

November 6, 2007

Ivan G. Seidenberg
Chair & CEO
Verizon Communications Inc.
140 West Street
New York, NY 10007

Dear Mr. Seidenberg:

The Council of Institutional Investors applauds the Verizon board's recent adoption of a policy that provides for an annual advisory shareowner vote related to executive compensation. Our members—more than 140 public, union and corporate pension funds with assets that exceed \$3 trillion—recognize that it is not easy for a board to blaze a trail on the path to good corporate governance. We commend Verizon for its leadership on this new and important governance issue.

The Council appreciates that Verizon acted after a proposal seeking annual advisory votes on executive compensation won a majority of votes cast at the company's May 3, 2007 annual meeting. Council members believe that boards should respond to majority-vote-winning shareowner proposals by adopting the recommended action. In a July 24 letter to you, the Council urged that Verizon adopt the "say on pay" policy.

Council members also are pleased that the board's human resources committee clarified the types of payments included in the calculation of severance payments and adopted a policy requiring its independent compensation consultant to provide services only to the committee.

Thank you for taking steps to make the Verizon board more accountable to Verizon shareowners.

Sincerely,

Amy Borrus
Deputy Director