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Verizon announces tender offers for 15 series of notes



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NEW YORK – Verizon Communications Inc. (“Verizon”) (NYSE, NASDAQ: VZ) today announced the commencement of 15 separate offers to purchase the outstanding series of notes listed in the table below (collectively, the “Notes”) for a total cash amount of up to \$4.0 billion. We refer to each offer to purchase a series of Notes for cash as an “Offer” and collectively as the “Offers.” The Offers are made on the terms and subject to the conditions set forth in the Offer to Purchase dated October 26, 2021 (the “Offer to Purchase”).

The Offers will each expire at 5:00 p.m. (Eastern time) on November 24, 2021, unless extended or earlier terminated by Verizon (such date and time with respect to an Offer, as the same may be extended with respect to such Offer, the “Expiration Date”). To be eligible to receive the Total Consideration (as defined below), which includes the Early Participation Payment (as defined below), holders of Notes (each, a “Holder” and collectively, “Holders”) must validly tender, and not validly withdraw, their Notes at or prior to 5:00 p.m. (Eastern time) on November 8, 2021, unless extended or earlier terminated (such date and time with respect to an Offer, as the same may be extended with respect to such Offer, the “Early Participation Date”). Holders who validly tender their Notes after the applicable Early Participation Date, but at or prior to the applicable Expiration Date, will be eligible to receive the tender consideration, which is equal to the Total Consideration for such series minus the applicable Early Participation Payment (as defined below) (with respect to such series, the “Tender Consideration”). All Holders whose Notes are accepted in an Offer will receive a cash payment equal to the accrued and unpaid interest on such Notes to, but not including, the relevant Settlement Date (as defined below) (the “Accrued Coupon Payment”) in addition to their Total Consideration or Tender Consideration, as applicable.

Notes tendered for purchase may be validly withdrawn at any time at or prior to 5:00 p.m. (Eastern time) on November 8, 2021 (such date and time with respect to an Offer, as the same may be extended with respect to such Offer, the “Withdrawal Date”), but not thereafter, unless extended by Verizon.

Verizon is offering to accept for purchase validly tendered Notes using a “waterfall” methodology under which Verizon will accept Notes in the order of their respective Acceptance Priority Levels (as defined below), subject to a cap.

The Offers are subject to the terms and conditions described in the Offer to Purchase, including, among other things, (i) the Acceptance Priority Procedures (as described below) and (ii) a \$4.0 billion cap on the Total Consideration and/or Tender Consideration to be paid in all of the Offers (the “Waterfall Cap”). The Accrued Coupon Payment is excluded from the Waterfall Cap. The Offers are not conditioned on any minimum amount of Notes being tendered, and none of the Offers is conditioned on the consummation of any of the other Offers.

On the terms and subject to the conditions set forth in the Offer to Purchase, Verizon is offering to purchase the following outstanding securities issued by it for the consideration described below:

Acceptance Priority Level	CUSIP Number	Title of Security	Principal Amount Outstanding	Early Participation Payment ⁽¹⁾	Reference U.S. Treasury Security ⁽²⁾	Fixed Spread (basis points) ⁽²⁾
1	92343VCM4	5.012% notes due 2054	\$1,121,969,000	\$50	2.375% due May 15, 2051	+115
2	92343VCZ5	4.672% notes due 2055	\$1,687,975,000	\$50	2.375% due May 15, 2051	+118
3	92343VDS0	5.012% notes due 2049	\$1,044,017,000	\$50	2.375% due May 15, 2051	+110



Priority Level	CUSIS Number	Rate of Interest Security	Amount Outstanding	Participation Payment ⁽¹⁾	Reference U.S. Treasury Security ⁽²⁾	Spread (basis points) ⁽²⁾
4	92343VCX0	4.522% notes due 2048	\$3,659,599,000	\$50	2.375% due May 15, 2051	+110
5	92343VCK8	4.862% notes due 2046	\$3,505,989,000	\$50	2.375% due May 15, 2051	+109
6	92343VDV3	5.500% notes due 2047	\$566,109,000	\$50	2.375% due May 15, 2051	+111
7	92343VBTO	6.550% notes due 2043	\$805,189,000	\$50	1.75% due August 15, 2041	+125
8	92343VBE3	4.750% notes due 2041	\$614,071,000	\$50	1.75% due August 15, 2041	+111
9*	92343VBG8	3.850% notes due 2042	\$892,453,000	\$50	1.75% due August 15, 2041	+103
10	92343VAK0	6.400% notes due 2038	\$276,645,000	\$50	1.75% due August 15, 2041	+115
11	92343VAF1	6.250% notes due 2037	\$274,853,000	\$50	1.75% due August 15, 2041	+115
12	92343VDU5	5.250% notes due 2037	\$1,349,758,000	\$50	1.75% due August 15, 2041	+78
13	92343VDR2	4.812% notes due 2039	\$1,434,838,000	\$50	1.75% due August 15, 2041	+95
14	92344GAX4	5.850% notes due 2035	\$427,379,000	\$50	1.25% due August 15, 2031	+132
15	92343VCV4	4.272% notes due 2036	\$2,556,699,000	\$50	1.25% due August 15, 2031	+125

(1) Payable as part of the applicable Total Consideration, per each \$1,000 principal amount of the specified series of Notes validly tendered at or prior to the applicable Early Participation Date and accepted for purchase (the "Early Participation Payment"). The total consideration for each \$1,000 principal amount of each series of Notes validly tendered at or prior to the applicable Early Participation Date is referred to as the "Total Consideration" for such series. Holders who validly tender Notes of a series after the applicable Early Participation Date, but at or prior to the applicable Expiration Date, will receive the Tender Consideration, which is equal to the Total Consideration minus the Early Participation Payment.

(2) The Total Consideration payable per each \$1,000 principal amount of each series of Notes validly tendered will be determined in accordance with standard market practice, as described in the Offer to Purchase, to result in a price as of the Early Settlement Date (or, if there is no Early Settlement Date with respect to such series of Notes, the applicable Final Settlement Date) that equates to a yield to the maturity date (or, Par Call Date (as defined in the Offer to Purchase), if applicable) in accordance with the formula set forth in Annex A to the Offer to Purchase, for the applicable series of Notes, equal to the sum of (i) the yield corresponding to the bid side price of the applicable Reference U.S. Treasury Security specified in the table above for such series of Notes at 9:00 a.m. (Eastern time) on November 9, 2021, unless extended with respect to the applicable Offer (such date and time with respect to an Offer, as the same may be extended with respect to such Offer, the "Price Determination Date") quoted on the Bloomberg reference page "FIT1" plus (ii) the applicable Fixed Spread specified in the table above (the "Fixed Spread") for such series of

* Denotes a series of Notes for which the calculation of the applicable Total Consideration may be performed using the present value of such Notes as determined at the applicable Price Determination Date as if the principal amount of such Notes had been due on the Par Call Date.

Subject to the satisfaction or waiver of the conditions of the Offers, the "Acceptance Priority Procedures" will operate as follows:

- *first*, if the aggregate Total Consideration of all Notes validly tendered at or prior to the applicable Early Participation Date by Holders does not exceed the Waterfall Cap, then Verizon will accept all such Notes. However, if the aggregate Total Consideration of all Notes validly tendered at or prior to the applicable Early Participation Date by Holders exceeds the Waterfall Cap (subject to any increase in such Waterfall Cap at our discretion), then Verizon will (i) accept for purchase all validly tendered Notes of each series starting at the highest Acceptance Priority Level (level 1) and moving sequentially to Notes of each series having a lower Acceptance Priority Level (the lowest of which is level 15) until the aggregate Total Consideration of all validly tendered Notes of a series, combined with the aggregate Total Consideration of all accepted Notes of series with higher Acceptance Priority Levels, is as close as possible to, but does not exceed the Waterfall Cap, (ii) accept on a prorated basis validly tendered Notes of the series with the next lower Acceptance Priority Level and (iii) not accept for purchase (x) any such Notes of a series with an Acceptance Priority Level below the prorated series or (y) any Notes validly tendered after the applicable Early Participation Date; and
- *second*, if the Waterfall Cap is not exceeded at the applicable Early Participation Date, Verizon will repeat the steps described in the prior bullet using the Tender Consideration with respect to Notes validly tendered after the applicable Early Participation Date, but at or prior to the applicable Expiration Date, in order to determine the aggregate principal amount of such Notes that Verizon will accept for purchase. All Notes, regardless of Acceptance Priority Level, that are validly tendered at or prior to the applicable Early Participation Date will have priority over any Notes validly tendered after the applicable Early Participation Date.

Provided that all conditions to the Offers have been satisfied by the Early Participation Date or timely waived by Verizon, Verizon will settle all Notes validly tendered at or prior to the applicable Early Participation Date and accepted for purchase promptly following the applicable Early Participation Date (the "Early Settlement Date"), which is expected to be the second business day thereafter. The "Final Settlement Date," if any, is the date on which Verizon will settle all Notes validly tendered and accepted for purchase that were not previously settled on the Early Settlement Date. The Final Settlement Date is expected to be the second business day after the applicable Expiration Date, unless extended with respect to any Offer. Each of the Early Settlement Date and the Final Settlement Date is referred to as a "Settlement Date."

The Total Consideration or Tender Consideration, as applicable, payable by Verizon for each \$1,000 principal amount of each series of Notes validly tendered, and not validly withdrawn, and accepted by Verizon will be paid in cash on the relevant Settlement Date.

Promptly after 9:00 a.m. (Eastern time) on November 9, 2021, unless extended with respect to any Offer (such date and time with respect to an Offer, as the same may be extended with respect to such Offer, the "Price Determination Date"), Verizon will issue a press release specifying, among other things, the Total Consideration for each series of Notes, the aggregate principal amount of Notes validly tendered at or prior to the applicable Early Participation Date and accepted in each Offer and the proration factor (if any) to be applied.

Verizon has retained BNP Paribas Securities Corp., Citigroup Global Markets Inc., Goldman Sachs & Co. LLC and Wells Fargo Securities, LLC to act as lead dealer managers for the Offers and Loop Capital Markets LLC, Mizuho Securities USA LLC, MUFG Securities Americas Inc., CastleOak Securities, L.P., MFR Securities, Inc. and Tigress Financial Partners, LLC to act as co-dealer managers for the Offers. Questions regarding terms and conditions of the Offers should be directed to BNP Paribas Securities Corp. at (888) 210-4358 (toll-free) or (212) 841-3059 (collect), Citigroup Global Markets Inc. at (800) 558-3745 (toll-free) or (212) 723-6106 (collect), Goldman Sachs & Co. LLC at (800) 828-3182 (toll-free) or (212) 357-1452 (collect), or Wells Fargo Securities at (866) 309-6316 (toll-free) or (704) 410-4756 (collect).

Global Bondholder Services Corporation will act as the Tender Agent and the Information Agent for the Offers. Questions or requests for assistance related to the Offers or for additional copies of the Offer to Purchase may be directed to Global Bondholder Services Corporation at (866) 470-4300 (toll free) or (212) 430-3774 (collect). You may also contact your broker, dealer, commercial bank, trust company or other nominee for assistance concerning the Offers.

If Verizon terminates any Offer with respect to one or more series of Notes, it will give prompt notice to the Tender Agent or Information Agent, as applicable, and all Notes tendered pursuant to such terminated Offer will be returned promptly to the tendering Holders thereof. With effect from such termination, any Notes blocked in the Depository Trust Company ("DTC") will be released.

Holders are advised to check with any bank, securities broker or other intermediary through which they hold Notes as to when such intermediary would need to receive instructions from a beneficial owner in order for that holder to be able to participate in, or withdraw their instruction to participate in the Offers before the deadlines specified herein and in the Offer to Purchase. The deadlines set by any such intermediary and DTC for the submission and withdrawal of tender instructions will also be earlier than the relevant deadlines specified herein and in the Offer to Purchase.

This announcement is for informational purposes only. This announcement is not an offer to purchase or a solicitation of an offer to purchase any Notes. The Offers are being made solely pursuant to the Offer to Purchase. The Offers are not being made to Holders of Notes in any jurisdiction in which the making or



jurisdiction. In any jurisdiction in which the securities laws or blue sky laws require the Offers to be made by a licensed broker or dealer, the Offers will be deemed to be made on behalf of Verizon by the dealer managers or one or more registered brokers or dealers that are licensed under the laws of such jurisdiction.

This communication has not been approved by an authorized person for the purposes of Section 21 of the Financial Services and Markets Act 2000, as amended (the "FSMA"). Accordingly, this announcement is not being distributed to, and must not be passed on to, persons within the United Kingdom save in circumstances where section 21(1) of the FSMA does not apply.

Accordingly, in the United Kingdom, this communication is only addressed to and directed at persons falling within the definition of investment professionals (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Financial Promotion Order")) or within Article 43 of the Financial Promotion Order or high net worth companies and other persons to whom it may lawfully be communicated falling within Article 49(2)(a) to (d) of the Financial Promotion Order, or to other persons to whom it may otherwise lawfully be communicated by virtue of an exemption to Section 21(1) of the FSMA or otherwise in circumstances where it does not apply (such persons together being "relevant persons"). Any person who is not a relevant person should not act or rely on any document relating to the Offers or any of their contents.

This communication and any other documents or materials relating to the Offer are only addressed to and directed at persons in member states of the European Economic Area (the "EEA"), who are "Qualified Investors" within the meaning of Article 2(1)(e) of Regulation (EU) 2017/1129. The Offer is only available to Qualified Investors. None of the information in the Offer to Purchase and any other documents and materials relating to the Offer should be acted upon or relied upon in any member state of the EEA by persons who are not Qualified Investors.

Each Holder participating in the Offers will give certain representations in respect of the jurisdictions referred to above and generally as set out herein. Any tender of Notes for purchase pursuant to the Offers from a Holder that is unable to make these representations will not be accepted. Each of Verizon, the Dealer Managers, the Tender Agent and the Information Agent reserves the right, in its absolute discretion, to investigate, in relation to any tender of Notes for purchase pursuant to the Offers, whether any such representation given by a Holder is correct and, if such investigation is undertaken and as a result Verizon determines (for any reason) that such representation is not correct, such tender shall not be accepted.

Cautionary Statement Regarding Forward-Looking Statements

In this communication Verizon has made forward-looking statements. These forward-looking statements are not historical facts, but only predictions and generally can be identified by use of statements that include phrases such as "will," "may," "should," "continue," "anticipate," "believe," "expect," "plan," "appear," "project," "estimate," "intend," or other words or phrases of similar import. Similarly, statements that describe our objectives, plans or goals also are forward-looking statements. These forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from those currently anticipated, including those discussed in the Offer to Purchase under the heading "Risk Factors" and under similar headings in other documents that are incorporated by reference in the Offer to Purchase. Holders are urged to consider these risks and uncertainties carefully in evaluating the forward-looking statements and are cautioned not to place undue reliance on these forward-looking statements. The forward-looking statements included in this press release are made only as of the date of this press release, and Verizon undertakes no obligation to update publicly these forward-looking statements to reflect new information, future events or otherwise. In light of these risks, uncertainties and assumptions, the forward-looking events might or might not occur. Verizon cannot assure you that projected results or events will be achieved.

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10.13.2021

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09.17.2021

Verizon Communications Inc. today announced the accepted amounts and pricing terms of its previously announced private offers to exchange the 8 outstanding series of notes

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