

September 19, 2012

ATTACHMENT 4

MEDICAL RESTRICTION LEAVE OF ABSENCE POLICY AMENDMENT

This Medical Restriction Leave of Absence (MR-LOA) Policy is an Amendment to the 1998 Medically Restricted Policy. This Amendment applies to associates employed by Verizon Pennsylvania Inc., Verizon Delaware Inc., Verizon New Jersey Inc., Verizon Virginia Inc., Verizon Maryland Inc., Verizon Washington DC Inc., Verizon Services Corp., Verizon Advanced Data Inc., Verizon South Inc. (Virginia) and Verizon Corporate Services Corp. ("Company" or "Companies") whose normal reporting location is in Pennsylvania, Delaware, New Jersey, Maryland, Virginia, the District of Columbia or West Virginia.

This Amendment addresses the treatment of associate employees who are determined to be able to work but have medical restrictions that may prevent performance of all of the essential functions of their normal assignment with or without reasonable accommodation ("Medically Restricted Employees"). Such Medically Restricted Employees may qualify for a Medical Restriction Leave of Absence ("MR-LOA"), as determined by the Company.

When a supervisor is notified that an employee has a medical restriction from his/her normal assignment of any duration, he will ask the employee if there are any reasonable accommodations that s/he believes would enable him/her to perform the essential functions of the current job. The supervisor will then immediately consult with Human Resources to determine whether the essential functions of the current job can be performed with or without reasonable accommodations. If the essential functions of the job can be performed, the employee will continue in the current assignment.

If Human Resources, the supervisor, and the Workplace Accommodations Team (formerly known as the Reasonable Accommodations Committee) determine that one or more of the essential functions of the current job cannot be performed with or without reasonable accommodation, employees will be treated as follows:

A. Employees on the payroll as of (date of Agreement):

- Employees with Medical Restrictions lasting 150 or fewer days: During the first 150 days, (including any medically restricted days during the preceding 24 months in which one or more essential job functions could not be performed), the employee will be assigned work that s/he is able to perform for the duration of the restriction up to a maximum of 150 days in any rolling 24 month period. All references to "days" continue to mean calendar days.
- Employees with Medical Restrictions lasting more than 150 days: An employee who is medically restricted for more than 150 days (including any days during the preceding 24 months in which one or more essential job functions could not be performed due to a

medical restriction), and for whom no Suitable Work is available as defined in the 1998 Medically Restricted Policy, will be placed on a MR-LOA effective on the 151st day of medical restriction. If the employee is ineligible for MR-LOA, the employee shall be provided any leave for which s/he is eligible under the Family Medical Leave Act ("FMLA").

B. Employees Hired After (date of Agreement) ("New Hires"):

- Employees hired after (date of Agreement) ("New Hires") shall not become eligible for paid time at work while Medically Restricted or an unpaid MR-LOA until the New Hire has worked 1250 hours.
- New Hires with less than 3 years of service: During the first 60 days, (including any medically restricted days during the preceding 24 months in which one or more essential job functions could not be performed), the employee will be assigned work that s/he is able to perform for the duration of the restriction up to a maximum of 60 days in any rolling 24 month period.
- New Hires with less than 3 years of service: A New Hire with less than 3 years of service who is medically restricted for more than 60 days (including any days during the preceding 24 months in which one or more essential job functions could not be performed due to a medical restriction), and for whom no Suitable Work is available as defined in the 1998 Medically Restricted Policy, will be placed on a MR-LOA effective on the 61st day of medical restriction. If the New Hire is ineligible for MR-LOA, the New Hire shall be provided any leave for which s/he is eligible under the FMLA.

C. The terms and conditions of a MR-LOA are as follows:

- 1) The MR-LOA is without pay. The benefits applicable during an MR-LOA are listed at Attachment A.
- 2) The MR-LOA will not exceed 52 weeks in total from the date the medical restriction was first approved ("52 week period"), including time on restriction during the prior 24 rolling calendar months. For New Hires with less than 3 years service, the MR-LOA will not exceed 26 weeks in total from the date the medical restriction was first approved ("26 week period"), including time on restriction during the prior 24 rolling calendar months. FMLA leave and an MR-LOA run concurrently.
- 3) While on a MR-LOA, the Company will continue to look for Suitable Work, first within the employee's bargaining unit and then within the respective state (Virginia, Washington DC, Maryland and West Virginia are considered as one bargaining unit and state). If Suitable Work is found in an equivalent or lower paying position within 35 miles of the employee's existing commute, the employee will be offered such position. The employee

will be expected to report to work at the offered position/location within 7 calendar days. If the employee does not accept the position, the MR-LOA will end, and the employee will be dropped from the payroll and will receive no termination allowance. If the employee does accept the position, the employee's wage treatment and right of return will be governed by the 1998 Medically Restricted Policy "Disability Wage Adjustment Table".

- 4) While on a MR-LOA, the employee will accrue whatever service for pension eligibility he would have accrued if still working and will be eligible for benefits as outlined in Attachment A.
- 5) While on a MR-LOA, the employee will be expected to comply with requests for information from the Company's benefits plan administrator (presently MetLife). Failure to comply with MetLife's requests will result in the expiration of the MR-LOA and the employee will be dropped from the payroll with no termination allowance.
- 6) While on a MR-LOA, the employee may engage in paid employment from another employer that does not conflict with the employee's medical restriction. Prior advance approval must be obtained from the Company or its authorized administrator.
- 7) If MetLife deems the employee is no longer medically restricted from performing all of the essential functions of their normal assignment, MetLife will inform the employee that s/he is fit to return to work.
- 8) If the Medically Restricted Employee has not returned to work at the end of the 52 week period (or 26 week period for New Hires with less than 3 years of service) the employee will be dropped from the payroll (unless eligible for FMLA leave) and will be eligible to apply for Long Term Disability. If the employee does not qualify for Long Term Disability, the employee will receive a termination allowance equivalent to the layoff allowance amount defined in the respective collective bargaining agreement (Potomac – Article 37). For New Hires with less than 3 years of service, the termination allowance will be 50% of the layoff allowance amount defined in the respective collective bargaining agreement (Potomac – Article 37).
- 9) If an associate returns from a MR-LOA and has a subsequent medical restriction that prevents the employee from performing one or more of the essential functions of the normal assignment within 24 months of an earlier medical restriction or restrictions, the prior medical restriction(s) will be used to calculate the remaining MR-LOA eligibility based on all days the employee was restricted from performing essential job functions at work during the 24 months preceding the start of the current medical restriction. At the end of the 52 week period as a Medically Restricted Employee (or 26 week period for New Hires with less than 3 years of service), if the employee remains unable to perform one or more of the essential functions of his/her normal assignment, and no Suitable Work is available, the employee will be dropped from the payroll (unless eligible for FMLA leave) and be eligible to apply for Long Term Disability. If the employee does not qualify for Long Term Disability, the employee will receive a termination allowance

equivalent to the layoff allowance amount defined in the respective collective bargaining agreement (Potomac – Article 37). For New Hires with less than 3 years of service, the termination allowance will be 50% of the layoff allowance amount defined in the respective collective bargaining agreement (Potomac – Article 37).

10) The Company will provide the Union with quarterly written reports containing the following information, by bargaining unit:

- a. For employees who are medically restricted:
 - Name
 - Title
 - Net Credited Service (NCS) Date
 - Work Location
 - Work Restriction(s)
 - Effective Date of Medical Restriction
 - Date Employee was Placed on a MR-LOA
- b. Medically Restricted employees who have been placed into Suitable Work in the previous three months, and the job title and work location where these employees were placed;
- c. A list of all available positions as of the date of each report, including title and work location, in the applicable bargaining unit and state.

D. Partial Day Restrictions

This Section is intended to establish the pay and benefit treatment for associate employees who (1) return to work from a disability absence, but due to medical reasons are unable to perform their job on a full-time basis (“partial day restrictions”), or (2) who report to work with a partial day restriction that does not immediately follow a disability absence.

1) Pay and Benefit treatment for Full-Time associates who return to work from a disability absence under the Sickness and Accident Disability Benefit Plan (“SADBP”) with a partial day medical restriction:

- a) During the first 30 calendar days, the employee will be paid for a full tour.
- b) If the employee’s partial day restriction continues beyond 30 days, or multiple partial day restrictions following multiple SADBP absences cumulatively exceed 30 partial days within a 52 week period, the Company will only pay for hours worked by the employee.
- c) During any period of time the employee is working a partial tour due to a medical restriction approved by the Company, and paid only for hours worked, prior to reclassification to part-time status under Section 2 of this Agreement, any other

time off provisions in the respective collective bargaining agreements will be administered and paid for in accordance with the number of days and hours the employee is approved to work. Examples of pay treatment for time off include:

1. Vacation Time – if the employee is taking a week’s vacation, the employee will be using 5 days of vacation and paid the hours the employee is approved to work that week. If the employee is taking a single vacation day, the employee will be paid the hours the employee is approved to work that day. If employee is taking ½ vacation day, the employee must work ½ of scheduled hours that day, will receive pay for ½ of scheduled hours, and be using ½ a vacation day.
2. Illness Paid – if the employee is ill during the period of time he/she is working partial days, employee will be paid for the hours/days scheduled, in accordance with Absence From Duty, Article XII.
3. Jury Duty / Death in Family (and other similar time off) – employee will be paid for the hours/days scheduled.
4. Holidays – If the holiday falls on a day the employee is normally scheduled to work, and the employee has a partial day restriction:
 - if the employee is excused from working that holiday, the employee will be paid for his/her scheduled hours.
 - if the employee works the holiday, the employee will be paid the holiday premium for the hours worked.

2) Reclassification of Full-time Employees to Part-Time Status

For employees working on partial day restrictions following a return from a short term disability absence, for the period of time up to 52 weeks (up to 26 weeks for New Hires with less than 3 years of service) from the employee’s first day of disability absence, or, for those employees whose restriction was not consecutive with a preceding approved SADBPA absence, from the employee’s first day working a partial day, the Company agrees it will not involuntarily reclassify employees to part-time. Such employees will, accordingly, continue to receive medical benefit coverage as a full-time employee.

If such an employee’s partial day restrictions is in effect beyond the 52 week period (26 weeks for New Hires with less than 3 years of service) (measured from the first day of disability absence, or, for employees whose restriction was not consecutive with a preceding approved SADBPA Absence, from the employee’s first day working a partial day) the employee’s pay and benefits will be treated as follows at the end of the period:

- a) the employee will be reclassified from full-time to part-time.

- b) the employee's pay treatment as well as benefit coverage will be administered in accordance with part-time provisions of the respective collective bargaining agreements.

If an associate has a subsequent disability absence commencing within 52 weeks of the start of any earlier disability absence(s), and the employee has a partial duty restriction upon return to work from the disability absence, or the employee submits a partial day restriction that is not consecutive with a preceding approved SADBP absence, the original first day of absence for the first short term disability absence period or the first day of the partial restriction for those restrictions that were not consecutive with a preceding approved SADBP absence will be used to calculate the 52 week waiting period (26 weeks for New Hires with less than 3 years of service) for reclassification and pay/benefit treatment. All days that the employee was receiving SADBP benefits or was on partial day restrictions during the preceding 52 weeks will be counted toward the 52 week limit (26 week limit for New Hires with less than 3 years of service).

3. For partial day restrictions not consecutive with a SADBP absence

For employees who submit a partial day medical restriction and such restriction is not consecutive with a preceding approved SADBP absence, the Company will pay the employee only for the hours worked starting the first day that the employee works a partial day. Payment for other time off will be covered by Paragraph D, Section 1 (c) above.

4. Pay Treatment for Employees Downgraded

Associate employees who are placed in a lower wage classification as a result of their Medical Restriction will have their wages lowered in accordance with the "Disability Wage Adjustment Table" contained in the 1998 MR Policy.

ATTACHMENT A

**MEDICAL RESTRICTION LEAVE OF ABSENCE
BENEFIT ELIGIBILITY**
(applies only to employees who are eligible/enrolled on the day
prior to the start of the leave)

Issue	Eligibility
Service Credit	Same availability as if active employee
Sickness Benefits	None
Death Benefits	If eligible on the date preceding the start of the leave, the same eligibility continues
Medical/Dental	Same as if active employee
Employee Life / AD&D	Employee pays for coverage over Basic
Dependent Life/Dependent AD&D	Employee pays
Vision	Employee pays
LTD	Same as if active employee
Health Care Reimbursement	Contributions and claims may continue per plan terms via COBRA
Dependent Care Reimbursement	Contributions suspended. Claims permitted for expenses incurred through the plan year.
Savings Plan	Contributions suspended. Withdrawals allowed.