

WE HAVE A TENTATIVE AGREEMENT!

We have an agreement in principle with Verizon; the committees are continuing the document review of all contract language now.

A Message to members from the Combined Bargaining Committee on behalf of the Regional Bargaining Committees for District 1 (Verizon North), 2 and 13 (Verizon mid-Atlantic) and the IBEW.

After many months of bargaining with Verizon Communications, our united bargaining committees have reached an agreement in principle with management pending document review.

Throughout this process, we focused on ensuring our place in the work of the future. Our critical goals also included health care for active and retired workers, retirement security and a fair wage increase.

The involvement and mobilization of tens of thousands of our members made a huge difference in these negotiations. Together, all of us together showed our strength, our commitment and our determination to get the best possible agreement.

We're proud to have represented the 65,000 union members at Verizon in these negotiations.

Chris Shelton, District 1; Ron Collins, District 2; Ed Mooney, District 13; George Welker, District 1; Steve Holland, District 2; Sandy Kmetyk, District 13; John Miller, IBEW Local 827 and Myles Calvey, IBEW Local 2222.

Following is a summary of the tentative agreement:

1. Wages

- a. Effective 8/3/2008 3.25 %
- b. Effective 8/2/2009 3.5 %
- c. Effective 8/1/2010 3.75 %

2. COLA

- a. Effective 8/1/2010

- b. One half of the increase in the CPI-W in excess of 3.75% between May '09 and May '10

3. Corporate Profit Sharing

- a. \$700 minimum distribution
- b. Paid in March of each year

4. Pension Band Increases

- a. Effective 10/1/2008 3.25%
- b. Effective 10/1/2009 3.5 %
- c. Effective 10/1/2010 3.75%

5. Pension Lump Sum Cash-Out

- a. Pension Distribution Options remains in contract with no change in the language by which the amount is calculated
- b. Available at any time, for the length of the contract

6. VZ-B

- a. 445 Field Techs in plant contract with carveouts
- b. 145 Inside Techs in plant contract with carve outs
- c. Guarantee small and medium business exclusively for represented commercial
- d. Bring new VZ-B work to CWA represented locations 100 at end of 2009 and 100 at end of 2010

7. Video Head End – Video Work. Approx. 75 in plant contracts with carve outs

8. Temps and terms to Perms (Approx 1,200)

9. Three times a year discussion on union jobs and efficiency/growth

10. Active Health Care: Maintained full employer paid coverage with limited plan design changes

11. Retiree Health Benefits

- a. Fully paid, no retiree pays during life of agreement
- b. Any changes in future health benefit plans for retirees will be negotiated

with the Union in the same manner as that for actives and for future retirees.

c. No current retiree will pay for health coverage through the end of 2011.

d. No active employee who retires during the term of this agreement will pay for health coverage through the end of 2011.

e. Caps on the Company's contribution to the cost of retiree health coverage in 2012 and after have been raised as follows:

i. Prior to Age 65 and Medicare Eligibility

1. Retiree Only: \$12,580

2. Retiree + 1 25,160

3. Retiree + Family 31,450

ii. Age 65 and after and Medicare Eligible

1. Retiree Only: \$ 6,330

2. Retiree + 1 12,660

3. Retiree + Family 18,990

f. Employees hired after August 2, 2008 will be covered under a new retiree health program.

i. Once they retire (under the same eligibility requirements as currently required), they will receive an annual payment equal to \$430 times years of service (to a maximum of 30 years).

ii. The parties will negotiate this amount in future years to reflect changes in the cost of health coverage.

12. Agreement to work for National Health Care Reform and provide \$2mn a year during term of contract.

13. New Dispute Resolution for Faster resolution of grievances

14. Savings and Security Plan

a. Add a Roth option to the 401(k) plan

b. Allows investment of post tax dollars with no taxes applied to investment returns when assets are later distributed.

15. Retiree Life Insurance

a. Company-paid retiree life insurance benefits will be frozen at one-times the wage level attained on 8/2/2008.

b. The minimum amount to be paid to beneficiaries of retirees who retiree after 8/2/2008 will be \$20,000, even after age 65.

16. Retirees who were hired after 8/2/2008 will be eligible for the minimum \$20,00

17. Commercial Issues

a. Collection

b. Jt Marketing Letter

c. Local Presence Centers

d. NJ collection office issues

18. Extend all existing District and Local Agreements and adjust all dates.

19. CWA-NETT will discuss how to publicize

20. Unique Regional Items

a. Scope agreement CWA D2

b. Contract Initiative Letter fixed

c. Job Share Language (North)

d. ACFC will outstanding pay current bills \$486K

e. Increase ACFC wage rate top wage rate in contract

f. Supplemental Retiree Life Insurance: five times implemented as soon as possible

***** We do not have any more details at this time. We will update as more info becomes available. *****