Form 5500	Annual Return/Report of Employee Benefit Plan	OMB Nos. 1210-0110 1210-0089
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), and 6058(a) of the Internal Revenue Code (the Code). ▶ **Complete all entries in accordance with the instructions to the Form 5500.**	**2010** **This Form is Open to Public Inspection**

Part I Annual Report Identification Information

For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

A This return/report is for:
- [ ] a multiemployer plan;
- [ ] a multiple-employer plan; or
- [X] a single-employer plan;
- [ ] a DFE (specify) ____

B This return/report is:
- [ ] the first return/report;
- [ ] the final return/report;
- [ ] an amended return/report;
- [ ] a short plan year return/report (less than 12 months).

C If the plan is a collectively-bargained plan, check here. . . . . ▶ [X]

D Check box if filing under:
- [X] Form 5558;
- [ ] automatic extension;
- [ ] the DFVC program;
- [X] special extension (enter description) IRS NJ-2011-42 HURRICANE IRENE

Part II Basic Plan Information—enter all requested information

1a Name of plan
VERIZON PENSION PLAN FOR ASSOCIATES

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 09/01/1929

2a Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.)
VERIZON CALIFORNIA INC.

ONE VERIZON WAY, MAILCODE VC63N009
BASKING RIDGE, NJ 07920

2b Employer Identification Number (EIN) 95-0510200

2c Sponsor's telephone number 908-559-3628

2d Business code (see instructions) 517000

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/31/2011	DONNA CHIFFRILLER
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/31/2011	DONNA CHIFFRILLER
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500.

3a Plan administrator's name and address (if same as plan sponsor, enter "Same") CHAIRPERSON OF THE VEBC VERIZON COMMUNICATIONS INC. ONE VERIZON WAY, MAILCODE VC63N009 BASKING RIDGE, NJ 07920	**3b** Administrator's EIN 23-2259884 **3c** Administrator's telephone number 908-559-3628

4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:	**4b** EIN	
a Sponsor's name	**4c** PN	

5 Total number of participants at the beginning of the plan year	**5**	11172
6 Number of participants as of the end of the plan year (welfare plans complete only lines **6a, 6b, 6c,** and **6d**).		
a Active participants	**6a**	29370
b Retired or separated participants receiving benefits	**6b**	50455
c Other retired or separated participants entitled to future benefits	**6c**	15928
d Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	95753
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	6011
f Total. Add lines **6d** and **6e**	**6f**	101764
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	261
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
1A 1G 3H

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

9a Plan funding arrangement (check all that apply)		**9b** Plan benefit arrangement (check all that apply)	
(1)	☐ Insurance	**(1)**	☐ Insurance
(2)	☐ Code section 412(e)(3) insurance contracts	**(2)**	☐ Code section 412(e)(3) insurance contracts
(3)	☒ Trust	**(3)**	☒ Trust
(4)	☐ General assets of the sponsor	**(4)**	☐ General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules		**b General Schedules**	
(1)	☒ **R** (Retirement Plan Information)	**(1)**	☒ **H** (Financial Information)
(2)	☐ **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary	**(2)**	☐ **I** (Financial Information – Small Plan)
		(3)	☐ ___ **A** (Insurance Information)
		(4)	☒ **C** (Service Provider Information)
(3)	☒ **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	**(5)**	☒ **D** (DFE/Participating Plan Information)
		(6)	☐ **G** (Financial Transaction Schedules)

SCHEDULE SB (Form 5500)	Single-Employer Defined Benefit Plan Actuarial Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ **File as an attachment to Form 5500 or 5500-SF.**	**2010** **This Form is Open to Public Inspection**

For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of $1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan
VERIZON PENSION PLAN FOR ASSOCIATES

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF
VERIZON CALIFORNIA INC.

D Employer Identification Number (EIN)
95-0510200

E Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

F Prior year plan size: [ ] 100 or fewer [ ] 101-500 [X] More than 500

Part I Basic Information

1 Enter the valuation date: Month 01 Day 01 Year 2010

2 Assets:

a Market value	**2a**	2320029080
b Actuarial value	**2b**	2474112503

3 Funding target/participant count breakdown

		(1) Number of participants	(2) Funding Target
a For retired participants and beneficiaries receiving payment	**3a**	3057	228030044
b For terminated vested participants	**3b**	2301	87829779
c For active participants:			
(1) Non-vested benefits	**3c(1)**		83431524
(2) Vested benefits	**3c(2)**		415602895
(3) Total active	**3c(3)**	5814	499034419
d Total	**3d**	11172	814894242

4 If the plan is at-risk, check the box and complete items (a) and (b) [ ]

a Funding target disregarding prescribed at-risk assumptions	**4a**	
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor	**4b**	
5 Effective interest rate	**5**	6.55 %
6 Target normal cost	**6**	64135503

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE

Signature of actuary	Date 09/02/2011
THOMAS M. JARRETT Type or print name of actuary	11-03455 Most recent enrollment number
HEWITT ASSOCIATES LLC Firm name	847-295-5000 Telephone number (including area code)
100 HALF DAY ROAD LINCOLNSHIRE, IL 60069-3342 Address of the firm	

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions [ ]

For Paperwork Reduction Act Notice and OMB Control Numbers, see the instructions for Form 5500 or 5500-SF.

Part II Beginning of year carryover and prefunding balances

		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (Item 13 from prior year)	37693005	0
8	Portion used to offset prior year's funding requirement (Item 35 from prior year)	20538553	0
9	Amount remaining (Item 7 minus item 8)	17154452	0
10	Interest on item 9 using prior year's actual return of 20.39 %	3497793	
11	Prior year's excess contributions to be added to prefunding balance:		
a	Excess contributions (Item 38 from prior year)		177376895
b	Interest on (a) using prior year's effective rate of 8.11 %		14385266
c	Total available at beginning of current plan year to add to prefunding balance		191762161
d	Portion of (c) to be added to prefunding balance		191762161
12	Reduction in balances due to elections or deemed elections	0	0
13	Balance at beginning of current year (item 9 + item 10 + item 11d – item 12)	20652245	191762161

Part III Funding percentages

14	Funding target attainment percentage	14	277.54 %
15	Adjusted funding target attainment percentage	15	303.61 %
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	309.01 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and liquidity shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
			Totals ► 18(b)	0	18(c) 0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:

a	Contributions allocated toward unpaid minimum required contribution from prior years	19a	0
b	Contributions made to avoid restrictions adjusted to valuation date	19b	0
c	Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	0

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? ☐ Yes ☒ No

b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☐ Yes ☐ No

c If 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of Quarter of this plan year

(1) 1st	(2) 2nd	(3) 3rd	(4) 4th

Part V Assumptions used to determine funding target and target normal cost

21 Discount rate:

a Segment rates:

1st segment:	2nd segment:	3rd segment:	☐ N/A, full yield curve used
5.03 %	6.73 %	6.82 %	

b Applicable month (enter code)	**21b**	4
22 Weighted average retirement age	**22**	61

23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute

Part VI Miscellaneous items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes	☒ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	☒ Yes	☐ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.	☒ Yes	☐ No

27 If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment	**27**	

Part VII Reconciliation of unpaid minimum required contributions for prior years

28 Unpaid minimum required contribution for all prior years	**28**	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (item 19a)	**29**	0
30 Remaining amount of unpaid minimum required contributions (item 28 minus item 29)	**30**	0

Part VIII Minimum required contribution for current year

31 Target normal cost, adjusted, if applicable (see instructions)	**31**	21933172

32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	754341219	18090322
b Waiver amortization installment	0	0

33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	**33**	
34 Total funding requirement before reflecting carryover/prefunding balances (item 31 + item 32a + item 32b – item 33)	**34**	40023494

	Carryover balance	Prefunding balance	Total balance
35 Balances used to offset funding requirement	20665168	19358326	40023494

36 Additional cash requirement (item 34 minus item 35)	**36**	0
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c)	**37**	0
38 Interest-adjusted excess contributions for current year (see instructions)	**38**	0
39 Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37)	**39**	0
40 Unpaid minimum required contribution for all years	**40**	0

SCHEDULE C (Form 5500)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).	2010
Department of Labor Employee Benefits Security Administration	▶ **File as an attachment to Form 5500.**	**This Form is Open to Public Inspection.**
Pension Benefit Guaranty Corporation		

For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

A Name of plan
VERIZON PENSION PLAN FOR ASSOCIATES

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
VERIZON CALIFORNIA INC.

D Employer Identification Number (EIN)
95-0510200

Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).. . . . . ☐ Yes ☒ No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

HEWITT

32-2235791

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
11 64 99	NONE	2333727	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

WACHOVIA OPERATIONAL SERVICES

56-6433588

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
99	NONE	252272	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

VERIZON COMMUNICATIONS

26-2900101

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
65 99	EMPLOYER	89703	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

DATAWORLD SERVICE INC.

06-0989788

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
99	NONE	53318	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

DUANE MORRIS LLP

23-1392502

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
29	NONE	54186	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

MITCHELL & TITUS

13-2781641

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
10	NONE	30850	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

COVINGTON & BURLING

53-0188411

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
29	NONE	13123	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

METLIFE

13-5581829

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
99	NONE	5790	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

ABS GRAPHICS

36-3161107

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
49 99	NONE	16911	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

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(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)

(complete as many entries as needed)

a Name:	**b** EIN:
c Position:	
d Address:	**e** Telephone:

Explanation:

a Name:	**b** EIN:
c Position:	
d Address:	**e** Telephone:

Explanation:

a Name:	**b** EIN:
c Position:	
d Address:	**e** Telephone:

Explanation:

a Name:	**b** EIN;
c Position:	
d Address:	**e** Telephone:

Explanation:

a Name:	**b** EIN;
c Position:	
d Address:	**e** Telephone:

Explanation:

SCHEDULE D (Form 5500)	DFE/Participating Plan Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ **File as an attachment to Form 5500.**	**2010** **This Form is Open to Public Inspection.**

For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

A Name of plan
VERIZON PENSION PLAN FOR ASSOCIATES

B Three-digit plan number (PN) ▶ 001

C Plan or DFE sponsor's name as shown on line 2a of Form 5500
VERIZON CALIFORNIA INC.

D Employer Identification Number (EIN)
95-0510200

Part I Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)

(Complete as many entries as needed to report all interests in DFEs)

a Name of MTIA, CCT, PSA, or 103-12 IE: BELL ATLANTIC MASTER TRUST

b Name of sponsor of entity listed in (a): VERIZON COMMUNICATIONS INC.

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
25-1448208-020	M	9545840913

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN

SCHEDULE H (Form 5500)	Financial Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ▶ **File as an attachment to Form 5500.**	**2010** **This Form is Open to Public Inspection**

For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

A Name of plan
VERIZON PENSION PLAN FOR ASSOCIATES

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
VERIZON CALIFORNIA INC.

D Employer Identification Number (EIN)
95-0510200

Part I Asset and Liability Statement

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(2) Participant contributions	1b(2)		
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)	2320029080	9545840913
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

		(a) Beginning of Year	(b) End of Year
1d Employer-related investments:			
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	2320029080	9545840913
Liabilities			
g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through1j)	1k	0	0
Net Assets			
l Net assets (subtract line 1k from line 1f)	1l	2320029080	9545840913

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)	287627000	
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		287627000
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		0
(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)		
(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		0
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		0

		(a) Amount	(b) Total
2b **(5)** Unrealized appreciation (depreciation) of assets: **(A)** Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)**	2b(5)(C)		0
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		587806391
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		
c Other income	2c		
d Total income. Add all **income** amounts in column (b) and enter total	2d		875433391

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	283651675	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines **2e(1)** through **(3)**	2e(4)		283651675
f Corrective distributions (see instructions)	2f		
g Certain deemed distributions of participant loans (see instructions)	2g		
h Interest expense	2h		
i Administrative expenses: **(1)** Professional fees	2i(1)	185308	
(2) Contract administrator fees	2i(2)	2640681	
(3) Investment advisory and management fees	2i(3)	0	
(4) Other	2i(4)	382850	
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		3208839
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		286860514

Net Income and Reconciliation

k Net income (loss). Subtract line **2j** from line **2d**	2k		588572877
l Transfers of assets:			
(1) To this plan	2l(1)		6639882531
(2) From this plan	2l(2)		2643575

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unqualified **(2)** ☐ Qualified **(3)** ☒ Disclaimer **(4)** ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? ☒ Yes ☐ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: MITCHELL AND TITUS **(2)** EIN: 13-2781641

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. **(2)** ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete 4j and 4l. MTIAs also do not complete 4l.

During the plan year:

			Yes	No	Amount
a	Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	4a		X	
b	Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	4b		X	
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e	Was this plan covered by a fidelity bond?	4e	X		100000000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i		X	
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X	
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l	Has the plan failed to provide any benefit when due under the plan?	4l		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X	
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n		X	

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?
If yes, enter the amount of any plan assets that reverted to the employer this year ☐ **Yes** ☒ **No** **Amount:**

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	**5b(2)** EIN(s)	**5b(3)** PN(s)
VERIZON MANAGEMENT PENSION PLAN	13-1675522	001
VERIZON PENSION PLAN FOR MIDATLANTIC & SOUTH ASSOCIATES	23-2259884	002

SCHEDULE R (Form 5500)	Retirement Plan Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ **File as an attachment to Form 5500.**	**2010** **This Form is Open to Public Inspection.**

For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

A Name of plan
VERIZON PENSION PLAN FOR ASSOCIATES

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
VERIZON CALIFORNIA INC.

D Employer Identification Number (EIN)
95-0510200

Part I Distributions

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions **1**

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): _____ _____

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year. **3** 415

Part II Funding Information (If the plan is not subject to the minimum funding requirements of section of 412 of the Internal Revenue Code or ERISA section 302, skip this Part)

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☒ **No** ☐ **N/A**

If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 a Enter the minimum required contribution for this plan year **6a**

b Enter the amount contributed by the employer to the plan for this plan year **6b**

c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) **6c**

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☒ **N/A**

Part III Amendments

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box(es). If no, check the "No" box. ..... ☒ **Increase** ☐ **Decrease** ☐ **Both** ☐ **No**

Part IV ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☐ **No**

11 a Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☐ **No**

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☐ **No**

12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☐ **Yes** ☐ **No**

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

14 Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	**14a**	
b The plan year immediately preceding the current plan year	**14b**	
c The second preceding plan year	**14c**	

15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	**15a**	
b The corresponding number for the second preceding plan year	**15b**	

16 Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	**16a**	
b If item 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	**16b**	

17 If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☒

19 If the total number of participants is 1,000 or more, complete items (a) through (c)

a Enter the percentage of plan assets held as:
Stock: 30% Investment-Grade Debt: 9% High-Yield Debt: 7% Real Estate: 6% Other: 48%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☒ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate item 19(b)?
☒ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

VERIZON CORPORATE SERVICES GROUP INC. ET AL PENSION PLANS

Financial Statements
As of December 31, 2010 and 2009 and
For the Years then Ended
With Report of Independent Auditors

VERIZON CORPORATE SERVICES
GROUP INC. ET AL PENSION PLANS
As of December 31, 2010 and 2009 and for the years then ended

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All other schedules required by Section 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable.

MITCHELL & TITUS

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www.mitchelltitus.com

REPORT OF INDEPENDENT AUDITORS

To the Verizon Employee Benefits Committee:

We were engaged to audit the accompanying statements of net assets available for benefits of the Verizon Management Pension Plan, Verizon Pension Plan for Mid-Atlantic and South Associates, Verizon Pension Plan for Associates, GTE Florida Incorporated Plan for Hourly–Paid Employees' Pensions and GTE Southwest Incorporated Plan for Hourly-Paid Employees' Pensions (the "Plans"), as of December 31, 2010 and 2009, and the related statements of changes in net assets available for benefits for the years then ended. These financial statements are the responsibility of the Plans' management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the investment information summarized in Note 1, which was certified by Bank of New York Mellon, the trustee of the Plans, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the trustee holds the Plans' investment assets and executes investment transactions. The plan administrator has obtained certifications from the trustee as of December 31, 2010 and 2009, and for years then ended, that the information provided to the plan administrator by the trustee is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements taken as a whole. The form and content of the information included in the financial statements, other than that derived from the investment information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Mitchell & Titus, LLP

October 27, 2011

VERIZON MANAGEMENT PENSION PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
AS OF DECEMBER 31, 2010 and 2009

	2010	2009
Assets		
Plan's interest in Master Trust	$ 10,616,043,621	$ 9,894,763,354
Employer contribution receivable	33,487,000	-
Net assets held in 401(h) account	143,518,961	125,884,466
Total assets	10,793,049,582	10,020,647,820
Liabilities		
Amount related to 401(h) account	(143,518,961)	(125,884,466)
Transfer to successor trustee payable	(93,269,284)	-
Total liabilities	(236,788,245)	(125,884,466)
Total net assets available for benefits	$ 10,556,261,337	$ 9,894,763,354
Plan's percentage interest in Master Trust	40.5%	34.9%

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEARS ENDED DECEMBER 31,

	2010	2009
Net assets available for benefits at beginning of year	$ 9,894,763,354	$ 9,891,675,916
Company contributions	33,487,000	-
Pension benefit payments	(1,659,462,356)	(2,088,792,370)
Administrative expenses	(25,002,911)	(21,695,722)
Transfers from other plans sponsored by Verizon, net	1,191,354,299	432,948,209
Transfers to successor trustee	(152,887,599)	(72,776,829)
Allocable share of Master Trust investment activities	1,274,009,550	1,753,404,150
Net assets available for benefits at end of year	$ 10,556,261,337	$ 9,894,763,354

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The accompanying notes are an integral part of these financial statements

VERIZON PENSION PLAN FOR MID-ATLANTIC AND SOUTH ASSOCIATES

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
AS OF DECEMBER 31, 2010 AND 2009

	2010	2009
Assets		
Plan's interest in Master Trust	$ 4,316,741,325	$ 4,096,676,453
Liabilities		
Transfer to successor trustee payable	(30,201,368)	-
Total net assets available for benefits	$ 4,286,539,957	$ 4,096,676,453
Plan's percentage interest in Master Trust	16.5%	14.4%

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

	2010	2009
Net assets available for benefits at beginning of year	$ 4,096,676,453	$ 3,925,997,082
Pension benefit payments	(1,178,545,882)	(550,736,096)
Administrative expenses	(9,933,789)	(11,533,329)
Transfers from other plans sponsored by Verizon, net	944,281,664	8,130,876
Transfer to successor trustee	(49,576,293)	(1,618,587)
Allocable share of Master Trust investment activities	483,637,804	726,436,507
Net assets available for benefits at end of year	$ 4,286,539,957	$ 4,096,676,453

The accompanying notes are an integral part of these financial statements

VERIZON PENSION PLAN FOR ASSOCIATES

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
AS OF DECEMBER 31, 2010 AND 2009

	2010	2009
Assets		
Plan's interest in Master Trust	$ 9,258,106,814	$ 2,320,029,080
Employer contribution receivable	287,627,000	-
Transfer from successor trustee receivable	107,099	-
Total net assets available for benefits	$ 9,545,840,913	$ 2,320,029,080
Plan's percentage interest in Master Trust	36.7%	8.2%

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

	2010	2009
Net assets available for benefits at beginning of year	$ 2,320,029,080	$ 2,138,443,189
Company contributions	287,627,000	-
Pension benefit payments	(283,651,675)	(218,161,344)
Administrative expenses	(3,208,839)	(1,843,759)
Transfers from other plans sponsored by Verizon, net	6,639,882,952	27,939
Transfers to successor trustee	(2,643,575)	-
Allocable share of Master Trust investment activities	587,805,970	401,563,055
Net assets available for benefits at end of year	$ 9,545,840,913	$ 2,320,029,080

The accompanying notes are an integral part of these financial statements

GTE FLORIDA INCORPORATED PLAN FOR HOURLY-PAID EMPLOYEES' PENSIONS

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
AS OF DECEMBER 31, 2010 AND 2009

	2010	2009
Assets		
Plan's interest in Master Trust	$ 552,438,474	$ 514,734,446
Liabilities		
Transfer to successor trustee payable	(1,166)	-
Total net assets available for benefits	$ 552,437,308	$ 514,734,446
Plan's percentage interest in Master Trust	2.1%	1.8%

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

	2010	2009
Net assets available for benefits at beginning of year	$ 514,734,446	$ 511,453,209
Pension benefit payments	(30,427,055)	(85,873,819)
Administrative expenses	(981,446)	(1,037,561)
Transfers (to) from other plans sponsored by Verizon, net	162,531	(158,687)
Transfers to successor trustee	(60,918)	-
Allocable share of Master Trust investment activities	69,009,750	90,351,304
Net assets available for benefits at end of year	$ 552,437,308	$ 514,734,446

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The accompanying notes are an integral part of these financial statements

GTE SOUTHWEST INCORPORATED PLAN FOR HOURLY-PAID EMPLOYEES' PENSIONS

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
AS OF DECEMBER 31, 2010 AND 2009

	2010	2009
Assets		
Plan's interest in Master Trust	$ 663,779,377	$ 628,743,687
Transfer from successor trustee receivable	275,291	-
Total net assets available for benefits	$ 664,054,668	$ 628,743,687
Plan's percentage interest in Master Trust	2.6%	2.2%

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEARS ENDED DECEMBER 31, 2010 AND 2009

	2010	2009
Net assets available for benefits at beginning of year	$ 628,743,687	$ 585,071,660
Pension benefit payments	(46,763,633)	(64,524,032)
Administrative expenses	(823,567)	(933,128)
Transfers (to) from other plans sponsored by Verizon, net	(568,787)	56,168
Transfers to successor trustee	(315,022)	-
Allocable share of Master Trust investment activities	83,781,990	109,073,019
Net assets available for benefits at end of year	$ 664,054,668	$ 628,743,687

The accompanying notes are an integral part of these financial statements

Note 1. Description of the Plans

The following description of the Verizon Management Pension Plan (the "VMPP"), Verizon Pension Plan for Mid-Atlantic and South Associates (the "Mid-Atlantic Plan"), Verizon Pension Plan for Associates (the "VPPA"), GTE Florida Incorporated Plan for Hourly-Paid Employees' Pensions (the "Florida Plan"), and GTE Southwest Incorporated Plan for Hourly-Paid Employees' Pensions (the "Southwest Plan"), (collectively, the "Plans"), provides only general information on the Plans' provisions. Participants should refer to their respective Summary Plan Description (the "SPD") and actual Plan document for a more complete description of the Plans' provisions.

General

The Plans are sponsored by Verizon Communications Inc. ("Verizon") or one of its subsidiary companies (the "Companies" or "Plan sponsors") and provide pension benefits as set forth in the respective Plan documents. The assets of the Plans are included in the Bell Atlantic Master Trust (the "Master Trust") maintained by Bank of New York Mellon (the "Trustee"). The Verizon Employee Benefits Committee is the administrator of the Plans.

Plan Mergers

In November 2010, the following plans merged into the Mid-Atlantic Plan: the GTE South Incorporated (Southeast) Plan for Hourly-Paid Employees' Pensions (the "Southeast Plan"), GTE North Incorporated Pension Plan for Hourly-Paid Employees of Pennsylvania (the "Pennsylvania Plan"), and GTE Supply Pension Plan for Union Represented Employees (the "GTE Supply Plan"). As a result of the mergers, net assets of approximately $941 million were transferred to the Mid-Atlantic Plan.

In November 2010, the Verizon Pension Plan for New York and New England Associates (the "New York and New England Plan") merged into the GTE California Incorporated Plan for Hourly-Paid Employees' Pensions (the "California Plan") and then the merged plan was renamed the Verizon Pension Plan for Associates (VPPA). As a result of the merger, net assets of approximately $6,640 million were transferred to the VPPA.

In October 2010, the following plans merged into the VMPP: the GTE South Incorporated (Kentucky) Plan for Hourly-Paid Employees' Pensions (the "Kentucky Plan"), the GTE Northwest Incorporated Pension Plan for Hourly-Paid Employees' Pensions (the "Northwest Plan"), the GTE North Incorporated Pension Plan for Hourly-Paid Employees of Illinois (the "Illinois Plan"), the GTE North Incorporated Pension Plan for Hourly-Paid Employees of Michigan (the "Michigan Plan"), the GTE North Incorporated Pension Plan for Hourly-Paid Employees of Ohio (the "Ohio Plan") and the GTE Incorporated Pension Plan for Hourly-Paid Employees of Wisconsin (the "Wisconsin Plan"). As a result of the mergers, net assets of approximately $1,190 million were transferred to the VMPP.

In December 2009, the Hourly Employee Retirement System of GTE Hawaiian Telephone Company Inc. (the "Hawaii Hourly Plan") was merged into the VMPP. As a result of the merger, net assets of approximately $433 million were transferred from the Hawaii Hourly Plan to the VMPP.

Note 1. Description of the Plans *(continued)*

All of the mergers were implemented in a manner that preserved the separate participant provisions of each plan including accrued benefits and all legally protected forms of benefit distribution available prior to the mergers. The net assets transferred can be found in the Statements of Changes in Net Assets Available for Benefits under "Transfers from other plans sponsored by Verizon, net."

Frontier Spin-off

On July 1, 2010 Verizon divested its local wireline operations serving residential and small business customers in predominantly rural areas in fourteen states through the spin-off of a Verizon subsidiary "Spinco," which held defined assets and liabilities of these operations, and the subsequent merger of Spinco with Frontier Communications Corporation ("Frontier"). With respect to the Verizon Plans discussed herein, the assets transferred to Frontier pension plans, which can be found under "Transfers to successor trustee" on the Statement of Changes in Net Assets Available for Benefits, represent approximately eighty percent of the assets to be transferred to the Frontier pension plans, in accordance with the Employee Matters Agreement related to the Frontier spin-off transaction. The remaining approximately twenty percent of assets to be transferred to the Frontier pension plans after the merger closing date from the Verizon Plans and can be found under "Transfer to successor trustee payable" on the Statement of Net Assets Available for Benefits.

Information Certified by the Trustee

With the exception of the Fair Value Hierarchy table in Note 5, all investment information disclosed in the financial statements and footnotes, including investments held at December 31, 2010 and 2009 and the Plan's allocable share of the Master Trust investment activities for the years ended December 31, 2010 and 2009, was obtained or derived from information supplied to the Plan administrator and certified as complete and accurate by the Trustee.

Pension Benefits

The Plans are trusteed, noncontributory, defined benefit plans, which cover many of the employees and former employees of the sponsoring Companies. Pension benefits are based on compensation and service or on service only, as defined by the applicable Plan. The Plans provide normal retirement, early retirement, disability retirement, deferred vested and surviving spouse's pension benefits.

The Plans provide vesting for participants with five years of eligible vesting service or upon attainment of normal retirement age. Eligible employees, as defined in the respective plan document, have the opportunity to elect a lump-sum payment option as a form of retirement benefit payment, subject to the terms of each such Plan. Benefit payments to participants are recorded upon distribution.

Note 1. Description of the Plans *(continued)*

Funding Policy

The Companies contribute such amounts as are necessary to provide assets sufficient to meet the benefits to be paid to participants and satisfy the ERISA minimum funding requirements. The Plans have met the ERISA minimum funding requirements for the year ended December 31, 2010 and the year ended December 31, 2009.

In accordance with the Pension Protection Act of 2006, all plans are required to use the Unit Credit Cost Method to determine the minimum contributions to the ongoing plan.

Note 2. Basis of Presentation and Summary of Significant Accounting Policies

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting. We have reclassified prior year amounts to conform to the current year presentation.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires the Plans' administrator to make significant estimates and assumptions that affect the reported amounts of Net Assets Available for Benefits at the date of the financial statements and the actuarial present value of accumulated benefits as of the benefit information date, the Changes in Net Assets Available for Plan Benefits during the reporting period, the changes in actuarial present value of accumulated benefits, and when applicable, disclosures of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates.

Administrative Expenses

Administrative fees are charged directly to the Plans as incurred or allocated to the Plans based on their pro rata share of Master Trust assets.

Plan Transfers

The Plan sponsors are permitted to transfer benefit obligations, subject to the provisions of ERISA, for certain participants who transfer employment between certain companies that sponsor different pension plans. The net assets available for benefits of the Plans at December 31, 2009 include net assets that were transferred in and out of the plans due to participant transfers during the 2008 Plan year. Participant transfers during the 2009 Plan year are included in the statements of changes in net assets available for benefits of the Mid-Atlantic Plan, VPPA or VMPP as applicable, for the year ended December 31, 2010. The transfer participants are identified after the 2008 Plan year ends and the amount to transfer is actuarially determined as of January 1, 2009. The actual amount transferred is adjusted with trust earnings to the date of transfer.

Note 2. Basis of Presentation and Summary of Significant Accounting Policies *(continued)*

Investment Valuation and Income Recognition

As described in Note 1, the Plans had an interest in the Master Trust. The Plans interest in the Master Trust and investments held in the Master Trust were recorded at fair value.

In accordance with Accounting Standards Codification ("ASC") 820, *Fair Value Measurements and Disclosures*, fair value of financial and non-financial assets and liabilities is defined as an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants.

The three-tier hierarchy for inputs used in measuring fair value, which prioritizes the inputs used in the methodologies of measuring fair value for assets and liabilities, is as follows:

Level 1 – Quoted prices in active markets for identical assets or liabilities

Level 2 – Observable inputs other than quoted prices in active markets for identical assets and liabilities

Level 3 – No observable pricing inputs in the market

Financial assets and financial liabilities are classified in their entirety based on the lowest level of inputs that is significant to the fair value measurements. The Plan sponsors' assessment of the significance of a particular input to the fair value measurements requires judgment, and may affect the valuation of the assets and liabilities being measured and their placement within the fair value hierarchy.

Purchases and sales of investments in the Master Trust are reflected as of the trade date. Realized gains and losses on sales of investments are determined on the basis of average cost. Dividend income is recorded on the ex-dividend date. Interest earned on investments in the Master Trust is recorded on the accrual basis. Net appreciation/depreciation recorded by the Master Trust includes gains and losses on investments bought and sold as well as held during the year.

Subsequent Events

Management evaluated subsequent events through October 27, 2011, the date the financial statements were available to be issued.

In October 2011, the Pension Plan for Employees of MCI Communications Corporation and Subsidiaries (the "MCI Pension Plan") was merged into the Verizon Management Pension Plan (the "VMPP"). The merger was implemented in a manner that preserved the separate provisions of each plan including accrued benefits and all legally-protected forms of benefit distribution available prior to the merger. As a result of the merger, net assets of approximately $273 million were transferred from the MCI Pension Plan to the VMPP. VIMCO, an indirect, wholly owned subsidiary of Verizon, was granted investment authority by the MCI Investment Committee for the transition of assets to the VMPP.

Note 2. Basis of Presentation and Summary of Significant Accounting Policies *(continued)*

Recently Adopted Accounting Standards

In January 2010, the Plan sponsors adopted the accounting standard update regarding fair value measurements and disclosures, which requires additional disclosures regarding assets and liabilities measured at fair value. The adoption of the new standard did not have a material effect on the Plans' Net Assets Available for Benefits or the Plans' Changes in Net Assets Available for Benefits.

Recent Accounting Standards

In May 2011, a new accounting standard update regarding fair value measurement was issued, "ASU 2011-04." This standard update was issued to provide a consistent definition of fair value and ensure that the fair value measurement and disclosure requirements are similar between U.S. GAAP and International Financial Reporting Standards. This standard update also changes certain fair value measurement principles and enhances the disclosure requirements, particularly for Level 3 fair value measurements. We will adopt this standard update during the first quarter of 2012. The adoption of this standard update is not expected to have a significant impact on the Plan's financial statements.

Note 3. Plan Termination

Except as limited by Plan terms, any Plan may be terminated at any time by action of the Board of Directors of the sponsoring Companies. All hourly and union plans are subject to the terms of their respective collective bargaining agreements.

Upon termination of any Plan, distribution of the assets to provide for pension benefits will be made in the following order:

(A) To provide for payment of pensions which were being paid to retired employees or beneficiaries on the date three years prior to the date of termination, and for employees or beneficiaries which would have been receiving benefits three years prior to the date of termination if the employee had retired prior to such earlier date and if the employee's pension had commenced as of the beginning of such three-year period;

(B) To provide for that portion of the pensions, which is guaranteed by Pension Benefit Guaranty Corporation;

(C) To provide for pensions to the extent that they are non-forfeitable; and

(D) To provide for pensions accrued as of the date of termination.

To the extent that Net Assets Available for Benefits exceed the amounts described above, such excess will be allocated among participants or their beneficiaries or returned to the Companies pursuant to the priorities set forth in the Plan Document.

Note 4. Actuarial Present Value of Accumulated Plan Benefits

Accumulated Plan benefits are those future payments that are attributable under the Plans' provisions to the service employees have rendered to date. Accumulated Plan benefits include benefits expected to be paid to (a) retired or terminated vested employees or their beneficiaries, and (b) present employees or their beneficiaries.

The Plans' actuary determines the actuarial present value of accumulated Plan benefits by applying actuarial assumptions to reflect the time value of money and the probability of payment between the valuation date and the expected date of payment.

The actuarial present value of accumulated Plan benefit information as of January 1, 2010, and changes in the actuarial present value of accumulated Plan benefits for the year ended January 1, 2010, are presented in the following tables:

ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS
FOR THE YEAR ENDED JANUARY 1, 2010
(in thousands)

		Vested Benefits					
Plan		Current Benefits	Deferred Benefits	Other	Total Vested Benefits	Nonvested Benefits	Total
1	VMPP	$ 7,182,765	$ 993,816	$ 3,155,004	$ 11,331,585	$ 519,075	$ 11,850,660
2	Mid-Atlantic	1,883,938	197,017	1,945,513	4,026,468	425,232	4,451,700
3	VPPA	228,369	92,725	418,031	739,125	88,413	827,538
4	Florida	87,174	23,242	202,408	312,824	56,037	368,861
5	Southwest	90,043	24,748	135,491	250,282	31,436	281,718

CHANGES IN ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS
FOR THE YEAR ENDED JANUARY 1, 2010
(in thousands)

Plan		Balance January 1, 2009	Interest Accumulation	Benefit Payments	Actuarial Assumptions	Plan Amendments	Other	Balance January 1, 2010
1	VMPP	$ 12,337,253	$ 763,064	$ (2,099,469)	$ 760,265	$ 91,171	$ (1,624)	$ 11,850,660
2	Mid-Atlantic	4,079,372	257,074	(550,736)	251,209	69,656	345,125	4,451,700
3	VPPA	843,307	49,681	(218,161)	31,285	-	121,426	827,538
4	Florida	367,567	21,960	(85,874)	15,404	-	49,804	368,861
5	Southwest	286,274	17,181	(64,524)	11,308	-	31,479	281,718

Note 4. Actuarial Present Value of Accumulated Plan Benefits *(continued)*

The significant actuarial assumptions used in the valuations as of January 1, 2010 and 2009, for the actuarial present value of accumulated plan benefits are as follows:

(A) The present values were based on a 6.25% discount rate for 2010 and a 6.75% discount rate for 2009.

(B) The assumed retirement age is based on rates of retirement which are based on past experience and expectations of future retirements.

(C) The mortality tables used for the January 1, 2010 present values are as follows:

- Healthy lives- The RP-2000 Combined Healthy Mortality Table projected to 2010 using Scale AA.
- Disabled lives- The RP-2000 Disabled Retiree Mortality Table.

(D) The mortality tables used for the January 1, 2009 present values are as follows:

- Healthy lives- The RP-2000 Combined Healthy Mortality Table projected to 2009 using Scale AA.
- Disabled lives- The RP-2000 Disabled Retiree Mortality Table.

These actuarial assumptions are based on the assumption that the Plans will continue. Were the Plans to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

Certain plan amendments were made to the VMPP due to the merger of another plan into the VMPP. Certain plan amendments were made to the Mid-Atlantic Plan due to collective bargaining agreements.

Note 5. Investment in Master Trust

Master Trust

The Master Trust holds both defined benefit and defined contribution assets. Assets in the Master Trust are either pooled between defined benefit plans and defined contribution plans or specific to defined benefit plans.

Note 5. Investment in Master Trust *(continued)*

On a monthly basis, investments, investment income and expenses are allocated to the Plans in accordance with their proportionate interest in the defined benefit portion of the Master Trust.

Valuation of Investments

Investments in securities traded on national and foreign securities exchanges are valued by the Trustee at the last reported sale prices on the last business day of the year or, if no sales were reported on that date, at the last reported bid prices. Over-the-counter securities, government obligations, corporate bonds and international bonds are valued at the bid prices or the average of the bid and ask prices on the last business day of the year from published sources or, if not available, from other sources considered reliable such as multiple broker quotes. Commingled funds not traded on national exchanges are priced by the Trustee, at net asset value, based on statements received from the investment manager. Commingled funds held by third-party custodians appointed by the fund managers are priced by the respective custodian or fund administrator at net asset value. The fund's custodian provides the investment manager with a net asset value and the investment manager has the responsibility for providing this information to the custodian of the respective plan. Commingled funds are classified by the asset class of the underlying holdings.

The following table summarizes redemption restrictions for investments of the Trust for which fair value is estimated using net asset value per share:

Asset Type	Unfunded Commitments	Liquidation Period	Redemption Frequency	Redemption Notice	Redemption Restrictions
Commingled funds					
U.S. equity securities	Not applicable	Daily	Daily	None	None
International equity securities	Not applicable	Twice a month	Twice a month	Trade date less 2	None
U.S fixed income securities	Not applicable	Daily	Daily	None	None
International fixed income securities	Not applicable	Daily	Daily	None	None
Other commingled funds	Not applicable	Daily	Daily	None	None
Hedge Funds	None	1 year	Quarterly	30-90 days	None

The general partner of the entity values venture capital, corporate finance, and natural resource limited partnership investments. Real estate investments are valued at amounts based upon appraisal reports prepared by independent real estate appraisers. Loans secured by mortgages are carried at the lesser of the unpaid balance or appraised value of the underlying properties. The values assigned to these investments are based upon available information and do not necessarily represent amounts which might ultimately be realized. Because of the inherent uncertainty of valuation, those estimated fair values might differ significantly from the values that would have been used had a ready market for the securities existed. These differences could be material. Forward currency contracts, futures, and options are valued by the Trustee at the exchange rates and market prices prevailing on the last business day of the year. Both exchange rates and market prices are readily available from published sources. These securities are classified by the asset class of the underlying holdings.

Note 5. Investment in Master Trust *(continued)*

Hedge funds are recorded by the Trustee, at net asset value, based on statements received from the investment manager. These funds are priced in accordance with the terms of their corresponding offering or private placement memoranda.

We recognize transfers between levels of the fair value hierarchy as of the end of the reporting period. There were no transfers within the fair value hierarchy during 2010.

Investment Activities from Master Trust

The Statements of Changes in Net Assets Available for Benefits reflects the allocable share of the Master Trust activities which include the realized gains or losses and the unrealized appreciation (depreciation) in fair value of those investments, as well as interest and dividends earned.

The following table sets forth by level, within the fair value hierarchy, the Plans' investments in the defined benefit portion of the Master Trust at fair value as of December 31, 2010 and appreciation/(depreciation) for the year ended December 31, 2010 (in thousands):

	Total Fair Value	Level 1	Level 2	Level 3	Appreciation/ (Depreciation)
Investments					
Cash and cash equivalents	$ 2,194,723	$ 2,172,190	$ 22,533	$ -	$ (2,035)
Equity securities:					
U.S. equity securities	6,980,021	6,970,947	2,405	6,669	1,034,897
International equity securities	2,237,631	2,237,631	-	-	17,434
Fixed income securities:					
U.S. treasuries and agencies	527,817	133,305	394,512	-	18,776
Corporate bonds	1,212,357	237,527	826,862	147,968	31,253
International bonds	903,359	20,805	882,554	-	(52,909)
Other fixed income	508,172	-	507,738	434	4,957
Real estate	1,794,975	-	-	1,794,975	(1,067,544)
Commingled funds:					
U.S. equity securities	470,509	-	470,509	-	185,384
International equity securities	490,514	-	490,514	-	220,199
U.S. fixed income securities	404,516	-	368,585	35,931	102,929
Other commingled funds	24,495	-	24,289	206	(22,954)
Other investments:					
Private equity	6,015,321	-	40,929	5,974,392	(2,667,430)
Hedge funds	2,243,963	-	1,512,186	731,777	826,729
Total investments at fair value	$ 26,008,373	$ 11,772,405	$ 5,543,616	$ 8,692,352	$ (1,370,314)

Note 5. Investment in Master Trust *(continued)*

The total fair value of the Master Trust investments at December 31, 2010 was approximately $27 billion, including approximately $1 billion of investments specific to the defined contribution plans, for which separate financial statements are prepared. The Master Trust's interest and dividend income was approximately $343 million for the year ended December 31, 2010.

The following table sets forth the changes in the fair value of the defined benefit portion of the Master Trust's Level 3 investments for the year ended December 31, 2010 (in thousands):

	Opening Balance	Transfer Out	Transfer In	Acquisitions	Dispositions	Realized Gain/(Loss)	Change in Unrealized Gain/(Loss)	Closing Balance
Equity securities:								
U.S. equity securities	$ 4,714	$ -	$ 613	$ 589	$ -	$ -	$ 753	$ 6,669
Fixed income securities:								
Corporate bonds	124,310	(1,600)	654	150,253	(127,047)	486	912	147,968
International bonds	1,195	-	-	191	(1,114)	417	(689)	-
Other fixed income	1,881	(1,156)	-	-	(471)	116	64	434
Real estate	1,523,764	-	-	300,793	-	12,887	(42,469)	1,794,975
Commingled funds:								
U.S. fixed income securities	13,930	(13,280)	17,781	52,758	(37,851)	8,654	(6,061)	35,931
Other commingled funds	124	-	-	-	-	-	82	206
Other investments:								
Private equity	5,375,755	-	-	64,247	(69,748)	631,936	(27,798)	5,974,392
Hedge funds	15,279	(28,764)	608,915	136,800	(25,012)	11,675	12,884	731,777
Total	$ 7,060,952	$ (44,800)	$ 627,963	$ 705,631	$ (261,243)	$ 666,171	$ (62,322)	$ 8,692,352

Certain investments were transferred among levels for the years ended December 31, 2010 and 2009 when it was determined that these investments were more appropriately classified in another level category. The Plan recognized these transfers at the end of the applicable reporting period.

Note 5. Investment in Master Trust *(continued)*

The following table sets forth by level, within the fair value hierarchy, the Plans' investments in the defined benefit portion of the Master Trust at fair value as of December 31, 2009 and appreciation/(depreciation) for the year ended December 31, 2009 (in thousands):

	Total Fair Value	Level 1	Level 2	Level 3	Appreciation/ (Depreciation)
Investments					
Cash and cash equivalents	$ 2,306,434	$ 2,301,444	$ 4,990	$ -	$ (183,971)
Equity securities:					
U.S. equity securities	8,917,624	8,911,859	1,051	4,714	2,755,573
International equity securities	2,615,828	2,615,828	-	-	746,258
Fixed income securities:					
U.S. treasuries and agencies	1,002,410	407,294	595,116	-	37,224
Corporate bonds	2,096,464	74,059	1,898,095	124,310	76,398
International bonds	984,832	773,446	210,191	1,195	84,003
Other fixed income	639,620	-	637,739	1,881	93,817
Real estate	1,523,764	-	-	1,523,764	(761,596)
Commingled funds:					
U.S. equity securities	485,198	-	485,198	-	128,098
International equity securities	603,818	-	603,818	-	24,787
U.S. fixed income securities	416,652	-	402,722	13,930	51,553
International fixed income securities	130,907	-	130,907	-	236,110
Other commingled funds	5,741	-	5,617	124	(595)
Other investments:					
Private equity	5,402,114	-	26,359	5,375,755	(262,439)
Hedge funds	1,324,426	-	1,309,147	15,279	57,418
Total investments at fair value	$ 28,455,832	$ 15,083,930	$ 6,310,950	$ 7,060,952	$ 3,082,638

The total fair value of the Master Trust investments at December 31, 2009 was approximately $29 billion, including approximately $1 billion of investments specific to the defined contribution plans, for which separate financial statements are prepared. The Master Trust's interest and dividend income was approximately $582 million for the year ended December 31, 2009.

Note 5. Investment in Master Trust *(continued)*

The following table sets forth the changes in the fair value of the defined benefit portion of the Master Trust's Level 3 investments for the year ended December 31, 2009 (in thousands):

	Opening Balance	Transfer Out	Transfer In	Acquisitions	Dispositions	Realized Gain/(Loss)	Change in Unrealized Gain/(Loss)	Closing Balance
Equity securities:								
U.S. equity securities	$ 140,739	$ (200,650)	$ 107	$ 13,546	$ (3,363)	$ (8,090)	$ 62,425	$ 4,714
Fixed income securities:								
Corporate bonds	9,825	(7,579)	29,196	153,125	(65,318)	(3,341)	8,402	124,310
International bonds	1,962	(2,014)	-	815	(449)	27	854	1,195
Other fixed income	-	(783)	3,140	-	(468)	93	(101)	1,881
Commingled funds:								
U.S. equity	36,393	(136,559)	92,638	10	(50,367)	44,115	13,770	-
U.S. fixed income securities	349,450	(151,094)	133,238	38,017	(378,115)	(9,245)	31,679	13,930
International fixed income securities	41,725	(4,883)	-	200	(37,320)	(1,674)	1,952	-
Other commingled funds	1,251	-	-	(1,322)	-	75	120	124
Other investments:								
Private equity	5,529,532	(25,677)	2,333	273,526	(8,988)	129,769	(524,740)	5,375,755
Real estate	1,950,332	-	-	541,531	(206,004)	10,569	(772,664)	1,523,764
Hedge funds	1,181,845	(1,279,589)	-	14,857	(64,938)	(56,759)	219,863	15,279
Total	$ 9,243,054	$ (1,808,828)	$ 260,652	$ 1,034,305	$ (815,330)	$ 105,539	$ (958,440)	$ 7,060,952

The following table reconciles the investments measured at fair value to the net assets in the defined benefit portion of the Master Trust at December 31, 2010 and 2009 (in thousands):

	2010	2009
Total investments at fair value	$ 26,008,373	$ 28,455,832
Receivables	6,972,057	9,216,772
Non-interest bearing cash	8,909	77,090
Payables	(7,149,086)	(9,390,409)
Total assets per master trust	$ 25,840,253	$ 28,359,285

Note 6. Derivatives

In the normal course of operations, the Master Trust's assets and liabilities may include derivative financial instruments (futures, options, and foreign currency contracts). These derivatives involve, in varying degrees, elements of credit and market volatility risks in excess of more traditional investment holdings such as equity and debt instruments. The contract or notional amounts disclosed in this footnote provide a measure of the Master Trust's involvement in such instruments but are not indicative of potential loss. The intent is to use derivative financial instruments as economic hedges to manage market volatility risk, foreign currency exchange rate risk or credit risk associated with the Master Trust's investment assets. The Master Trust's fiduciaries do not anticipate any material adverse effect on the Master Trust's financial position resulting from its involvement in these instruments.

The following table presents the effect of gains (losses) with respect to these derivative instruments, by type of derivative. The gains (losses) are located on the Statements of Changes in Net Assets Available for Benefits under "Allocable share of Master Trust investment activities."

	Year Ended December 31	
	2010	**2009**
	(in thousands)	
Forward foreign currency exchange rate contracts	$ (12,914)	$ 28,021
Futures	18,281	22,873
Options	(1,898)	1,544
Swaps	2,931	(1,678)

Futures Contracts

The primary risk managed using future contracts is the price risk associated with investments. Investment managers enter into various futures contracts to economically hedge investments in domestic securities. These contracts, which are considered derivatives under ASC 815, *Derivatives and Hedging*, are agreements between two parties to buy or sell a security or financial interest at a set price on a future date and are standardized and exchange-traded. Upon entering into such a contract on behalf of the Plan, the investment manager is required to pledge to the broker an amount of cash or securities equal to the minimum "initial margin" requirements of the exchange on which the contract is traded. Pursuant to the contract, the investment manager agrees to receive from or pay to the broker an amount of cash equal to the daily fluctuation in the value of the contract. Such receipts or payments are known as variation margin and are recorded on a daily basis by the trustee as a realized gain or loss equal to the difference in the value of the contract between daily closing prices.

Note 6. Derivatives *(continued)*

The following table presents open futures contracts at December 31, 2010 held by the Master Trust. The fair value presented in this table includes cumulative appreciation (depreciation) of futures contracts, but only the current day's variation margin receivable/payable is reported by the Master Trust.

			(dollars in thousands)	
Type of Contract	**Number of Contracts Buy (Sell)**	**Expiration**	**Notional**	**Fair Value**
Cash and cash equivalents	116	Long term	$ 28,558	$ 1
Cash and cash equivalents	57	Short term	13,935	16
Cash and cash equivalents	(59)	Long term	(14,588)	114
Cash and cash equivalents	(36)	Short term	(8,955)	2
Fixed Income: Buys	2,750	Short term	344,974	(485)
Fixed Income: Sells	(393)	Short term	(103,611)	(2,246)
Equity: Buys	10,440	Short term	1,637,952	21,979
Equity: Sells	(838)	Short term	(63,328)	(1,100)
Total			$ 1,834,937	$ 18,281

Option Contracts

The primary risk managed using option contracts is the price risk associated with investments. Purchased and written option contracts are agreements between two parties giving the owner, under a purchased option, the right, but not the obligation, to buy or sell a specified item at a fixed price (exercise or strike) during a specified period, and under a written option the obligation to sell or buy a specified item at a fixed price. These option contracts are intended to economically hedge the Master Trust's investments in foreign and domestic securities. When the investment manager buys or writes an option contract, a nonrefundable fee (the premium) is paid or received by the Master Trust and is recorded as an asset or liability and is subsequently adjusted to the current market value of the option purchased or written. The premiums paid or received from buying or writing options are recorded as realized gains or losses when the options expire. The difference between the premium and the amount paid or received on affecting a closing purchase or sale transaction is also treated as a realized gain or loss. If an option is exercised, the premium paid or received is recorded as a realized gain or loss if sold or an adjustment to cost of the underlying investment if acquired upon exercise.

Note 6. Derivatives *(continued)*

The following tables present the total number of written options held by the Master Trust at December 31, 2010.

Type of Contract	(in thousands) Cost (Premium Received)	Fair Value
Cash and cash equivalents	$ (174)	$ (21)
Fixed income	(522)	(474)
Equity	(3,972)	(5,606)
Total	$ (4,668)	$ (6,101)

Type of Contract	(in thousands) Cost (Premium Paid)	Fair Value
Cash and cash equivalents	$ 727	$ 262
Total	$ 727	$ 262

Foreign Currency Contracts

The primary risk managed using foreign currency forward contracts is the foreign currency exchange rate risk associated with the Master Trust's investments denominated in foreign currencies. Forward foreign currency contracts are agreements to exchange foreign currencies at a specified future date at a specified rate, the terms of which are not standardized on an exchange. These contracts are intended to minimize the effect of currency fluctuations on the performance of investments denominated in foreign currencies. All the Master Trust contracts address the currency risk. Risk arise both from the possible inability of the counterparties to meet the terms of the contracts (credit risk) and from the movements in foreign currency exchange rates (market risk). The contracts are recorded at fair value on the date the contract is entered into, which is typically zero.

The following table presents the contracts held by the Master Trust. The fair value presented in this table is presented in the Statements of Net Assets Available for Benefits under "Plan's interest in Master Trust."

	(in thousands) Notional		Fair Value	
	2010	2009	2010	2009
Derivative assets: Long US$	$ 3,379,759	$ 4,932,511	$ (63,422)	$ 81,870
Derivative liabilities: Short US$:	2,703,730	3,386,065	48,897	(54,798)
Cross-currency (non-US$)	625,945	773,778	1,611	949

Note 6. Derivatives *(continued)*

Credit Derivatives

A credit derivative is a bilateral contract between a buyer and a seller under which the seller agrees to provide protection to the buyer against the credit risk of a particular entity ("reference entity" or "reference credit"). Credit derivatives generally require that the seller of credit protection make payments to the buyer upon the occurrence of predefined credit events. These triggering events may include the market standard of failure to pay on indebtedness, bankruptcy of the reference credit, debt restructuring, or the acceleration of indebtedness. The seller of such protection may not be required to make payments until a specified amount of losses has occurred with respect to the portfolio and/or may only be required to pay for losses up to a specified amount.

Credit derivatives are used primarily to help mitigate credit risk in the Master Trust's corporate bonds portfolio. Through these contracts, the Master Trust either purchases or writes protection on either a single name or a portfolio of reference credits. The credit derivatives written by the Master Trust include credit default swaps.

A credit default swap is a contract in which, for a fee, a protection seller agrees to reimburse a protection buyer for any losses that occur due to a credit event on a reference entity. If there is no credit default event or settlement trigger, as defined by the specific derivative contract, then the protection seller makes no payments to the protection buyer and receives only the contractually specified fee. However, if a credit event occurs as defined in the specific derivative contract sold, the protection seller will be required to make a payment to the protection buyer.

The Master Trust evaluates the payment/performance risk of the credit derivatives to which it stands as a protection seller based on the credit rating which has been assigned to the underlying referenced credit. Where external ratings by nationally recognized statistical rating organizations (such as Moody's and Standard & Poor's) are used, investment-grade ratings are considered to be 'Baa/BBB' or above, while anything below is considered non-investment grade.

The following table presents the credit derivatives held by the Master Trust (in thousands):

	Notional		Fair Value	
	2010	**2009**	**2010**	**2009**
Derivative assets:				
Credit default swaps	$ 36,008	$ 33,046	$ 1,529	$ (1,715)
Total return swaps	1,220	-	830	(4,400)
Derivative liabilities:				
Credit default swaps	24,164	75,866	(464)	1,233
Total return swaps	1,535	4,400	(777)	4,400
Net notional value/net fair value	$ 11,529	$ (47,220)	$ 1,118	$ (482)

Note 6. Derivatives *(continued)*

The following table summarizes the key characteristics of the Master Trust's credit derivative portfolio as protection seller (in thousands).

December 31, 2010 (Notional)	Maximum Potential Amount of Future Payments	Fair Value Payable
By counterparty:		
Bank/broker dealer	$ 25,700	$ 1,242
Total by counterparty	$ 25,700	$ 1,242

Credit risk associated with the Master Trust's derivatives is the risk that a derivative counterparty will not perform in accordance with the terms of the applicable derivative contract. To mitigate such risk, the Master Trust requires the use of master netting arrangements and collateral arrangements wherever practical. Credit derivatives, including credit default swaps (CDS) and total return swaps, derive their value from the credit risk on an underlying bond or other financial asset. As of December 31, 2010 and 2009, the Trust's maximum credit exposure (notional value of short position in CDS and total return swaps) was $25.7 million and $80.3 million, respectively. As of December 31, 2010 and 2009, the aggregate fair value of all credit derivative instruments was $1.1 million and ($0.5) million, respectively.

Note 7. Securities Lending

The Master Trust maintained a Securities Lending Agreement (the "Agreement") with the Trustee. The Agreement, dated as of March 2, 2000, includes domestic and international securities. The securities on loan may be sold, though they must be recalled. Securities on loan may not be re-pledged.

Securities on loan at December 31, 2010, approximated $1 billion, or 4% of the net assets of the Master Trust.

The Master Trust's exposure to credit loss is reduced as the Agreement provides full indemnity against broker default by the Trustee. In addition, the Agreement requires collateral from the borrowing brokers of an amount equal to 102% and 105% of the fair value of the securities loaned for loans of U.S. securities and non-U.S. securities, respectively. The collateral primarily consists of cash, which was invested in financial instruments that did not utilize derivatives as an investment vehicle.

The Master Trust's net earnings derived from the Agreement were approximately $5 million and $10 million for the year ended December 31, 2010 and the year ended December 31, 2009, respectively.

Note 8. Tax Status

The Plans have received determination letters from the Internal Revenue Service stating that the Plans are qualified under Section 401(a) of the Internal Revenue Code (the "Code") and therefore the related trust is exempt from taxation. Once qualified, the Plans are required to operate in conformity with the Code to maintain their qualification. The Plans' administrator believes the Plans are being operated in compliance with the applicable requirements of the Code and, therefore, believes the Plans are qualified and the related trust is tax-exempt.

Prior to the plan mergers in 2010, the Plans applied for new determination letters. The pre-merger Mid-Atlantic plan, the pre-merger VPPA, the Florida plan, and the Southwest plan received favorable determination letters on July 25, 2011. The applications for the VMPP and the New York and New England Plan are currently under review by the Internal Revenue Service.

Accounting principles generally accepted in the United States require plan management to evaluate uncertain tax positions taken by the Plans. The financial statement effects of a position are recognized when the position is more likely than not, based on the technical merits, to be sustained upon examination by the Internal Revenue Service. The Plan administrator has analyzed tax positions taken by the Plans, and has concluded that as of December 31, 2010, there are no uncertain positions taken or expected to be taken. The Plans are subject to routine audits by taxing jurisdictions; however, there are no audits for any tax periods in progress. The Plan administrator believes it is no longer subject to income tax examinations for years prior to 2006.

Note 9. Related-Party Transactions

VIMCO, an indirect, wholly owned subsidiary of Verizon Communications Inc., qualifies as a related party. VIMCO is the investment advisor for certain investment funds and received no compensation from the Plans other than reimbursement of certain expenses directly attributable to its investment advisory and investment management services rendered to the Plans.

The Companies are the sponsor of the Trust and the Plans whose assets are held in the Trust. The Companies employ the administrator of the various plans and members of the administrator's staff. The Companies received no compensation from the Plans other than reimbursement of certain expenses directly attributable to administrative services rendered to the Plans.

The Bank of New York Mellon, as Trustee of the Trust, rendered various trustee services to the Trust for which it was compensated in accordance with its agreements with The Companies and VIMCO. VIMCO, The Companies and The Bank of New York Mellon are all parties in interest (as that term is defined by ERISA) to the Trust and the Plans whose assets are held in the Trust. All of the related party transactions described in this section are exempt from the prohibited transaction rules pursuant to statutory or administrative exemptions.

Note 10. Risks and Uncertainties

The Master Trust invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market volatility and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that those changes could materially affect the amounts reported in the Statements of Net Assets Available for Benefits and footnotes.

Plan contributions are made and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimation and assumption processes, it is at least reasonably possible that changes in these estimates and assumptions in the near term could materially affect the amounts reported and disclosed in the financial statements.

Note 11. Commitments and Contingencies

The Master Trust has outstanding investment commitments, whereby the Master Trust has pledged private equity capital contributions of $2.8 billion as of December 31, 2010. The Master Trust pledged real estate contributions of $0.8 billion at December 31, 2010. Historically, pledged contributions are subject to drawdown over the term of the investment (generally 10 years). However, drawdowns could occur more rapidly on the basis of demonstrated need by the partnerships. Other investments held by the Master Trust will be liquidated to meet these capital commitments.

In the ordinary course of business the Plans may be involved in various legal proceedings. Where it is determined, in consultation with counsel based on litigation and settlement risks, that a loss is probable and estimable in a given matter, an accrual is reflected in the financial statements. In none of the currently pending matters is the required accrual material. An estimate of the reasonably possible loss or range of loss in excess of the required accrual under ASC 450, *Contingencies*, cannot be made at this time, due to various factors typical in contested proceedings, including (1) uncertain damage theories and demands; (2) a less than complete factual record; (3) uncertainty concerning legal theories and their resolution by courts or regulators; and (4) the unpredictable nature of the opposing party and its demands. The Plans' administrator does not expect that the ultimate resolution of any pending legal matter in future periods will have a material effect on the Plans financial condition, but it could have a material effect on its results of operations for a given reporting period.

Schedule SB, line 7—Explanation of Discrepancy in Prior Year Funding Standard Carryover Balance or Prefunding Balance

The Verizon Pension Plan for New York and New England Associates (NY/NE Plan) merged into the GTE California Inc. Plan for Hourly-Paid Employees' Pensions on November 9, 2010 and was renamed the Verizon Pension Plan for Associates (Associates Plan). Before the merger, the NY/NE Plan had a minimum required contribution for the 2010 plan year and the Associates Plan did not have a contribution requirement. The 2010 Schedule SB to Form 5500 for the NY/NE Plan shows the development of the minimum required contribution for the short plan year ended November 9, 2010. After the merger, the Associates Plan had a minimum required contribution equal to NY/NE minimum contribution for the period November 9, 2010 to December 31, 2010.

Verizon made a contribution to the NY/NE plan to cover the minimum required contribution for the short plan year, and the funding balances in the merged Associates Plan were used to cover the minimum required contribution in the Associates Plan after merger. Since there is no guidance under PPA on how to reflect a merger, we have opted to show the merged-in funding balances in the Associates Plan as of the beginning of the year (January 1, 2010). The funding balance on line 7 of the Associates Plan does not match line 13 of the 2009 Schedule SB as it is the sum of the funding standard carryover balances (FSCB) of the Associates Plan before merger and the NY/NE Plan. Additionally, line 11(a) of the Associates Plan does not match line 38 of the 2009 Schedule SB as it is the sum of the prefunding balances (PB) of the Associates Plan before merger and the NY/NE Plan.

Funding Balances

2010 Schedule SB—Part II		**NY/NE**	**Associates Before Merger**	**Associates After Merger**
7.	FSCB, 1/1/2009	$ 21,643,135	$ 16,049,870	$ 37,693,005
8.	Portion applied to 2009 MRC	20,538,553	0	20,538,553
9.	**Amount remaining**	**$ 1,104,582**	**$ 16,049,870**	**$ 17,154,452**
10.	Interest	238,148	3,272,568	3,510,716
	Interest rate	21.56%	20.39%	20.39%[1]
11.	N/A	N/A	N/A	N/A
12.	Reduction due to elections	0	0	0
13.	**FSCB, 1/1/2010**	**$ 1,342,730**	**$ 19,322,438**	**$ 20,665,168**
7.	PB, 1/1/2009	$ 0	$ 0	$ 0
8.	Portion applied to 2009 MRC	0	0	0
9.	**Amount remaining**	**$ 0**	**$ 0**	**$ 0**
10.	Interest	$ 0	$ 0	$ 0
	Interest rate	21.56%	20.39%	20.39%
11a.	Excess contributions	$ 177,376,895	$ 0	$ 177,376,895
11b.	Interest on 11a	$ 14,385.266	$ 0	$ 14,385.266
	Interest rate	8.11%	8.28%	8.11%
11c.	Available to add to PB	$ 191,762,161	$ 0	$ 191,762,161
11d.	Portion added to PB	$ 191,762,161	$ 0	$ 191,762,161
12.	Reduction due to elections	0	0	0
13.	**PB, 1/1/2010**	**$ 191,762,161**	**$ 0**	**$ 191,762,161**

[1] The NY/NE Plan portion of the January 1, 2009 balance is rolled forward at 21.56%.

Schedule SB, line 22—Description of Weighted Average Retirement Age

The average retirement age shown in line 22 has been calculated by assuming the following retirement rates and no decrements other than retirement for this calculation. All retirements are assumed to occur at mid-year, except for the 100% retirement age.

Probability of Retirement

(a) Age	(b) Rate	(c) Weight	(d) Product (a) x (b) x (c)
45.5	1.50%	1.0000	0.68
46.5	1.50%	0.9850	0.69
47.5	1.50%	0.9702	0.69
48.5	1.50%	0.9557	0.69
49.5	1.50%	0.9413	0.70
50.5	1.90%	0.9272	0.89
51.5	2.30%	0.9096	1.08
52.5	2.70%	0.8887	1.26
53.5	3.10%	0.8647	1.43
54.5	3.50%	0.8379	1.60
55.5	3.90%	0.8085	1.75
56.5	4.30%	0.7770	1.89
57.5	4.70%	0.7436	2.01
58.5	5.10%	0.7087	2.11
59.5	5.50%	0.6725	2.20
60.5	5.90%	0.6355	2.27
61.5	6.30%	0.5980	2.32
62.5	25.00%	0.5603	8.76
63.5	25.00%	0.4203	6.67
64.5	15.00%	0.3152	3.05
65.5	66.67%	0.2679	11.70
66.5	33.33%	0.0892	1.98
67.5	20.00%	0.0595	0.80
68.5	20.00%	0.0476	0.65
69.5	20.00%	0.0381	0.53
70.0	100.00%	0.0305	2.14
		Weighted Average	60.54

Schedule SB, Part V—Statement of Actuarial Assumptions/Methods

Mortality	
Healthy and Disabled Lives	2010 Static Mortality Table for Annuitants and Non-Annuitants for Section 1.430(h)(3)-1(e).
Lump Sum Conversions	Mortality basis in IRS Revenue Ruling 2001-62.
Withdrawal	See Table A.
Disability	See Table B.
Retirement	
Active	See Table C.
Terminated Vested	Age 65.
Interest Rates	Based on the 24-month segment rates with a four-month lookback (as of September 2009).
1st Segment Rate	5.03%.
2nd Segment Rate	6.73%.
3rd Segment Rate	6.82%.
Lump Sum Conversions	5.00%.
Future Compensation Increases	5.00% per year for ages less than 40, and 3.50% per year for ages 40 and over.
Valuation of Plan Assets	Smoothed fair market value of assets over the current and prior two years, adjusted for contributions, benefit payments, administrative expenses, expected earnings, and asset transfers. The average value of assets calculated in this manner is further limited to not less than 90% nor more than 110% of fair market value. A characteristic of this method is that the expected distribution of the value of plan assets is skewed toward understatement relative to the corresponding market values for expected long-term rates of return in excess of the third segment rate under Section 430(h)(2)(C)(iii).
Benefit and Compensation Limits	Projected benefits and compensation are limited by the current IRC Section 415 maximum benefit of $195,000 and the Section 401(a)(17) compensation limit of $245,000.

Optional Payment Form Election Percentage	95% elect lump sum payment.
Death Benefit	It is assumed that 100% of males and 100% of females have an eligible beneficiary, and that males are three years older than their beneficiaries.
Target Normal Cost Expense Load	$3,660,000. Prior year's actual trust expenses reduced by investment-related expenses and the prior year's PBGC premium and increased by the current year's expected PBGC premium rounded to the nearest ten thousand.
Expected Return on Assets	
2008 Plan Year	6.43%.
2009 Plan Year	6.69%.
Actuarial Method	Unit Credit Cost method.
Valuation Date	January 1, 2010.

Table A
Probability of Withdrawal

Age	Probability
< 21	.2000
21	.1700
22	.1400
23	.1200
24	.1100
25	.1000
26	.0900
27	.0800
28	.0700
29-31	.0600
32-34	.0500
35-38	.0400
39-64	.0300
65+	.0000

Table B
Probability of Disability

Age	Male	Female	Age	Male	Female
< 25	.00080	.00100			
25	.00089	.00116	45	.00356	.00463
26	.00089	.00116	46	.00356	.00463
27	.00089	.00116	47	.00356	.00463
28	.00089	.00116	48	.00356	.00463
29	.00089	.00116	49	.00356	.00463
30	.00105	.00155	50	.00662	.00729
31	.00105	.00155	51	.00662	.00729
32	.00105	.00155	52	.00662	.00729
33	.00105	.00155	53	.00662	.00729
34	.00105	.00155	54	.00662	.00729
35	.00137	.00232	55	.01187	.01068
36	.00137	.00232	56	.01187	.01068
37	.00137	.00232	57	.01187	.01068
38	.00137	.00232	58	.01187	.01068
39	.00137	.00232	59	.01187	.01068
40	.00202	.00305	60	.01671	.01253
41	.00202	.00305	61	.01671	.01253
42	.00202	.00305	62	.01671	.01253
43	.00202	.00305	63	.01671	.01253
44	.00202	.00305	64	.01671	.01253

Table C
Probability of Retirement

Age	Probability
45-49	.015
50	.019
51	.023
52	.027
53	.031
54	.035
55	.039
56	.043
57	.047
58	.051
59	.055
60	.059
61	.063
62	.250
63	.250
64	.150
65	.667
66	.333
67	.200
68	.200
69	.200
70	1.000

Schedule SB, Part V—Summary of Plan Provisions

Effective Date	September 1, 1929. Restated April 1, 2001 with amendments through December 31, 2010.
2010 Spinoff	Effective July 1, 2010, the assets and liabilities of the associates transferred to Frontier Communications Corporation were spunoff from this Pension Plan.
2010 Mergers	Effective November 9, 2010, the Verizon Pension Plan for New York and New England Associates was merged into the GTE California Incorporated Plan for Hourly-Paid Employees' Pensions and the merged plan was renamed the Verizon Pension Plan for Associates. There were no changes to the benefit provisions.
Participation	Date of hire for all regular, hourly-paid employees.
Normal Retirement	
Eligibility	The later of age 65 or the fifth anniversary of the date of hire.
Amount	The benefit determined under (1) or (2), whichever is applicable.

(1) For employees who are not former Contel employees, the greater of (a) or (b):

(a) 1.35% of Average Annual Compensation times Accredited Service.

(b) Minimum benefit shown in Table A based on years of Accredited Service and the hourly plan applicable to the employee.

(2) For former Contel employees, the greater of (a) or (b):

(a) The benefit calculated under the Contel pension plan as of the date of transfer to the GTE hourly plan.

Plus

The benefit equal to 1.35% of Average Annual Compensation times Accredited Service measured from the date of transfer to the GTE hourly plan (subject to the minimum benefit from Table A based on service from the date of transfer to the GTE hourly plan).

(b) The benefit described in (1) above (including the minimum), using Accredited Service under the Contel pension plan plus Accredited Service under the GTE hourly pension plan.

The pension determined under (1) or (2) above is offset by the annual amount payable from any other pension plan to which the company (or any other member of the controlled group) has contributed, but only to the extent that the benefit is attributable to employer contributions.

Early Retirement

Eligibility

Employees are eligible for early retirement after attaining:

(1) At least 15 years of Accredited Service and age plus Accredited Service (both unrounded) equal to or greater than 76 (Rule of 76), or

(2) At least 30 years of Accredited Service (regardless of age).

Amount

The benefit is computed in the same manner as the normal retirement benefit, but based on Average Annual Compensation and Accredited Service at termination of employment.

(1) For employees who are not former Contel employees, the pay-related benefit is reduced 3% for each year retirement precedes age 55, up to a maximum reduction of 18%. There is no reduction if the participant has 30 years of Accredited Service.

Early retirement reductions, if applicable, are applied to the pay-related formula prior to comparing to the minimum benefit shown in Table A.

(2) For former Contel employees, the benefit accrued under the Contel formula is reduced 4% for each year retirement precedes age 60. The benefit accrued under the GTE formula is reduced as described in (1) above.

Deferred Vested Retirement

Eligibility

Five years of Vesting Service.

Amount

The benefit is computed in the same manner as the normal retirement benefit, but based on Average Annual Compensation and Accredited Service at termination of employment.

	The minimum benefit for a deferred vested participant is equal to the applicable benefit from Table A based on Accredited Service projected to normal retirement then multiplied by the ratio of Vesting Service at termination of employment to projected Vesting Service at normal retirement. There is no minimum benefit for a deferred vested participant with less than 15 years of projected Accredited Service. Participants with at least 15 years of Accredited Service at termination of employment may commence an actuarially reduced benefit as early as the date the Rule of 76 is met. Participants with at least ten years of Accredited Service at termination of employment may commence an actuarially reduced benefit as early as age 55.
Disability Retirement	
Eligibility	15 years of Accredited Service and total and permanent disability.
Amount	The benefit is computed in the same manner as the normal retirement benefit, but based on Average Annual Compensation and Accredited Service at disability. There is no reduction for benefit commencement prior to normal retirement.
Preretirement Survivor's Benefit	
Eligibility	Five years of Vesting Service.
Amount	The benefit that would have been payable had the participant been eligible for a service pension and terminated employment on the date of death, elected the 65% joint and survivor annuity and then died. There is no reduction for early commencement if the participant died while an active employee. Otherwise, the benefit is reduced under the provisions of the deferred vested retirement benefit.
Forms of Payment	
Normal Form	If married: A reduced benefit in the form of a 50% joint and survivor annuity with the spouse as contingent annuitant. If single: A life annuity.

Optional Forms	— Single life annuity. — 100% joint and survivor annuity. — 75% joint and survivor annuity. — 66-2/3% joint and survivor annuity. — 50% joint and survivor annuity. — 33-1/3% joint and survivor annuity. — 5-year certain and life. — Lump sum distribution.
Definitions	
Monthly Compensation	Monthly base rate of pay. Monthly Compensation excludes overtime, differentials, premiums, and other similar types of payment, but includes bonuses and commissions on account of sales and team-oriented short-term incentives as specified by the employee benefits committee.
Average Annual Compensation	Monthly Compensation during the highest 60 consecutive months divided by five. If less than 60 months of Monthly Compensation, the average is based on the number of months available.
Accredited Service	One year for each calendar year the employee is credited with 2,080 hours. If the employee is credited with less than 2,080 hours during a calendar year, Accredited Service for the year is equal to the number of hours credited during the year divided by 2,080. For employees with in-service distributions, Accredited Service begins on the later of January 1, 2000 or the distribution election date.
Vesting Service	One year for each calendar year the employee is credited with 1,000 hours. If the employee is credited with less than 1,000 hours during a calendar year, Vesting Service for the year is equal to the number of hours credited during the year divided by 2,080.
Special Benefit Provisions	
Retention Bonus	
Eligibility	Designated *f*GTE participants who remained employed throughout the Retention Bonus Period (April 1, 1999 through September 30, 2000)
Benefit Amount	An additional lump sum equal to 2% of the total monthly compensation for the 12-month period ending on the date the participant separates from service times the number of full calendar months (up to 18) worked during the Retention Bonus Period.

In-Service Distribution	Active participants age 55 or older who satisfied the Rule of 76 (76 age/service points with 15 years service) on January 1, 2000 are eligible to elect an in-service distribution. The pension payable at subsequent retirement will be based on service after the election date.

Table A
Hourly Plan Minimum Benefits In Effect on December 31, 2006

Years of Accredited Service	Minimum Pension Schedule
15–19	$ 5,200
20–24	$ 6,600
25–29	$ 8,200
30–34	$ 9,800
35–39	$11,300
40+	$12,900

The actuarial valuation was conducted on an ongoing (not termination) basis using personnel data furnished as of January 1, 2010 by Verizon Communications Inc. Asset information and the dates and amounts of contributions are based on information supplied by Verizon Communications Inc.

Changes in Plan Provisions Since the Prior Year

- The plan was amended to spin-off the assets and liabilities of the associates transferred to Frontier Communications Corporation on July 1, 2010. The spin-off was considered de minimis, so no adjustments were made to funding balances or target normal cost.
- The Verizon Pension Plan for New York and New England Associates merged into this plan on November 9, 2010.

Explanation of Adjustments Made to Schedule SB Due to Unusual Circumstances

Schedule SB, line 6—Target Normal Cost
The Target Normal Cost was adjusted as follows for the merger:

1.	Target Normal Cost, 1/1/2010	$ 42,202,331
2.	Target Normal Cost, Transferred from NY/NE Plan	21,933,172
3.	Net Target Normal Cost for Plan Year	$ 64,135,503

Schedule SB, line 14—Funding Target Attainment Percentage
The percentage shown for the Associates Plan is as of the beginning of the year before reflecting the mergers.

January 1, 2010

1. Funding Target	$ 814,894,242
2. Value of Plan Assets	$ 2,474,112,503
3. Funding Standard Carryover Balance	$ 19,322,438
4. Prefunding Balance	$ 0
5. FTAP, [(2) – (3) – (4)] / (1)	301.24%

Potential Difference Between Electronic SB and Signed SB
Due to software limitations with the electronic filing process, information filed electronically cannot be controlled by the Enrolled Actuary. The values on the signed Schedule SB will govern to the extent there are any differences in the entries filed electronically and the actual data contained on the signed Schedule SB.

Schedule SB, line 25—Change in Funding Method

The funding valuation reflects the following method change:

- A change in the interest rate basis from the full yield curve with a two-month lookback to segment rates with a four-month lookback (as of September 2009). This change had automatic approval under final regulations, Notice 2009-22, or other IRS guidance.

Schedule SB, Line 26—Schedule of Active Participant Data
As of January 1, 2010

Verizon Pension Plan for Associates (formerly California Hourly Plan)
All Actives

EIN: 95-0510200 PN: 001

Number of Participants and Average Compensation

Attained Age	Years of Credited Service									
	<1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+
<25	5	132 $40,907	11							
25-29	19	370 $50,640	112 $51,333	16						
30-34	6	361 $57,038	167 $56,730	128 $60,060	1					
35-39	6	278 $58,163	133 $57,449	202 $59,418	61 $57,203	5				
40-44	5	193 $57,405	92 $55,703	135 $59,273	66 $56,037	60 $58,478	5			
45-49	4	130 $56,681	79 $52,050	115 $60,812	50 $57,509	82 $57,994	181 $59,023	68 $61,708		
50-54	2	115 $57,920	58 $55,667	79 $60,721	33 $59,160	80 $58,041	256 $61,258	549 $63,131	21 $66,729	
55-59	2	71 $55,412	30 $49,021	58 $60,787	31 $54,107	55 $59,578	126 $61,095	375 $64,401	122 $63,800	10
60-64		25 $54,231	14	31 $59,614	9	15	31 $63,772	101 $63,719	28 $65,581	69 $67,052
65-69		4	5	95 $65,865	4	2	4	4		4
70+		1		16		1				

N-5814

Schedule SB, line 32–Schedule of Amortization Bases

Type of Base	Present Value of Installment	Date Established	Remaining Years	Amortization Amount
Shortfall	$ 754,341,219	January 1, 2010	7	$ 126,949,625

Shortfall Amortization Installment—Split Due to Merger

	NY/NE Plan Before Merger	NY/NE Short Plan Year 1/1/2010–11/9/2010	Transferred to Associates Plan 11/10/2010–12/31/2010
Target Normal Cost	$ 153,916,993	$ 131,983,821	$ 21,933,172
Shortfall Amortization Charge	126,949,625	108,859,303	18,090,322
Credit for Excess Assets	0	0	0
Minimum Required Contribution	**$ 280,866,618**	**$ 240,843,124**	**$ 40,023,494**
Outstanding Balance of Shortfall Amortization Base	$ 754,341,219	$ 0	$ 754,341,219

SCHEDULE SB (Form 5500)	Single-Employer Defined Benefit Plan Actuarial Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ **File as an attachment to Form 5500 or 5500-SF.**	**2010** **This Form is Open to Public Inspection**

For calendar plan year 2010 or fiscal plan year beginning 01/01/2010 and ending 12/31/2010

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of $1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan: Verizon Pension Plan for Associates

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF: Verizon California Inc.

D Employer Identification Number (EIN): 95-0510200

E Type of plan: [X] Single [ ] Multiple-A [ ] Multiple-B

F Prior year plan size: [ ] 100 or fewer [ ] 101-500 [X] More than 500

Part I Basic Information

1 Enter the valuation date: Month 1 Day 1 Year 2010

2 Assets:			
a Market value	2a		2,320,029,080
b Actuarial value	2b		2,474,112,503
3 Funding target/participant count breakdown		(1) Number of participants	(2) Funding Target
a For retired participants and beneficiaries receiving payment	3a	3,057	228,030,044
b For terminated vested participants	3b	2,301	87,829,779
c For active participants:			
(1) Non-vested benefits	3c(1)		83,431,524
(2) Vested benefits	3c(2)		415,602,895
(3) Total active	3c(3)	5,814	499,034,419
d Total	3d	11,172	814,894,242
4 If the plan is at-risk, check the box and complete items (a) and (b) [ ]			
a Funding target disregarding prescribed at-risk assumptions	4a		
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been at-risk for fewer than five consecutive years and disregarding loading factor	4b		
5 Effective interest rate	5		6.55 %
6 Target normal cost	6		64,135,503

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE Thomas M Jarrett TMJ — Signature of actuary — Date: 09/02/2011

Thomas M. Jarrett — Type or print name of actuary — Most recent enrollment number: 11-03455

Hewitt Associates LLC — Firm name — Telephone number (including area code): (847)295-5000

100 Half Day Road
Lincolnshire IL 60069-3342
Address of the firm

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions [ ]

Part II Beginning of year carryover and prefunding balances

		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (Item 13 from prior year)	37,693,005	0
8	Portion used to offset prior year's funding requirement (Item 35 from prior year)	20,538,553	0
9	Amount remaining (Item 7 minus item 8)	17,154,452	0
10	Interest on item 9 using prior year's actual return of 20.39 %	3,510,716	
11	Prior year's excess contributions to be added to prefunding balance:		
a	Excess contributions (Item 38 from prior year)		177,376,895
b	Interest on (a) using prior year's effective rate of 8.11 %		14,385,266
c	Total available at beginning of current plan year to add to prefunding balance		191,762,161
d	Portion of (c) to be added to prefunding balance		191,762,161
12	Reduction in balances due to elections or deemed elections	0	0
13	Balance at beginning of current year (item 9 + item 10 + item 11d - item 12)	20,665,168	191,762,161

Part III Funding percentages

14	Funding target attainment percentage	14	301.24 %
15	Adjusted funding target attainment percentage	15	303.61 %
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	309.01 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and liquidity shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
			Totals ► 18(b)	0	18(c) 0

19 Discounted employer contributions - see instructions for small plan with a valuation date after the beginning of the year:

a	Contributions allocated toward unpaid minimum required contribution from prior years.	19a	0
b	Contributions made to avoid restrictions adjusted to valuation date	19b	0
c	Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	0

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? ☐ Yes ☒ No

b If 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☐ Yes ☐ No

c If 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of Quarter of this plan year

(1) 1st	(2) 2nd	(3) 3rd	(4) 4th

Discount rate:

Segment rates:	1st segment: 5.03 %	2nd segment: 6.73 %	3rd segment: 6.82 %	☐ N/A, full yield curve used

Applicable month (enter code)	4
Weighted average retirement age	61

Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute

Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.	☐ Yes	☒ No
Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	☒ Yes	☐ No
Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.	☒ Yes	☐ No
If the plan is eligible for (and is using) alternative funding rules, enter applicable code and see instructions regarding attachment		

Unpaid minimum required contribution for all prior years	0
Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (item 19a)	0
Remaining amount of unpaid minimum required contributions (item 28 minus item 29)	0

Target normal cost, adjusted, if applicable (see instructions)		21,933,172
Amortization installments:	Outstanding Balance	Installment
Net shortfall amortization installment	754,341,219	18,090,322
Waiver amortization installment	0	0
If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount		
Total funding requirement before reflecting carryover/prefunding balances (item 31 + item 32a + item 32b - item 33)		40,023,494

	Carryover balance	Prefunding balance	Total balance
Balances used to offset funding requirement	20,665,168	19,358,326	40,023,494

Additional cash requirement (item 34 minus item 35)	0
Contributions allocated toward minimum required contribution for current year adjusted to valuation date (Item 19c)	0
Interest-adjusted excess contributions for current year (see instructions)	0
Unpaid minimum required contribution for current year (excess, if any, of item 36 over item 37)	0
Unpaid minimum required contribution for all years	0

Attachment to 2010 Form 5500
Schedule R, line 18 - Funded Percentage of Plans Contributing to the Liabilities of Plan Participants

Plan Name Verizon Pension Plan for Associates **EIN:** 95-0510200
Plan Sponsor's Name Verizon California Inc. **PN:** 001

Plan Name	EIN	PN	Funded Percentage
GTE California Inc. Plan for Hourly-Paid			
Employees'Pensions	95-0510200	001	306.9%
Verizon Pension Plan for New York and			
New England Associates	23-2259884	012	102.5%
GTE Florida Inc. Plan for Hourly-Paid			
Employees' Pensions	59-0397520	001	170.2%
GTE Southwest Inc. Plan for Hourly-Paid			
Employees' Pensions	75-0573444	012	247.7%