IN THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF TEXAS DALLAS DIVISION

WILLIAM LEE, JOANNE McPARTLIN,	§
and EDWARD PUNDT, Individually,	§
and as Representatives of plan participants	§
and plan beneficiaries of the	§
VERIZON MANAGEMENT PENSION PLAN,	§
	§
Plaintiffs,	§
	§
VS.	§ CIVIL ACTION NO. 3:12-cv-04834-D
	§
VERIZON COMMUNICATIONS INC.,	§
VERIZON CORPORATE SERVICES GROUP	§
INC., VERIZON EMPLOYEE BENEFITS	§
COMMITTEE, VERIZON INVESTMENT	§
MANAGEMENT CORP., and VERIZON	§
MANAGEMENT PENSION PLAN,	§
	§
Defendants.	

PLAINTIFFS' SURREPLY BRIEF

Plaintiffs WILLIAM LEE, JOANNE McPARTLIN, and EDWARD PUNDT, by and through their counsel, with the Court's permission by order dated May 21, 2013 (Docket 74), file this short surreply brief to address a single issue with respect to Defendants' pending motion to dismiss, and state:

- 1. This is a class action exclusively seeking relief under the Employee Retirement Income Security Act ("ERISA"). 29 U.S.C. § 10001, *et seq*. (Docket 68, Order granting class certification).
- 2. In their Amended Complaint, Plaintiffs assert four counts. (Docket 59). The Verizon Defendants filed a motion for an order of dismissal of the Amended Complaint in its entirety. (Docket 64). Plaintiffs filed an opposition brief. (Docket 65). The Verizon

Defendants filed a reply brief. (Docket 69).

3. Plaintiffs submit their counterpoint to a point asserted within the Verizon

Defendants' reply brief pertaining to the following allegation set forth in Count Four of the

Amended Complaint, to-wit:

The Verizon Defendants have depleted the [Verizon Management Pension] Plan and Master Trust of necessary funding, undermined and scaled back the Plan's and Master Trust's ability to generate much larger investment returns and, thereby, jeopardized the financial security of Plaintiff Pundt's and the remaining Plan participants' benefits. After the Verizon/Prudential annuity transaction was consummated, the Plan was left underfunded on an actuarial basis, insufficient to fully support all of the expected payments to Plaintiff Pundt and remaining Plan participants.

(Docket 59, Amended Complaint, Count Four, paragraph 123 at page 39).

- 4. In their attack against Count Four, the Verizon Defendants have argued that "the Verizon Defendants came forward with evidence establishing that the Plan was overfunded at the time of the Prudential annuity transaction." (emphasis added) (Motion to Dismiss Reply Brief, Docket 69, page 8). The Verizon Defendants argued that, "To the extent the Court deems it relevant, moreover, the Plan was fully funded during the 2012 plan year." (Motion to Dismiss Brief, Docket 64-1, page 20). The Verizon Defendants' argument implies the Plan was fully funded all during year 2012.
- 5. Soon after filing their reply brief for dismissal of Count Four, the Verizon

 Defendants mailed to Plaintiffs and Class members an "Annual Funding Notice" for the Plan
 which official notice reveals that

As of December 31, 2012, the fair market value of the Plan's assets was \$3,770,557,274. On this same date, the Plan's liabilities were \$5,696,752,538. The numbers in this paragraph reflect the reduction in the assets and liabilities transferred to Prudential in December 2012.

(See page 2 of the Annual Funding Notice, <u>Exhibit A</u> to the Affidavit of C. William Jones, filed herewith).

- 6. Thus, in the immediate aftermath of the annuity transaction, the Plan was not fully funded, but left in a far less stable financial condition, underfunded by almost \$2 billion or about 66% actuarially funded. This information was not previously disclosed before the Verizon Defendants filed their motion to dismiss.
- 7. The newly made disclosure about the Plan's financial condition in the immediate aftermath of the annuity transaction is in stark contrast to arguments made by The Prudential Insurance Company of America when that defendant party was persuading the Court to deny Plaintiffs' request for preliminary injunctive relief. On December 5, 2012, Prudential argued, "The Annuity Transaction also will not have an adverse impact on the remaining participants in the Verizon Plan, as Verizon expects to contribute an additional \$2.5 billion to the Plan so that the Plan's funding percentage does not decrease as a result of the annuity transaction." (Docket 28, at p. 9, n.4). Prudential further argued that "Participants who remain in the Plan will not be adversely affected in the least; Verizon is planning "to make additional contributions to the Plan prior to the date of the closing of the transaction . . . of approximately \$2.5 billion" to ensure the Verizon Plan's funding percentage does not decrease after the Annuity Transaction." (Docket 28, at p. 23).
- **8.** Plaintiffs contend the newly revealed undisputed information ought to be considered by the Court, especially since the Verizon Defendants contend that the Plan was fully funded during year 2012 and that the Plaintiffs have no evidence of any harm to the Plan.

WHEREFORE, Plaintiffs submit this surreply brief to the pending motion to dismiss.

DATED this 28th day of May, 2013. Respectfully submitted,

s/ Curtis L. Kennedy

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CLASS COUNSEL

s/Robert E. Goodman, Jr.

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Fax: 214-953-0133 reg@kilgorelaw.com *CLASS COUNSEL*

CERTIFICATE OF SERVICE

I hereby certify that on the 28th day of May, 2013, a true and correct copy of the above and foregoing document was electronically filed with the Clerk of the Court using the CM/ECF system and causing a copy to be emailed to Defendants' counsel as follows:

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Counsel for Verizon Defendants

<u>s/ Curtis L. Kennedy</u> Curtis L. Kennedy

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	§
Defendants.	§

AFFIDAVIT OF C. WILLIAM JONES IN SUPPORT OF PLAINTIFFS' SURREPLY BRIEF

- I, C. William ("Bill") Jones, being duly sworn, depose and state of my own personal knowledge the following in support of Plaintiffs' Surreply Brief. I am aware that this Affidavit will be filed in the United States District Court for the Northern District of Texas, Dallas Division, and that it is the legal equivalent of a statement under oath.
- 1. I am a United States citizen over the age of 21 years, and I reside at 1 Muirfield Court, Frisco, TX 75034-6802. I am a retiree last employed with NYNEX Corporation, now part of Verizon Communications Inc. ("Verizon").
- 2. I am the President and Executive Director of a non-profit retiree organization formed in 1996 named "Association of BellTel Retirees Inc." See: http://www.belltelretirees.org

One primary purpose of the association is to protect and enhance the benefits and related interests of the retirees.

- 3. I am a member of the Class of approximately 41,000 "Transferee Retirees" transferred on or about December 10, 2012 out of the Verizon Management Pension Plan into a group insurance annuity provided by The Prudential Insurance Company of America.
- 4. Exhibit A attached hereto is a true and accurate copy of the April 2013 "Annual Funding Notice for Verizon Management Pension Plan", together with a cover letter from Verizon Vice President Benefits Donna Chiffriller, that was mailed from Verizon to my residence during the last week in April 2013.

Further Affiant sayeth not. I declare the foregoing Affidavit consisting of two (2) pages to be true and correct under penalty of perjury.

EXECUTED this 14 day of M	Tay 2013, at Allen, Texas.
	all Man Sur.
	C. William ("Bill") Jones
STATE OF TEXAS	
COUNTY OF MILIN) ss.)

The foregoing Affidavit of C. William ("Bill") Jones was acknowledged, subscribed, and sworn to before me this At the day of May, 2013 by C. William ("Bill") Jones.

Witness my hand and official seal.

My commission expires on 12/31/14

Notary Public

COLLEEN M EVANS
My Commission Expires
December 31, 2014

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MANAGEMENT CORP., and VERIZON	§
MANAGEMENT PENSION PLAN,	§
	§
Defendants.	§

Exhibit A



April 2013

Enclosed is a copy of the *Annual Funding Notice* for the Verizon Management Pension Plan (the "Plan"). If you participate in more than one Verizon pension plan, you will receive a separate notice for each plan. This notice provides an overview of the Plan's funded status as of January 1, 2012. The funded status of pension plans varies over time based on many factors, including changes in participants covered by the plan and their benefits, investment performance, interest rates, and company contributions.

Although you are now receiving your pension benefit from Prudential, a welfare death benefit may eventually be paid from the Plan to a beneficiary or beneficiaries upon your death. Please refer to the pension Summary Plan Description (SPD) in effect when you retired for details related to eligibility for this welfare death benefit and for qualifying beneficiary rules. If you need a copy of the applicable pension SPD, please call the Verizon Benefits Center at 1-855-489-2367.

Please refer to the "Where to Get More Information" section of the Annual Funding Notice if you have additional guestions.

Donna Chiffriller

Vice President - Benefits

C Chiffeller

Enclosures

Annual Funding Notice For Verizon Management Pension Plan

Introduction

This notice includes important information about the funding status of your pension plan ("the Plan") and general information about the benefit payments guaranteed by the Pension Benefit Guaranty Corporation ("PBGC"), a federal insurance agency. All traditional pension plans (called "defined benefit pension plans") must provide this notice every year regardless of their funding status. This notice does not mean that the Plan is terminating. It is provided for informational purposes and you are not required to respond in any way. This notice is for the plan year beginning january 1, 2012 and ending December 31, 2012 ("Plan Year").

Moving Ahead for Progress in the 21st Century Act (MAP-21)

A new federal law named Moving Ahead for Progress in the 21st Century Act (MAP-21) changed how pension plans calculate their liabilities. MAP-21 requires that certain plans temporarily disclose the effect of these changes. Prior to MAP-21, pension plans determined their liabilities using a two-year average of interest rates. Now pension plans also must take into account a 25-year average of interest rates. This means that MAP-21 interest rates likely will be higher and plan liabilities lower than they were under prior law. As a result, Verizon may contribute less money to the plan at a time when market interest rates are at or near historical lows.

How Well Funded Is Your Plan

Under federal law, the plan must report how well it is funded by using a measure called the "funding target attainment percentage." This percentage is obtained by dividing the Plan's Net Plan Assets by Plan Liabilities on the Valuation Date for the plan year. In general, the higher the percentage, the better funded the plan. Your Plan's funding target attainment percentage for the Plan Year and each of the two preceding plan years is shown in the chart below, along with a statement of the value of the Plan's assets and liabilities for the same period.

Funding Target Attainment Percentage					
2012 2011 2010					
1. Valuation Date	January 1, 2012	January 1, 2011	January 1, 2010		
2. Plan Assets					
a. Total Plan Assets	\$11,032,208,636	\$9,646,519,582	\$10,773,509,883		
b. Funding Standard Carryover Balance	\$0	\$106,511,607	\$113,330,903		
c. Prefunding Balance	\$0	\$0	\$0		
d. Net Plan Assets $(a) - (b) - (c) = (d)$	\$11,032,208,636	\$9,540,007,975	\$10,660,178,980		
3. Plan Liabilities	\$10,995,590,741	\$11,704,823,071	\$11,720,767,828		
4. Funding Target Attainment Percentage (2d)/(3)	100%	82%	91%		

The Illinois, Kentucky, Michigan, Northwest, Ohio, and Wisconsin Hourly plans merged in to this plan during 2010. The 2010 values only include assets and liabilities for the Verizon Management Pension Plan. The Pension Plan for Employees of MCI Communications Corporation and Subsidiaries merged into this plan during 2011. The 2011 and 2010 values only include assets and liabilities for the Verizon Management Pension Plan.

The "MAP-21 Information Table" below shows how the MAP-21 interest rates affect the Plan's: (1) Funding Target Attainment Percentage, (2) Funding Shortfall, and (3) Minimum Required Contribution. The funding target attainment percentage of a plan is a measure of how well the plan is funded on a particular date. The funding shortfall of a plan is the amount by which liabilities exceed net plan assets. The minimum required contribution is the amount of money an employer is required by law to contribute to a plan in a given year. Any funding standard carryover balances or prefunding balances (see lines 2b and 2c in the chart on the prior page) that exist for a plan year may be applied toward the minimum required contribution to reduce the actual amount of money the employer needs to contribute. The following table shows this information determined with and without the MAP-21 rates to illustrate the effect of MAP-21. The information is provided for the current Plan Year and for each of the two preceding plan years, if applicable.

MAP-21 Information Table						
	Plan Year Beginning in 2012		Plan Year Beginning in 2011		Plan Year Beginning in 2010	
	With MAP-21 Interest Rates	Without MAP-21 Interest Rates	With MAP-21 Interest Rates	Without MAP-21 Interest Rates	With MAP-21 Interest Rates	Without MAP-21 Interest Rates
Funding Target Attainment Percentage	100%	89%	Not Applicable	82%	Not Applicable	91%
Funding Shortfall	\$0	\$1,418,370,117	Not Applicable	\$2,164,815,096	Not Applicable	\$1,060,588,848
Minimum Required Contribution	\$0	\$315,573,937	Not Applicable	\$396,244,105	Not Applicable	\$137,864,547

Plan Assets and Credit Balances

Total Plan Assets is the value of the Plan's assets on the Valuation Date (see line 2 in the chart on page 1). Credit balances were subtracted from Total Plan Assets to determine Net Plan Assets (line 2 d) used in the calculation of the funding target attainment percentage shown in the chart on page 1. While pension plans are permitted to maintain credit balances (also called "funding standard carryover balances" or "prefunding balances" see 2 b & c in the chart on page 1) for funding purposes, they may not be taken into account when calculating a plan's funding target attainment percentage. A plan might have a credit balance, for example, if in a prior year an employer made contributions to the plan above the minimum level required by law. Generally, the excess contributions are counted as "credits" and may be applied in future vears toward the minimum level of contributions a plan sponsor is required to make by law.

Plan Liabilities

Plan Liabilities shown in line 3 of the chart on page 1 are the liabilities used to determine the Plan's Funding Target Attainment Percentage. This figure is an estimate of the amount of assets the Plan needs on the Valuation Date to pay for benefits under the plan.

Year-End Assets and Liabilities

The asset values in the chart on page 1 are measured as of the first day of the Plan Year. The IRS permits either actuarial or market values for this purpose, and Verizon has elected to use an actuarial value of assets. Because market values can fluctuate daily based on factors in the marketplace, such as changes in the stock market, pension law allows plans to use actuarial values that are designed to smooth out those fluctuations for funding purposes. The asset values below are market values and are measured as of the last day of the plan year. Market values tend to show a clearer picture of a plan's funded status as of a given point in time. As of December 31, 2012, the fair market value of the Plan's assets was \$3,770,557,274. On this same date, the Plan's liabilities were \$5,696,752,538. The numbers in this paragraph reflect the reduction in the assets and liabilities transferred to Prudential in December 2012. See the section below entitled Events Having a Material Effect on Assets or Liabilities for further details on the Prudential annuity purchase.

The year-end Plan Liabilities in this paragraph are calculated using prescribed interest rates for the purpose of determining a market-based liability at the end of the plan year. The funded percentage calculation to determine if restrictions apply to lump sum distributions during 2013 uses a different Plan

Liability measure than what is shown in this paragraph. Additionally, the 2013 funded percentage used for lump sum restrictions is adjusted for the annuity purchase. See below in the section entitled Events Having a Material Effect on Assets or Liabilities for further details on the annuity purchase. The company does not expect there to be funding-based restrictions on lump sum distributions from the Plan in 2013. Although this cannot be guaranteed, the company believes such restrictions to be highly unlikely and continues to fund the plan in accordance with the detailed ERISA funding rules.

Participant Information

The total number of participants in the Plan as of the Plan's valuation date was 115,400. Of this number, 29,953 were active participants, 56,890 were retired or separated from service and receiving benefits, and 28,557 were retired or separated from service and entitled to future benefits.

Funding & Investment Policies

Every pension plan must have a procedure for establishing a funding policy to carry out plan objectives. A funding policy relates to the level of assets needed to pay for promised benefits. The funding policy of the plan is that Verizon intends to make contributions to the pension fund sufficient to comply with the minimum funding standards imposed by the Internal Revenue Code. Verizon's contributions shall be determined at least annually. Each contribution made to the Plan shall be made on the condition that it is currently deductible under section 404 of the Internal Revenue Code for the taxable year with respect to which the contribution is made and without regard to any subsequent amendment improving benefits under the Plan.

Once money is contributed to the Plan, the money is invested by plan officials called fiduciaries, who make specific investments in accordance with the Plan's investment policy. Generally speaking, an investment policy is a written statement that provides the fiduciaries who are responsible for plan investments with guidelines or general instructions concerning investment management decisions. The investment policy of the Plan is to prudently invest pension assets in order to meet benefit payments as required by Plan provisions. Asset classes (such as stocks, bonds and real estate) and benefit payment projections are studied to set the percentage of total assets to invest in each asset class (that is, the "policy asset mix"). Assets

can be shifted away from the policy asset mix within defined limits to try to optimize the return on investment. Assets and benefit payments are reviewed regularly and the policy asset mix is adjusted as appropriate.

The Plan's assets are 100% invested collectively with certain other Verizon pension plans' assets in a master trust investment account. In accordance with the Plan's investment policy, the assets in the master trust investment account were allocated among the following categories of investments, as of the end of the Plan Year. These allocations are percentages of total assets:

Asset Allocations	Percentage
1. Cash (interest-bearing and non- interest bearing)	9%
2. U.S. Government securities	7%
3. Corporate debt instruments (other than employer securities):	
Preferred	4%
All other	10%
Corporate stocks (other than employer securities):	
Preferred	0%
All other	13%
Partnership/joint venture interests	42%
Real estate (other than employer real property)	5%
7. Loans (other than to participants	0%
8. Participant loans	0%
Value of interest in common/collective trusts	4%
10. Value of interest in pooled separate accounts	0%
11. Value of interest in master trust investment accounts	0%
12. Value of interest in 103-12 investment entities	2%
13. Value of interest in registered investment companies (e.g., mutual funds)	1%
14. Value of funds held in insurance co. general account (unallocated contracts)	0%
15. Employer-related investments:	
Employer Securities	0%
Employer real property	0%
Buildings and other property used in plan operation	0%
17. Other	3%

For information about the Plan's investment in any of the following types of investments as described in the chart above – common/collective trusts, pooled separate accounts, master trust investment accounts, or 103-12 investment entities – contact the Verizon Benefits Center, P.O. Box 8998 Norfolk, VA 23501-8998.

Events Having a Material Effect on Assets or Liabilities

Federal law requires the plan administrator to provide in this notice a written explanation of events, taking effect in the current plan year, which are expected to have a material effect on plan liabilities or assets. Material effect events are occurrences that tend to have a significant impact on a plan's funding condition. An event is material if it, for example, is expected to increase or decrease Total Plan Assets or Plan Liabilities by five percent or more. We are not aware of any events expected to have such an effect for the 2013 plan year.

On December 10, 2012, Prudential irrevocably assumed the obligation to make future annuity payments to approximately 41,000 management retirees who began receiving pension payments from the Plan prior to January 1, 2010. The amount of each retiree's annuity payment equals the amount of such individual's pension benefit. In addition, the group annuity contract is intended to replicate the same rights to future payments, such as survivor benefits, that are currently offered by the Plan. The year-end assets and liabilities identified in Year-End Assets and Liabilities section reflect the December 10, 2012 retiree annuity purchase.

Right to Request a Copy of the Annual Report

A pension plan is required to file with the US Department of Labor an annual report called the Form 5500 that contains financial and other information about the plan. Copies of the annual report are available from the US Department of Labor, Employee Benefits Security Administration's Public Disclosure Room at 200 Constitution Avenue, NW, Room N-1513, Washington, DC 20210, or by calling 202.693.8673. For 2009 and subsequent plan years, you may obtain an electronic copy of the plan's annual report by going to www.efast.dol.gov and using the Form 5500 search function. Or you may obtain a copy of the Plan's annual report by making a written request to the plan administrator at: Verizon Benefits Center, P.O. Box 8998 Norfolk, VA 23501-8998. The Plan's annual report is also available on the Verizon

Communications Inc. web site at www.verizon.com/benefitsconnection. To access the annual report and Summary Plan Description, go to the BenefitsConnection website, and click on the "Library" link near the top of the Home page; then select the appropriate document(s) from the Summary Plan Descriptions (SPDs) section on the right side of the page. Individual information, such as the amount of your accrued benefit under the plan, is not contained in the annual report. If you are seeking information regarding your benefits under the plan, contact the plan administrator identified below under "Where To Get More Information."

Summary of Rules Governing Termination of Single-Employer Plans

If a plan is terminated, there are specific termination rules that must be followed under federal law. A summary of these rules follows.

There are two ways an employer can terminate its pension plan. First, the employer can end the plan in a "standard termination" but only after showing the PBGC that the plan has enough money to pay all benefits owed to participants. Under a standard termination, the plan must either purchase an annuity from an insurance company (which will provide you with periodic retirement benefits, such as monthly, for life or for a set period of time when you retire) or, if your plan allows, issue one lump-sum payment that covers your entire benefit. Your plan administrator must give you advance notice that identifies the insurance company (or companies) that your employer may select to provide the annuity. The PBGC's guarantee ends when your employer purchases your annuity or gives you the lump-sum payment.

Second, if the plan is not fully-funded, the employer may apply for a distress termination. To do so, however, the employer must be in financial distress and prove to a bankruptcy court or to the PBGC that the employer cannot remain in business unless the plan is terminated. If the application is granted, the PBGC will take over the plan as trustee and pay plan benefits, up to the legal limits, using plan assets and PBGC guarantee funds.

Under certain circumstances, the PBGC may take action on its own to end a pension plan. Most terminations initiated by the PBGC occur when the PBGC determines that plan termination is needed to protect the interests of plan participants or of the PBGC

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insurance program. The PBGC can do so if, for example, a plan does not have enough money to pay benefits currently due.

Based on the most recent information available from the PBGC, there were 3,210 single employer defined benefit pension plans with more than 1,000 participants as of September 30, 2011. Of these 3,210 plans, 11 (less than 1%) were taken over the by the PBGC during the 2011 fiscal year ending September 30, 2011. (Sources: PBGC 2011 Pension Insurance Data Book and Single Employer Plans Trusteed by PBGC file on the PBGC website.)

Benefit Payments Guaranteed by the PBGC

When the PBGC takes over a plan, it pays pension benefits through its insurance program. Only benefits that you have earned a right to receive and that cannot be forfeited (called vested benefits) are guaranteed. Additionally, the PBGC limits the amount of benefits it guarantees for individuals. Many participants and beneficiaries receive all of the pension benefits they would have received under their plan, but others may lose certain benefits that are not guaranteed or are limited by the PBGC.

The amount of benefits that the PBGC guarantees is determined as of the plan termination date. However, if a plan terminates during a plan sponsor's bankruptcy and the bankruptcy proceeding began on or after September 16, 2006, then the amount guaranteed is determined as of the date the sponsor entered bankruptcy.

The PBGC maximum benefit guarantee is set by law and is updated each calendar year. For a plan with a termination date or sponsor bankruptcy date, as applicable in 2013, the maximum guarantee is \$4,789.77 per month, or \$57,477.24 per year, for a benefit paid to a 65-year-old retiree with no survivor benefit. If a plan terminates during a plan sponsor's bankruptcy, and the bankruptcy proceeding began on or after September 16, 2006, the maximum guarantee is fixed as of the calendar year in which the sponsor entered bankruptcy. The maximum guarantee is lower for an individual who begins receiving benefits from the PBGC before age 65. For example, for a benefit paid to a 55-year-old retiree as a single life annuity (i.e., no survivor benefit), the maximum guarantee for 2012 is \$2,155.40 per month, or \$25,864.80 per year. The maximum guaranteed by age can be found on PBGC's website, www.pbgc.gov. The guaranteed amount is

also reduced if a benefit will be provided to a survivor of the plan participant.

The PBGC guarantees "basic benefits" earned before a plan is terminated, which includes:

- pension benefits at normal retirement age;
- annuity benefits for survivors of plan participants;
- disability benefits for a disability that occurred before the date the plan terminated or the date the sponsor entered bankruptcy, as applicable.

The PBGC does not guarantee certain types of benefits:

- The PBGC generally does not pay lump sums exceeding \$5,000.
- The PBGC does not guarantee benefits for which you do not have a vested right, usually because you have not worked enough years for the company.
- The PBGC does not guarantee benefits for which you have not met all age, service, or other requirements.
- Benefit increases and new benefits that have been in place for less than one year are not guaranteed. Those that have been in place for less than five years are only partly guaranteed.
- Early retirement payments that are greater than payments at normal retirement age may not be guaranteed. For example, a supplemental benefit that stops when you become eligible for Social Security may not be guaranteed.
- Benefits in excess of the PBGC maximum benefit guarantee, as described above, will likely not be payable by the PBGC. This includes early retirement benefit amounts in excess of the maximum guarantee amount.
- Benefits other than pension benefits, such as health insurance, life insurance, death benefits, vacation pay, or severance pay, are not guaranteed.

In some circumstances, participants and beneficiaries still may receive some benefits that are not guaranteed. This depends on how much money the terminated

plan has and how much the PBGC recovers from employers for plan underfunding.

Where to Get More Information

For more information about this notice, you may contact the Verizon Benefits Center, P.O. Box 8998 Norfolk, VA 23501-8998. Or call 1-855-4VZ-BENS. For

identification purposes, the official plan number is 001 and the plan sponsor's name and employer identification number or "EIN" is Verizon Corporate Services Group Inc., 13-1675522. For more information about the PBGC, go to PBGC's website, www.pbgc.gov.

This notice is intended to comply with the requirements of section 101(f) of the Employee Retirement Income Security Act of 1974, as amended. The disclosures provided in this notice are based on information available and believed to be accurate as of the date this notice is provided. All computations reflected in these disclosures have been performed based on a good faith interpretation of the applicable statutory and regulatory guidance in effect on the date this notice is provided. Such information and computations include, but are not limited to, the measurement of plan liabilities, reported values of plan assets, and allocation of assets. However, actual results for the Plan Year may change and will not be considered final until filed with the Department of Labor as part of the Annual Report (i.e., the Form 5500). Subsequently, such results will change only by amendment of the Annual Report for the Plan Year. See the Right to Request a Copy of the Annual Report section for information about how to obtain a copy of the Annual Report. The plan sponsor does not undertake any obligation to update or publicly release any revisions to this notice, and no such revisions will be issued, to reflect any changes, including but not limited to, changes in the manner in which particular calculations are performed, changes in expectations, the adoption of plan amendments or any other events or circumstances occurring after this notice is provided.

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