Bank of New York Mellon

[* * *]

Attention: [* * *]

Email: [* * *]

If to the Insurer:

The Prudential Insurance Company of America

[* * *]

Attention: [* * *]

Facsimile: [* * *]

Email: [* * *]

With a copy (which will not constitute notice to the Insurer) to:

Debevoise & Plimpton LLP

[* * *]

Attention: [* * *]

Facsimile [* * *]

Email: [* * *]

If to Plan Investment Fiduciary:

Verizon Investment Management Corp.

[* * *]

Attention: [* * *]

Facsimile: [* * *]

Email: [* * *]

With a copy (which will not constitute notice to the Plan Investment Fiduciary) to:

Verizon Investment Management Corp.

[* * *]

Attention: [* * *]

Facsimile: [* * *]

Email: [* * *]

Any Party may change the address to which notices, requests, demands, claims and other communications hereunder are to be delivered by giving the other Parties notice in the manner set forth in this Section 5.

Section 6. Governing Law. Except to the extent preempted by applicable Federal law, this Agreement will be governed by, and construed in accordance with, the laws of the State of New York, without regard to any principles of conflicts of law thereof that are not mandatorily applicable by law and would permit or require the application of the laws of another jurisdiction.

Section 7. Submission to Jurisdiction; Service of Process. Each of the Parties irrevocably and unconditionally submits to the jurisdiction of any state or federal court sitting in New York County, New York in any Dispute arising out of or relating to this Agreement and agrees that all claims in respect of such action may be heard and determined in any such court. Each Party also agrees not to bring any action arising out of or relating to this Agreement in any other court. Each of the Parties irrevocably and unconditionally waives any objection to personal jurisdiction, venue, and any defense of inconvenient forum to the maintenance of, any action so brought and waives any bond, surety or other security that might be required of any other Party with respect thereto. Any Party may make service on any other Party by sending or delivering a copy of the process to the Party to be served at the address and in the manner provided for the giving of notices in Section 5; provided,

however, that nothing in this Section 7 will affect the right of any Party to serve legal process in any other manner permitted by law or in equity.

Section 8. Waivers of Jury Trial. EACH PARTY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY ACTION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT.

Section 9. Specific Performance. The Parties agree that irreparable damage may occur if any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. Accordingly, each Party will be entitled to an injunction or injunctions to prevent breaches of this Agreement by the breaching Party and to enforce specifically the terms and provisions of this Agreement, in addition to any other remedy to which such Party is entitled at law or in equity. The Parties further agree that by seeking the remedies provided for in this Section 9, a Party will not in any respect waive its right to seek any other form of relief that may be available to such Party under this Agreement (including monetary damages) if the remedies provided for in this Section 9 are not available or otherwise are not granted.

Section 10. No Third Party Beneficiaries. This Agreement will not confer any rights or remedies upon any person or entity other than the Parties and the respective successors and permitted assigns of the foregoing.

Section 11. Counterparts; Facsimile and Electronic Signatures. This Agreement may be executed in one or more counterparts, each of which will be deemed an original but all of which together will constitute one and the same instrument. This Agreement or any counterpart may be executed and delivered to the recipients in Section 5 by electronic communications by portable document format (.pdf), each of which will be deemed an original.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be duly executed and delivered as of the date first above written.

THE BANK OF NEW YORK MELLON, solely in its capacity as trustee for the Verizon Management Pension Plan (as directed by Verizon Investment Management Corp.) and not in its individual capacity

By: _____
Name:
Title:

THE PRUDENTIAL INSURANCE COMPANY OF AMERICA

By: _____
Name:
Title:

VERIZON INVESTMENT MANAGEMENT CORP.

By: _____
Name:
Title:

Exhibit D

[* * *]

[* * *]