

BELLTEL RETIREE



The Official Newsletter for Union and Management Retirees and Employees of Bell Atlantic, GTE, Idearc/SuperMedia, NYNEX, Verizon and its Subsidiaries. Paid for by contributions from Verizon and Idearc/Supermedia retirees.

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Spotlight: Verizon Retirees Under Economic Assault

Retirees Mount Legal Challenge Against Verizon Transfer of 41,000 Pensioners

In a financial bait and switch more typical of a used car lot, Verizon blindsided tens-of-thousands of its own retirees on October 17th when it disclosed the sale of 41,000 management retirees pensions to Prudential Insurance Company of America in exchange for \$7.5 billion in pension assets.

Following the pension spin off announcement, the Association immediately sought the counsel of insurance and annuity industry experts for their analysis of the plan. We asked, "is this change good or bad for retirees?" The experts' response was not reassuring.

If the plan transfer is not halted, beginning in January 2013, Prudential will provide retirees with insurance annuities – not pensions — that will eliminate Verizon's ERISA mandated fiduciary responsibilities to retirees. This transfer will also wipe out the federally insured pension safety net provided by the Pension Benefit Guaranty Corporation (PBGC).

Association President C. William Jones said, "On behalf of 41,000 Verizon retirees scattered across the country, who

are being given no choice, no voice and no protection in the transfer of their pension assets, we are calling upon the company to reverse this action and halt this predatory business transaction that

will impact many retired Americans, who labored a lifetime to fund their earned pension benefits."

The Association of BellTel Retirees Inc. has retained experts and counsel and is moving forward with legal action on behalf of the tens of thousands of impacted retirees. If this transaction is completed before the New Year, as Verizon expects, retirees will be left with the short end of the stick.

The transaction would involve Verizon, a fortune 5 company transferring its fiduciary responsibilities to over 41,000 retirees to a single entity, Prudential, in exchange for \$7.5 billion in cash. Should that insurer experience a default or asset short fall, the 52 state insurance guaranty associations would serve as the only

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By transferring and converting the 41,000 pensions to an insurance company, Verizon retirees lose their Pension Benefit Guaranty Corporation protections

Former Verizon Retirees Transferred To Idearc/Supermedia Lose Healthcare Benefits & Life Insurance

By Curtis L. Kennedy
Attorney-at-law

Effective January 1, 2014 Verizon retirees who were transferred against their will to a new undernourished company will lose healthcare and life insurance benefits. ALL OTHER VERIZON RETIREEES COULD BE NEXT. This article by the Association's special legal counsel Curtis L. Kennedy breaks down the issues you need to be aware of and concerned about.

What Was Idearc Truly Worth When the Spin-Off from Verizon Occurred?

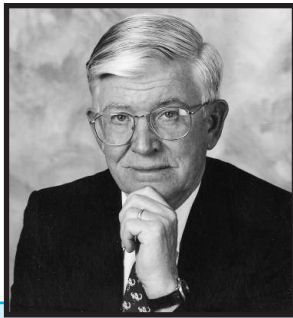
We all know about the pitiful consequences that have been bestowed on the retirees who had been involuntarily transferred from Verizon to Idearc/SuperMedia as part of the 2006 Spin-Off transaction. In no other business transaction has Verizon transferred retirees. In the *Murphy, et al., v. Verizon Communications Inc., et al.*, case, the Class of 2,750 persons retired before the November 17, 2006 Spin-off of Idearc seek to be restored into Verizon's sponsored retiree benefit plans.

Presently, there are two court cases pending in the Dallas federal court attacking the Spin-Off transaction. Of course, one case is for the benefit of all transferred retirees. The other case that all retirees ought to pay attention to is the major creditors' lawsuit against Verizon. The Spin-Off transaction not only eventually led to the creditors' significant financial losses, it caused retirees to

(Continued on page 5)

SAVE THE DATE!

The Association of BellTel Retirees will host its 2013 annual member meeting in Annapolis, MD on Friday, April 19, 2013. We hope to see you there.



President's Message

by C. William Jones

I am sure that you have heard that Verizon plans to sell off the pensions of 41,000 management retirees to Prudential Life Insurance Company of America during December 2012 converting those ERISA protected pensions insurance annuities. This is one more assault on the benefits that all of us worked a lifetime to secure.

The major problem with this annuity transaction is that once the transfer is complete, those 41,000 retirees will lose both federal ERISA law protections and the safety net that the federal Pension Benefit Guaranty Corporation (PBGC) provides, should a pension plan be terminated. The PBGC is a safety net that, presently, protects a 65 year old pensioner in the amount of almost \$56,000 per year.

Once the annuity transaction is complete, the only protection retirees will have is a state-by-state patch-work of unfunded "guarantee" organizations that would pay a lifetime benefit ranging from \$100,000 to \$500,000, with considerable small print, legal loopholes and exclusions attached. After analyzing past claims we have determined that those actual payouts are never close to the advertised level in each state.

Some believe that a company, like Prudential with a secure sounding

motto, "Own a Piece of The Rock" would never go bankrupt. Remember that when disasters like the recent Hurricane Sandy hit, the payouts from insurance companies are enormous. At the end of October, MetLife, another so-called too big and secure to fail insurance firm posted a \$954 million 3rd quarter loss "to reflect the damage being done to insurers' annuity businesses by ultralow interest rates," according to the Wall Street Journal (*MetLife Posts Loss on Annuity Charge 10-31-2012*).

A recent investigation by insurance and annuity industry experts consulted by the Association of BellTel Retirees regarding the financial viability of this transfer raises serious issues. There is a long list of once prominent insurers who have gone under: AIG, Kentucky Central Life Insurance Company, Executive Life, The Equitable Life Assurance Society (Equitable Life), and too many to list. That's not the end of the bad news. It is possible that Prudential could then transfer our pension annuities to another firm that might not be as robust as Prudential, leaving us hanging on by a thread.

Your Association decided to take legal action against Verizon before the annuity transfer is consummated. We will be facing a huge up-hill battle and Verizon will spend many millions of dollars to defend their position. We have seen them in action in the Murphy v. Verizon case wherein we contest the transfer of retirees to Idearc/SuperMedia. Verizon's lawyers are paid over \$600 per hour, per attorney!

This effort to defend our retirees will be costly and we are depending on our membership to step up to the plate and increase contribution levels. We need all of those folks who have not financially helped in the past – and there is a lot of you — to join the thousands of faithful contributors and write that check or donate via our secure website.

In 2006, it was 2,750 existing retirees of the former White and Yellow Pages Directory Division who were spun-off along with their pensions and benefits to a doomed to fail company IDEARC. Fast forward to 2012, and 41,000

management retirees are being thrown out with the trash, by their former employer. Given the company's track record, more bad news is likely to occur. Who's next?

Some members use the automatic monthly or quarterly payment system to make donations. To those who have been generous in the past, we must appeal to you to make another generous contribution now.

Remember, the Association of BellTel Retirees is the only organization that is willing and able to protect your financial future. Please make sure that you do your part to stop this impending disaster.



Association of BellTel Retirees Inc.

UNITED, TO PROTECT OUR FUTURE

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Association Co-Founder and CFO Retires After 17 Years

After 17 years, Association of BellTel Retirees co-founder and Chief Financial Officer Robert A. Rehm has retired from the board of the Association.

Prior to becoming a leading retiree advocate, Mr. Rehm worked for the New York Telephone Company for 31 years. He worked in outside plant engineering and in the Buildings Engineering and Management Department and at divestiture, he helped with real estate transition to the baby bells.

In October 1995, a few years after he retired from NYNEX, Mr. Rehm received a call from a former colleague Bill Jones. The two discussed how retirees had not received promised pension COLAs in over 5 years. Their dialogue progressed as they and other NYNEX retirees, decided to take action.



Robert A. Rehm conducts news interview to launch national retiree earned health benefits awareness campaign in 2006.

“Bob Rehm was one of the people you sought to confer with on major decisions,” said Bill Jones.

The NYNEX retiree leaders began attending many small retiree gatherings to inform and organize other retirees to support the cause.

The formalization of the Association took off after the group collected 1,440 retiree signatures on a letter to NYNEX CEO Ivan Seidenberg expressing their concerns. After NYNEX leaders turned a deaf ear to the COLA requests, the group incorporated as a non-profit and the rest is history.

Over the past 16 years, Bob Rehm has personally logged tens of thousands of miles visiting and speaking to retiree groups across the nation. His speeches each year at the Verizon annual shareholders meetings to present the Association’s proxy proposals have drawn frequent standing ovations.

The effectiveness the group has achieved speaks volumes. The Association is the first to ever defeat a former Bell company in a proxy proposal. In 2003, they received 59% of shareholders’ votes to limit overly generous executive compensation packages and golden parachutes.

In 2007, it won a “say on pay” proposal. Verizon was the first major corporation to institute that annual vote. BellTel’s retiree shareholder campaigns have led to Verizon making eight changes to its corporate bylaws or policies.

In Washington, the group spearheaded drafting congressional legislation (Emergency Retiree Health Benefits Protection Act) so former employers could not cancel or make post cancellation cuts to retirees earned healthcare.

Few would have expected the Association to grow from two NYNEX

(Continued on page 9)

OUR MISSION:

The Association of BellTel Retirees Inc. is dedicated to promote the protection and enhancement of the pensions and benefits for all retirees and beneficiaries of the companies and subsidiaries that make up the Verizon and Idearc/SuperMedia Corporations.

The Association will convince the company to properly care for its thousands of dedicated former union and management employees.

The Association will conduct activities designed to educate elected federal, state and local representatives and promote the passage of legislation which will protect and guarantee, rather than invade our hard-earned pension and benefits fund.

Recover Investment Losses!

- Pension Buy-Out funds invested & lost?
- Stockbrokers mismanaged your money?
- Let me help you!

(Cases on contingency basis only)

We have many satisfied BellTel Retirees as clients & have effectively retrieved hard earned pension \$\$\$ lost carelessly.

Debra G. Speyer, Esq. who represents
Bell Retirees nationwide. 1-800-510 STOCK
www.wallstreetfraud.com

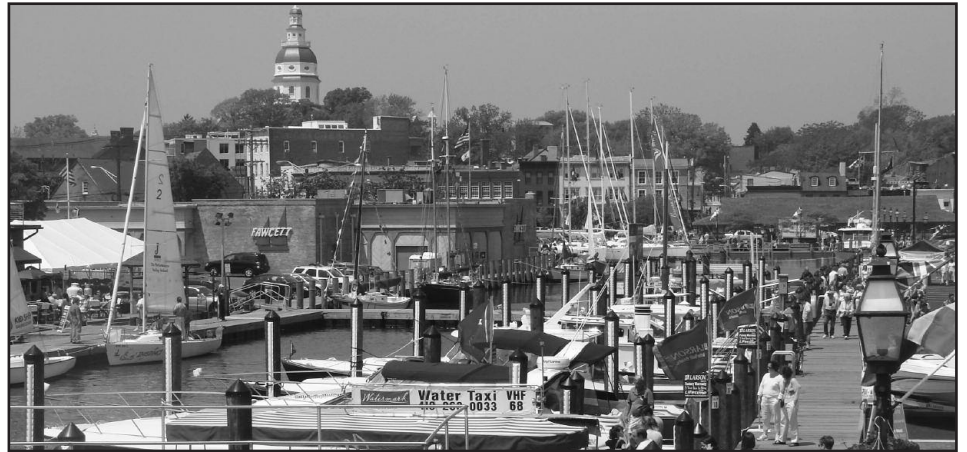
Must-Attend Retiree Meeting – April 19, 2013, Annapolis, Maryland

The Association of BellTel Retirees will have its 2013 annual member meeting in Annapolis, MD a location that is central to a majority of members on the east coast. This is a must-attend event for all retirees.

This critical meeting will be at the DoubleTree by Hilton Hotel, in Annapolis on Friday April 19th. The gathering starts at 8:30 am and will conclude at noon. We encourage all retirees to reserve a seat ASAP that will enable you to attend. The DoubleTree Hotel is located at 210 Holiday Court, Annapolis, Maryland 21401.

Annapolis is a 350-year-old historic coastal city located on the Chesapeake Bay. In addition to getting to see friends, former co-workers and other retirees of the Bell System family, you will be briefed on the latest news related to the fight to protect retirees' pensions and health benefits and have the opportunity to dialogue with retiree association leaders.

The 2013 meeting's host-city offers plentiful shopping, walking tours, and places to eat. The hotel has an esteemed restaurant called Ports of Call, with a fine atmosphere and reasonably priced food and beverages for members to meet and mingle. The hotel is 30 minutes away from the Annapolis Amtrak and the



City Dock in Annapolis, MD

Baltimore-Washington International Thurgood Marshall Airport.

Nearby attractions to the hotel complex are the United States Naval Academy, the Annapolis Harbor Center, the Maritime Museum, boat cruises around the bay, plus theaters, galleries, and much more. The hotel is also offering BellTel members a special rate of only \$109 dollars for a reserved room, for those wishing to stay the night.

Reservations are needed if you want to attend the 2013 Association of BellTel Retirees meeting. To reserve a seat, please complete and send the early RSVP form below. Be sure to include the names of all those attending and return it with your \$5 per person registration fee to: Susan

Donegan c/o the Association of BellTel Retirees, P. O. Box 33, Cold Spring Harbor, NY 11724.

Please make all checks payable to The Association of BellTel Retirees. Entrance tickets and directions will be mailed to you closer to the event date.

Please note that hotel reservations and event reservations are separate, and a reservation to one is not to another. All members must register with the Association to guarantee a spot at the meeting.

To also reserve hotel reservations at the special rate of \$109/night, please contact the Double Tree Hotel direct at (800)266-7631 or (410)224-3150. Please give the reservation desk the code ABT when booking.

RSVP for Association of BellTel Retirees Annual Meeting Friday, April 19, 2013 at the DoubleTree Hotel 210 Holiday Court, Annapolis, Maryland 21401

A TICKET IS REQUIRED TO ATTEND

I will attend the meeting in Annapolis, Maryland - # in party _____

Name: _____ Address: _____

Phone Number: _____ Email Address: _____

Enclosed is a Check for \$ _____ (\$5.00 per person)

Please list your guest's names and addresses: _____

PLEASE PRINT CLEARLY

(You can list invitees names on a separate piece of paper if more than 2 are attending)

A ticket will be mailed to each member and guest for admission.

Please return this registration form and fee ASAP to:

Association of BellTel Retirees Inc.

c/o Susan Donegan / Box 33 Cold Spring Harbor, NY 11724



Spotlight: Verizon Retirees Under Economic Assault

Lose Healthcare Benefits & Life Insurance

(Continued from page 1)

lose the security of their retiree benefits, especially health care coverage.

On October 15, 2012, the creditors' case of *U S Bank, NA v. Verizon Communications Inc., et al.*, went to trial in the Dallas federal court, before Senior Judge A. Joe Fish. This is the Bankruptcy Litigation Trust's case and U S Bank, NA is the bankruptcy appointed "Litigation Trustee" and Plaintiff leading the creditors' fraud case filed in the aftermath of Idearc's bankruptcy. All of the Plaintiff's claims arise out of Verizon's November 17, 2006 Spin-Off of its failing print and on-line Directories Business to Idearc Inc., now known as Super-Media Inc.

During Phase 1 of the trial both sides cumulatively submitted about 750 exhibits. Judge Fish heard testimony from former Verizon officers, former Idearc officers, and John Dierksen, Verizon's executive vice president who acted as the sole director of Idearc, inside and outside legal counsel, representatives of investment banks, rating agencies, financial advisors, solvency and economic experts about intimate financial details about Verizon's directories business and efforts promoting the Spin-Off.

It's a high stakes case, generating tons of legal paperwork, over 600 separate

court filings to date, and the parties are not yet done with their submissions.

To illustrate the stakes, Verizon Defendants paid just one of their eight expert witnesses over \$5 million in fees! Other experts have been paid well over 1 million in fees. Not to mention the fees paid to the cadre of defense counsel. For the trial, The Verizon Defendants arranged a special lease of office space nearby the downtown Dallas federal court.

Before the end of the year, Judge Fish is expected to make his ruling concerning Phase 1 of the creditors' case. The outcome of the creditors' case may have very significant repercussions for the retirees' *Murphy* case which also awaits rulings by Judge Fish.

All of the important court filings for both the creditor's case, and the *Murphy* case being funded by your retiree association are posted on the Association of BellTel Retirees website. The critical impact of these cases is vital for the future protection of your earned retirement benefits and rights.

I urge every retiree to do two things:
1) Pay close attention to these lawsuits which impact your retirement rights significantly;

2) Please financially support your Association to the best of your ability, so that the organization can continue to fight for your rights in the *Murphy* litigation and its other advocacy efforts.

VERIZON Q3 SHOWS GROWTH

Verizon Communications announced its 3rd quarter fiscal results for 2012. Verizon broke company records by delivering the highest number of retail customer additions in four years, which is attributed to significant increase in smart phone sales and contracts.

Verizon Wireless achieved \$16.2 billion in revenue; an increase of 7.5% compared to 2011's 3rd quarter, and added 1.8 million customer accounts. Verizon expanded its network, rolling out its 4G LTE service to more than 250 million people in 419 U.S. markets.

"Wireless achieved record profitability in a quarter in which we reported the highest number of retail postpaid gross and net adds in four years," said Verizon CEO, Lowell McAdam.

The company's wireline division added 136,000 net new FiOS internet connections and 119,000 FiOS net new video connections. Operating revenues were \$9.9 billion, a decline of 2.3%, compared with 3rd quarter 2011.

Verizon Communication's total operating quarterly revenues were \$5.5 billion, compared to \$4.6 billion in 3rd quarter 2011. Cash flow from operating activities totaled \$24.8 billion in the first nine months of 2012, compared with \$21.5 billion in first nine months of 2011.

Verizon's free cash flow rose to \$13.4 billion through third quarter 2012, an increase of 49.9%. It reported 56 cents in diluted earnings per share, compared with 49 cents in 3rd quarter 2011.

Since announcing the transfer of 41,000 retirees to Prudential, Verizon announced that they would increase their contributions to fund their pension obligations by \$2.1 billion (\$3.4 billion total). This eliminates their pension requirements in 2013.

THEY'RE IN THE \$\$\$

At news deadline, after Verizon released their third quarter earnings, the company further announced that Verizon Wireless, a joint venture of Verizon Communications and Vodafone Group, will pay out \$8.5 billion in cash dividends to the two partners.

This is the second dividend pay out from Verizon Wireless this year. In January, Verizon Wireless ended a policy of using cash to pay down debt, freeing up money to pay a \$10

billion dividend to Verizon Communications and Vodafone Group. Verizon Communications owns 55 percent of Verizon Wireless and Vodafone owns 45 percent.

This recent cash payout will help Verizon Communications pay its quarterly dividends.

Verizon declined to say how it plans to use the cash pay out and how much their share of the payout would amount to.



Spotlight: Verizon Retirees Under Economic Assault

Verizon Retirees Fight Back

(Continued from page 1)

financial backstop. Prudential could also sell or transfer all or part of its ownership of the annuity asset to another company. While Prudential looks and sounds like a solid insurance company, America's history is littered with the carcasses of many once-great firms that imploded. The list is a who's-who of once iron-clad and too-big-to-fail financial powerhouses: AIG, Kentucky Central Life Insurance Company, Executive Life, The Equitable Life Assurance Society (Equitable Life), Lehman Brothers, Bear Stearns and too many to list.

Corporate retiree pensions, like Verizon's are insured by the federal Pension Benefit Guaranty Corporation (PBGC), up to the limit of \$56,000 per year, per retiree. By transferring and converting the 41,000 pensions to an insurance company, Verizon retirees lose their

PBGC protection, which is replaced by the varying and sometimes insufficient state guaranty association coverage which is determined by state of residence and ranges in amount from \$100,000 to \$500,000.

Eight states and one territory – AK, AZ, IN, MA, MS, MO, NH, NV and Puerto Rico — limit coverage for annuity holders in case of a default or shortfall to a lifetime maximum of \$100,000.

28 others including Maryland and Texas go up to \$250,000 lifetime coverage (Full List includes: CA, CO, DE, HI, ID, IL, IA, KS, KY, LA, ME, MD, MI, MN, MT, NE, NM, ND, OH, RI, SD, TN, TX, UT, VT, VA, WV, WY);

10 states and District of Columbia use a \$300,000 top end (AL, AR, FL, GA, NC, OK, OR, PA, SC, WI);

Just 4 — New York, New Jersey, Connecticut and Washington State — offer coverage of \$500,000.

Mr. Jones said, "Retirees and their spouses, especially in states with the lowest protection levels, will be seriously harmed and left with as little as two years pension replacement in case of insurer default. Verizon's pension conversion to a non PBGC insurance annuity offers zero protection or upside for tens of thousands of Ma Bell's orphans. If we don't take swift action to protect ourselves the outcome can be financially devastating for Verizon Retirees." It is also unclear

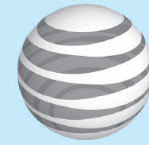
If we don't take swift action to protect ourselves the outcome can be financially devastating for Verizon retirees.

what happens to retirees who move from one state to another in the event Prudential runs into trouble. Different state laws determine when a particular guaranty association gets triggered and most guaranty associations are underfunded or unfunded relying on future premium assessments to fund unknown liabilities. In the two most significant insurance company insolvencies involving the Executive Life Companies, policyholder benefits were cut substantially, some by as much as 66 percent!

The Association is asking ALL of its retirees to TAKE ACTION TODAY and financially support the organization, which expects that the legal fight against Verizon, in order to save our pensions will be costly and protracted. All retirees need to STAND TOGETHER NOW against these financial dirty tricks being played with OUR PENSIONS that WE WORKED A LIFETIME TO EARN.

We must not allow ourselves to be bullied and taken advantage of. Make a contribution today. Ask all of your children to write a check to enable this fight for our financial life lines. Together and united we can make a difference.

AT&T Pumps \$9.5 Billion Into Its Pension



at&t

Just days after Verizon, announced it is spinning off 41,000 retirees pensions and converting them to Prudential Insurance annuities, AT&T announced it will contribute \$9.5 billion in its pension fund. AT&T pension plans were underfunded by more than \$10.2 billion at the end of 2011.

AT&T plans to contribute 320 million preferred class A dividends paying shares towards its 2013 pension contributions. The contribution of so much stock into the plan requires approval from the U.S. Labor Department. AT&T expects to gain approval before the end of 2013. The liquidation value of each share is \$25 per share and each pays \$1.75 in cash per year in quarterly installments equal to \$560,000 per year.

According to an AT&T spokesperson, "We're making this contribution, which is many times above our estimated required funding for 2013, at a time when many companies have eliminated their pensions." Before AT&T's announcement to contribute \$9.5 billion, their required contribution to the pension fund was \$300 million for year 2013.

This AT&T pension trust has 360,000 beneficiaries.

If approved, this transaction will allow AT&T to maintain its current cash flow levels while lowering its tax.

The Communications Workers of America said they are "pleased to see AT&T is taking steps to further strengthen its defined benefit pension fund."



Spotlight: Verizon Retirees Under Economic Assault

We Need Each Retiree to Recruit 1 Dues Paying Verizon Retiree This Month – Strength Comes in Numbers

Dear Fellow Members,

In our Fall 2012 newsletter, we reported that as of June 30th we had received \$561,073 in contributions, with an overall average of \$30.40, and that we were within 70% of our 2012 fundraising goal of \$800,000.

Since then you have continued to send financial aid, as well as heartfelt messages of support for our volunteer work. Here is the status as of Nov. 5th:

	2010	2011	11/5/2012
Contributions	\$744,532	\$771,464	\$791,085
# Of Contributions	26,691	28,158	25,976
Average	\$27.62	\$27.40	\$30.45

We say it often: *we are grateful for your continued support* – and more than that for your loyalty and generosity. We are closing in on the target budget set at the outset of 2012, and rest assured the economic protection of our retirees' future is vital – and it is our only goal.

As we compose this newsletter here in New York City and on Long Island, we are dealing with the powerful after effects of Sandy, and now a Nor'easter — as are many of our members. Many have had severe damage to their homes, as have some of our volunteer board members. I am sure you have seen the news coverage – it is heartbreaking. But we are Telephone people – we do not turn our backs on each other or our communities.

Just before the hurricane, another disaster broke: Verizon announced it was spinning off, transferring and converting **Our ERISA Protected Pensions** in exchange for insurance company annuities from Prudential. The diminished protection this provides ALL OF US requires retirees to stand up and fight back now!

Without your support, we simply couldn't go on or take on this new and necessary battle.

You are our only source of revenue, and as we plan for next year and this NEW FIGHT thrown at retirees' feet, we know that we will need more and more support. It is sad that we have come to legal battles, but that is today's world – a world in which corporations make decision for their bottom line, without considering the pain it will inflict on retirees, the very people who built their companies. Sadly, we are a statistic... part of a bottom line profit formula.

Please continue to help us maintain what we earned. Give what you can, and spread the word to others. We are the only non-profit organization working to help you, and our board members donate thousands of volunteer hours each year.

Enclosed is a donation card, which lists your last donation date next to your name. If you have given a contribution this year, THANK YOU. If you haven't done so yet, we really urge you to do so.

The total number of retirees making contributions has fallen off since last year, by 2,200. Not only, do we need to reactivate those 2,200, but secure the support of every retiree who cares about the future of their pensions and earned healthcare benefits.

We note that many members are switching to monthly donations in order to increase their total support. You have the ability to give recurring donations using our on-line system at www.belltelretirees.org and click on DONATE NOW button. We encourage you to use that option. But no matter what option you choose, thank you once again for your financial and moral support. Your cards and letters are very valuable to us – and keep us going.

Thank you, Eileen Lawrence



**ASSOCIATION OF BELLTEL RETIREES INC.
P.O. Box 61, Glen Head, NY 11545-0061**

Yes, I want to support the Association of BellTel Retirees Inc. in our fight to protect the pension and benefits of all retirees and active employees. Enclosed is my tax-deductible donation:

Other \$ _____ \$100 \$75 \$50 \$36.50 \$30 We appreciate any amount you can donate \$ _____

Or use your credit card. Just fill out the information listed below.

Visa MasterCard Credit Card Acct.# _____ / _____ / _____ / _____

Expiration Date _____ Three digit code on back _____

Name _____

Address _____

City/State/Zip Code _____

E-mail _____

Telephone # _____

You can also donate online by going to our web-site www.belltelretirees.org and click on DONATE NOW button. Consider a recurring donation—which is an easy and safe way to budget your contribution.

I am interested in learning more about Planned Giving. Please contact me.

The Association of BellTel Retirees Inc. is a 501(c)3 tax-exempt organization representing retirees and active employees of Verizon, it's subsidiaries and retirees who were transferred to Idearc/SuperMedia.

16 Months = A Painful Process for Unions Negotiating With Verizon

The Communications Workers of America and the International Brotherhood of Electrical Workers have reached a four year contract with Verizon for 45,000 wire-line workers (CWA represents approximately 35,000 workers and the IBEW represents approximately 10,000 workers).

Back in the summer of 2011, Verizon workers went on a brief strike when a new contract could not be reached. After 16 months of negotiations, Director George Cohen of the Federal Mediation and Conciliation Services announced that an agreement between the unions and Verizon was met.

"After more than one year of direct negotiations, the parties entered mediation essentially at a standstill on a score of significant core issues. Ultimately, however, the parties committed to a problem solving mindset which paved the way to their achieving comprehensive agreement," said Mr. Cohen. "In plain terms, this agreement will provide a stable working environment for all parties concerned over the course of the next three years."

Among highlights in the contracts for both IBEW and CWA workers include an 8.2% compounded wage increase over the next three years and

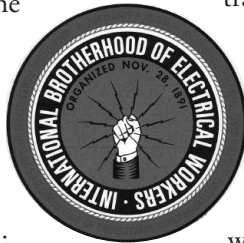
double healthcare premiums over the life of the contract. CWA members fired during the August 2011 strike can return to work.

The contract preserves provisions of the previous contract which restrict the company from assigning work out of the employees' home region, preserves the existing defined benefit pension plan for current employees and prohibits layoffs of workers hired before 2003.

Chris Shelton Vice President of CWA District 1 (NY, NJ and New England) said of the contracts, "This contract ensures that every one of our members will see an improvement in their standard of living. It was a tough fight and we turned back efforts by the company to gut our contracts. Now, we'll keep up the fight to expand good jobs for Verizon workers."

Regarding their contract process, IBEW International President Edwin D. Hill expressed some criticism of the contract, "We don't agree with everything in it, but it allows us to move forward and continue to fight for good middle class jobs at Verizon in the years to come."

The new contract expires August 2015.



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DeVita & Associates, a New Jersey law firm whose over twenty years experience in brokerage, fiduciary abuses, and financial tort cases, has assisted many telecommunication employees and retirees all across the nation, all on a contingency basis, regain their irreplaceable funds.

For a **FREE** consultation, contact Richard DeVita, Esq. personally at 201-714-7623 or rddevita@verizon.net.



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Do we have your current email address on file? Please note that we have printed the email address we have on file on the enclosed donation card. If it has changed, please email us at association@belltelretirees.org. It is also important to ensure that you receive Association of BellTel Retirees email bulletins. Please make certain our email address is included in your accepted email list.

Co-Founder and CFO Retires

(Continued from page 3)



Bob Rehm addresses the membership at the 2012 annual member meeting.

retirees concerned about lack of promised COLA increases to an effective 128,000 plus member Association. Not only are they one of the largest, but clearly one of the most successful retiree organizations in the nation.

On December 4, the Association board presented Bob Rehm with a proclamation that reads:

"Whereas, The Association of BellTel Retirees Inc. recognized the enormous contributions that Robert A. Rehm has made over seventeen years of dedicated, volunteer service and

Whereas, Bob was one of the original founders of the association. From the humble first steps in October of 1995 to his retirement in October 2012, Bob has been a critical thinker, an enthusiastic supporter and a tireless promoter of the mission of the association... he has guided and guarded the finances of the association

with great care and brought differing opinions to logical consent on many occasions. His dedication never wavered and his knowledge was and will remain, pivotal to our success.

Therefore on this occasion, it is our pleasure to bestow on him the lifetime title of Board Member Emeritus."

"Bob made many trips to the office over the years – at least two a month – to sign vendor checks and to keep his "eagle eye" on our finances ... and to check up on the office where he was pivotal in negotiating our leases. He was the official "contact" when we needed handouts, easels, projectors, etc. transported to our annual meetings. He never turned us down – ever! The board and the Cold Spring Harbor staff will miss his dedication, constant attention to details and his unflinching sense of

humor. Bob has always been there when we needed him, and never turn down an opportunity to help our members," said Eileen Lawrence.

Once asked why he commits so much to the Association, Bob answered "because it is the right thing to do." We thank Bob for the seventeen amazing and generous years of volunteer service that he has donated in the fight to protect Verizon retirees' pensions and benefits.

VERIZON HAS A NEW BENEFITS WEBSITE AND PHONE NUMBER

Open enrollment for 2013 benefits began November 7th. After several members contacted the Association after not receiving their enrollment information, the Association stepped in and was able to negotiate with Verizon to extend the open enrollment date through December 6.

There is a new BENEFITS CENTER starting with this open enrollment. Their number is 1-855-4VzBens (1-855-489-2367).

Contact them if you haven't received any information for your 2013 enrollment. To access the system you will need the last four digits of the retiree social security number and date of birth.

If you have internet connection, the NEW web-site is www.verizon.com/benefitsconnection where you can check your current health care plan and compare your 2013 options, enroll for your 2013 plan, check out your beneficiaries, update personal information and much more.

If it's your first time using the new system, you will have to REGISTER with a new user ID and password. Please read the instructions to establish a new user ID and password since they have specific requirements.

NOTE: IF YOU HAVE QUESTIONS ABOUT YOUR CURRENT HEALTH CARE PLANS continue to use 1-877-489-2367 until the end of the year.

Thank You Bob Rehm

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“Putting Retiree Pensions At Great Risk”

Pennsylvania has been a hot spot for support and membership of The Association of BellTel Retirees. The Association has some 7,300 members from PA and has held two annual meetings there, in 2005 and 2009. Among the Pennsylvanians who heard the call to get involved in retiree advocacy with the Association’s board are: Jack Studebaker, Chuck Schalch, and Don Kaufmann.

Pittsburgh native Jack Studebaker is an active retiree with a desire to help other retirees, since joining the board two years ago. Jack graduated from Pennsylvania State University in 1960 and was seeking a solid career to support his new wife, Virginia (they’ve since been married 52 years). He learned about Bell of Pennsylvania from an aunt who spent her career with Bell. He joined the management training program and spent 33 years at the company.

Early in his career, Jack worked in Marketing, a new area of emphasis for Bell which offered exciting opportunities. He later moved into Plant Operations, Labor Relations and retired from Information Systems.

“After I retired, I missed the feeling of friendship with people at all levels of the business. Even if we were competing with each other, we were all in the same boat and pulling in the same direction,” Jack said.

Courtesy of Chuck Schalch



Board Member Chuck Schalch (right) with comedian Bill Cosby in 1984.

When he retired in December 1992, Jack felt that the sense of family would carry over. During his tenure, managers would visit with retirees, but that’s faded. He stresses that Verizon’s feeling about retirees have changed. They now see retirees as liabilities. “This change in attitude makes it important to have organizations like the Association of Bell-Tel Retirees and ProtectSeniors.Org to represent our retirees.”

Jack decided to join the Association when he realized it was they who were looking out for retirees. He joined the board to be a part of the solution and help serve fellow retirees.

In October, Verizon announced it



Board Member Jack Studebaker



photo credit Dave Simmonds

Board Member Don Kaufmann

would sell off the pensions of 41,000 management retirees to Prudential in exchange for giving the insurer \$7.5 billion, and in turn severing its financial obligations to tens of thousands of its former loyal workers. This switch to an insurance annuity strips from retirees any ERISA pension protections or the safety net of the federal Pension Benefit Guaranty Corporation (PBGC).

“This latest swap of our pensions for a non-guaranteed annuity is really a threat to all retirees’ economic security,” Mr. Studebaker stated.

Chuck Schalch, who has lived in the Philadelphia area for most of his life, has been serving on the retiree association board for the last three years. After graduating from Temple University, he spent four years in the army training as a pilot and flying helicopters. After being discharged from the military, Chuck wasn’t sure what the future held for him, but during a year and a half of the Bell training program, he learned what made the communication industry hum.

In 1958, he joined Bell of Pennsylvania’s management training program and throughout a 31-year tenure worked as a business manager, a district manager, a district plant manager and a division manager, before retiring as Division Manager for Public Relations and

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Affairs in 1989. During his time with the company's Public Relations and Public Affairs group, he participated in some significant civic and political efforts.

One of his roles was to monitor the corporate contribution budget, which enabled the founding of Bell PA's Institute for Non Profits Excellence, to fund raise and sustain important community organizations. In 1987 they celebrated the 200th anniversary of the signing of the United States Constitution.

That program evolved into the formation of the PA Liberty Medal, which Chuck and four others oversaw. U.S. Presidents and dignitaries have been recipients. Through his involvement he met President Ronald Regan, Italian Ambassador Tom Folgetti, Senator Arlen Specter, and other major political players.

He credits Temple University, where he served as Alumni Association President and later its Board of Trustees, for his passion for service. Through the University he came to know comedian Bill Cosby. One year he invited the star for a surprise visit to the company's management meeting in Hershey, PA, where Cosby offered a stand-up comedy performance for the group.

After being retired numerous years, Chuck had been hearing about the Association and its advocacy work, so he attended the 2009 annual member meeting in Valley Forge. Then his wife Penny, who also worked at the company, encouraged him to get involved. He said that it is critical that "we keep our fingers on the pulse of Verizon and help keep the benefits we earned for retirement," Chuck said.

He says that the act by Verizon to sell 41,000 retirees pensions off to an insurance company (Prudential) came as a surprise but retirees need to work together to find a better solution, saying it leads us all into what he defines as "unchartered waters."

Don Kaufmann was also born and raised in Philadelphia, PA. He received an engineering degree from The University

of Pennsylvania and then joined Bell's management training program. During a 30-year career, he worked in Engineering, Operations, Network Planning, Construction Budgeting at New York's AT&T, and Regulatory and Finance. He also held several regional positions for Bell Atlantic and served as the Division Manager overseeing Network planning in Arlington, Virginia, shortly after divestiture in 1985.

When reflecting on his experiences, Don shared, "At divestiture, I happened to be in charge of the toll planning group in Bell of Pennsylvania, so my group had an active role in divestiture activities. We designed the later boundaries in Pennsylvania and Delaware and preformed studies, which were referenced by Judge Greene in his decision. My experiences at divestiture and the friendships formed at that time remain a very positive memory for me."

Don retired after 30 years with the company when he was offered an incentive, not wanting to permanently relocate from his home to Virginia. Like his fellow Pennsylvania board members, Don became interested in The Association of BellTel Retirees after participating in the 2009 annual member meeting in Valley Forge.

"I do not believe in sitting around and waiting and hoping for things to happen. I felt that I could be a positive influence." Regarding the company divesting of its management retiree pensions, he continued, "I think Verizon is unnecessarily putting retirees' pensions at great risk—these are retirees who worked in good faith to contribute to the growth and expansion of Verizon, and its previous companies, into world class businesses. How can any employee feel a loyalty to a company that breaks their part of the commitment?"

The Association of BellTel Retirees extends it thanks to Jack, Chuck and Don and all of our volunteers for their active role in advocating for the protection of their fellow retirees pensions and benefits.

Retiree News & Notes:



Jack Cohen with 2013 NYC St. Patrick's Day parade Grand Marshal Alfred E. Smith IV.

- Association Executive Vice President Jack Cohen and Board Member John Hyland attended the Irish Consulate announcement that Alfred E. Smith IV will be Grand Marshal of the 2013 New York City St. Patrick's Day Parade. The parade, which will take place on Saturday, March 16, draws 250,000 marchers and two million spectators.

Smith is the grandson of former New York Governor Alfred E. Smith and also chairs the Annual Alfred E. Smith dinner in New York which is a must-attend political event for presidential candidates. The October 2012 dinner had both President Obama and Governor Romney as highlighted speakers.

- On October 17, board member Chuck Schalch met with the Liberty Bell Chapter of Pennsylvania Pioneers accompanied by chapter president Jerry Verrechio and other state retiree leaders and members. Mr. Schalch spoke about the need to pass HR 1322 in Congress, ongoing federal litigation - Murphy v. Verizon lawsuit — and the excellent work of both the Association of BellTel Retirees and ProtectSeniors.Org do to protect retirees.

- On September 25, Association Chairman Jack Brennan spoke to 45 people from PPR Pioneer Group in Totowa, New Jersey.

- On September 12, Mr. Brennan and fellow board member Don Kaufmann met with the BellTel Wagoneers, (a group composed of residents of the U.S. and Canada) in a camp ground in Gettysburg, PA to discuss the Association and the job of protecting retiree healthcare.

- If you would like to invite a member of the Association of BellTel Retirees Board of Directors to speak at your next event or gathering, please contact the office at 1-800-261-9222 or via email at association@belltelretirees.org.

Being Dragged Kicking And Screaming Into The 21st Century

By Jack K. Cohen

Some months ago I finally upgraded to a Smart Phone. The little thing can fit into my shirt pocket and do everything but wash the dishes. I can make and receive calls; it has Bluetooth for the car, speakerphone, email and the Internet. It's essentially a hand held computer, smaller than the handset on your landline, and the latest model can be had for free with a new cell phone contract. The only thing missing was a 12-year-old to show me how to use it. After many visits to the Verizon store, I can now operate at least half of the features and can't live without it.

So many of our members are intimidated by the thought of using a computer. I have three good friends, now ages 69-85, I worked with in the 1970's and we still get together. The 85 year old is the most tech savvy, two are lawyers in their mid 70s, one of whom is attending computer classes and the other would not touch a computer if it were wrapped in hundred dollar bills.

They are a composite of our membership.

In recent months there has been much time-sensitive retiree news to communicate to our members. Our members who have provided us with an email address get word right away from us, while others must wait for the quarterly BellTel Retirees newsletter.

A special U.S. Postal Service mailing to communicate with each retiree is very costly, while an email broadcast is both weeks quicker and a small fraction of what old fashioned mailings cost.

We are encumbered from fulfilling our primary mission to retirees by a technology, which is not used by so very many of our members. So in order to keep everyone informed we are forced to incur tens of thousands of dollars in printing and postage expenses, which really should not be necessary in this age of technology.

Some members are on email, but either never open our broadcast messages or they allow those vitally important messages to go to SPAM, which is a folder for junk mail. If you have email access,



please get your email address to our office. We will respect your privacy and will never give your email address to outside vendors.

If you have not yet adapted to a computer or worry about breaking such an intricate instrument, don't be. Lessons and instructions are readily available in your own community. If you were able to learn your complicated job as an employee, you certainly can learn how to work email. Many of you have children and grandchildren who would love to provide you with an email address on their computers or provide you with instruction.

If you don't want to purchase a computer, one is always available free at your local library and you can get an email address without having a computer using something like: mail.com.

On the enclosed donation card printed above your name is the email address we have on file for you. If you would like to change it or give us a new address please email us at association@belltelretirees.org (please include your name and zip code).

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