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), 6057(b), and 6058(a) of the Internal Revenue Code (the Code). ▶ **Complete all entries in accordance with the instructions to the Form 5500.**	**2013** **This Form is Open to Public Inspection**

Part I Annual Report Identification Information

For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

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;
- [ ] special extension (enter description)

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; include room or suite number (employer, if for a single-employer plan)

VERIZON CALIFORNIA INC

ONE VERIZON WAY, MAILCODE VC34E249
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.	10/09/2014	KEVIN CAMMARATA
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/09/2014	KEVIN CAMMARATA
	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

Preparer's name (including firm name, if applicable) and address; include room or suite number. (optional)	Preparer's telephone number (optional)

3a Plan administrator's name and address ☐ Same as Plan Sponsor Name ☐ Same as Plan Sponsor Address

CHAIRPERSON OF THE VEBC VERIZON COMMUNICATIONS INC

ONE VERIZON WAY, MAILCODE VC34E249
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:

a Sponsor's name

4b EIN

4c PN

5	Total number of participants at the beginning of the plan year	**5**	95140
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**	25702
b	Retired or separated participants receiving benefits	**6b**	47638
c	Other retired or separated participants entitled to future benefits	**6c**	12049
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	85389
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	5869
f	Total. Add lines **6d** and **6e**	**6f**	91258
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**	64
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 Characteristics Codes in the instructions:
1A 3H

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

9a Plan funding arrangement (check all that apply)

- (1) ☐ Insurance
- (2) ☐ Code section 412(e)(3) insurance contracts
- (3) ☒ Trust
- (4) ☐ General assets of the sponsor

9b Plan benefit arrangement (check all that apply)

- (1) ☐ Insurance
- (2) ☐ Code section 412(e)(3) insurance contracts
- (3) ☒ Trust
- (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

- (1) ☒ **R** (Retirement Plan Information)
- (2) ☐ **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- (3) ☒ **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

- (1) ☒ **H** (Financial Information)
- (2) ☐ **I** (Financial Information – Small Plan)
- (3) ☐ ___ **A** (Insurance Information)
- (4) ☒ **C** (Service Provider Information)
- (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.**	**2013** **This Form is Open to Public Inspection**

For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

▶ **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 _____ Day _____ Year _____

2 Assets:			
a Market value	2a		8926334291
b Actuarial value	2b		8838229517
3 Funding target/participant count breakdown:		**(1)** Number of participants	**(2)** Funding Target
a For retired participants and beneficiaries receiving payment	3a	55078	5346386592
b For terminated vested participants	3b	13135	449350907
c For active participants:			
(1) Non-vested benefits	3c(1)		403827418
(2) Vested benefits	3c(2)		2750656616
(3) Total active	3c(3)	26927	3154484034
d Total	3d	95140	8950221533
4 If the plan is in at-risk status, check the box and complete lines (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 in at-risk status for fewer than five consecutive years and disregarding loading factor	4b		
5 Effective interest rate	5		6.66 %
6 Target normal cost	6		178701173

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	09/05/2014 Date
DANIEL F. MCFALL Type or print name of actuary	14-04341 Most recent enrollment number
HEWITT ASSOCIATES LLC Firm name	847-295-5000 Telephone number (including area code)
4 OVERLOOK POINT LINCOLNSHIRE, IL 60069 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 (line 13 from prior year)	0	100256608
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9	Amount remaining (line 7 minus line 8)	0	100256608
10	Interest on line 9 using prior year's actual return of 10.13 %		10155994
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38a from prior year)		0
	b Interest on (a) using prior year's effective interest rate of 7.01 % except as otherwise provided (see instructions)		
	c Total available at beginning of current plan year to add to prefunding balance		0
	d Portion of (c) to be added to prefunding balance		0
12	Other reductions in balances due to elections or deemed elections	0	0
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	110412602

Part III Funding Percentages

14	Funding target attainment percentage	14	97.51 %
15	Adjusted funding target attainment percentage	15	97.51 %
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	105.91 %
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
04/01/2014	177571000				
04/11/2014	68801000				
07/11/2014	68930000				
			Totals ► 18(b)	315302000	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 contributions 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	289714720

20 Quarterly contributions and liquidity shortfalls:

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

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

c If line 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
5.23%	6.51%	7.16 %	☐

b Applicable month (enter code)	21b	4
22 Weighted average retirement age	22	58

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 subject to 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 contributions for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)	29	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):

a Target normal cost (line 6)	31a	178701173
b Excess assets, if applicable, but not greater than line 31a	31b	0

32 Amortization installments:

	Outstanding Balance	Installment
a Net shortfall amortization installment	222404618	37431938
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 (lines 31a - 31b + 32a + 32b - 33)	34	216133111

	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	0	110412602	110412602

36 Additional cash requirement (line 34 minus line 35)	36	105720509
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	289714720

38 Present value of excess contributions for current year (see instructions)

a Total (excess, if any, of line 37 over line 36)	38a	183994211
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	110412602
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0
40 Unpaid minimum required contributions for all years	40	0

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

41 If an election was made to use PRA 2010 funding relief for this plan:

a Schedule elected ☐ 2 plus 7 years ☐ 15 years

b Eligible plan year(s) for which the election in line 41a was made ☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

42 Amount of acceleration adjustment	42	
43 Excess installment acceleration amount to be carried over to future plan years	43	

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).	2013
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 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

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)

XEROX CORPORATION

16-0468020

(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?
36 49 50 64	NONE	5187584	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(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 16 49 50 64	NONE	3250772	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

WELLS FARGO

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?
13 50	NONE	916878	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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)

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?
13 50	EMPLOYER	420922	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

CURCIO WEBB LLC

36-4171366

(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?
16 50	NONE	278049	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?
49 50	NONE	158778	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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)

WELLS FARGO BANK N.A.

94-1347393

(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?
13 50	NONE	77965	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 50	NONE	44311	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

MITCHELL & TITUS, LLP

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 50	NONE	30120	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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)

METROPOLITAN LIFE INSURANCE

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?
12 50	NONE	12935	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

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

(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?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

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

(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?
			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

(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

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.**	**2013** **This Form is Open to Public Inspection.**

For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

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	8802850779

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.**	**2013** **This Form is Open to Public Inspection**

For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

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)		315302000
(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)	8926334291	8802850779
(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	8926334291	9118152779
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	8926334291	9118152779

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)	315302000	
(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)		315302000
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
(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

		(a) Amount	(b) Total
(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)		955448193
(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		1270750193

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	1054413910	
(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)		1054413910
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)	6074049	
(2) Contract administrator fees	2i(2)	0	
(3) Investment advisory and management fees	2i(3)	0	
(4) Other	2i(4)	18058658	
(5) Total administrative expenses. Add lines **2i(1)** through **(4)**	2i(5)		24132707
j Total expenses. Add all **expense** amounts in column (b) and enter total	2j		1078546617

Net Income and Reconciliation

k Net income (loss). Subtract line **2j** from line **2d**	2k		192203576
l Transfers of assets:			
(1) To this plan	2l(1)		
(2) From this plan	2l(2)		385088

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 LLP **(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 lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 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	

			Yes	No	Amount
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 PENSION PLAN FOR MID-ATLANTIC AND SOUTH ASSOCIATES	23-2259884	002
GTE FLORIDA INCORPORATED PLAN FOR HOURLY-PAID EMPLOYEES' PENSIONS	59-0397520	001
GTE SOUTHWEST INC. PLAN FOR HOURLY-PAID EMPLOYEES' PENSIONS	75-0573444	001

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (see ERISA section 4021)? ☒ Yes ☐ No ☐ Not determined

Part V Trust Information (optional)

6a Name of trust	**6b** Trust's EIN

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.**	**2013** **This Form is Open to Public Inspection.**

For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

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** 1390

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 (include any prior year accumulated funding deficiency not waived) **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 or other authority 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. 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 lines 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 lines 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 lines 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 lines 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 lines 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 line 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 lines (a) through (c)

a Enter the percentage of plan assets held as:
Stock: 13% Investment-Grade Debt: 20% High-Yield Debt: 4% Real Estate: 11% Other: 52%

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 line 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, 2013 and 2012 and for the years then ended
With Report of Independent Auditors

VERIZON CORPORATE SERVICES
GROUP INC. ET AL PENSION PLANS

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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.

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Report of Independent Auditors

To the Verizon Employee Benefits Committee:

Report on the Financial Statements

We were engaged to audit the accompanying financial statements 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, which comprise the statements of net assets available for benefits as of December 31, 2013 and 2012, and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in conformity with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free of material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audits in accordance with auditing standards generally accepted in the United States. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

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 certified investment information described in Note 1, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the entity that certified the investment information meets the requirements of 29 CFR 2520.103-8. The plan administrator has obtained certifications as of December 31, 2013 and 2012, and for the years then ended, stating that the investment information provided to the plan administrator is complete and accurate.

Mitchell & Titus

Disclaimer of Opinion on Financial Statements

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Report on Compliance of Form and Content with Department of Labor's Rules and Regulations

The form and content of the information included in the financial statements, other than that derived from the certified investment information, 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 8, 2014

Statements of Net Assets Available for Benefits
As of December 31, 2013 and 2012

	2013	2012
Assets		
Plan's interest in Master Trust	$ 3,294,907,656	$ 4,085,155,502
Employer contribution receivable	770,000,000	-
Successor trustee receivable	-	64,508,803
Net assets held in 401(h) account	-	1,444,425
Total assets	4,064,907,656	4,151,108,730
Liabilities		
Amount related to 401(h) account	-	(1,444,425)
Transfer to successor trustee payable	-	(314,598,228)
Total liabilities	-	(316,042,653)
Total net assets available for benefits	**$ 4,064,907,656**	$ 3,835,066,077
Plan's percentage interest in Master Trust	21.6%	22.2%

Statements of Changes in Net Assets Available for Benefits
For the Years Ended December 31, 2013 and 2012

	2013	2012
Net assets available for benefits at beginning of year	$ 3,835,066,077	$ 11,149,216,437
Company contributions	770,000,000	1,700,814,860
Pension benefit payments	(887,386,606)	(1,589,809,897)
Administrative expenses	(26,280,165)	(35,598,607)
Transfer to other plans sponsored by Verizon, net	(1,431,352)	(13,755,211)
Transfers to successor trustee	(529,925)	(8,332,946,284)
Allocable share of Master Trust investment activities	375,469,627	957,144,779
Net assets available for benefits at end of year	**$ 4,064,907,656**	$ 3,835,066,077

The accompanying notes are an integral part of these financial statements.

Statements of Net Assets Available for Benefits
As of December 31, 2013 and 2012

	2013	2012
Assets		
Plan's interest in Master Trust	$ 3,813,574,578	$ 3,910,537,063
Employer contribution receivable	283,047,000	-
Total assets	4,096,621,578	3,910,537,063
Total net assets available for benefits	**$ 4,096,621,578**	$ 3,910,537,063
Plan's percentage interest in Master Trust	21.8%	21.3%

Statements of Changes in Net Assets Available for Benefits
For the Years Ended December 31, 2013 and 2012

	2013	2012
Net assets available for benefits at beginning of year	$ 3,910,537,063	$ 4,030,176,376
Company contributions	283,047,000	23,092
Pension benefit payments	(497,461,566)	(489,476,365)
Administrative expenses	(17,042,039)	(11,431,032)
Transfers from other plans sponsored by Verizon, net	1,567,372	9,963,836
Transfer from successor trustee	-	33,006
Allocable share of Master Trust investment activities	415,973,748	371,248,150
Net assets available for benefits at end of year	**$ 4,096,621,578**	$ 3,910,537,063

The accompanying notes are an integral part of these financial statements.

Statements of Net Assets Available for Benefits
As of December 31, 2013 and 2012

	2013	2012
Assets		
Plan's interest in Master Trust	$ 8,802,850,779	$ 8,926,334,291
Employer contribution receivable	315,302,000	-
Total assets	9,118,152,779	8,926,334,291
Total net assets available for benefits	**$ 9,118,152,779**	$ 8,926,334,291
Plan's percentage interest in Master Trust	48.5%	48.5%

Statements of Changes in Net Assets Available for Benefits
For the Years Ended December 31, 2013 and 2012

	2013	2012
Net assets available for benefits at beginning of year	$ 8,926,334,291	$ 9,199,298,454
Company contributions	315,302,000	95,568
Pension benefit payments	(1,054,413,910)	(1,122,210,615)
Administrative expenses	(24,132,707)	(13,536,907)
Transfers (to) from other plans sponsored by Verizon, net	(385,088)	3,373,063
Transfers to successor trustee	-	(28,895)
Allocable share of Master Trust investment activities	955,448,193	859,343,623
Net assets available for benefits at end of year	**$ 9,118,152,779**	$ 8,926,334,291

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, 2013 and 2012

	2013	2012
Assets		
Plan's interest in Master Trust	$ 440,953,542	$ 470,112,002
Total net assets available for benefits	**$ 440,953,542**	$ 470,112,002
Plan's percentage interest in Master Trust	2.3%	2.6%

Statements of Changes in Net Assets Available for Benefits
For the Years Ended December 31, 2013 and 2012

	2013	2012
Net assets available for benefits at beginning of year	$ 470,112,002	$ 481,673,432
Pension benefit payments	(76,632,673)	(57,036,964)
Administrative expenses	(1,083,674)	(873,711)
Transfers from other plans sponsored by Verizon, net	119,960	427,949
Allocable share of Master Trust investment activities	48,437,927	45,921,296
Net assets available for benefits at end of year	**$ 440,953,542**	$ 470,112,002

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, 2013 and 2012

	2013	2012
Assets		
Plan's interest in Master Trust	$ 702,684,497	$ 656,432,008
Total net assets available for benefits	**$ 702,684,497**	$ 656,432,008
Plan's percentage interest in Master Trust	3.7%	3.5%

Statements of Changes in Net Assets Available for Benefits
For the Years Ended December 31, 2013 and 2012

	2013	2012
Net assets available for benefits at beginning of year	$ 656,432,008	$ 639,763,490
Pension benefit payments	(27,190,953)	(44,227,346)
Administrative expenses	(766,923)	(696,482)
Transfers from/(to) other plans sponsored by Verizon, net	129,108	(9,415)
Allocable share of Master Trust investment activities	74,081,257	61,601,761
Net assets available for benefits at end of year	**$ 702,684,497**	$ 656,432,008

The accompanying notes are an integral part of these financial statements.

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.

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.

Generally, 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, typically 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.

Between October 28, 2012 and August 1, 2014, the Plan sponsors approved plan amendments affecting the Mid-Atlantic Plan, the VMPP, the VPPA, the Southwest Plan and the Florida Plan, whereby certain new employees hired on or after the effective date of the applicable amendment are not eligible to participate and earn pension benefits under the Plans. Additionally, certain plans were amended which froze the average annual compensation (AAC) used in the various plan formulas.

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 Employee Retirement Income Security Act of 1974 ("ERISA") minimum funding requirements. The Plans have met the ERISA minimum funding requirements for the years ended December 31, 2013 and 2012.

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.

1. Description of the Plans *(continued)*

Pension Annuitization

On October 17, 2012, Verizon entered into a definitive purchase agreement with The Prudential Insurance Company of America and Prudential Financial, Inc. (collectively "Prudential"), pursuant to which the VMPP could purchase a single premium group annuity contract from Prudential.

On December 10, 2012, upon issuance of the group annuity contract by Prudential, Prudential irrevocably assumed the obligation to make future annuity payments to approximately 41,000 Verizon management retirees who began receiving pension payments from the VMPP prior to January 1, 2010. The amount of each retiree's annuity payment equals the amount of such individual's pension benefit. In addition, the group annuity contract replicates the same rights to future payments, such as survivor benefits, that the retiree was receiving from VMPP. The net assets transferred to Prudential of approximately $8.4 billion are reflected in the Statement of Changes in Net Assets Available for Benefits under "Transfers (to)/from successor trustee," net of other adjustments for the period.

Verizon contributed approximately $1.7 billion to the VMPP between October 1, 2012 and December 31, 2012 in connection with the transaction.

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 disclosed in the financial statements.

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.

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, 2013 and 2012 and the Plans' allocable share of the Master Trust investment activities for the years ended December 31, 2013 and 2012, was obtained or derived from information supplied to the Plan administrator and certified as complete and accurate by the Trustee.

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 certain 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 ("U.S. GAAP") requires the Plans' administrator to make significant estimates and assumptions that affect the reported amounts of assets and liabilities and related disclosures at the date of the financial statements, and income and expenses during the reporting period. Actual results may 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. Administrative expenses related to the Master Trust are allocated to the Plans and reflected in the Master Trust investment activities.

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 Statements of Net Assets Available for Benefits of the Plans at December 31, 2013 include net assets that were transferred in and out of the plans due to participant transfers during the 2012 plan year. Participant transfers during the 2011 plan year are included in the Statements of Changes in Net Assets Available for Benefits, as applicable, for the year ended December 31, 2012. The actual amount transferred is adjusted with trust earnings to the date of transfer.

Investment Valuation and Income Recognition

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

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

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 8, 2014, the date the financial statements were available to be issued.

Recently Adopted Accounting Standards

On January 1, 2013, the Plans adopted Accounting Standards Update ("ASU") 2011-11, *Disclosures About Offsetting Assets and Liabilities*, and ASU 2013-01, *Clarifying the Scope of Disclosures About Offsetting Assets and Liabilities*. The Plans evaluated the disclosure provisions under ASU 2011-11 and ASU 2013-01 and determined the impact to the Plans' financial statements was not material.

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 collective bargaining obligations.

Upon termination of any plan, distribution of the assets to provide for pension benefits will be made under the terms of an applicable plan and generally 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 who 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 the 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 as set forth in the applicable Plan Document.

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.

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

The actuarial present value of accumulated plan benefit information as of January 1, 2013, and changes in the actuarial present value of accumulated plan benefits for the year ended January 1, 2013, are presented in the following tables (in thousands):

Actuarial Present Value of Accumulated Plan Benefits
As of January 1, 2013

		Vested Benefits					
	Plan	Current Benefits	Deferred Benefits	Other	Total Vested Benefits	Nonvested Benefits	Total
1	VMPP	$ 666,304	$ 1,542,618	$ 3,712,710	$ 5,921,632	$ 581,372	$ 6,503,004
2	Mid-Atlantic	2,324,108	379,242	2,228,291	4,931,641	633,564	5,565,205
3	VPPA	6,401,009	640,255	3,823,704	10,864,968	925,286	11,790,254
4	Florida	97,042	61,648	305,587	464,277	78,356	542,633
5	Southwest	93,116	46,663	193,342	333,121	37,082	370,203

Changes in Actuarial Present Value of Accumulated Plan Benefits
For the Year Ended January 1, 2013

	Plan	Balance January 1, 2012	Interest Accumulation	Benefit Payments	Actuarial Assumptions	Plan Amendments	Prudential Annuity Purchase	Other	Balance January 1, 2013
1	VMPP	$ 12,566,866	$ 582,008	$ (1,589,810)	$ 1,967,688	$ -	$(7,314,071)	$ 290,323	$ 6,503,004
2	Mid-Atlantic	5,056,858	237,864	(489,476)	568,652	14,987	-	176,320	5,565,205
3	VPPA	10,723,346	502,349	(1,122,211)	1,280,960	25,661	-	380,149	11,790,254
4	Florida	443,870	20,535	(57,037)	98,335	-	-	36,930	542,633
5	Southwest	314,164	14,440	(44,227)	63,016	-	-	22,810	370,203

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

The significant actuarial assumptions used in the valuations as of January 1, 2013 and 2012, for the actuarial present value of accumulated plan benefits are as follows:

(A) The 2013 present value was determined using the December 31, 2012 Aon Hewitt Above Median yield curve and the expected payouts for each plan. The level equivalent yield varied by plan with the range between 3.50% and 4.31%. The 2012 present value was based on a discount rate of 4.94% for all plans.

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

(C) The mortality tables used for the January 1, 2013 and 2012 present values are as follows:

- Healthy lives - The RP-2000 Combined Healthy Fully Generational Mortality Table projected 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.

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, or specific to the defined contribution plans.

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.

5. Investment in Master Trust *(continued)*

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 Master 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	5-90 days	None

The investment manager 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 either independent real estate appraisers or the investment manager using discounted cash flows or market comparable data. 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 and current market information and do not necessarily represent amounts which might ultimately be realized. Because of the inherent uncertainty of valuation, 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.

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.

5. Investment in Master Trust *(continued)*

Investment Activities from Master Trust

Historically, the portfolio strategy emphasized a long-term equity orientation, significant global diversification, and the use of both public and private investments. In an effort to reduce the risk of the portfolio strategy and better align assets with liabilities, the strategy is shifting to one that is more liability driven, where cash flows from investments better match projected benefit payments but result in lower asset returns. The intention is to reduce the likelihood that assets will decline at a time when liabilities increase (referred to as liability hedging), with the goal to reduce the risk of underfunding to the plan and its participants and beneficiaries.

Both active and passive management approaches are used depending on perceived market efficiencies and various other factors. The diversification and risk control processes serve to minimize the concentration of risk.

While target allocation percentages will vary over time, the overall investment strategy is to achieve a mix of assets to meet projected benefit payments while taking into consideration risk and return. The initial target allocation for plan assets is designed so that 70% of the assets have the objective of achieving a return in excess of the growth in liabilities (comprised of public equities, private equities, real estate, hedge funds, high yield and emerging debt) and 30% of the assets are invested as liability hedging assets (typically longer duration fixed income). This allocation will shift as funded status improves to a higher allocation to liability hedging assets. Target policies will be revisited periodically to ensure they are in line with fund objectives.

5. Investment in Master Trust *(continued)*

The following table sets forth by level, within the fair value hierarchy, the investments in the defined benefit portion of the Master Trust at fair value as of December 31, 2013 (in thousands):

	Level 1	Level 2	Level 3	Total Fair Value
Investments				
Cash and cash equivalents	$ 873,075	$ 74,861	$ -	$ 947,936
Equity securities:				
U.S. equities	2,016,324	-	3,019	2,019,343
International equities	1,221,454	3,006	454	1,224,914
Fixed income securities:				
U.S. treasuries and agencies	673,197	381,724	9,932	1,064,853
Corporate bonds	158,701	1,808,772	150,334	2,117,807
International bonds	50,876	474,665	-	525,541
Mutual funds	49,171	-	-	49,171
Private placements	-	348,009	-	348,009
Real estate	-	-	1,864,115	1,864,115
Commingled funds:				
U.S. equity securities	-	893,216	-	893,216
International equity securities	-	-	-	-
U.S. fixed income securities	-	221,996	9,580	231,576
Other commingled funds	-	-	30,397	30,397
Other investments:				
Private equity	-	-	4,300,376	4,300,376
Hedge funds	-	1,089,227	693,113	1,782,340
Total investments at fair value	**$ 5,042,798**	**$ 5,295,476**	**$ 7,061,320**	**$ 17,399,594**

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

The total fair value of the Master Trust investments at December 31, 2013 was approximately $17 billion, including approximately $109 million 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 $249 million for the year ended December 31, 2013.

5. Investment in Master Trust *(continued)*

The following table sets forth the changes in the fair value of the Level 3 investments for the year ended December 31, 2013 (in thousands):

	Opening Balance	Transfer Out	Transfer In	Acqusitions	Dispositions	Realized Gain/Loss	Change in Unrealized Gain/Loss	Closing Balance
Investments								
Equity securities:								
U.S. equities	$ 1,230	$ (481)	$ 665	$ 9,471	$ (11,307)	$ 300	$ 3,141	$ 3,019
International equities	-	-	213	5,857	(4,609)	-	(1,007)	454
Fixed income securities:								
U.S. treasuries and agencies	-	-	-	39,859	(30,030)	103	-	9,932
Corporate bonds	181,806	(1,359)	-	203,671	(239,232)	7,446	(1,998)	150,334
Real estate	2,010,158	-	-	217,552	(589,565)	42,333	183,637	1,864,115
Commingled funds:								
U.S. fixed income securities	16,668	-	-	200,000	(207,532)	865	(421)	9,580
Other commingled funds	26,601	(34,432)	5,386	30,000	(1,069)	(1,706)	5,617	30,397
Other investments:								
Private equity	5,084,594	(25,850)	-	751,700	(2,372,088)	575,180	286,840	4,300,376
Hedge funds	563,240	-	-	85,000	(154,721)	72,503	127,091	693,113
Total	**$ 7,884,297**	**$ (62,122)**	**$ 6,264**	**$1,543,110**	**$(3,610,153)**	**$ 697,024**	**$ 602,900**	**$ 7,061,320**

Assets are monitored to assess the appropriate levels assigned within the fair value hierarchy. Changes in economic conditions, such as bankruptcy, default or delisting, may require the transfer of an asset from one fair value level to another. When such transfer occurs, it is recognized as of the end of the reporting period. Transfers from Level 3 to Level 2 for corporate bonds, commingled funds, equity securities and private equity, which are included in the above table for year 2013, were the result of identifying observable prices for the underlying holdings, whereas transfers into Level 3 primarily reflect the absence of observable prices for equity securities and commingled funds.

5. Investment in Master Trust *(continued)*

The following table sets forth by level, within the fair value hierarchy, the investments in the defined benefit portion of the Master Trust at fair value as of December 31, 2012 (in thousands):

	Level 1	Level 2	Level 3	Total
Investments				
Cash and cash equivalents	$ 1,600,833	$ 24,922	$ -	$ 1,625,755
Equity securities				
U.S. equity securities	2,135,926	(1,390)	1,230	2,135,766
International equity securities	355,274	-	-	355,274
Fixed income securities				
U.S. treasuries and agencies	1,124,070	457,608	-	1,581,678
Corporate bonds	32,139	1,920,443	181,806	2,134,388
International bonds	141,143	464,131	-	605,274
Private placements	-	342,628	-	342,628
Real estate	-	-	2,010,158	2,010,158
Commingled funds				
U.S. equity securities	-	216,112	-	216,112
International equity securities	5	236,527	-	236,532
U.S. fixed income securities	2,902	178,290	16,668	197,860
Other commingled funds	-	-	26,601	26,601
Other investments				
Private equity	-	-	5,084,594	5,084,594
Hedge funds	-	1,259,926	563,240	1,823,166
Total investments at fair value	$ 5,392,292	$ 5,099,197	$ 7,884,297	$ 18,375,786

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

The total fair value of the Master Trust investments at December 31, 2012 was approximately $18 billion, including approximately $103 million 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 $391 million for the year ended December 31, 2012.

5. Investment in Master Trust *(continued)*

The following table sets forth the changes in the fair value of the Level 3 investments for the year ended December 31, 2012 (in thousands):

	Opening Balance	Transfer Out	Transfer In	Acquisitions	Dispositions	Realized Gain/(Loss)	Change in Unrealized Gain/(Loss)	Closing Balance
Investments								
Equity securities								
U.S. equity securities	$ 851	$ -	$ 1,144	$ 8,589	$ (9,168)	$ (1,454)	$ 1,268	$ 1,230
Fixed income securities								
Corporate bonds	189,631	(2,047)	13,545	132,807	(165,460)	2,758	10,572	181,806
Real estate	2,144,540	-	-	(39,268)	(186,827)	157,222	(65,509)	2,010,158
Commingled funds								
U.S. fixed income securities	-	-	-	21,186	(5,500)	(79)	1,061	16,668
Other commingled funds	30,120	-	-	16,404	(24,958)	2,216	2,819	26,601
Other investments								
Private equity	6,083,462	-	-	317,013	(1,491,007)	243,697	(68,571)	5,084,594
Hedge funds	665,215	-	-	110,000	(258,474)	59,449	(12,950)	563,240
Total	$ 9,113,819	$ (2,047)	$ 14,689	$ 566,731	$ (2,141,394)	$ 463,809	$ (131,310)	$ 7,884,297

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

At December 31,	**2013**	2012
Total investments at fair value	$ 17,399,594	$ 18,375,786
Receivables	1,583,442	1,700,817
Non-interest bearing cash	47,634	28,005
Payables	(1,604,931)	(1,711,672)
Net assets per Master Trust	**$ 17,425,739**	$ 18,392,936

The following table represents the appreciation (depreciation), including gains and losses on investments bought and sold as well as held during the year, of the Master Trust investments by investment classification (in thousands):

Years Ended December 31,	**2013**	2012
Cash and cash equivalents	$ 1,028	$ 2,553
Equity securities	745,004	632,540
Fixed income securities	(309,996)	263,498
Real Estate	194,024	114,673
Commingled funds	114,411	194,146
Private Equity	915,938	388,057
Other investments	(99,080)	190,016
Total appreciation	**$ 1,561,329**	$ 1,785,483

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 or to address investment managers' views of future market movements. 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 on the Statements of Changes in Net Assets Available for Benefits included in the "Allocable share of Master Trust investment activities" (in thousands):

Years Ended December 31,		**2013**		2012
Forward foreign currency exchange rate contracts	$	(1,043)	$	(675)
Futures		(12,128)		2,038
Options		(366)		7,896
Swaps		3,100		(213)
	$	**(10,437)**	$	9,046

Futures Contracts

The primary risk managed using futures 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 Accounting Standards Codification ("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 Plans, 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.

6. Derivatives *(continued)*

The following table presents open futures contracts held by the Master Trust at December 31, 2013. 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 in the Statements of Net Assets Available for Benefits under "Plan's interest in Master Trust" (dollars in thousands):

Type of Contract	Number of Contracts Buy (Sell)	Expiration	Notional	Fair Value
Cash and Cash Equivalents: Buys	363	Long-term	$ 89,745	$ (293)
Cash and Cash Equivalents: Sells	(22)	Short-term	(5,473)	(9)
Cash and Cash Equivalents: Sells	(399)	Long-term	(98,661)	261
Fixed Income: Buys	6,646	Short-term	904,454	(14,918)
Fixed Income: Buys	122	Long-term	40,132	107
Fixed Income: Sells	(752)	Short-term	(113,460)	911
Equity: Buys	1,069	Short-term	109,184	4,005
Equity: Sells	(1,081)	Short-term	(62,286)	(2,834)
Total			**$ 863,635**	**$ (12,770)**

The following table presents open futures contracts held by the Master Trust at December 31, 2012. 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 in the Statements of Net Assets Available for Benefits under "Plan's interest in Master Trust" (dollars in thousands):

Type of Contract	Number of Contracts Buy (Sell)	Expiration	Notional	Fair Value
Cash and Cash Equivalents: Buys	160	Short-term	$ 39,870	$ 5
Cash and Cash Equivalents: Buys	79	Long-term	19,542	9
Cash and Cash Equivalents: Sells	(22)	Short-term	(5,469)	(6)
Fixed Income: Buys	3,892	Short-term	569,485	(8,033)
Fixed Income: Sells	(502)	Short-term	(133,693)	152
Equity: Buys	2,511	Short-term	173,376	1,573
Equity: Sells	(1,417)	Short-term	(83,594)	28
Total			$ 579,517	$ (6,272)

6. Derivatives *(continued)*

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, or to generate additional income such as from selling covered calls. 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.

The following tables present the cost (premium received or premium paid) and fair value of written and purchased options held by the Master Trust (in thousands):

At December 31,		**2013**		2012
Type of Contract - Written	**Cost (Premium Received)**	**Fair Value**	**Cost (Premium Received)**	**Fair Value**
Derivative Assets				
Cash and cash equivalents	$ (10)	$ (15)	$ (546)	$ (312)
Fixed income	(807)	(1,174)	(6,939)	(1,724)
Equity	(340)	(324)	(608)	(717)
Total	**$ (1,157)**	**$ (1,513)**	$ (8,093)	$ (2,753)

At December 31,		**2013**		2012
Type of Contract - Purchased	**Cost (Premium Paid)**	**Fair Value**	**Cost (Premium Paid)**	**Fair Value**
Derivative Liabilities				
Cash and cash equivalents	$ -	$ -	$ 597	$ 221
Fixed income	24	13	6,250	9,182
Equity	-	-	-	-
Total	**$ 24**	**$ 13**	$ 6,847	$ 9,403

6. Derivatives *(continued)*

Foreign Currency Forward 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. Foreign currency forward contracts are agreements to exchange foreign currencies at a specified future date and 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, or to actively manage currency exposure as one source of alpha (excess return). Risk arises 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 reported in the Statements of Net Assets Available for Benefits under "Plan's interest in Master Trust" (in thousands):

	2013		2012	
	Notional	**Fair Value**	Notional	Fair Value
Derivative Assets: Long US$	**$ 810,412**	**$ 1,265**	$ 925,946	$ (1,137)
Derivative Assets: Short US$	**590,646**	**(2,175)**	509,289	445
Cross Currency (Non-US$)	**102,844**	**(135)**	122,180	17

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 or to address investment managers' views on the likelihood of future credit events. 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.

6. Derivatives *(continued)*

A credit default swap ("CDS") 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. The fair value presented in the table is reported in the Statements of Net Assets Available for Benefits under "Plan's interest in Master Trust" (in thousands):

	2013		2012	
	Notional	**Fair Value**	Notional	Fair Value
Derivative Assets				
Credit default swaps	$ 5,266	$ 351	$ 16,151	$ (372)
Total return swaps	-	(101,268)	50,320	47,150
Derivative Liabilities				
Credit default swaps	205,486	3,877	38,955	46
Total return swaps	169,656	94,064	-	(48,540)
Net notional/net fair value	**$ 380,408**	**$ (2,976)**	$ 105,426	$ (1,716)

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

At December 31	**2013**		2012	
	Maximum Potential Amount of Future Payments (Notional)	**Fair Value Payable**	**Maximum Potential Amount of Future Payments (Notional)**	**Fair Value Payable**
By counterparty				
Bank/Broker Dealer	$ 205,486	$ 3,877	$ 38,955	$ 46
Total by counterparty	**$ 205,486**	**$ 3,877**	$ 38,955	$ 46

6. Derivatives *(continued)*

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. Credit derivatives, including CDS and total return swaps ("TRS"), derive their value from the credit risk on an underlying bond or other financial asset. As of December 31, 2013 and 2012, the Master Trust's maximum credit exposure (notional value of short position in CDS and TRS) was $375.0 million and $39.0 million, respectively. As of December 31, 2013 and 2012, the aggregate fair value of all credit derivative instruments was $98.0 million and $(48.5) million, respectively.

7. Securities Lending

The Master Trust maintained a Securities Lending Agreement (the "Agreement") with the Trustee. The Agreement, updated as of June 17, 2013, 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, 2013, approximated $943 million. The collateral held by the trustee represents approximately 102.4% of the market value of securities on loans.

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 US securities and non-US 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 $1.6 million and $3.6 million for the years ended December 31, 2013 and December 31, 2012, respectively.

8. Income Tax Status

The Plans have received determination letters from the Internal Revenue Service ("IRS") stating that the form or terms of the Plans are qualified under Section 401(a) of the Internal Revenue Code (the "Code") and therefore the related trust is exempt from taxation. The Florida plan, the Southwest plan, the VPPA, the VMPP and the Mid-Atlantic plan received favorable determination letters on July 25, 2011, April 25, 2012, May 6, 2013, April 8, 2013 and June 10, 2013, respectively. 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.

8. Income Tax Status *(continued)*

U.S. GAAP 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 IRS. The Plan administrator has analyzed tax positions taken by the Plans, and has concluded that as of December 31, 2013, 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 the Plans are no longer subject to income tax examinations for years prior to 2010.

9. Related-Party Transactions

Verizon Investment Management Corp ("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 Master Trust and the Plans whose assets are held in the Master 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 Master Trust, rendered various trustee services to the Master 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 the term is defined by ERISA) to the Master Trust and the Plans whose assets are held in the Master Trust. All of the related party transactions described in this section are exempt from the prohibited transaction rules pursuant to statutory or administrative exemptions.

10. Commitments and Contingencies

The Master Trust has outstanding investment commitments whereby the Master Trust has pledged private equity capital contributions of $946 million, real estate contributions of $581 million and distressed asset contribution of $50 million at December 31, 2013. 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.

10. Commitments and Contingencies *(continued)*

In November of 2012, a lawsuit was filed in Federal court in Dallas, Texas, relating to the Prudential annuity transaction pursuant to which approximately 41,000 pension annuitants in the VMPP were transferred to Prudential. The case challenges the validity of the Prudential annuity transaction and alleges several violations of ERISA. Verizon has been and continues to vigorously defend the case. The district court ruled in favor of Verizon. The case is now on appeal.

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, the Companies establish an accrual. In none of the currently pending matters is the amount of accrual material. An estimate of the reasonably possible loss or range of loss in excess of the amounts already accrued 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 generally unpredictable nature of the litigation. 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 (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.**	**2013** **This Form is Open to Public Inspection**

For calendar plan year 2013 or fiscal plan year beginning 01/01/2013 and ending 12/31/2013

▶ **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 2013

2 Assets:

a Market value	2a	8,926,334,291
b Actuarial value	2b	8,838,229,517

3 Funding target/participant count breakdown:

		(1) Number of participants	(2) Funding Target
a For retired participants and beneficiaries receiving payment	3a	55,078	5,346,386,592
b For terminated vested participants	3b	13,135	449,350,907
c For active participants:			
(1) Non-vested benefits	3c(1)		403,827,418
(2) Vested benefits	3c(2)		2,750,656,616
(3) Total active	3c(3)	26,927	3,154,484,034
d Total	3d	95,140	8,950,221,533

4 If the plan is in at-risk status, check the box and complete lines (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 in at-risk status for fewer than five consecutive years and disregarding loading factor	4b	
5 Effective interest rate	5	6.66 %
6 Target normal cost	6	178,701,173

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

Daniel F. McFall DFM

Signature of actuary

09/05/2014

Date

Daniel F. McFall

Type or print name of actuary

14-04341

Most recent enrollment number

Hewitt Associates LLC

Firm name

(847) 295-5000

Telephone number (including area code)

4 Overlook Point

Lincolnshire IL 60069

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 (line 13 from prior year)	0	100,256,608
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9 Amount remaining (line 7 minus line 8)	0	100,256,608
10 Interest on line 9 using prior year's actual return of 10.13 %		10,155,994
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		0
b Interest on (a) using prior year's effective interest rate of 7.01 % except as otherwise provided (see instructions)		0
c Total available at beginning of current plan year to add to prefunding balance		0
d Portion of (c) to be added to prefunding balance		0
12 Other reductions in balances due to elections or deemed elections	0	0
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	110,412,602

Part III Funding Percentages

14 Funding target attainment percentage	14	97.51 %
15 Adjusted funding target attainment percentage	15	97.51 %
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	105.91 %
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
04/01/2014	177,571,000				
04/11/2014	68,801,000				
07/11/2014	68,930,000				
			Totals ▶ 18(b)	315,302,000	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 contributions 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	289,714,720

20 Quarterly contributions and liquidity shortfalls:

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

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

c If line 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
5.23 %	6.51 %	7.16 %	

b Applicable month (enter code)	21b	4
22 Weighted average retirement age	22	58

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 subject to 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 contributions for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)	29	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):

a Target normal cost (line 6)	31a	178,701,173
b Excess assets, if applicable, but not greater than line 31a	31b	0

32 Amortization installments:

	Outstanding Balance	Installment
a Net shortfall amortization installment	222,404,618	37,431,938
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 (lines 31a - 31b + 32a + 32b - 33)	34	216,133,111

	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	0	110,412,602	110,412,602

36 Additional cash requirement (line 34 minus line 35)	36	105,720,509
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	289,714,720

38 Present value of excess contributions for current year (see instructions)

a Total (excess, if any, of line 37 over line 36)	38a	183,994,211
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	110,412,602
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0
40 Unpaid minimum required contributions for all years	40	0

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

41 If an election was made to use PRA 2010 funding relief for this plan:

a Schedule elected ☐ 2 plus 7 years ☐ 15 years

b Eligible plan year(s) for which the election in line 41a was made ☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

42 Amount of acceleration adjustment	42	
43 Excess installment acceleration amount to be carried over to future plan years	43	

Schedule SB Attachment (Form 5500)—2013 Plan Year
Verizon Pension Plan for Associates
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Schedule SB, line 19—Discounted Employer Contributions

Year applied for contributions: 2013

Date	Amount	Days to Discount to 1/1/2013 at 6.66%	Interest Adjusted Contribution
April 1, 2014	$177,571,000	455	163,857,363
April 11, 2014	68,801,000	465	63,375,516
July 11, 2014	68,930,000	556	62,481,841
Total Contribution	$315,302,000		$289,714,720

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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. The retirement ages are weighted in proportion to active participant counts to determine final weighted average retirement age of 58.

Males

(a) Age	(b) Rate	(c) Weight	(d) Product (a) × (b) × (c)
50.5	3.00%	1.0000	1.52
51.5	3.20%	0.9700	1.60
52.5	3.40%	0.9390	1.68
53.5	3.80%	0.9070	1.84
54.5	6.40%	0.8726	3.04
55.5	7.80%	0.8167	3.54
56.5	8.60%	0.7530	3.66
57.5	9.20%	0.6883	3.64
58.5	10.80%	0.6249	3.95
59.5	13.40%	0.5574	4.44
60.5	17.60%	0.4827	5.14
61.5	28.50%	0.3978	6.97
62.5	35.40%	0.2844	6.29
63.5	25.20%	0.1837	2.94
64.5	50.00%	0.1374	4.43
65.5	30.00%	0.0687	1.35
66.5	30.00%	0.0481	0.96
67.5	30.00%	0.0337	0.68
68.5	30.00%	0.0236	0.48
69	100.00%	0.0165	1.15
	Weighted Average		**59.30**

Females

(a) Age	(b) Rate	(c) Weight	(d) Product (a) × (b) × (c)
50.5	10.20%	1.0000	5.15
51.5	10.40%	0.8980	4.81
52.5	11.00%	0.8046	4.65
53.5	11.60%	0.7161	4.44
54.5	16.00%	0.6330	5.52
55.5	17.40%	0.5317	5.14
56.5	18.60%	0.4392	4.62
57.5	19.80%	0.3575	4.07
58.5	21.00%	0.2867	3.52
59.5	23.60%	0.2265	3.18
60.5	25.20%	0.1731	2.64
61.5	31.20%	0.1295	2.48
62.5	34.60%	0.0891	1.93
63.5	29.30%	0.0582	1.08
64.5	50.00%	0.0412	1.33
65.5	30.00%	0.0206	0.40
66.5	30.00%	0.0144	0.29
67.5	30.00%	0.0101	0.20
68.5	30.00%	0.0071	0.15
69	100.00%	0.0049	0.34
	Weighted Average		**55.94**

Schedule SB Attachment (Form 5500)—2013 Plan Year
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Schedule SB, Part V—Statement of Actuarial Assumptions/Methods

Interest Rates	Based on segment rates with a four-month lookback (as of September 2012), each adjusted as needed to fall within the 25-year average interest rate corridor under HATFA
1st Segment Rate	5.23%
2nd Segment Rate	6.51%
3rd Segment Rate	7.16%
Salary Increases	4.00% per year for ages less than 40, and 2.50% per year for ages 40 and over
Lump Sum Conversion Rate	GATT rate 4.50%, 120% PBGC rate 3.30% (GATT—1.75% x 120%)
Cash Balance Interest Crediting Rate	3.00%
Cash Balance Annuity Conversion Rate	Same as funding rates
Benefit and Compensation Limits	Projected benefits and compensation are limited by the current IRC section 415 maximum benefit of $205,000 and the section 401(a)(17) compensation limit of $255,000
Trust Expenses Included in Target Normal Cost	$32,720,000
	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
Mortality Rates	
Healthy and Disabled	2013 Static Mortality Table for Annuitants and Non-Annuitants per section 1.430(h)(3)-1(e)
Lump Sum Conversions	California and Enterprises: Mortality basis in IRS Revenue Ruling 2001-62
	New York/New England: 2013 417(e) Mortality Table

Optional Payment Form Election Percentage	
Actives	California and Enterprises: 95% elect lump sum payment, 5% elect life annuity New York/New England: 65% elect lump sum payment, 35% elect life annuity
Terminated Vesteds	California: 80% elect lump sum payment, 20% elect life annuity Enterprises: 80% under age 65 elect a lump sum; 40% over age 65 elect a lump sum; all others elect life annuity New York/New England: If terminated within the last two years, 40% elect immediate lump sum payment, 60% elect life annuity. If terminated more than two years ago, 100% elect life annuity
Withdrawal Rates	See Tables A1, A2, and A3
Disability Rates	See Tables B1, B2, and B3
Retirement Age	
Actives	See Tables C1, C2, C3, and C4
Terminated Vesteds	California: Age 60 Enterprises: See Table C3 New York/New England: Age 63
Surviving Spouse Benefit	It is assumed that 100% of males and 100% of females have an eligible beneficiary, and that males are assumed to be three years older than their beneficiaries.
Sickness Death Benefit	The percentage of actives and retired participants who have beneficiaries that qualify for this benefits as follows: See Tables D1 and D2
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.

Schedule SB Attachment (Form 5500)—2013 Plan Year
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Expected Return on Assets	
2011 Plan Year	6.57%
2012 Plan Year	7.50%
Supplemental Earnings	4% of base earnings
Actuarial Method	Unit Credit Cost method
Valuation Date	January 1, 2013
Decrement Timing	Middle of year decrements, with 100% retirement occurring at beginning of year

Table A1—California

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 A2—Enterprises

Probability of Withdrawal

	Service							
Age	**< 5**	**5**	**6**	**7**	**8**	**9**	**10-14**	**15+**
< 24	.30	.15	.06	.05	.04	.03	.02	.00
25	.25	.12	.06	.05	.04	.03	.02	.00
26	.25	.12	.06	.05	.04	.03	.02	.00
27	.25	.12	.06	.05	.04	.03	.02	.00
28	.25	.12	.06	.05	.04	.03	.02	.00
29	.25	.12	.06	.05	.04	.03	.02	.00
30	.02	.12	.06	.05	.04	.03	.02	.01
31	.02	.12	.06	.05	.04	.03	.02	.01
32	.02	.12	.06	.05	.04	.03	.02	.01
33	.02	.12	.06	.05	.04	.03	.02	.01
34	.02	.12	.06	.05	.04	.03	.02	.01
35	.02	.12	.06	.05	.04	.03	.02	.01
36	.02	.12	.06	.05	.04	.03	.02	.01
37	.02	.12	.06	.05	.04	.03	.02	.01
38	.02	.12	.06	.05	.04	.03	.02	.01
39	.02	.12	.06	.05	.04	.03	.02	.01
40	.02	.12	.06	.05	.04	.03	.02	.01
41	.02	.12	.06	.05	.04	.03	.02	.01
42	.02	.12	.06	.05	.04	.03	.02	.01
43	.02	.12	.06	.05	.04	.03	.02	.01
44	.02	.12	.06	.05	.04	.03	.02	.01
45	.15	.12	.06	.05	.04	.03	.02	.01
46	.15	.12	.06	.05	.04	.03	.02	.01
47	.15	.12	.06	.05	.04	.03	.02	.01
48	.15	.12	.06	.05	.04	.03	.02	.01
49	.15	.12	.06	.05	.04	.03	.02	.01
50+	.10	.08	.06	.05	.04	.03	.02	.01

Table A3—New York/New England

Probability of Withdrawal
Male Participants

Entry Age	Years of Service 0	5	10	15	20	25
15	.1970	.0280	.0112	.0080	.0049	.0050
20	.1851	.0252	.0110	.0079	.0060	.0042
25	.1573	.0180	.0099	.0060	.0042	
30	.1340	.0199	.0090	.0062	.0033	
35	.1189	.0150	.0062	.0043		
40	.1131	.0182	.0073	.0038		
45	.1134	.0143	.0038	.0007		
50	.1126	.0089	.0018			
55	.1042	.0108				

Female Participants

Entry Age	Years of Service 0	5	10	15	20	25
15	.2077	.0657	.0436	.0243	.0148	.0116
20	.1937	.0636	.0373	.0218	.0146	.0090
25	.1636	.0463	.0238	.0166	.0130	
30	.1343	.0348	.0186	.0160	.0107	
35	.1108	.0256	.0160	.0117		
40	.0926	.0230	.0137	.0075		
45	.0811	.0197	.0145	.0106		
50	.0788	.0176	.0156			
55	.0747	.0316				

Table B1—California

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 B2—Enterprises

Probability of Disability

Age	Male	Female	Age	Male	Female
30	.00020	.00040	45	.00068	.00136
31	.00020	.00040	46	.00068	.00136
32	.00020	.00040	47	.00068	.00136
33	.00020	.00040	48	.00068	.00136
34	.00020	.00040	49	.00068	.00136
35	.00030	.00060	50	.00120	.00240
36	.00030	.00060	51	.00120	.00240
37	.00030	.00060	52	.00120	.00240
38	.00030	.00060	53	.00120	.00240
39	.00030	.00060	54	.00120	.00240
40	.00042	.00084	55	.00050	.00100
41	.00042	.00084	56	.00050	.00100
42	.00042	.00084	57	.00050	.00100
43	.00042	.00084	58	.00050	.00100
44	.00042	.00084	59	.00050	.00100

Table B3—New York/New England

Probability of Disability

Age	Male	Female	Age	Male	Female
29	.0003	.0011	49	.0027	.0062
30	.0003	.0011	50	.0032	.0068
31	.0003	.0012	51	.0038	.0075
32	.0003	.0012	52	.0043	.0080
33	.0003	.0013	53	.0051	.0086
34	.0003	.0014	54	.0064	.0092
35	.0003	.0014	55	.0087	.0098
36	.0003	.0015	56	.0112	.0102
37	.0003	.0015	57	.0139	.0110
38	.0003	.0017	58	.0171	.0117
39	.0004	.0021	59	.0202	.0125
40	.0005	.0024	60	.0233	.0137
41	.0007	.0027	61	.0262	.0150
42	.0007	.0032	62	.0308	.0167
43	.0008	.0035	63	.0356	.0188
44	.0009	.0039	64	.0411	.0217
45	.0011	.0043			
46	.0013	.0048			
47	.0017	.0052			
48	.0022	.0057			

Table C1—Retirements After 2017—California and New York/New England

Probability of Retirement
Male Participants

Entry	Years of Service							
Age	**15**	**20**	**25**	**30**	**35**	**40**	**45**	**50**
15				.018	.027	.058	.116	.300
20				.020	.053	.108	.300	1.000
25			.015	.039	.088	.300	1.000	
30			.026	.070	.300	1.000		
35		.042	.056	.300	1.000			
40		.065	.300	1.000				
45	.050	.300	1.000					
50	.300	1.000						
55	1.000							

Female Participants

Entry	Years of Service							
Age	**15**	**20**	**25**	**30**	**35**	**40**	**45**	**50**
15				.051	.071	.116	.155	.300
20				.055	.104	.143	.300	1.000
25			.051	.087	.126	.300	1.000	
30			.085	.116	.300	1.000		
35		.109	.110	.300	1.000			
40		.126	.300	1.000				
45	.200	.300	1.000					
50	.300	1.000						
55	1.000							

Table C2—2013–2017 Retirements—California and New York/New England

Probability of Retirement
Male Participants

Entry	Years of Service							
Age	**15**	**20**	**25**	**30**	**35**	**40**	**45**	**50**
15				.036	.054	.116	.232	.300
20				.039	.106	.216	.300	1.000
25			.030	.078	.176	.300	1.000	
30			.052	.140	.300	1.000		
35		.084	.112	.300	1.000			
40		.130	.300	1.000				
45	.100	.300	1.000					
50	.300	1.000						
55	1.000							

Female Participants

Entry	Years of Service							
Age	**15**	**20**	**25**	**30**	**35**	**40**	**45**	**50**
15				.103	.143	.232	.310	.300
20				.110	.208	.286	.300	1.000
25			.102	.174	.252	.300	1.000	
30			.170	.232	.300	1.000		
35		.218	.220	.300	1.000			
40		.252	.300	1.000				
45	.400	.300	1.000					
50	.300	1.000						
55	1.000							

Table C3—For Retirements After 2017—Enterprises

Probability of Retirement

Age	Probability
50–54	.025
55–59	.075
60–61	.250
62	.500
63–64	.300
65	.667
66	.333
67	.200
68	.200
69	.200
70	1.000

Table C4—Retirements 2013–2017—Enterprises

Probability of Retirement

Age	Probability
50–54	.050
55–59	.300
60	.500
61	.250
62	.500
63–64	.300
65	.667
66	.333
67	.200
68	.200
69	.200
70	1.000

Table D1—Enterprises

Percentage of Participants With Beneficiaries Who Qualify for Sickness Death Benefit

Attained Age	Retired Participants Male	Retired Participants Female
15	N/A	N/A
20	N/A	N/A
25	N/A	N/A
30	N/A	N/A
35	N/A	N/A
40	83	65
45	83	65
50	83	65
55	83	61
60	84	51
65	87	38
70	82	29
75	77	18
80	68	10
85	56	5
90	40	4
95	20	1
100	0	0

Table D2—New York/New England

Percentage of Participants With Beneficiaries Who Qualify for Sickness Death Benefit

Attained	Active Participants		Retired Participants	
Age	**Male**	**Female**	**Male**	**Female**
15	0	0	N/A	N/A
20	28	40	N/A	N/A
25	66	62	N/A	N/A
30	85	71	N/A	N/A
35	91	78	N/A	N/A
40	94	76	83	65
45	95	71	83	65
50	94	64	83	65
55	92	51	83	61
60	90	38	84	51
65	86	23	87	38
70	N/A	N/A	82	29
75	N/A	N/A	77	18
80	N/A	N/A	68	10
85	N/A	N/A	56	5
90	N/A	N/A	40	4
95	N/A	N/A	20	1
100	N/A	N/A	0	0

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Schedule SB, Part V—Summary of Plan Provisions

California

	GTE California Incorporated Plan for Hourly-Paid Employees' Pensions
Effective Dates	September 1, 1929. Restated December 31, 2009 with amendments through December 31, 2012
2010 Spinoff	Effective June 30, 2010, the assets and liabilities of the associates transferred to Frontier Communications Corporation were spun off from the respective Verizon 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. See Table B for actuarial reduction factors.

Disability Retirement

Eligibility: Fifteen 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 of 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, 2012

Years of Accredited Service	Minimum Pension Schedule
15–19	$ 5,500
20–24	$ 7,000
25–29	$ 8,700
30–34	$10,400
35–39	$12,000
40+	$13,700

Table B

Deferred Vested Reduction Factors

Age	Factor	Age	Factor	Age	Factor
18	0.03100	36	0.09700	54	0.38300
19	0.03300	37	0.10300	55	0.41700
20	0.03500	38	0.11000	56	0.46700
21	0.03700	39	0.11800	57	0.51700
22	0.03900	40	0.12700	58	0.56700
23	0.04200	41	0.13600	59	0.61700
24	0.04400	42	0.14600	60	0.66700
25	0.04700	43	0.15600	61	0.73300
26	0.05000	44	0.16800	62	0.80000
27	0.05400	45	0.18000	63	0.86700
28	0.05700	46	0.19400	64	0.93300
29	0.06100	47	0.20900	65	1.00000
30	0.06500	48	0.22500		
31	0.06900	49	0.24300		
32	0.07400	50	0.26300		
33	0.07900	51	0.28400		
34	0.08400	52	0.31700		
35	0.09000	53	0.35000		

New York/New England

Effective Date	Restated December 31, 2009 with amendments adopted through December 31, 2012
2012 Bargaining	The plan was amended to extend the lump sum trial benefit for three years to August 2015. Additionally, any associate first hired on or after October 28, 2012, is not eligible to participate in the pension plan.
2010 Voluntary Separation Incentive Offer	The plan was amended to offer the following enhancements to eligible participants who separated from service under the respective offer: (1) acceleration of the October 1, 2010 band increase, (2) preservation of the March 2010 lump sum interest rates to determine a minimum lump sum, and (3) unreduced benefits for service pension eligible associates.
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.
2008 Merger	Effective September 30, 2008, assets and liabilities for the Enterprises Management Plan were merged into the New York and New England Associates Plan. There were no changes to their benefit provisions, which remain the same as summarized under Management Plan provisions.
Participation	Any nonsalaried employee of a participating company is eligible to become a participant upon the later of: (1) Attainment of age 21 (2) Completion of 1,000 hours of service during a 12-month period beginning on the employee's date of hire, the anniversary of the employee's date of hire, or the calendar year

Eligibility For Benefits	
Normal	Age 65 and ten years of Vesting Service
Early	Age 60 with 15 years of Credited Service; age 55 with 20 years of Credited Service; age 50 with 25 years of Credited Service; or any age with 30 years of Credited Service
Vested	Five years of Vesting Service
Disability	Fifteen years of Credited Service and total and permanent disability
Preretirement Survivor's Benefit	Five years of Vesting Service
Sickness Death Benefit	All active and retired employees hired before January 1, 1987 are eligible if death occurs from an illness or an off-the-job accident. Participants must have retired with a Service Pension or Disability Pension (or received a lump sum payment for each pension).
Amount Of Benefits	
Normal	For all participants, the monthly benefit payable is equal to (a) + (b): (a) The dollar amount corresponding to the appropriate pension band for that participant times Credited Service. Each job title is assigned a specific pension band. Table A lists the dollar amount for each pension band. (b) 0.1% of Annual Average Supplemental Payments times Credited Service
Early	A benefit computed in the same manner as a normal retirement benefit, but with the following reductions applied for receipt prior to age 55:

Years of Credited Service	Reduction
30 Years or More	No reduction
Less Than 30 Years	6% for each year that payments begin prior to age 55

Vested	A benefit computed in the same manner as a normal retirement benefit, calculated using the benefit formula and credited service as of date of separation from service, and reduced actuarially for receipt prior to age 65. See Table B for reduction factors.
Disability	A benefit computed in the same manner as a normal retirement benefit. No reduction is applied for receipt of disability benefits prior to age 65. The disability benefit is converted to a normal retirement benefit of an equal amount at age 65.
Minimum Pension	The minimum pension amount for employees eligible for a service or disability pension is $700 per month. This amount is prorated for service less than 30 years. The minimum pension is reduced if paid in a form other than a life annuity. The minimum benefit is not reduced if commencement occurs before the unreduced retirement age.
Future Pension Band Increases	As of December 31 2010, 1.0% per year following the expiration of the current contract in 2011. As of December 31, 2011, no future band increases. The change in the percentage increase was treated as a negative plan amendment consistent with the adoption of the increase as part of 2003 bargaining.
Preretirement Survivor's Benefit	
Participants Without Service on and After August 6, 2000	Upon the death of a vested participant, the participant's spouse will be eligible for a benefit equal to 50% of the participant's accrued benefit deferred to the later of the earliest age when the deferred vested pension would have been payable and the current age. This benefit is reduced for early commencement and the cost of a 50% survivor annuity.
Participants With Service on and After August 6, 2000	Active Employees—Upon the death of a vested active participant, the participant's spouse or named beneficiary will be eligible for a benefit equal to 65% of the participant's accrued benefit payable immediately. The benefit is not reduced for early commencement. This benefit is reduced for the cost of a 65% survivor annuity. (A 50% survivor annuity is provided for nonspouse beneficiaries more than 25 years younger than the participant.)

	Deferred Vested Employees—Upon the death of a vested participant, the participant's spouse or named beneficiary will be eligible for a benefit equal to 65% of the participant's accrued benefit deferred to the later of the earliest age when the deferred vested pension would have been payable and the current age. This benefit is reduced for early commencement and the cost of a 65% survivor annuity. (As above, a 50% survivor benefit is provided for nonspouse beneficiaries more than 25 years younger than the participant.)
Sickness Death Benefit	Employee's mandatory beneficiary receives a benefit equal to one year's pay based on pay on the earlier of the employee's retirement date and December 31, 1986.
Normal Form of Benefits	Reduced benefit in the form of a 50% joint and survivor annuity if married, or a life annuity if single
Optional Forms of Payment	50%, 75%, and 100% joint and survivor annuities, and 5-year and 10-year certain and life annuities. The cost of the survivor annuity depends on the difference between the employee's and beneficiary's ages. The cost of the survivor annuity is restored to the employee's pension if the beneficiary predeceases the employee. Benefit amounts are reduced 2% for the cost of the 5-year certain and life annuity and 6.5% for the 10-year certain and life annuity. Vested participants terminating during the period November 1, 2004 through August 1, 2015 can elect to receive 100% of the benefit in the form of a lump sum.
Beneficiary Options	With a spouse's consent, if applicable, any individual can be a beneficiary.
Definitions	
Supplemental Payments	Differentials and other special payments. These supplemental payments include special city allowances, in charge allowances, extra payments for temporary assignments or temporary promotions to higher graded or supervisor positions, job differentials, and evening and night differential payments. Supplemental payments also include the 3% of pay lump sum paid in October 2003.
Annual Average Supplemental Payments	The average of the sum of all Supplemental Payments received in the three years immediately preceding retirement

Credited Service	All eligible years and months of employment accrued to the earlier of actual retirement or separation from service
Vesting Service	A year of vesting service is credited for each calendar year in which 1,000 hours of service is performed, starting with the later of age 18 and the first year of employment.
Mandatory Beneficiary	The participant's spouse, dependent child, or dependent parents

Table A

Monthly Benefits

	Effective for Terminations on or After			
Pension Band	**October 1 2007**	**October 1 2008**	**October 1 2009**	**October 1 2010**
101	$38.31	$39.56	$40.94	$42.48
102	$39.94	$41.24	$42.68	$44.28
103	$41.61	$42.96	$44.46	$46.13
104	$43.18	$44.58	$46.14	$47.87
105	$44.79	$46.25	$47.87	$49.67
106	$46.40	$47.91	$49.59	$51.45
107	$48.06	$49.62	$51.36	$53.29
108	$49.67	$51.28	$53.07	$55.06
109	$51.31	$52.98	$54.83	$56.89
110	$52.90	$54.62	$56.53	$58.65
111	$54.53	$56.30	$58.27	$60.46
112	$56.17	$58.00	$60.03	$62.28
113	$57.76	$59.64	$61.73	$64.04
114	$59.38	$61.31	$63.46	$65.84
115	$60.97	$62.95	$65.15	$67.59
116	$62.61	$64.64	$66.90	$69.41
117	$64.23	$66.32	$68.64	$71.21
118	$65.85	$67.99	$70.37	$73.01
119	$67.47	$69.66	$72.10	$74.80
120	$69.08	$71.33	$73.83	$76.60
121	$70.68	$72.98	$75.53	$78.36
122	$72.34	$74.69	$77.30	$80.20
123	$73.93	$76.33	$79.00	$81.96
124	$75.54	$78.00	$80.73	$83.76
125	$77.16	$79.67	$82.46	$85.55
126	$78.77	$81.33	$84.18	$87.34
127	$80.40	$83.01	$85.92	$89.14
128	$82.02	$84.69	$87.65	$90.94
129	$83.65	$86.37	$89.39	$92.74
130	$85.24	$88.01	$91.09	$94.51
131	$86.91	$89.73	$92.87	$96.35
132	$88.49	$91.37	$94.57	$98.12
133	$90.11	$93.04	$96.30	$99.91
134	$91.74	$94.72	$98.04	$101.72
135	$93.30	$96.33	$99.70	$103.44

Pension band amounts have been increased as follows as a result of bargaining agreements:

Effective Date	Percentage Increase	Effective Date	Percentage Increase
07/01/2003	4%	2008 Contract	
10/01/2003	5% (temporary)	10/01/2008	3.25%
01/01/2004	Reduces to 07/01/2003 level	10/01/2009	3.50%
11/01/2004	2%	10/01/2010	3.75%
10/01/2005	3%		
10/01/2006	3%		
10/01/2007	3%		

Table B

Deferred Vested Reduction Factors

Age	Factor	Age	Factor	Age	Factor
18	0.02200	36	0.07700	54	0.34000
19	0.02200	37	0.08300	55	0.37000
20	0.02200	38	0.09000	56	0.40000
21	0.02400	39	0.09700	57	0.44000
22	0.02600	40	0.10500	58	0.48000
23	0.02800	41	0.11400	59	0.53000
24	0.03000	42	0.12400	60	0.58000
25	0.03300	43	0.13400	61	0.65000
26	0.03500	44	0.14600	62	0.72000
27	0.03800	45	0.15900	63	0.80000
28	0.04100	46	0.17200	64	0.89000
29	0.04400	47	0.18700	65	1.00000
30	0.04800	48	0.20400		
31	0.05200	49	0.22200		
32	0.05600	50	0.24000		
33	0.06000	51	0.26000		
34	0.06500	52	0.28000		
35	0.07100	53	0.31000		

Enterprise Management

Effective Date	Restated as of December 31, 2009 with amendments adopted through December 31, 2012
2008 Spinoff and Merger	Effective September 30, 2008, assets and liabilities for the Enterprises Management Plan were merged into the New York and New England Associates Plan. There were no changes made to their benefit provisions, which remain summarized in the Management Plan Provisions.
Participation	Effective January 1, 2006, newly hired management employees are not eligible for participation in the Plan.
Eligibility for Benefits	
Normal	Later of age 65 or fifth anniversary from date of hire
Early	75 age/service points with 15 years net credited service
Vested	Five years of Vesting Service
Disability	Fifteen years of Credited Service and total and permanent disability
Amount of Benefits	
Normal	**Participants hired on or after January 1, 2002:** Cash balance benefit **Participants hired before January 1, 2002:** *Transition Employees:* Greater of cash balance benefit, HAP benefit, or post-2001 MFPF benefit *Nontransition Employees:* Cash balance benefit
Early	Accrued normal retirement benefit with the following reductions applied to each separate formula: Cash Balance: no reductions Post-2001 MFPF: Refer to Special Benefit Provisions section HAP and Integrated benefits: Unreduced at age 55; 3% per year from age 55, maximum reduction 18%

Vested	Accrued normal retirement benefit using compensation and credited service as of date of separation from service, and reduced, if applicable, for receipt prior to age 65. See Table A for reduction factors.
Disability	Accrued normal retirement benefit with no reduction applied for receipt prior to age 65

Definitions

Transition Employee	An employee with ten or more years of service as of January 1, 2002
Cash Balance Account	Equal to the sum of opening account balance, if applicable, plus pay and interest credits
Pay Credits	Each month the cash balance account is credited by an amount equal to a percentage of monthly compensation based on points (age plus service) at the beginning of each year as follows:

Points	Pay Credit Percentage
Less Than 35	4%
35–49	5%
50–64	6%
65 or More	7%

Interest Credits	Up to the benefit commencement date, interest is credited based on the average annual yield on one-year Treasury bills plus one percentage point.

Pension Benefit Formulas

Post-2001 Modified Former Plan Formula (MFPF)	Sum of: (a) MFPF accrued benefit as of December 31, 2001 (see Special Benefits Provisions) (b) 1.35% of Average Compensation times service from January 1, 2002 to December 31, 2007 (c) 1.35% of career average pay for service after December 31, 2007
Highest Average Pay (HAP)	Transition Employee, sum of: (a) 1.35% of Average Compensation (to December 31, 2007) times service to December 31, 2007

	(b) 1.35% of career average pay for service after December 31, 2007 Nontransition Employee: 1.35% of Average Compensation (to May 31, 2004) times service to May 31, 2004
Compensation	Base pay (highest rate for the month), sales bonuses and commissions, short term performance incentives (excluding Senior Managers), lump sum merit payments, foreign service payments, premiums, corporate profit sharing, differentials and back pay awards. For an Employee who is a Connected Solutions Associate, incentive awards under the Technician Incentive Pay Plan are also included. Salary reduction amounts under IRC section 125 or 401(k) are included. Qualified plan compensation is limited to the 401(a)(17) limit.
Average Compensation	The average of Compensation over the sixty (60) consecutive calendar months during which the average is the highest.
Preretirement Death Benefit	
Beneficiaries Eligible	Spouse or other designated beneficiaries of vested active participants who die before payments commence, and designated beneficiaries of vested former participants.
Death Benefit	If the deceased participant was an active employee or a vested former participant who terminated after the plan's effective date, the death benefit is the greater of the full value of the Cash Balance Account or a 50% survivor benefit under alternative formulas. Pre-2002 Deferred Vested Employees—44% of the accrued benefit payable at the time the participant would have attained age 65. If earlier commencement is elected, benefit is the amount that would been payable to the spouse if participant terminated employment, survived to the commencement date, retired with a 50% Joint-and-Survivor Annuity, and then died.

Sickness Death Benefit	
Beneficiaries Eligible	Mandatory beneficiaries of all active and retired employees hired before April 1, 1991 and retired before January 1, 2002 are eligible if death occurs from an illness or an off-the-job accident. Participants who received a 100% cash-out under the 1991 special retirement program or who receive a 100% cash-out in 1993, 1994, or 1995 and make an election to receive this benefit from another source are excluded.
Death Benefit	One year's pay based on pay on the earlier of the employee's retirement date and December 31, 1991
Forms of Payment	
Normal Form	(1) Single participants: life annuity (2) Married participants: 50% Joint-and-Survivor Annuity with the spouse as the survivor
Optional Forms	(1) Lump sum cash out (2) Combination annuity and lump-sum cash out. Designated amount in 10% increments (up to 50%) paid as a lump sum cash out and the remaining portion distributed in any of normal or optional payment forms (3) 33-1/3%, 50%, 66-2/3% or 100% Joint-and-Survivor with designated beneficiary as the survivor (4) 50%, 75% or 100% Joint-and-Survivor with designated beneficiary as survivor with monthly payments restored to the life annuity level if the beneficiary predeceases the participant (pop-up) (5) 5- or 10-year certain and life annuity
Special Benefit Provisions	
Modified Former Plan Formula (MFPF)	
Minimum Eligibility	East Employees with 15 years of service on September 1, 1999
Modified Former Pension Formula	1.6% of career average pay (for service prior to January 1, 1991, the average pay from January 1, 1987 to December 31, 1991 times service through December 31, 1991 is used).

Retirement Eligibility	Age 65 with 10 years of service, age 60 with 15 years of service, age 55 with 20 years of service, age 50 with 25 years of service, or at 30 years of service
Early Retirement Reductions With With 30 or More Years of Service	No reductions on benefit earned through December 31, 1995; 3% per year reductions from age 59 (pre-2002) or age 60 (2002 and after) on the benefit earned after December 31, 1995
Early Retirement Reductions With Less Than 30 Years of Service	6% per year from age 59 (pre-2002) or from age 60 (2002 and after)

Table A

Deferred Vested Reduction Factors

Age	Factor	Age	Factor	Age	Factor
18	0.03100	36	0.09700	54	0.38300
19	0.03300	37	0.10300	55	0.41700
20	0.03500	38	0.11000	56	0.46700
21	0.03700	39	0.11800	57	0.51700
22	0.03900	40	0.12700	58	0.56700
23	0.04200	41	0.13600	59	0.61700
24	0.04400	42	0.14600	60	0.66700
25	0.04700	43	0.15600	61	0.73300
26	0.05000	44	0.16800	62	0.80000
27	0.05400	45	0.18000	63	0.86700
28	0.05700	46	0.19400	64	0.93300
29	0.06100	47	0.20900	65	1.00000
30	0.06500	48	0.22500		
31	0.06900	49	0.24300		
32	0.07400	50	0.26300		
33	0.07900	51	0.28400		
34	0.08400	52	0.31700		
35	0.09000	53	0.35000		

The actuarial valuation was conducted on an ongoing (not termination) basis using personnel data furnished as of January 1, 2013 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 three-year extension of the lump sum option for East Associates was adopted at the end of 2012 and reflected in the 2013 funding results.

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 Attachment (Form 5500)—2013 Plan Year
Verizon Pension Plan for Associates
EIN: 95-0510200 PN: 001

Schedule SB, line 24—Change in Actuarial Assumptions

The funding valuation reflects the following assumption changes:

- The lump sum interest rate was changed from 4.50% for all lump sums to 4.50% for the GATT rate and 3.30% for the PBGC rate.
- The cash balance interest crediting rate was lowered from 4.00% to 3.00%.
- The retirement rates were updated to better reflect anticipated experience.
- For the 2012 plan year, terminated vested participants were assumed to retire at age 65 or current age if higher. For the 2013 plan year, the average expected retirement age is age 60 for California, and age 63 for New York/New England. The Enterprise terminated vested participants use the same retirement rate table as the actives.
- For the 2012 plan year, terminated vested participants were assumed to elect an annuity form of payment. For the 2013 plan year, the optional payment form election percentages:
  - California: 80% elect lump sum payment, 20% elect life annuity
  - Enterprises: 80% under age 65 elect a lump sum; 40% over age 65 elect a lump sum; all others elect life annuity
  - New York/New England: If terminated within the last two years, 40% elect immediate lump sum payment, 60% elect life annuity. If terminated more than two years ago, 100% elect life annuity

Schedule SB Attachment (Form 5500)—2013 Plan Year
Verizon Pension Plan for Associates
EIN: 95-0510200 PN: 001

Schedule SB, line 26—Schedule of Active Participant Data as of January 1, 2013

Verizon Pension Plan for Associates
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	12	29 $46,609	6							
25-29	21 $44,115	110 $55,625	212 $61,678	1						
30-34	9	140 $58,790	508 $66,536	671 $71,912	87 $72,105					
35-39	6	121 $65,316	463 $68,723	2,062 $73,311	1,842 $77,160	66 $78,210				
40-44	4	119 $70,256	402 $67,772	1,694 $73,920	2,715 $78,023	1,053 $77,890	120 $73,893			
45-49	4	113 $67,469	227 $69,219	977 $73,641	1,387 $77,452	1,616 $79,599	997 $76,059	49 $75,932		
50-54	2	115 $74,206	175 $69,820	621 $73,133	771 $74,798	906 $78,271	802 $76,627	1,172 $75,119	33 $69,949	
55-59	2	82 $76,188	126 $71,145	369 $70,139	435 $73,896	362 $76,922	338 $73,900	938 $75,425	279 $71,450	37 $75,068
60-64		27 $73,866	57 $67,443	158 $69,700	147 $70,718	100 $75,350	87 $72,698	260 $75,011	127 $74,335	275 $76,540
65-69		6	6	55 $71,158	31 $67,843	19	15	24 $71,935	8	86 $77,787
70+		7		14	1	1	1	1		6

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Note: There are 122 active participants that have a cash balance account that is only earning interest credit. Since the cash balance feature applies to so few active participants, the average cash balance accounts are not shown.

Schedule SB Attachment (Form 5500)—2013 Plan Year
Verizon Pension Plan for Associates
EIN: 95-0510200 PN: 001

Schedule SB, line 32—Schedule of Amortization Bases

Type of Base	Present Value of Installment	Date Established	Years Remaining	Amortization Installment
Shortfall	$ 222,404,618	January 1, 2013	7	$ 37,431,938

Schedule SB Attachment (Form 5500)—2013 Plan Year
Verizon Pension Plan for Associates
EIN: 95-0510200 PN: 001

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. The retirement ages are weighted in proportion to active participant counts to determine final weighted average retirement age of 58.

Males

(a) Age	(b) Rate	(c) Weight	(d) Product (a) × (b) × (c)
50.5	3.00%	1.0000	1.52
51.5	3.20%	0.9700	1.60
52.5	3.40%	0.9390	1.68
53.5	3.80%	0.9070	1.84
54.5	6.40%	0.8726	3.04
55.5	7.80%	0.8167	3.54
56.5	8.60%	0.7530	3.66
57.5	9.20%	0.6883	3.64
58.5	10.80%	0.6249	3.95
59.5	13.40%	0.5574	4.44
60.5	17.60%	0.4827	5.14
61.5	28.50%	0.3978	6.97
62.5	35.40%	0.2844	6.29
63.5	25.20%	0.1837	2.94
64.5	50.00%	0.1374	4.43
65.5	30.00%	0.0687	1.35
66.5	30.00%	0.0481	0.96
67.5	30.00%	0.0337	0.68
68.5	30.00%	0.0236	0.48
69	100.00%	0.0165	1.15
	Weighted Average		**59.30**

Females

(a) Age	(b) Rate	(c) Weight	(d) Product (a) × (b) × (c)
50.5	10.20%	1.0000	5.15
51.5	10.40%	0.8980	4.81
52.5	11.00%	0.8046	4.65
53.5	11.60%	0.7161	4.44
54.5	16.00%	0.6330	5.52
55.5	17.40%	0.5317	5.14
56.5	18.60%	0.4392	4.62
57.5	19.80%	0.3575	4.07
58.5	21.00%	0.2867	3.52
59.5	23.60%	0.2265	3.18
60.5	25.20%	0.1731	2.64
61.5	31.20%	0.1295	2.48
62.5	34.60%	0.0891	1.93
63.5	29.30%	0.0582	1.08
64.5	50.00%	0.0412	1.33
65.5	30.00%	0.0206	0.40
66.5	30.00%	0.0144	0.29
67.5	30.00%	0.0101	0.20
68.5	30.00%	0.0071	0.15
69	100.00%	0.0049	0.34
	Weighted Average		**55.94**

Schedule SB Attachment (Form 5500)—2013 Plan Year
Verizon Pension Plan for Associates
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Schedule SB, line 19—Discounted Employer Contributions

Year applied for contributions: 2013

Date	Amount	Days to Discount to 1/1/2013 at 6.66%	Interest Adjusted Contribution
April 1, 2014	$177,571,000	455	163,857,363
April 11, 2014	68,801,000	465	63,375,516
July 11, 2014	68,930,000	556	62,481,841
Total Contribution	$315,302,000		$289,714,720

Schedule SB Attachment (Form 5500)—2013 Plan Year
Verizon Pension Plan for Associates
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Schedule SB, Part V—Statement of Actuarial Assumptions/Methods

Interest Rates	Based on segment rates with a four-month lookback (as of September 2012), each adjusted as needed to fall within the 25-year average interest rate corridor under HATFA
1st Segment Rate	5.23%
2nd Segment Rate	6.51%
3rd Segment Rate	7.16%
Salary Increases	4.00% per year for ages less than 40, and 2.50% per year for ages 40 and over
Lump Sum Conversion Rate	GATT rate 4.50%, 120% PBGC rate 3.30% (GATT—1.75% x 120%)
Cash Balance Interest Crediting Rate	3.00%
Cash Balance Annuity Conversion Rate	Same as funding rates
Benefit and Compensation Limits	Projected benefits and compensation are limited by the current IRC section 415 maximum benefit of $205,000 and the section 401(a)(17) compensation limit of $255,000
Trust Expenses Included in Target Normal Cost	$32,720,000
	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
Mortality Rates	
Healthy and Disabled	2013 Static Mortality Table for Annuitants and Non-Annuitants per section 1.430(h)(3)-1(e)
Lump Sum Conversions	California and Enterprises: Mortality basis in IRS Revenue Ruling 2001-62
	New York/New England: 2013 417(e) Mortality Table

Optional Payment Form Election Percentage	
Actives	California and Enterprises: 95% elect lump sum payment, 5% elect life annuity New York/New England: 65% elect lump sum payment, 35% elect life annuity
Terminated Vesteds	California: 80% elect lump sum payment, 20% elect life annuity Enterprises: 80% under age 65 elect a lump sum; 40% over age 65 elect a lump sum; all others elect life annuity New York/New England: If terminated within the last two years, 40% elect immediate lump sum payment, 60% elect life annuity. If terminated more than two years ago, 100% elect life annuity
Withdrawal Rates	See Tables A1, A2, and A3
Disability Rates	See Tables B1, B2, and B3
Retirement Age	
Actives	See Tables C1, C2, C3, and C4
Terminated Vesteds	California: Age 60 Enterprises: See Table C3 New York/New England: Age 63
Surviving Spouse Benefit	It is assumed that 100% of males and 100% of females have an eligible beneficiary, and that males are assumed to be three years older than their beneficiaries.
Sickness Death Benefit	The percentage of actives and retired participants who have beneficiaries that qualify for this benefits as follows: See Tables D1 and D2
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.

Schedule SB Attachment (Form 5500)—2013 Plan Year
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Expected Return on Assets	
2011 Plan Year	6.57%
2012 Plan Year	7.50%
Supplemental Earnings	4% of base earnings
Actuarial Method	Unit Credit Cost method
Valuation Date	January 1, 2013
Decrement Timing	Middle of year decrements, with 100% retirement occurring at beginning of year

Table A1—California

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 A2—Enterprises

Probability of Withdrawal

	Service							
Age	**< 5**	**5**	**6**	**7**	**8**	**9**	**10-14**	**15+**
< 24	.30	.15	.06	.05	.04	.03	.02	.00
25	.25	.12	.06	.05	.04	.03	.02	.00
26	.25	.12	.06	.05	.04	.03	.02	.00
27	.25	.12	.06	.05	.04	.03	.02	.00
28	.25	.12	.06	.05	.04	.03	.02	.00
29	.25	.12	.06	.05	.04	.03	.02	.00
30	.02	.12	.06	.05	.04	.03	.02	.01
31	.02	.12	.06	.05	.04	.03	.02	.01
32	.02	.12	.06	.05	.04	.03	.02	.01
33	.02	.12	.06	.05	.04	.03	.02	.01
34	.02	.12	.06	.05	.04	.03	.02	.01
35	.02	.12	.06	.05	.04	.03	.02	.01
36	.02	.12	.06	.05	.04	.03	.02	.01
37	.02	.12	.06	.05	.04	.03	.02	.01
38	.02	.12	.06	.05	.04	.03	.02	.01
39	.02	.12	.06	.05	.04	.03	.02	.01
40	.02	.12	.06	.05	.04	.03	.02	.01
41	.02	.12	.06	.05	.04	.03	.02	.01
42	.02	.12	.06	.05	.04	.03	.02	.01
43	.02	.12	.06	.05	.04	.03	.02	.01
44	.02	.12	.06	.05	.04	.03	.02	.01
45	.15	.12	.06	.05	.04	.03	.02	.01
46	.15	.12	.06	.05	.04	.03	.02	.01
47	.15	.12	.06	.05	.04	.03	.02	.01
48	.15	.12	.06	.05	.04	.03	.02	.01
49	.15	.12	.06	.05	.04	.03	.02	.01
50+	.10	.08	.06	.05	.04	.03	.02	.01

Table A3—New York/New England

Probability of Withdrawal
Male Participants

Entry Age	Years of Service 0	5	10	15	20	25
15	.1970	.0280	.0112	.0080	.0049	.0050
20	.1851	.0252	.0110	.0079	.0060	.0042
25	.1573	.0180	.0099	.0060	.0042	
30	.1340	.0199	.0090	.0062	.0033	
35	.1189	.0150	.0062	.0043		
40	.1131	.0182	.0073	.0038		
45	.1134	.0143	.0038	.0007		
50	.1126	.0089	.0018			
55	.1042	.0108				

Female Participants

Entry Age	Years of Service 0	5	10	15	20	25
15	.2077	.0657	.0436	.0243	.0148	.0116
20	.1937	.0636	.0373	.0218	.0146	.0090
25	.1636	.0463	.0238	.0166	.0130	
30	.1343	.0348	.0186	.0160	.0107	
35	.1108	.0256	.0160	.0117		
40	.0926	.0230	.0137	.0075		
45	.0811	.0197	.0145	.0106		
50	.0788	.0176	.0156			
55	.0747	.0316				

Table B1—California

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 B2—Enterprises

Probability of Disability

Age	Male	Female	Age	Male	Female
30	.00020	.00040	45	.00068	.00136
31	.00020	.00040	46	.00068	.00136
32	.00020	.00040	47	.00068	.00136
33	.00020	.00040	48	.00068	.00136
34	.00020	.00040	49	.00068	.00136
35	.00030	.00060	50	.00120	.00240
36	.00030	.00060	51	.00120	.00240
37	.00030	.00060	52	.00120	.00240
38	.00030	.00060	53	.00120	.00240
39	.00030	.00060	54	.00120	.00240
40	.00042	.00084	55	.00050	.00100
41	.00042	.00084	56	.00050	.00100
42	.00042	.00084	57	.00050	.00100
43	.00042	.00084	58	.00050	.00100
44	.00042	.00084	59	.00050	.00100

Table B3—New York/New England

Probability of Disability

Age	Male	Female	Age	Male	Female
29	.0003	.0011	49	.0027	.0062
30	.0003	.0011	50	.0032	.0068
31	.0003	.0012	51	.0038	.0075
32	.0003	.0012	52	.0043	.0080
33	.0003	.0013	53	.0051	.0086
34	.0003	.0014	54	.0064	.0092
35	.0003	.0014	55	.0087	.0098
36	.0003	.0015	56	.0112	.0102
37	.0003	.0015	57	.0139	.0110
38	.0003	.0017	58	.0171	.0117
39	.0004	.0021	59	.0202	.0125
40	.0005	.0024	60	.0233	.0137
41	.0007	.0027	61	.0262	.0150
42	.0007	.0032	62	.0308	.0167
43	.0008	.0035	63	.0356	.0188
44	.0009	.0039	64	.0411	.0217
45	.0011	.0043			
46	.0013	.0048			
47	.0017	.0052			
48	.0022	.0057			

Table C1—Retirements After 2017—California and New York/New England

Probability of Retirement
Male Participants

Entry	Years of Service							
Age	**15**	**20**	**25**	**30**	**35**	**40**	**45**	**50**
15				.018	.027	.058	.116	.300
20				.020	.053	.108	.300	1.000
25			.015	.039	.088	.300	1.000	
30			.026	.070	.300	1.000		
35		.042	.056	.300	1.000			
40		.065	.300	1.000				
45	.050	.300	1.000					
50	.300	1.000						
55	1.000							

Female Participants

Entry	Years of Service							
Age	**15**	**20**	**25**	**30**	**35**	**40**	**45**	**50**
15				.051	.071	.116	.155	.300
20				.055	.104	.143	.300	1.000
25			.051	.087	.126	.300	1.000	
30			.085	.116	.300	1.000		
35		.109	.110	.300	1.000			
40		.126	.300	1.000				
45	.200	.300	1.000					
50	.300	1.000						
55	1.000							

Table C2—2013–2017 Retirements—California and New York/New England

Probability of Retirement
Male Participants

Entry	Years of Service							
Age	**15**	**20**	**25**	**30**	**35**	**40**	**45**	**50**
15				.036	.054	.116	.232	.300
20				.039	.106	.216	.300	1.000
25			.030	.078	.176	.300	1.000	
30			.052	.140	.300	1.000		
35		.084	.112	.300	1.000			
40		.130	.300	1.000				
45	.100	.300	1.000					
50	.300	1.000						
55	1.000							

Female Participants

Entry	Years of Service							
Age	**15**	**20**	**25**	**30**	**35**	**40**	**45**	**50**
15				.103	.143	.232	.310	.300
20				.110	.208	.286	.300	1.000
25			.102	.174	.252	.300	1.000	
30			.170	.232	.300	1.000		
35		.218	.220	.300	1.000			
40		.252	.300	1.000				
45	.400	.300	1.000					
50	.300	1.000						
55	1.000							

Table C3—For Retirements After 2017—Enterprises

Probability of Retirement

Age	Probability
50–54	.025
55–59	.075
60–61	.250
62	.500
63–64	.300
65	.667
66	.333
67	.200
68	.200
69	.200
70	1.000

Table C4—Retirements 2013–2017—Enterprises

Probability of Retirement

Age	Probability
50–54	.050
55–59	.300
60	.500
61	.250
62	.500
63–64	.300
65	.667
66	.333
67	.200
68	.200
69	.200
70	1.000

Table D1—Enterprises

Percentage of Participants With Beneficiaries Who Qualify for Sickness Death Benefit

Attained Age	Retired Participants Male	Retired Participants Female
15	N/A	N/A
20	N/A	N/A
25	N/A	N/A
30	N/A	N/A
35	N/A	N/A
40	83	65
45	83	65
50	83	65
55	83	61
60	84	51
65	87	38
70	82	29
75	77	18
80	68	10
85	56	5
90	40	4
95	20	1
100	0	0

Table D2—New York/New England

Percentage of Participants With Beneficiaries Who Qualify for Sickness Death Benefit

Attained	Active Participants		Retired Participants	
Age	**Male**	**Female**	**Male**	**Female**
15	0	0	N/A	N/A
20	28	40	N/A	N/A
25	66	62	N/A	N/A
30	85	71	N/A	N/A
35	91	78	N/A	N/A
40	94	76	83	65
45	95	71	83	65
50	94	64	83	65
55	92	51	83	61
60	90	38	84	51
65	86	23	87	38
70	N/A	N/A	82	29
75	N/A	N/A	77	18
80	N/A	N/A	68	10
85	N/A	N/A	56	5
90	N/A	N/A	40	4
95	N/A	N/A	20	1
100	N/A	N/A	0	0

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Schedule SB, line 24—Change in Actuarial Assumptions

The funding valuation reflects the following assumption changes:

- The lump sum interest rate was changed from 4.50% for all lump sums to 4.50% for the GATT rate and 3.30% for the PBGC rate.
- The cash balance interest crediting rate was lowered from 4.00% to 3.00%.
- The retirement rates were updated to better reflect anticipated experience.
- For the 2012 plan year, terminated vested participants were assumed to retire at age 65 or current age if higher. For the 2013 plan year, the average expected retirement age is age 60 for California, and age 63 for New York/New England. The Enterprise terminated vested participants use the same retirement rate table as the actives.
- For the 2012 plan year, terminated vested participants were assumed to elect an annuity form of payment. For the 2013 plan year, the optional payment form election percentages:
  - California: 80% elect lump sum payment, 20% elect life annuity
  - Enterprises: 80% under age 65 elect a lump sum; 40% over age 65 elect a lump sum; all others elect life annuity
  - New York/New England: If terminated within the last two years, 40% elect immediate lump sum payment, 60% elect life annuity. If terminated more than two years ago, 100% elect life annuity

Schedule SB Attachment (Form 5500)—2013 Plan Year
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Schedule SB, line 26—Schedule of Active Participant Data as of January 1, 2013

Verizon Pension Plan for Associates
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	12	29 $46,609	6							
25-29	21 $44,115	110 $55,625	212 $61,678	1						
30-34	9	140 $58,790	508 $66,536	671 $71,912	87 $72,105					
35-39	6	121 $65,316	463 $68,723	2,062 $73,311	1,842 $77,160	66 $78,210				
40-44	4	119 $70,256	402 $67,772	1,694 $73,920	2,715 $78,023	1,053 $77,890	120 $73,893			
45-49	4	113 $67,469	227 $69,219	977 $73,641	1,387 $77,452	1,616 $79,599	997 $76,059	49 $75,932		
50-54	2	115 $74,206	175 $69,820	621 $73,133	771 $74,798	906 $78,271	802 $76,627	1,172 $75,119	33 $69,949	
55-59	2	82 $76,188	126 $71,145	369 $70,139	435 $73,896	362 $76,922	338 $73,900	938 $75,425	279 $71,450	37 $75,068
60-64		27 $73,866	57 $67,443	158 $69,700	147 $70,718	100 $75,350	87 $72,698	260 $75,011	127 $74,335	275 $76,540
65-69		6	6	55 $71,158	31 $67,843	19	15	24 $71,935	8	86 $77,787
70+		7		14	1	1	1	1		6

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Note: There are 122 active participants that have a cash balance account that is only earning interest credit. Since the cash balance feature applies to so few active participants, the average cash balance accounts are not shown.

Schedule SB Attachment (Form 5500)—2013 Plan Year
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Schedule SB, line 32—Schedule of Amortization Bases

Type of Base	Present Value of Installment	Date Established	Years Remaining	Amortization Installment
Shortfall	$ 222,404,618	January 1, 2013	7	$ 37,431,938

Schedule SB Attachment (Form 5500)—2013 Plan Year
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Schedule SB, Part V—Summary of Plan Provisions

California

	GTE California Incorporated Plan for Hourly-Paid Employees' Pensions
Effective Dates	September 1, 1929. Restated December 31, 2009 with amendments through December 31, 2012
2010 Spinoff	Effective June 30, 2010, the assets and liabilities of the associates transferred to Frontier Communications Corporation were spun off from the respective Verizon 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. See Table B for actuarial reduction factors.

Disability Retirement

Eligibility: Fifteen 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 of 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, 2012

Years of Accredited Service	Minimum Pension Schedule
15–19	$ 5,500
20–24	$ 7,000
25–29	$ 8,700
30–34	$10,400
35–39	$12,000
40+	$13,700

Table B

Deferred Vested Reduction Factors

Age	Factor	Age	Factor	Age	Factor
18	0.03100	36	0.09700	54	0.38300
19	0.03300	37	0.10300	55	0.41700
20	0.03500	38	0.11000	56	0.46700
21	0.03700	39	0.11800	57	0.51700
22	0.03900	40	0.12700	58	0.56700
23	0.04200	41	0.13600	59	0.61700
24	0.04400	42	0.14600	60	0.66700
25	0.04700	43	0.15600	61	0.73300
26	0.05000	44	0.16800	62	0.80000
27	0.05400	45	0.18000	63	0.86700
28	0.05700	46	0.19400	64	0.93300
29	0.06100	47	0.20900	65	1.00000
30	0.06500	48	0.22500		
31	0.06900	49	0.24300		
32	0.07400	50	0.26300		
33	0.07900	51	0.28400		
34	0.08400	52	0.31700		
35	0.09000	53	0.35000		

New York/New England

Effective Date	Restated December 31, 2009 with amendments adopted through December 31, 2012
2012 Bargaining	The plan was amended to extend the lump sum trial benefit for three years to August 2015. Additionally, any associate first hired on or after October 28, 2012, is not eligible to participate in the pension plan.
2010 Voluntary Separation Incentive Offer	The plan was amended to offer the following enhancements to eligible participants who separated from service under the respective offer: (1) acceleration of the October 1, 2010 band increase, (2) preservation of the March 2010 lump sum interest rates to determine a minimum lump sum, and (3) unreduced benefits for service pension eligible associates.
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.
2008 Merger	Effective September 30, 2008, assets and liabilities for the Enterprises Management Plan were merged into the New York and New England Associates Plan. There were no changes to their benefit provisions, which remain the same as summarized under Management Plan provisions.
Participation	Any nonsalaried employee of a participating company is eligible to become a participant upon the later of: (1) Attainment of age 21 (2) Completion of 1,000 hours of service during a 12-month period beginning on the employee's date of hire, the anniversary of the employee's date of hire, or the calendar year

Eligibility For Benefits	
Normal	Age 65 and ten years of Vesting Service
Early	Age 60 with 15 years of Credited Service; age 55 with 20 years of Credited Service; age 50 with 25 years of Credited Service; or any age with 30 years of Credited Service
Vested	Five years of Vesting Service
Disability	Fifteen years of Credited Service and total and permanent disability
Preretirement Survivor's Benefit	Five years of Vesting Service
Sickness Death Benefit	All active and retired employees hired before January 1, 1987 are eligible if death occurs from an illness or an off-the-job accident. Participants must have retired with a Service Pension or Disability Pension (or received a lump sum payment for each pension).
Amount Of Benefits	
Normal	For all participants, the monthly benefit payable is equal to (a) + (b): (a) The dollar amount corresponding to the appropriate pension band for that participant times Credited Service. Each job title is assigned a specific pension band. Table A lists the dollar amount for each pension band. (b) 0.1% of Annual Average Supplemental Payments times Credited Service
Early	A benefit computed in the same manner as a normal retirement benefit, but with the following reductions applied for receipt prior to age 55:

Years of Credited Service	Reduction
30 Years or More	No reduction
Less Than 30 Years	6% for each year that payments begin prior to age 55

Vested	A benefit computed in the same manner as a normal retirement benefit, calculated using the benefit formula and credited service as of date of separation from service, and reduced actuarially for receipt prior to age 65. See Table B for reduction factors.
Disability	A benefit computed in the same manner as a normal retirement benefit. No reduction is applied for receipt of disability benefits prior to age 65. The disability benefit is converted to a normal retirement benefit of an equal amount at age 65.
Minimum Pension	The minimum pension amount for employees eligible for a service or disability pension is $700 per month. This amount is prorated for service less than 30 years. The minimum pension is reduced if paid in a form other than a life annuity. The minimum benefit is not reduced if commencement occurs before the unreduced retirement age.
Future Pension Band Increases	As of December 31 2010, 1.0% per year following the expiration of the current contract in 2011. As of December 31, 2011, no future band increases. The change in the percentage increase was treated as a negative plan amendment consistent with the adoption of the increase as part of 2003 bargaining.
Preretirement Survivor's Benefit	
Participants Without Service on and After August 6, 2000	Upon the death of a vested participant, the participant's spouse will be eligible for a benefit equal to 50% of the participant's accrued benefit deferred to the later of the earliest age when the deferred vested pension would have been payable and the current age. This benefit is reduced for early commencement and the cost of a 50% survivor annuity.
Participants With Service on and After August 6, 2000	Active Employees—Upon the death of a vested active participant, the participant's spouse or named beneficiary will be eligible for a benefit equal to 65% of the participant's accrued benefit payable immediately. The benefit is not reduced for early commencement. This benefit is reduced for the cost of a 65% survivor annuity. (A 50% survivor annuity is provided for nonspouse beneficiaries more than 25 years younger than the participant.)

	Deferred Vested Employees—Upon the death of a vested participant, the participant's spouse or named beneficiary will be eligible for a benefit equal to 65% of the participant's accrued benefit deferred to the later of the earliest age when the deferred vested pension would have been payable and the current age. This benefit is reduced for early commencement and the cost of a 65% survivor annuity. (As above, a 50% survivor benefit is provided for nonspouse beneficiaries more than 25 years younger than the participant.)
Sickness Death Benefit	Employee's mandatory beneficiary receives a benefit equal to one year's pay based on pay on the earlier of the employee's retirement date and December 31, 1986.
Normal Form of Benefits	Reduced benefit in the form of a 50% joint and survivor annuity if married, or a life annuity if single
Optional Forms of Payment	50%, 75%, and 100% joint and survivor annuities, and 5-year and 10-year certain and life annuities. The cost of the survivor annuity depends on the difference between the employee's and beneficiary's ages. The cost of the survivor annuity is restored to the employee's pension if the beneficiary predeceases the employee. Benefit amounts are reduced 2% for the cost of the 5-year certain and life annuity and 6.5% for the 10-year certain and life annuity. Vested participants terminating during the period November 1, 2004 through August 1, 2015 can elect to receive 100% of the benefit in the form of a lump sum.
Beneficiary Options	With a spouse's consent, if applicable, any individual can be a beneficiary.
Definitions	
Supplemental Payments	Differentials and other special payments. These supplemental payments include special city allowances, in charge allowances, extra payments for temporary assignments or temporary promotions to higher graded or supervisor positions, job differentials, and evening and night differential payments. Supplemental payments also include the 3% of pay lump sum paid in October 2003.
Annual Average Supplemental Payments	The average of the sum of all Supplemental Payments received in the three years immediately preceding retirement

Credited Service	All eligible years and months of employment accrued to the earlier of actual retirement or separation from service
Vesting Service	A year of vesting service is credited for each calendar year in which 1,000 hours of service is performed, starting with the later of age 18 and the first year of employment.
Mandatory Beneficiary	The participant's spouse, dependent child, or dependent parents

Table A

Monthly Benefits

	Effective for Terminations on or After			
Pension Band	**October 1 2007**	**October 1 2008**	**October 1 2009**	**October 1 2010**
101	$38.31	$39.56	$40.94	$42.48
102	$39.94	$41.24	$42.68	$44.28
103	$41.61	$42.96	$44.46	$46.13
104	$43.18	$44.58	$46.14	$47.87
105	$44.79	$46.25	$47.87	$49.67
106	$46.40	$47.91	$49.59	$51.45
107	$48.06	$49.62	$51.36	$53.29
108	$49.67	$51.28	$53.07	$55.06
109	$51.31	$52.98	$54.83	$56.89
110	$52.90	$54.62	$56.53	$58.65
111	$54.53	$56.30	$58.27	$60.46
112	$56.17	$58.00	$60.03	$62.28
113	$57.76	$59.64	$61.73	$64.04
114	$59.38	$61.31	$63.46	$65.84
115	$60.97	$62.95	$65.15	$67.59
116	$62.61	$64.64	$66.90	$69.41
117	$64.23	$66.32	$68.64	$71.21
118	$65.85	$67.99	$70.37	$73.01
119	$67.47	$69.66	$72.10	$74.80
120	$69.08	$71.33	$73.83	$76.60
121	$70.68	$72.98	$75.53	$78.36
122	$72.34	$74.69	$77.30	$80.20
123	$73.93	$76.33	$79.00	$81.96
124	$75.54	$78.00	$80.73	$83.76
125	$77.16	$79.67	$82.46	$85.55
126	$78.77	$81.33	$84.18	$87.34
127	$80.40	$83.01	$85.92	$89.14
128	$82.02	$84.69	$87.65	$90.94
129	$83.65	$86.37	$89.39	$92.74
130	$85.24	$88.01	$91.09	$94.51
131	$86.91	$89.73	$92.87	$96.35
132	$88.49	$91.37	$94.57	$98.12
133	$90.11	$93.04	$96.30	$99.91
134	$91.74	$94.72	$98.04	$101.72
135	$93.30	$96.33	$99.70	$103.44

Pension band amounts have been increased as follows as a result of bargaining agreements:

Effective Date	Percentage Increase	Effective Date	Percentage Increase
07/01/2003	4%	2008 Contract	
10/01/2003	5% (temporary)	10/01/2008	3.25%
01/01/2004	Reduces to 07/01/2003 level	10/01/2009	3.50%
11/01/2004	2%	10/01/2010	3.75%
10/01/2005	3%		
10/01/2006	3%		
10/01/2007	3%		

Table B

Deferred Vested Reduction Factors

Age	Factor	Age	Factor	Age	Factor
18	0.02200	36	0.07700	54	0.34000
19	0.02200	37	0.08300	55	0.37000
20	0.02200	38	0.09000	56	0.40000
21	0.02400	39	0.09700	57	0.44000
22	0.02600	40	0.10500	58	0.48000
23	0.02800	41	0.11400	59	0.53000
24	0.03000	42	0.12400	60	0.58000
25	0.03300	43	0.13400	61	0.65000
26	0.03500	44	0.14600	62	0.72000
27	0.03800	45	0.15900	63	0.80000
28	0.04100	46	0.17200	64	0.89000
29	0.04400	47	0.18700	65	1.00000
30	0.04800	48	0.20400		
31	0.05200	49	0.22200		
32	0.05600	50	0.24000		
33	0.06000	51	0.26000		
34	0.06500	52	0.28000		
35	0.07100	53	0.31000		

Enterprise Management

Effective Date	Restated as of December 31, 2009 with amendments adopted through December 31, 2012
2008 Spinoff and Merger	Effective September 30, 2008, assets and liabilities for the Enterprises Management Plan were merged into the New York and New England Associates Plan. There were no changes made to their benefit provisions, which remain summarized in the Management Plan Provisions.
Participation	Effective January 1, 2006, newly hired management employees are not eligible for participation in the Plan.
Eligibility for Benefits	
Normal	Later of age 65 or fifth anniversary from date of hire
Early	75 age/service points with 15 years net credited service
Vested	Five years of Vesting Service
Disability	Fifteen years of Credited Service and total and permanent disability
Amount of Benefits	
Normal	**Participants hired on or after January 1, 2002:** Cash balance benefit **Participants hired before January 1, 2002:** *Transition Employees:* Greater of cash balance benefit, HAP benefit, or post-2001 MFPF benefit *Nontransition Employees:* Cash balance benefit
Early	Accrued normal retirement benefit with the following reductions applied to each separate formula: Cash Balance: no reductions Post-2001 MFPF: Refer to Special Benefit Provisions section HAP and Integrated benefits: Unreduced at age 55; 3% per year from age 55, maximum reduction 18%

Vested	Accrued normal retirement benefit using compensation and credited service as of date of separation from service, and reduced, if applicable, for receipt prior to age 65. See Table A for reduction factors.
Disability	Accrued normal retirement benefit with no reduction applied for receipt prior to age 65

Definitions

Transition Employee	An employee with ten or more years of service as of January 1, 2002
Cash Balance Account	Equal to the sum of opening account balance, if applicable, plus pay and interest credits
Pay Credits	Each month the cash balance account is credited by an amount equal to a percentage of monthly compensation based on points (age plus service) at the beginning of each year as follows:

Points	Pay Credit Percentage
Less Than 35	4%
35–49	5%
50–64	6%
65 or More	7%

Interest Credits	Up to the benefit commencement date, interest is credited based on the average annual yield on one-year Treasury bills plus one percentage point.

Pension Benefit Formulas

Post-2001 Modified Former Plan Formula (MFPF)	Sum of: (a) MFPF accrued benefit as of December 31, 2001 (see Special Benefits Provisions) (b) 1.35% of Average Compensation times service from January 1, 2002 to December 31, 2007 (c) 1.35% of career average pay for service after December 31, 2007
Highest Average Pay (HAP)	Transition Employee, sum of: (a) 1.35% of Average Compensation (to December 31, 2007) times service to December 31, 2007

	(b) 1.35% of career average pay for service after December 31, 2007 Nontransition Employee: 1.35% of Average Compensation (to May 31, 2004) times service to May 31, 2004
Compensation	Base pay (highest rate for the month), sales bonuses and commissions, short term performance incentives (excluding Senior Managers), lump sum merit payments, foreign service payments, premiums, corporate profit sharing, differentials and back pay awards. For an Employee who is a Connected Solutions Associate, incentive awards under the Technician Incentive Pay Plan are also included. Salary reduction amounts under IRC section 125 or 401(k) are included. Qualified plan compensation is limited to the 401(a)(17) limit.
Average Compensation	The average of Compensation over the sixty (60) consecutive calendar months during which the average is the highest.
Preretirement Death Benefit	
Beneficiaries Eligible	Spouse or other designated beneficiaries of vested active participants who die before payments commence, and designated beneficiaries of vested former participants.
Death Benefit	If the deceased participant was an active employee or a vested former participant who terminated after the plan's effective date, the death benefit is the greater of the full value of the Cash Balance Account or a 50% survivor benefit under alternative formulas. Pre-2002 Deferred Vested Employees—44% of the accrued benefit payable at the time the participant would have attained age 65. If earlier commencement is elected, benefit is the amount that would been payable to the spouse if participant terminated employment, survived to the commencement date, retired with a 50% Joint-and-Survivor Annuity, and then died.

Sickness Death Benefit	
Beneficiaries Eligible	Mandatory beneficiaries of all active and retired employees hired before April 1, 1991 and retired before January 1, 2002 are eligible if death occurs from an illness or an off-the-job accident. Participants who received a 100% cash-out under the 1991 special retirement program or who receive a 100% cash-out in 1993, 1994, or 1995 and make an election to receive this benefit from another source are excluded.
Death Benefit	One year's pay based on pay on the earlier of the employee's retirement date and December 31, 1991
Forms of Payment	
Normal Form	(1) Single participants: life annuity (2) Married participants: 50% Joint-and-Survivor Annuity with the spouse as the survivor
Optional Forms	(1) Lump sum cash out (2) Combination annuity and lump-sum cash out. Designated amount in 10% increments (up to 50%) paid as a lump sum cash out and the remaining portion distributed in any of normal or optional payment forms (3) 33-1/3%, 50%, 66-2/3% or 100% Joint-and-Survivor with designated beneficiary as the survivor (4) 50%, 75% or 100% Joint-and-Survivor with designated beneficiary as survivor with monthly payments restored to the life annuity level if the beneficiary predeceases the participant (pop-up) (5) 5- or 10-year certain and life annuity
Special Benefit Provisions	
Modified Former Plan Formula (MFPF)	
Minimum Eligibility	East Employees with 15 years of service on September 1, 1999
Modified Former Pension Formula	1.6% of career average pay (for service prior to January 1, 1991, the average pay from January 1, 1987 to December 31, 1991 times service through December 31, 1991 is used).

Retirement Eligibility	Age 65 with 10 years of service, age 60 with 15 years of service, age 55 with 20 years of service, age 50 with 25 years of service, or at 30 years of service
Early Retirement Reductions With With 30 or More Years of Service	No reductions on benefit earned through December 31, 1995; 3% per year reductions from age 59 (pre-2002) or age 60 (2002 and after) on the benefit earned after December 31, 1995
Early Retirement Reductions With Less Than 30 Years of Service	6% per year from age 59 (pre-2002) or from age 60 (2002 and after)

Table A

Deferred Vested Reduction Factors

Age	Factor	Age	Factor	Age	Factor
18	0.03100	36	0.09700	54	0.38300
19	0.03300	37	0.10300	55	0.41700
20	0.03500	38	0.11000	56	0.46700
21	0.03700	39	0.11800	57	0.51700
22	0.03900	40	0.12700	58	0.56700
23	0.04200	41	0.13600	59	0.61700
24	0.04400	42	0.14600	60	0.66700
25	0.04700	43	0.15600	61	0.73300
26	0.05000	44	0.16800	62	0.80000
27	0.05400	45	0.18000	63	0.86700
28	0.05700	46	0.19400	64	0.93300
29	0.06100	47	0.20900	65	1.00000
30	0.06500	48	0.22500		
31	0.06900	49	0.24300		
32	0.07400	50	0.26300		
33	0.07900	51	0.28400		
34	0.08400	52	0.31700		
35	0.09000	53	0.35000		

The actuarial valuation was conducted on an ongoing (not termination) basis using personnel data furnished as of January 1, 2013 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 three-year extension of the lump sum option for East Associates was adopted at the end of 2012 and reflected in the 2013 funding results.

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.

VERIZON PENSION PLAN FOR ASSOCIATES
EIN: 95-0510200 P/N 001
Schedule of Assets (Held at End of Year)
Schedule H, Part IV, Line 4i–
As of December 31, 2013
(in thousands)

Identity of Issue, Borrower, Lessor or Similar Party	Description of Investments including Maturity Date, Rate of Interest, Collateral, Par, or Maturity Value	Current Value
Bell Atlantic Master Trust	Allocated share of investments in master trust	$ 8,802,851

Attachment to 2013 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
Verizon Pension Plan for Associates	95-0510200	001	105.91%
Verizon Pension Plan for Mid-Atlantic and South Associates	25-1259884	002	103.47%