



FOR THE BULLETIN BOARD
Please Post Immediately!

KATHRYN L. SHEEHAN, *President*
AMY T. LAFFERTY, *Vice President*
MICHAEL C. TRAVALI, *Secretary-Treasurer*

MEMORANDUM - No. 3

February 16, 2011

CWA Bargained 2010 Corporate Profit Sharing (CPS) Award

TO: All Members, Stewards, Chief Stewards

The company has advised the Union that the Corporate Profit Sharing (CPS) award for the plan year **2010** is **\$794.00**. The base last year was \$500.00 [standard amount] times (x) 158.8% [goal] = **\$794.00**, or 79.4% of maximum of \$1000.00. As provided for in the contract, those full-time and part-time, regular, term and temporary employees who are on the payroll for at least 90 days in the plan year are eligible to receive a CPS Distribution. Proration for those with more than 90 days but less than 12 months of the plan year will be calculated by twelfths to correspond to the number of months of participation. For the purpose of proration a month will be taken into account if the employee is actively participating on the first day of the calendar month.

The award will be issued to all eligible employees on their regular paycheck, **Friday, March 4, 2011**. Please be aware that *all applicable Federal and State payroll taxes as well as Union dues will be deducted from this pay draft.*

- If you participate in the Verizon Savings and Security Plan (VSSP), this CPS distribution shall be treated as eligible benefit-bearing pay which may be contributed to the qualified Savings and Security Plan according to the same contribution percentage (if any) as is in effect for regular wages at the time the CPS distribution is paid (and the same terms and conditions for pre-tax and after-tax treatment, and for qualifying for applicable company matching contributions).
- As an active employee participating in the savings plan at the time of the payment you *may elect* to defer your contribution of the entire CPS Award (less appropriate deductions and taxes) into your 401K savings. If you so *elect*, the award amount will be contributed to the Savings and Security Plan on a pre-tax basis and the first 6 percent will be treated as a basic contribution for purposes of a company match.

The attached are the estimated applicable federal and state taxes that will be deducted from your CPS Award. These **estimated** figures are based on the **full \$794.00** gross award. The tax percentages remain the same for any gross amount payable to you for the award. Please note that these estimated calculations do **not** include deductions for VSSP contributions. **Note** that there is a separate calculation for premium overtime and the adjustment should be specified separately on your *regular* paycheck on that paycheck.

This is one of your Union-negotiated benefits. Congratulations! You worked hard for it!

In Unity,

MICHAEL C. TRAVALI
Secretary-Treasurer

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2010 CPS ATTACHMENT
Estimated Amounts

\$794.00 GROSS

- 158.80 Federal withholding (.20%) *lump sum*
- 33.35 Social security (0.042%) *special rate for 2011*
- 11.51 Medicare (0.0145%)
- 47.64 NJ Withholding (0.60%)
- 4.92 NJ Disability/FLA (0.0062%)
- 3.37 NJ Unemployment Tax/Health (0.00425%)
- .34 NJ Workforce Development Tax (0.00043%)
- 11.20 Union dues (0.141%)

= \$522.87 NET *(estimated)*

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