

# Receiving Your Benefit

## Service Pension Eligibility

Your eligibility to retire and start receiving a service pension depends on your age and net credited service when you terminate employment.

If you meet any of the following age and net credited service requirements, you may retire on or after that age and receive a service pension.

### Service Pension Eligibility Requirements

Your Age	Net Credited Service
Any age	30 years or more
At least age 50	25 years or more
At least age 55	20 years or more
At least age 60	15 years or more
Age 65 or older	10 years or more

## Early Retirement With a Service Pension

If you qualify for a service pension, you can retire and start receiving your pension benefit right away. Payments may or may not be reduced for early retirement depending on your age and net credited service as described below.

### Unreduced Pension

If you retire with 30 or more years of net credited service, your service pension can be paid in full without reduction for early payment, regardless of your age when you terminate employment.

If you qualify for a service pension and retire when you are age 55 or older, you also can receive your benefit without reduction for early payment.

### Reduced Pension

If you retire before age 55 and have less than 30 years of net credited service, your benefit permanently will be reduced by 1/2 percent a month (or six percent a year) for each full or partial month that that you retire before you reach age 55, regardless of when you begin receiving your pension.

**Example:** Here's an example of how a service pension is reduced for early retirement. Assume:

- You retire at age 53.
- You have 25 years of net credited service.
- Your unreduced service pension is \$1,000 a month.

Since you have less than 30 years of net credited service and you are retiring 24 months before age 55, your early payment reduction is 12 percent ( $1/2$  percent  $\times$  24 months = 12 percent).

So, your reduced early retirement benefit would be calculated like this:

**Step 1:**  $\$1,000 \times 12$  percent (.12) reduction = \$120 early retirement reduction

**Step 2:**  $\$1,000 - \$120 =$  **\$880 reduced early retirement monthly benefit starting at age 53 or any later age.**

### **Normal Retirement or Later**

You can retire any time after your normal retirement age and receive an unreduced benefit regardless of the length of your service. Your normal retirement age is 65, and your normal retirement date is the day you turn age 65.

If you continue working until April 1 of the year after you reach age 70-1/2, your monthly pension benefit automatically will begin. Your benefit will be redetermined each year to reflect the additional benefit value you have earned from continued employment.

### **If You Leave Before Retirement**

#### **Deferred Vested Pension**

If you leave Verizon with at least five years of ERISA service (after age 18), you are eligible for a deferred vested pension. (See [page 7](#) for details on ERISA service.)

If you terminate employment with Verizon before completing five years of ERISA service and before your normal retirement age, you are not entitled to a benefit from the Plan.

If you leave the Company with the right to a deferred vested pension, you will receive a statement showing the amount of your deferred vested pension benefit payable when you reach your normal retirement date. You are not eligible for any other benefits Verizon provides to those participants who are eligible for a service or disability pension.

Your full, unreduced deferred vested pension can begin on your normal retirement date, or you can elect to have your benefit start at any time after you reach age 50 in a reduced amount, if you have the required years of net credited service at the time your employment ends. A reduced monthly pension is payable:

- At or after age 50, if you have at least 25 years of net credited service
- At or after age 55, if you have at least 20 years of net credited service
- At or after age 60, if you have at least 15 years of net credited service.

The table on the following page reflects the percentage of the pension payable as a single life annuity if you terminate employment and begin receiving deferred vested pension payments prior to age 65. Please note that this table is based on your age, in complete years and months, at the time pension payments begin (for example, at 50 years and three months, 25 percent of your pension is payable). (Note that if you terminate during the Cashout Trial Period, you can receive an annuity at any age.)

**Special Early  
Payment Rule During  
Cashout Trial Period  
Through  
December 31, 2003**

If you terminate employment during the Cashout Trial Period (see [page 36](#)) and you are eligible for a deferred vested benefit, you have the option to elect an immediate reduced monthly benefit or a lump-sum distribution, regardless of your age and years of net credited service at the time your employment ends.

Your Age in Completed Years...	...And Any Completed Months in Addition to Years											
	0	1	2	3	4	5	6	7	8	9	10	11
25	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	3.4%	3.4%	3.4%	3.4%	3.5%	3.5%
26	3.5	3.5	3.6	3.6	3.6	3.6	3.7	3.7	3.7	3.7	3.7	3.8
27	3.8	3.8	3.8	3.9	3.9	3.9	3.9	4.0	4.0	4.0	4.0	4.1
28	4.1	4.1	4.2	4.2	4.2	4.2	4.3	4.3	4.3	4.3	4.4	4.4
29	4.4	4.5	4.5	4.5	4.5	4.6	4.6	4.6	4.7	4.7	4.7	4.8
30	4.8	4.8	4.8	4.9	4.9	4.9	5.0	5.0	5.0	5.1	5.1	5.1
31	5.2	5.2	5.2	5.3	5.3	5.3	5.4	5.4	5.5	5.5	5.5	5.6
32	5.6	5.6	5.7	5.7	5.7	5.8	5.8	5.9	5.9	5.9	6.0	6.0
33	6.0	6.1	6.1	6.2	6.2	6.3	6.3	6.3	6.4	6.4	6.5	6.5
34	6.5	6.6	6.6	6.7	6.7	6.8	6.8	6.9	6.9	6.9	7.0	7.0
35	7.1	7.1	7.2	7.2	7.3	7.3	7.4	7.4	7.5	7.5	7.6	7.6
36	7.7	7.7	7.8	7.8	7.9	7.9	8.0	8.0	8.1	8.1	8.2	8.2
37	8.3	8.3	8.4	8.5	8.5	8.6	8.6	8.7	8.7	8.8	8.9	8.9
38	9.0	9.0	9.1	9.2	9.2	9.3	9.3	9.4	9.5	9.5	9.6	9.7
39	9.7	9.8	9.9	9.9	10.0	10.1	10.1	10.2	10.3	10.3	10.4	10.5
40	10.5	10.6	10.7	10.8	10.8	10.9	11.0	11.1	11.1	11.2	11.3	11.3
41	11.4	11.5	11.6	11.7	11.7	11.8	11.9	12.0	12.1	12.1	12.2	12.3
42	12.4	12.5	12.6	12.7	12.7	12.8	12.9	13.0	13.1	13.2	13.3	13.4
43	13.4	13.5	13.6	13.7	13.8	13.9	14.0	14.1	14.2	14.3	14.4	14.5
44	14.6	14.7	14.8	14.9	15.0	15.1	15.2	15.3	15.4	15.5	15.6	15.7
45	15.9	16.0	16.1	16.2	16.3	16.4	16.5	16.7	16.8	16.9	17.0	17.1
46	17.2	17.4	17.5	17.6	17.7	17.9	18.0	18.1	18.2	18.4	18.5	18.6
47	18.7	18.9	19.0	19.1	19.3	19.4	19.6	19.7	19.8	20.0	20.1	20.2
48	20.4	20.5	20.7	20.8	21.0	21.1	21.3	21.4	21.6	21.7	21.9	22.0
49	22.2	22.4	22.5	22.7	22.9	23.0	23.2	23.4	23.5	23.7	23.9	24.0
50	24.0	24.0	24.0	25.0	25.0	25.0	25.0	25.0	25.0	26.0	26.0	26.0
51	26.0	26.0	26.0	27.0	27.0	27.0	27.0	27.0	27.0	28.0	28.0	28.0
52	28.0	28.0	29.0	29.0	29.0	29.0	30.0	30.0	30.0	30.0	31.0	31.0
53	31.0	31.0	32.0	32.0	32.0	32.0	33.0	33.0	33.0	33.0	34.0	34.0
54	34.0	34.0	35.0	35.0	35.0	35.0	36.0	36.0	36.0	36.0	37.0	37.0
55	37.0	37.0	38.0	38.0	38.0	38.0	39.0	39.0	39.0	39.0	40.0	40.0
56	40.0	40.0	41.0	41.0	41.0	42.0	42.0	42.0	43.0	43.0	43.0	44.0
57	44.0	44.0	45.0	45.0	45.0	46.0	46.0	46.0	47.0	47.0	47.0	48.0
58	48.0	48.0	49.0	49.0	50.0	50.0	51.0	51.0	51.0	52.0	52.0	53.0
59	53.0	53.0	54.0	54.0	55.0	55.0	56.0	56.0	56.0	57.0	57.0	58.0
60	58.0	59.0	59.0	60.0	60.0	61.0	62.0	62.0	63.0	63.0	64.0	64.0
61	65.0	66.0	66.0	67.0	67.0	68.0	69.0	69.0	70.0	70.0	71.0	71.0
62	72.0	73.0	73.0	74.0	75.0	75.0	76.0	77.0	77.0	78.0	79.0	79.0
63	80.0	81.0	82.0	82.0	83.0	84.0	85.0	85.0	86.0	87.0	88.0	88.0
64	89.0	90.0	91.0	92.0	93.0	94.0	95.0	95.0	96.0	97.0	98.0	99.0
65	100.0	—	—	—	—	—	—	—	—	—	—	—