



# Krosnowski & Scott LLC

Investment & Retirement Planning Specialists

## VERIZON MANAGEMENT

We feel that it is important for you to be aware of the Verizon retirement process. It is our aim to assist you in making the transition of your retirement plan balances as simple and easy as possible. In order to start this process you will need to:

### I. Pension Transition Process –

1. Verify under what conditions you are separating service from Verizon (i.e. involuntary separation package (RIF), normal retirement or termination).
2. Contact Hewitt & Associates at: **(877) 489-2367** to initiate your retirement and schedule your benefits review conference call with a Hewitt & Associates' representative.
3. There is not a deadline for selecting when you plan to begin receiving your pension benefits (annuity or lump sum), however your pension balance will be determined by the most favorable pension calculation interest rate (GATT, PBGC, T-Bond) that applies to your benefit commencement date (BCD).
4. After your conference call with Hewitt & Associates, you will receive your retirement package which contains your pension authorization forms. Either on-line at [www.resources.hewitt.com/Verizon](http://www.resources.hewitt.com/Verizon) or during your benefits review conference call you will need to provide Hewitt & Associates with your pension elections. If you elect to receive your pension in the form of a lump sum payment, it is highly recommended to directly rollover your total balance to an IRA. This will enable you to defer taxes and avoid premature withdrawal penalties. You can elect to have a check mailed to you or your financial institution or have your pension funds wired directly into your IRA. If you choose to receive your pension as a lump sum you will need to provide Hewitt & Associates with the following information if you wish to have your pension balance wired into your IRA:

**FINANCIAL INSTITUTION:**

**WELLS FARGO  
(for American Funds)\***

**BANK OF NEW YORK/  
(for Pershing)**

Financial Institution  
Account Number

Financial Institution  
Routing Number

IRA Account No.

4600-076178  
121000248

890-051238-5  
021000018

\* The IRA custodian for the American Funds is Capital Bank & Trust (CB&T)

5. Pension Authorization Forms - If you are married, your spouse will be required to have their signature notarized on the spousal election page. You will also need to sign a waiver stating that you agree to remain off of Verizon's payroll for a specific length of time (normally 90 days). All of these forms are required to be mailed back or faxed back (**FAX # (847) 883-8245 or 8247**) to Hewitt & Associates to finalize the process.

6. Monthly Pension Processing Cut-off Date. Hewitt processes all pensions on the 10th day of each month with the funds being distributed by wire or mail on the 1st day of the following month (i.e., if your forms are received by Hewitt & Associates by November 10th processing cut-off date, your funds will be distributed on December 1st).

## II. Verizon 401(K) Savings Plan Transition Process and Distribution Alternatives -

A. Verizon 401(k) Savings Plan Age 55 Rule - If you reach age 55 during the year that you retire, you will be eligible to receive up to twelve distributions per calendar year free of the 10% premature retirement plan distribution penalty. However, pre-tax retirement distribution plans are subject to ordinary income taxation.

B. In order to roll over your assets, you will need to contact Fidelity Investments at: **(888) 457-9333**. Prior to contacting Fidelity you will need to review the special tax notice (go to [www.fidelity.com](http://www.fidelity.com) and type **402F** in the search function). Fidelity will require you to read this notice prior to authorizing them to rollover your Savings Plan to an IRA. We can assist you by being on the conference call with you. We can guide you through the call with the Fidelity representative.

C. No paperwork is required to rollover your Savings Plan to an IRA. The only requirement is to call Fidelity and authorize the distribution.

D. Any after-tax assets distributed from the Savings Plan will be made payable directly to you.

E. You have the choice to distribute the Verizon shares from the Savings Plan in cash or stock to your IRA or regular brokerage account (if after-tax).

F. Please feel free to contact us if you are interested in having us generate free, customized retirement planning reports for you or if you would like further explanation of the Verizon retirement process.

Sincerely,

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