Walden Asset Management
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October 17, 2007

Mr. Joseph Neubauer
Chair – Human Resources Committee
Board of Directors
Verizon Communications
140 West Street
New York, NY 10007

Dear Mr. Neubauer:

On behalf of the signatories of the enclosed letter, I am pleased to transmit this correspondence regarding the Advisory Vote on Pay issue to you and your colleagues in management.

As you will see the investors signing this letter believe that the remarkable vote in favor of the resolution on the Advisory Vote should stimulate Verizon to adopt an Advisory Vote Policy.

We are glad to discuss this request with you further on behalf of the signatories.

Sincerely,

Timothy Smith
Senior Vice President

A Division of Boston Trust & Investment Management Company
One Beacon Street, Massachusetts 02108 617.726.7250 or 800.282.8782 fax 617.227.3664

October 17, 2007

Joseph Neubauer
Chair, Human Resources Committee
Board of Directors
Verizon Communications, Inc.
140 West St.
New York, NY 10007

Dear Mr. Neubauer:

We are writing on behalf of institutional investors, including institutional investors who own more than $790 million of Verizon shares (institutional investors listed below) to ask you to implement a shareholder advisory vote on executive pay. More specifically, we urge you to adopt a policy that includes, as a voting item in the proxy statement for each annual meeting, an advisory resolution, proposed by Verizon's management, to approve the compensation of the named executive officers, set forth in the proxy statement's Summary Compensation Table and the accompanying narrative disclosure of material factors provided to understand the Table. You are certainly aware that at this year's annual meeting a majority of votes cast were in favor of this proposal – more than half of the people who you represent on the Board of Directors sent you a message that we want more transparency and accountability in executive pay at our company.

As institutional investors, we are concerned by the disconnect between executive pay and corporate performance at Verizon and other public companies, especially in light of recent studies that show that public companies now pay nearly 10 percent of their aggregate earnings to their top five executives (Bebchuk and Grinstein, "The Growth of Executive Pay," 2005).

Your communications with shareholders create the appearance that Verizon's pay practices reward performance, asserting that 89% of CEO Ivan Seidenberg's pay is performance based. If you truly intend executive pay to reward superior performance, serious adjustments to Verizon's pay practices are in order.

The Compensation Discussion and Analysis from the 2007 proxy materials provides a window into the pay for failure policies in place:

> For the three-year performance cycle that ended in 2005, PSUs [performance stock units] were paid out at 41% of their maximum value. Over this three-year period, Verizon ranked in the 32nd percentile in terms of TSR when compared to the companies in the S&P 500 Index and in the 54th percentile in terms of TSR when compared to the companies in the Industry Peer Group.

Claims that 89% of pay are at risk appear disingenuous when executives receive tremendous payouts despite performance in the bottom third of the S&P 500. Pay for failure seems to be built into the compensation policies at our company.
Despite broad criticism from Morningstar, the New York Times, and shareholders you have done nothing to improve pay practices at Verizon. As a result of your failure to respond to these concerns, Verizon was one of five companies that "have continued paying excessive, non-performance-related compensation for negative [total shareholder return]" for the second year in a row (The Corporate Library, "Pay for Failure II: The Compensation Committees Responsible," May 2007).

As long-term owners of Verizon, we rely on you and the other independent directors we elected to implement policies that prevent excessive executive pay and encourage good corporate governance, board accountability and long-term value creation. Giving shareholders an opportunity to vote on executive pay is a simple and easy way to improve Verizon's corporate governance policies. Since the vote is not binding, it will give us a voice in the process without allowing us to micromanage the Company.

Institutional investors rely on independent directors to represent our interests as long-term shareholders. By voting in favor of an advisory vote on executive pay, we have asked you to implement a policy that we believe is necessary to protect our interests. We therefore call on you to adopt a policy that includes, as a voting item in the proxy statement for each annual meeting, an advisory resolution, proposed by Verizon's management, to approve the compensation of the named executive officers, set forth in the proxy statement's Summary Compensation Table and the accompanying narrative disclosure of material factors provided to understand the Table.

Sincerely,

Richard Moore
North Carolina State Treasurer

Howard Rifkin
Deputy Treasurer
State of Connecticut

Thomas K. Lee
Deputy Executive Director
New York State Teachers' Retirement System

V. Daniel Radford
Trustee
City of Cincinnati Retirement System

Timothy Smith
Senior Vice President
Walden Asset Management

Bro. Steven O'Neil, SM
Marianist Province of the United States

Dawn Wolfe
Research Analyst
Boston Common Asset Management Inc

cc: Ivan Seidenberg, Chairman and Chief Executive Officer
Marianne Drost, Corporate Secretary
C. William Jones, President, The Association of BellTel Retirees
Daniel Pedrotty, Director, AFL-CIO Office of Investment
George Kohl, Senior Director, Communications Workers of America