



Retirees Achieve New Benefits Protection Legislation in U.S. Senate

The Association of BellTel Retirees, sister organization, ProtectSeniors.Org, has been instrumental this legislative session in Washington in helping to get the “Bankruptcy Fairness and Employee Benefits Protection Act” (S.2418) introduced in the U.S. Senate.

Senator Elizabeth Warren (D-MA) and Senator Jay Rockefeller (D-WV) are co-sponsors of the legislation, which would amend the Employee Retirement Income Security Act (ERISA) to make it more difficult for companies to reduce or eliminate the pay and benefits their employees and former employees earned in their working years.

Paul Miller, Executive Director of ProtectSeniors.Org said, “ProtectSeniors.Org is very pleased with the introduction of this bill. This legislation encompasses so many of the key principles ProtectSeniors.Org has been advocating for and we thank both Senator Rockefeller and Senator Warren for including those provisions in this bill. This legislation is a critical step in the right direction to ensuring retiree EARNED benefits are protected and we look forward to working with Senators Rockefeller and Warren on passing this legislation.”

The bill would require that participants of any health plan be informed of a modification or termination of their benefits and creates a legal presumption that promised healthcare benefits cannot be reduced during retirement.

The bill would prevent companies from using the bankruptcy system to reduce benefits for their retirees and employees, unless they can prove the cuts are necessary to prevent the company’s liquidation. It also requires companies in



U.S. Senators Jay Rockefeller and Elizabeth Warren, sponsors of S. 2148.

bankruptcy to pay for retiree healthcare benefits following the company’s restructuring for at least two years.

The bill also protects union retirees. It prevents corporations and unions that enter into agreements from reducing or terminating retiree healthcare benefits of retirees who have retired under a previous contract.

The bill also demands more accountability. It requires the Government Accountability Office to commission a study about the strategies companies have used to avoid paying promised benefits to its former employees and retirees.

Senator Warren said, “Hardworking men and women who have earned their pensions as part of their pay and benefits, should be respected when employers go through bankruptcy. This bill will establish key protections for retirees and employees, and help make sure the critical benefits they were promised will be there for them in retirement.”

Senator Rockefeller said, “Americans work hard each and every day under the promise that they will be treated fairly and with dignity. Continuing to allow companies to shift their bankruptcy costs onto the backs of employees and retirees is wrong. This bill seeks to end this shameful practice by leveling the playing field for our workforce.”

Association Board & Prudential Leaders Meet

By C. William Jones

This summer members of the Association of BellTel Retirees Board and Prudential Executives met in Scranton, Pennsylvania.

You might ask, why Scranton? The answer is Prudential has a large Customer Service Center in Scranton. This center is where calls from annuitants, including the 41,000 Verizon management retirees whose pensions were sold to Prudential, are answered.

The Association was represented at the meeting by five board members.

Executives of Prudential wanted to discuss issues and concerns that have been raised by the Association and review drafts of new educational booklets that they have prepared to be used for future transferred pensioners. These booklets cover: the health of Prudential, a comparison of Group Annuity Contacts v. Defined Benefit Pension Plans, a guide to Prudential’s Group Annuity and a Service Delivery Overview.

Prudential wants these booklets to clearly help educate future annuitants making any transfers smooth and reduce anxiety.

The Association leaders were given a tour of the call center. Prudential leaders explained control systems in place to assure that calls are answered promptly and well-trained representatives provide service to callers. The Association has arranged to have the

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**Defending
Our Benefits**
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President's Message

by C. William Jones

2014 has been an extremely active year for your Association. Our leadership, including eleven board members and key staff and advisors have been active on multiple fronts to keep Verizon retiree issues front and center.

Looking back over the years, who could have expected the need for our advocacy would be so great and continuing for over 18 years. I am certain my spouse and the spouses of many of our board members who have each donated many thousands of hours of their so-called retirement are busier now than they expected. The commitment has grown, in scope and importance, because original and new threats to our economic survival have been presented to our fellow retirees and future retirees.

If there were no Association these past 18 years, what might be the state of affairs for our retirement? Would we be better off? Worse off? I leave that for all of you, our members, to weigh in on, but in my opinion companies have, over the last two decades, sought to eliminate any and all "legacy costs" that they can from their business models. By legacy costs, they mean you and I. They mean the land lines, universal service, union represented employees and so many other important factors. Many of those have been integral to making the business the success it is today.

Taking a look only at our activities in 2014 illustrates a vibrant Association agenda standing up for the rights of the retiree body:

- Prudential Spinoff — the Association was invited to meet with

Prudential leaders to discuss the feelings and concerns of the 41,000 Verizon retirees that are their new customers. Prudential made it clear that they seek a positive and constructive relationship with our retirees and have opened up corridors of communication.

- Anti-Pension Stripping Litigation — Our Lee vs. Verizon federal case, fighting the actions of the pension stripping transaction foisted on 41,000 of us and designed to preserve each individual's ERISA rights continues to move through the federal courts.
- Pension Stripping Advocacy & Legislation — Efforts with our sister organization, ProtectSeniors.Org, in multiple states has resulted in legislation that would seek to restore some of the protections lost when the 41,000 management retirees were transferred to an insurance company annuity.
- Federal Legislation to make Retiree Health Protections binding — S.2148 was recently introduced to the U.S. Senate where it makes it difficult for companies to reduce or eliminate the benefits of their retirees that were earned during their working years.
- Directory Operations Litigation — Our case on behalf of 2,750 former Verizon retirees spun off to Idearc/Supermedia and now Dex-Media has been fully briefed and will be argued on September 4, 2014 in the federal court of appeals.
- SuperMedia, Inc, et al. v. Bell, et al. — Association attorneys prevailed by recovering costs and attorney's fees incurred in the case of SuperMedia et al v. Bell. Retirees were necessarily and unfairly sued by SuperMedia for opposing the termination of healthcare benefits.

- Verizon Shareowner proxy — This year we impacted not just one but two shareowner proxies. They are to implement Proxy Access and our previously victorious Say on Pay measure appeared on the ballot this year to finally give shareowners a say on just how high executive compensation can go at Verizon.

After all of these years, and much progress achieved by the Association, the company's actuaries must be praying that we run out of steam, but what's clear is that we are still getting the job done, we are not slowing down and still will be setting the bar higher, as Verizon and companies all across our nation disregard the needs of retirees.

Here is what we need you to do. Please be active and involved in your Association. We are only as strong as our membership support. Volunteer in your state to host or participate in retiree meetings; recruit a few new mem-

bers each to the Association; make a contribution today to keep the train rolling down the track. Sadly, contributions are lagging the levels achieved for the same period in 2013. There is much that has been accomplished, but so much more that has to be achieved.

Not wanting to sound like a broken record, we need you more this year and next than ever before. Please do your part. We are counting on you!

I thank you for your loyal support and involvement that has made the Association of BellTel Retirees the most successful retiree non-profit advocacy organization in the nation.

Original and new threats to our economic survival have been presented to our fellow retirees and future retirees.

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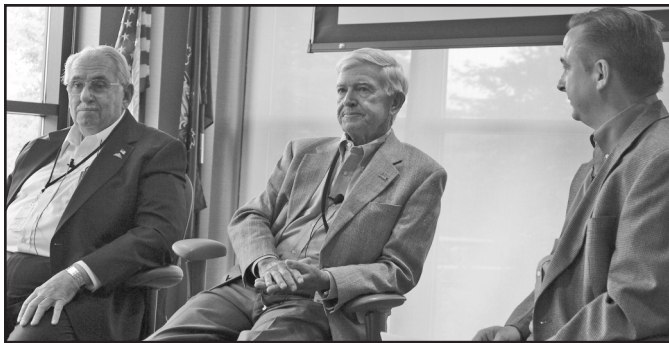
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Association Board & Prudential Executives Meet

(Continued from page 1)

Prudential Vice President for Customer Service work with our Association office staff to assure that Verizon retirees who call our office for help are getting the best service possible.

Following the morning discussions and the tour we attended a monthly "All Associate Meeting" of over 125 Prudential customer center employees. That day awards were made to recognize Prudential employees and employee groups for service excellence. Association leaders in attendance were introduced and the attendees, who were briefed on the reason for our Association's visit.



courtesy of David Simmonds

Association board members met with Prudential leaders to discuss concerns of the 41,000 management retirees whose pension plans were sold to Prudential and converted to annuities.

Association Chairman Jack Brennan and I responded to a number of questions from those in attendance to better inform them about our organization's purpose and attempts to work with Prudential to make this new relationship work well for the benefit of all current and future annuitants.

We anticipate more face-to-face and online meetings with Prudential to ensure that the 41,000 transferred retirees' interests are protected.

Important Update in Retirees' Murphy -vs- Verizon Litigation

The Association will meet on Thursday, September 4, in New Orleans, for an oral argument session for the pending federal court appeal of the Murphy v. Verizon litigation, brought by the Association's special legal counsel on behalf of impacted retirees.

Back in 2006, Verizon spun-off more than 2,750 Directory Operation retirees to SuperMedia. As part of the spin-off transaction, Verizon retirees were moved from Verizon's well-funded pension plan into an up-start and undernourished company's pension plan.

Shortly afterwards, the Association filed a lawsuit on behalf of these Directory Operation retirees to get them and their pension plans back under the Verizon umbrella. In September 2013, the federal judge ruled in favor of Verizon and Idearc/SuperMedia. Our attorneys appealed and the legal fight continues.

You can find up to date legal briefs on this case on the Association's website at www.belltelretirees.org then click "Legal Actions" then "Murphy V. Verizon."

GO GREEN

This newsletter is available to you on-line. If you wish to receive ONLY an on-line copy, please email us at association@belltelretirees.org and put in the Subject line of the email -GO GREEN. Please give us your name, mailing address and email address so we can make the change.

TALK TO A RETIRED VERIZON MANAGER ABOUT YOUR RETIREMENT SAVINGS AND INCOME STRATEGIES.



Jim Biggins is a retired Verizon Manager with a Masters Degree in Personal Financial Planning from Bentley College.

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Association Launches Faces of Verizon Retirees Video Series

The Association of BellTel Retirees has launched its latest YouTube video series called "The Many Faces of Verizon Retirees." Each of the eight videos features a different Verizon retiree who speaks about his or her retirement story in light of critical issues. Though the speakers reminisce in an overwhelmingly positive way about their work experiences, they implore Verizon to consider better treatment of retirees.

The first video of the series features Chuck Block speaking about the pride he felt in working for the Bell system in the Baltimore region. Yet today, he feels disappointment in the company's current attitude towards retirees.

In another video, New York based retiree Bob Gaglione discusses how he loves and supports the Bell system since his family members have long worked for the telephone company. Mr. Gaglione expresses his concerns regarding how his father's pension was sold off to Prudential in 2013. He says he understands that the company has to find ways to cut costs but does not think the cuts should come at the expense of retirees.

Pat Wells, a retiree who relocated to Pennsylvania from New York, shared her feelings on what she calls a breach of loyalty that Verizon has committed towards its retirees, suggesting her

'golden years' of retirement have trended towards 'ghoulish years,' because of the company's actions.

In one of the other videos, Larry Smith talks about how he is proud of his 35 year career at Ma Bell. He liked how the workforce all stuck together, yet he voices his concerns about Verizon's current pension policies.

Jack Studebaker discusses the passion for hard work he and his colleagues in Bell of Pennsylvania and Bell Atlantic felt. He remembers the great camaraderie and employee commitment to company objectives. But now, he says he sees a separation from how the company used to respect its retirees and how it now regards them as a liability.

In the final installment in the series, Chuck Schalch speaks out about being denied a COLA increase since 1989 and several other important issues with his benefits.

The series can be viewed at <https://www.youtube.com/user/BellTelRetirees>.



YouTube



Association of BellTel Retirees Inc.

UNITED, TO PROTECT OUR FUTURE

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P.O. Box 33, Cold Spring Harbor,

New York 11724 • (631) 367-3067

website: www.belltelretirees.org

E-mail: association@belltelretirees.org

Hotline: (800) 261-9222

A 501 C3 IRS tax-exempt corporation

Circulation Exceeds 128,000

President and Executive Director:

C. William Jones (410) 310-8533

Senior Staff Manager

Susan Donegan (631) 367-3067

Assistant Manager

Stef Baker (631) 367-3067

Board of Directors:

John M. Brennan, Chairman

(201) 666-8174

Jack K. Cohen, Executive Vice President

(914) 245-3129

Eileen T. Lawrence, Chief Financial Officer

(718) 229-6078

Robert Gaglione, Treasurer

(516) 676-0937

Pamela M. Harrison, Secretary

V.P. Union Relations (845) 225-6497

Donald R. Kaufmann, Director (717) 398-2423

David J. Simmonds, Director (732) 636-4847

Charles F. Schalch, Director (610) 399-3626

John Studebaker, Director (610) 296-0281

John W. Hyland – Director (845) 490-0713

Thomas M. Steed – Director (914) 213-5909

Louis Miano, Director Emeritus (781) 444-8080

Robert A. Rehm, Director Emeritus (516) 827-0801

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DEFENDING OUR BENEFITS

Navigating the Road To Protect Earned Retirement Benefits

Association of BellTel Retirees Special Legal Counsel Attorney Curtis Kennedy said it clearly when he explained at the 2012 BellTel member meeting, *"When Ma Bell died, a mean and greedy stepfather took over."*

Sadly, companies these days just do not view retirees as they used to, as an important asset. Instead, they are seen as a costly liability. The liability, it seems, is actually having to pay for the retirement benefits that we earned and that they, as employers, committed to provide.

Over the last two decades too many companies to count, have been renegeing on the financial agreements, commitments, workplace contracts, they made to their retirees. The names are a who's who of prestigious companies: General Motors, Time Warner, Kodak, GE, Unilever, Chrysler and more. They all have found some unique and creative ways to negatively impact their retirees and use the legal system to their advantage.

Some say that's business as usual these days... We will not accept that! That is why we exist and the reason why we have been successful.

Closer to home, after Verizon spun-off 2,750 Directory Operations retirees to an undernourished Idearc/ SuperMedia, (now DexMedia), thousands of your fellow retirees lost earned benefits. It was your Association, and none other, who sued to protect those impacted retirees.

When Verizon transferred 41,000 retiree pension obligations to Prudential, the Association took action. The Association filed a still-pending litigation to stop and reverse the transfer to Prudential. At the same time, the Association is also working on legislation to protect retirees victimized by the pension spin-off transaction, to ensure that they obtain equivalent protections as

the federal ERISA protections and financial safety net they had before their pensions were sold off.

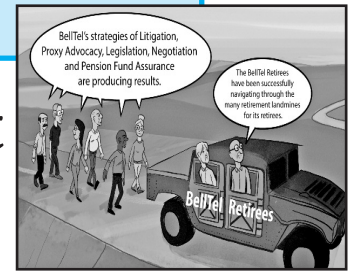
"While my Association of BellTel Retirees had our focus on health benefits, never in a million years did any of us think that we had to worry about our pension. All 41,000 of us were completely blind-sided by the Prudential pension asset transfer," said Vice President of the Association Jack Cohen, at legislative hearings on the issue of pension de-risking.

If Verizon gets away with transferring 41,000 of your fellow retirees, which Verizon retirees might be dumped next?

The Association has also met with Prudential executives to discuss our members concerns (see more on page 1). Of the meeting, C. William Jones said, "Prudential has taken our concerns seriously. They were surprised to learn that they had 41,000 new irate customers and are willing to keep communications open so that these 41,000 retirees and any future retirees are comfortable."

Prudential leaders explained they were very proud of their company, their financial position and the reputation that they have with their customers. They have proposed methods to better communicate important information with our retirees who wish to have access related to their assets.

With the support of our sister organization, ProtectSeniors.Org, the new federal Bankruptcy Fairness and Employee Benefits Protection Act, S. 2148 was introduced, (read more on page 1), to the United States Senate. This act requires that a participant of Verizon, or any retiree health plan, be informed of a modification or termination of their benefits and creates a legal presumption that promised healthcare benefits cannot be reduced during retirement.



Across a wide spectrum of critical retirement issues our Association has been on the front lines making a difference. How can you help make a difference?

There are 128,000 members of our Association of BellTel Retirees. Our strength comes from you and your active participation. Don't be a spectator, be active, however you can. We hate to sound like a broken record but member contributions are 12% behind from last year. If you all can only contribute a little bit please, do so.

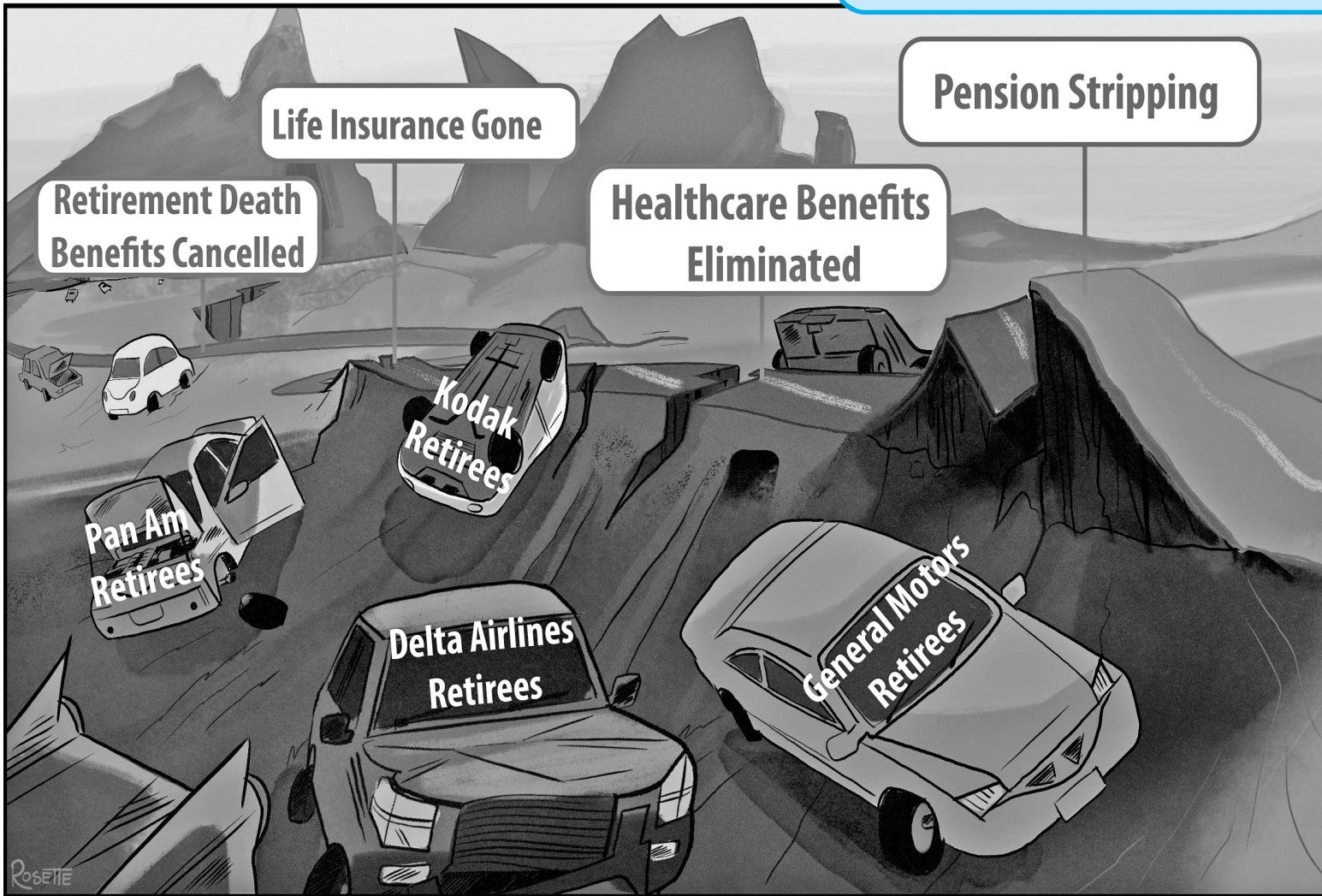
If you can't financially give, there are other things that you can do. You can tell your friends and former colleagues about the Association and recruit new members. Tell them about this strong organization that is here to protect them from the prospect of losing all of their earned retiree benefits and compensation. Stand up today, because it can happen to you.

OUR MISSION:

The Association of BellTel Retirees Inc. is dedicated to promoting 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/DexMedia 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.



Funding The Campaign To Save Your Pensions &

Dear Friends,

On a regular basis we report to you on the fiscal state of your Association. It is important for several reasons.

1) **It is imperative that you know what it takes to run an effective retiree advocacy Association on your behalf.** In our summer newsletter, we provided the details of our fiscal year 2013 revenue and expense data. That data has now been audited by BDO USA, LLC and the final report has been reviewed with and approved by your board. The audit is an IRS requirement, preliminary to our federal and state tax filings which have now been completed. In addition to the federal

990 filing, we are required to file in every state in which we solicit contributions – 47 in total.

2) **It isn't easy doing what this organization does, often needing to fight back against one of the globe's largest corporations, Verizon, in an era when corporations are shedding so-called "retiree legacy costs" as rapidly as they can.**

In order for us to compete against all of that corporate muscle, we engage the services of professionals for legal expertise for lawsuits, pensions de-risking, proxy efforts, audits and more. These services are costly but necessary investments in our collective retirement security. More

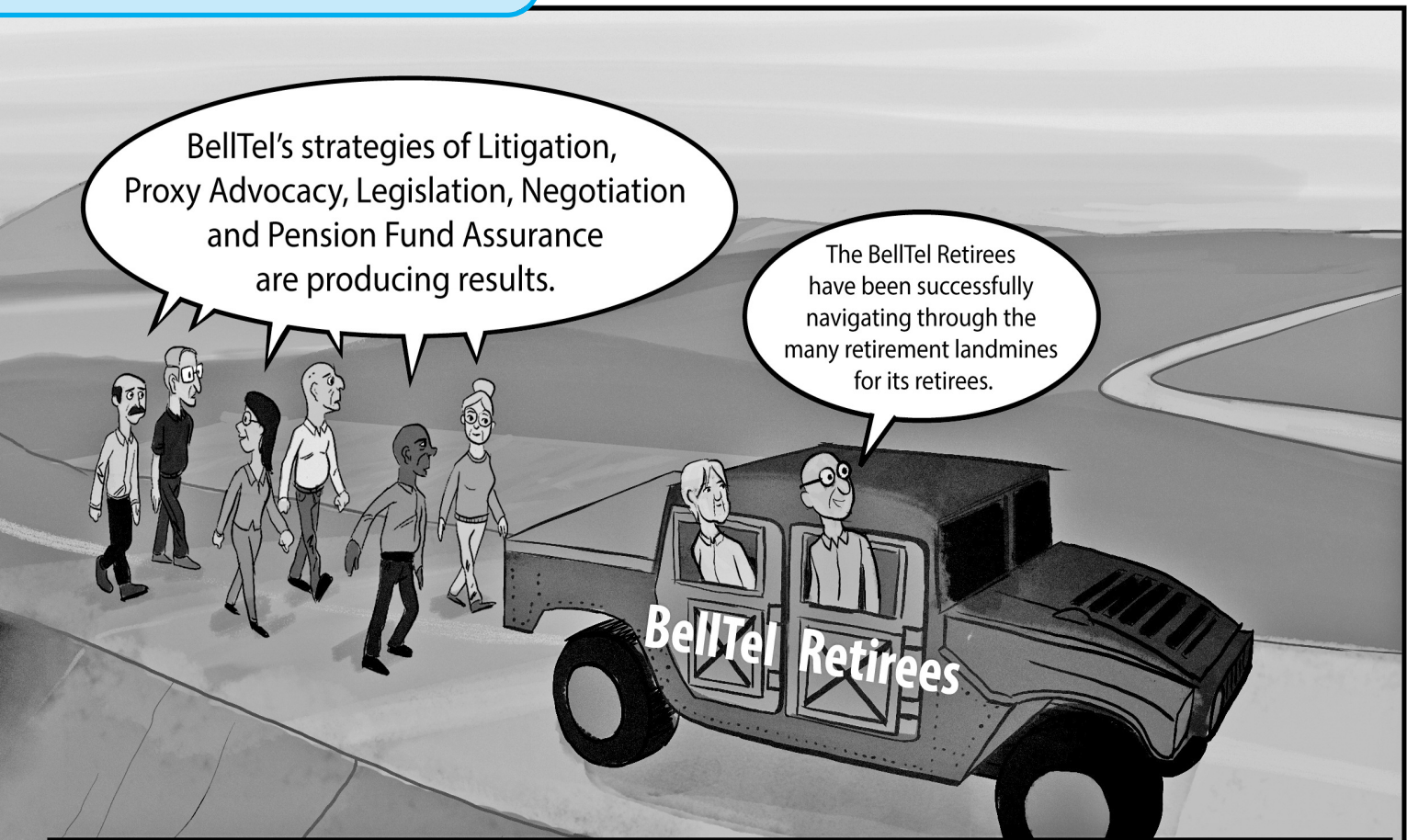
importantly your Association of BellTel Retirees has reached achievements that NO OTHER, non-profit, all-volunteer led, retiree association has ever. We are the envy of other retiree associations' across the nation and many have modeled their strategies after our own.

As with all 501(c)(3) nonprofit organizations, our 990 data detailing all of this is available to the public at Guidestar.Org. The audit shows our records are in order and that we are in compliance on all levels with the laws governing nonprofit organizations.

3) **Each day brings new and important retiree issues and more work to be done.** Our staff's role in interfacing



OUR BENEFITS



The road to retirement is littered with landmines that have severely hurt other companies' corporate retirees. Support the Association of BellTel Retirees today and keep it a strong force fighting for Verizon retirees.

Benefits: You Have To Be In It For Us To Win It

with the members and answering their calls, researching new issues, helping to direct benefit problems toward solutions, coordinating mailings, recruiting new members in every state, attending conferences – it all adds up. The costs of this work are supplemented each year by over 12,000 volunteer hours contributed by your board.

4) Your contributions are what make it possible for us to continue in a professional way – and to be there for all of us. Your contributions are a vote of confidence in us to continue our volunteer work.

We appreciate and earnestly need everyone to continue to be there to

keep the Association's train running along the tracks, to make sure that our core strategies – litigation, legislation, negotiation, proxy proposals and pension fund assurance – keep the individual and significant impact that they have now and in the past. **TO DO THAT WE REQUIRE YOUR GENEROUS FINANCIAL SUPPORT!**

5) Our activities on your behalf are costly, but inactivity and inaction is more expensive to you and unacceptable. We are projecting that operating

Help us catch up. Contributions are 12% lower than last year.

expenses in 2014 are likely to surpass \$1.1 million, due to ongoing federal litigation and other legal and advocacy activity on behalf of various sub-groups within our membership. Importantly, please recognize our impact is being felt and that we have already won one of the important retiree court cases, SuperMedia et al v. Bell, despite opposing a big time corporate law firm and their unlimited resources.

The membership has always gone out

Continued next page



DEFENDING OUR BENEFITS

Funding The Campaign To Save Your Pensions & Benefits: You Have To Be In It For Us To Win It

of their way to help us, and in 2013 came within 96.5% of our Million Dollar budgetary goal. That is a vote of confidence for all of us who have dedicated so much time and have remained loyal to this as our cause for volunteer work.

Friends, our \$1 million fund raising target for 2014 is reachable even though it still does not achieve all of our needed costs for the year; we can be a million dollar not-for-profit advocacy tiger!

To date, responses from the membership have been heartwarming and encouraging, including several contributions over \$1,000! **But the fact is, we are running 12% behind 2013.** At the same time, requests for more advocacy is increasing more than ever and as a result, our expenses are growing. In order to maintain our fight on multiple levels, we need the generous support of all members to achieve our goal, and to go beyond.

Here is the status of our fundraising as of July 31st:

FUNDRAISING AS OF JULY 31ST

	FINAL 2012	FINAL 2013	7 MOS. 2014
CONTRIBUTIONS	\$951,769	\$965,967	\$622,894
# of Contributions	30,850	30,547	18,513
Average	\$30.85	\$31.62	\$33.65
Average Credit Card	\$41.36	\$40.69	\$39.61
The Support We Need To Reach Our Goal			\$377,106

6) We cannot let our guard down: we are all fighting for our collective retirement security, and we are the only united voice Verizon retirees have in this fight. Your latest personal contribution status is shown on the enclosed contribution card label. If you have not given, now is the time to take action. And if you have already given, please accept our sincere thanks and consider additional support to reach the goals that benefit each of us.

PLEASE PROVIDE YOUR MOST GENEROUS SUPPORT.

Since 1996 we have been there for you and fellow Verizon retirees: recruiting new members, representing you in legal

battles, in the media, in dialogue with Verizon, submitting and winning shareowner proposals, bringing the membership together each year, fighting in federal and state legislatures.

We are proud of our team's track record and know there is more to be accomplished. PLEASE SEND IN A CONTRIBU-

TION TODAY, PROTECT YOUR BENEFITS AND SUPPORT YOUR FELLOW RETIREES!! Give us the opportunity to continue and also help by referring your friends to us. A recommendation from you is the best way to recruit new members.

Thank you,

**Your financial team
and fellow retirees**

Bob Gaglione, Treasurer
Eileen Lawrence, CFO

Fundraising Committee members
David Simmonds, Tommy Steed,
& Jack Studebaker

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You can also donate online by going to our web-site www.belltelretirees.org and click on the 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, its subsidiaries and retirees who were transferred to Idearc/SuperMedia/DexMedia.

Voices of Our Members



Dear Association,

I just took the time today to read the latest edition of the BellTel Retiree Newsletter, and I felt compelled to write my first fan letter ever and I am 70 years old! I am so impressed with all the work and time that Mr. Jones and the entire staff does to protect the retirees that I had to write and say thank you. I don't even want to contemplate where we would be without you.

My husband was also a management employee with Verizon when he passed away in 1998. He worked for the Directory Department at the time of his passing, although he spent most of his 30 year career in the Marketing Department. I retired in 1999, with almost 32 years of service all on the Business Office side for business customers, I, too remember all the things we were told about how in retirement we would have our benefits to reward us for our loyal years of service. Ha!

I am one of the management employees switched to the United Healthcare Advantage Plan and I am not a happy camper. I was unhappy when I had to leave the old retired

employee plan when Medicare kicked it. But now, as I am getting older and need more medical care and as my income is dwindling, it seems that I am paying

much more than I ever had to pay under Medicare. Fortunately, thus far I have been blessed to escape any catastrophic illness and I pray that will continue.

It just makes me feel dumped and forgotten, like Verizon would just prefer to be rid of all retirees. The sad thing is that current employees don't realize what is probably in store for them when they retire!

Again, thank you for all the hard work you do, I truly am grateful that you are on the side of the retirees.

Sincerely,

J.E.

* * *

Dear Association,

Thank you for all you do for all of us.

Wish we could send more but we will continue with our small contributions as often as possible.

Special thanks to the volunteers who work for the Association without monetary compensation.

Our prayers and support are with all of you.

Thank you!

G.W. and S.W.

Dear Association,

As I send an additional small contribution to BellTel, I am amazed by the great effort you are doing to protect our benefits.

I am truly grateful and my heartfelt thanks to all of you.

Sincerely,

M.D.

Retiree News and Notes

On August 2, Board Member Chuck Schalch spoke to current and past presidents of the Liberty Bell Chapter #6 of the Verizon Pioneers at the Cottage Green in the Northeast Philadelphia about the actions and impact of the Association of BellTel Retirees.

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.

When Donating Please Consider Going Online

Did you know that we made our online giving feature a lot easier? If you have never used our online donations feature, we encourage you to do so today. Donating online is a safe, fast and easy way for you to give, and less expensive for our organization to process. Go to www.belltelretirees.org and click on:

DONATE NOW

We are always very appreciative of your support and contributions. Donations are our only source of revenue. When combined with the volunteer hours of your board, they make this a very significant and personal commitment to protecting all Verizon retirees' retirement income security.

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Robert Manning

Executive Director, Financial Advisor

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Public Pay Telephones – Device of the Past...or Critical Future Infrastructure?

The phone booth is an iconic image in telecommunications. Be it London's big red booths or Superman's glass-enclosed changing room in Metropolis, phone booths are a nostalgic piece of communication history. But should they simply be discarded and relegated to the Smithsonian?

As times change and technology evolves, the dominance of landlines and presence of public pay phones on our landscape has ebbed. City streets, shopping plazas, and other public places that long hosted once actively patronized payphone booths, have much fewer of them these days due to the proliferation of mobile phones. The 2012 Census Bureau found 25 percent of American homes replaced their landlines with cellular phones.

In June, Baltimore–Washington International Airport converted several pay phone banks into charging stations for travelers to charge their cell phones, tablets, and laptops.

In New York City, where some estimates say there were perhaps 40,000 curbside public pay phones – plus many thousands more located inside public buildings, office buildings, restaurants, schools and more — approximately 8,000 curbside public phone installations remain. But that erosion of the pay phone may be about to change and for the better.

Many municipalities are looking at ways to covert old public pay phone sites into 21st century multi-function kiosks by tapping into the telecommunications and electrical infrastructure.

The Big Apple is currently discussing plans to upgrade approximately 7,800 street level public pay phones sites to offer free Wi-Fi and a host of other exciting public amenities.

“More than 27 million phone calls were placed from New York payphones



Future generation pay phones to include digital ads, time, temperature, TV screens, and many more public amenities.

in 2011. There's a significant usage of sidewalk payphones to place 911 calls," according to the City of New York.

One private company, Telebeam, which currently operates 1,355 public pay phones at over 900 sites in New York City, envisions adapting its locations to meet the needs of a cell-phone-centric, wireless world, despite municipal leaders being slow to give a green light.

The company's CEO, Ray Mastroianni, has for years sought to enable public payphones with smart technology. “Ten years ago, [payphone] calls drastically exceeded text messaging. As cellphone technology advanced, and with the advent of Smart Phones that shifted. Today, call volumes are dwarfed by text messaging,” he said.

Mastroianni envisions “Smart Communication Centers,” which provide touchscreen calling, free Wi-Fi and Internet access, and charging stations for mobile devices and electric vehicles. Beyond phone and Internet access, the centers also may serve as municipal

parking meters; dispense mass transit tickets; offer tourist information and video-post cards tourists may send home in real-time; and provide public notifications about local events. The centers can also enhance public safety efforts by displaying information about street closures and Amber Alerts, serving as police and fire department call boxes, offering instant access to 911 emergency services, and providing street-facing video cameras.

The technology can even equip each unit with sensors to detect sudden changes in temperature, carbon dioxide, radiological levels and other airborne toxins that may indicate fires or other emergencies.

Telebeam is not alone in the drive to reinvent and improve upon the critical infrastructure, thousands of Association mem-

bers dedicated their careers to installing and servicing. Among the companies betting on the progression of pay telephone technology are IBM, Google, Cisco and many other top global technology firms.

Since Alexander Graham Bell invented the telephone in 1876, communications technology has advanced beyond what he ever could have envisioned. To simply abandon the infrastructure of these public communication devices across the U.S., would be a foolish disservice to the public and our nation.

The members of the Association of BellTel Retirees played a major role in building out and improving that infrastructure and recognize it is a critical link to the technology of tomorrow.

Let's hear from our members on this subject. Are there stories you can share of your time with the company that links back to the importance of the public pay telephone?

Write to us at association@belltelretirees.org or U.S. mail at P.O. Box 33, Cold Spring Harbor, NY 11724.

New Book Analyzes Modern Telecom Landscape

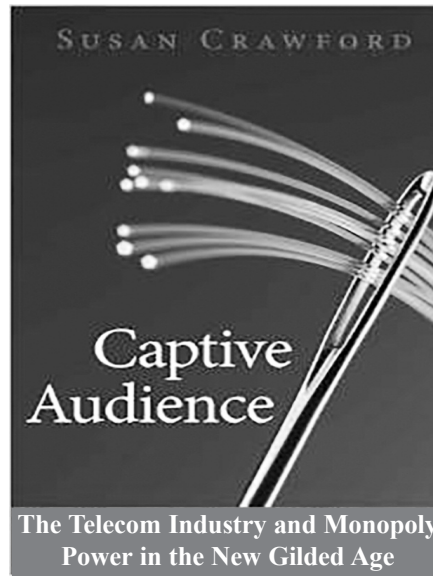
The book *Captive Audience*, by Susan Crawford, is an interesting and engaging look at pressing issues in the modern telecommunications and Internet connectivity industry.

Ms. Crawford's book takes a look at the 2011 Comcast/NBC Universal merger to explore the issues of how telecommunications monopolies affect internet speeds and service costs.

She blames the Internet crisis on what she calls monopolies between telecommunication giants: Comcast, Verizon Wireless, AT&T, and Time Warner Cable.

This, she says, stops America from fully competing economically in a global knowledge-based market and sets up the U.S. for a poor economic future.

She points out that 10 years ago, America was leading the Internet



revolution with high speeds and low costs.

Because of monopolies constricting markets and competition, other countries such as Japan and South Korea

have been able to surpass America, in both internet speed and customer price.

Crawford's solution is simple; enforce U.S. legislation that encourages more competition.

This she says is the key to cheaper and higher speed Internet connectivity, especially for rural environments, middle class families, and those who cannot afford wireless internet.

Susan Crawford is a professor at the Benjamin N. Cardozo School of Law in New York City and a columnist for Bloomberg View. Her work and research focuses on telecommunications and information law. In 2009, she served on the Federal Communications Commission review team and worked as the Presidents Special Assistant for Science, Technology and Innovation Policy.

The book is available at Amazon for \$22.

Be a Part of the Association's Social Media

The Association of BellTel Retirees has spent time and effort over the past several years making sure that our message gets out there. We have used traditional methods like our print newsletter, shareholder proxy meetings, member meetings, speaking engagements and word of mouth from existing members.

However, with the overwhelming expansion and emphasis on social media, we have grown our presence online by using Facebook, Twitter and YouTube. Through these online tools, we are able to send our messages out there instantly to thousands of members connected via these sources.

While technology makes it easier, we still need active, engaged members to spread the word. However, this only works if you use these social media platforms. Please take a few moments to browse our online resources.

Facebook Page: <https://www.facebook.com/associationofBellTelRetirees>

Twitter Page:

<https://twitter.com/BellTelRetirees>

Twitter handle @BellTelRetirees

YouTube BellTel Retiree Channel:

<http://www.YouTube.com/user/BellTelRetirees>

The Association uses our group email service to blast out important notifications. Please make sure that association@BellTelRetirees.org is part

of your contacts, to prevent our messaging from going into your junk folder.

If you have an email address please send it to us. We will respect your privacy and never give your email out to outside vendors.

Using these sites are easy, but if you feel uncomfortable using online sites, ask a friend or family member to help you.



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◆ *Take part in our surveys*

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Verizon's Profit and Growth Continues

Verizon Communications announced its second quarter 2014 fiscal results and reported its highest quarterly growth rate in the past six quarters. Total operating revenue for the quarter was \$31.85 billion, a 5.7 percent increase compared with the second quarter of 2013. Increases in wireless subscriptions for various devices and home subscriptions helped drive the growth.

Verizon Wireline reported \$9.8 billion in revenue, a 0.3 percent increase year-over-year. Total FiOS revenues grew 14.4 percent from the second quarter of 2013, to \$3.1 billion. Verizon reported an additional 139,000 FiOS Internet and 100,000 FiOS video additions. Verizon totaled 6.3 million FiOS Internet connections, up 9.3 percent, and 5.4 million FiOS video connections, a 7.6 percent increase.

By the end of second-quarter 2014, 55 percent of FiOS Internet customers subscribed to FiOS Quantum, which provides speeds ranging from 50 to 500 megabits per second, up from 51 percent in the first quarter of 2014. In July, Verizon began offering faster upload speeds, which FiOS customers use to share videos, pictures, and items to the cloud, and for video chat. Verizon also continued to replace copper lines to fiber optic. In the second quarter of 2014, 70,000 customers were converted to fiber optic wires.

Chairman and CEO Lowell McAdam said: "Verizon's second-quarter results continue to demonstrate our ability to deliver strong customer growth, with equally strong financial performance, in a dynamic and competitive environment. We have great

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momentum heading into the second half of the year. We remain focused on profitable growth and on meaningful network investments that provide our customers with the best, and with a continuously improving, overall experience."

Verizon Wireless also reported positive quarter-to-quarter growth. The company added 304,000 new contracts in the second quarter of 2014. Smartphones accounted for 75 percent of the Verizon Wireless retail postpaid customer phone base, a 3 percent increase from the first quarter of 2014. Verizon Wireless reported a record number of 1.5 million new wireless subscriptions for tablet users, the third straight quarter of record additions for tablets.

Verizon reported \$1.01 in earnings per share (EPS), compared with 78 cents per share in the second quarter of 2013, and 91 cents in adjusted EPS (non-GAAP), excluding net non-operational gains and losses – compared with 73 cents in both reported and adjusted EPS in the second quarter in 2013.

Verizon Launching Network Optimization for 4G Users

Verizon Wireless subscribers' access to unlimited 4G LTE high-speed mobile Internet may soon come to an end. Verizon plans to expand its practice called "Network Optimization" to its 4G users. The practice temporarily slows mobile data connections during times when the network is heavily used.

Verizon's "Network Optimization" is not a new concept. It was introduced in September 2011, but only affected those using unlimited amounts of data on the company's 3G network.

Now, beginning October 1, 4G network customers will begin to see the "network optimization" effects if they meet all of the following criteria:

- The customer is among the top 5% of data users (using 4.7GB of data per month or more);
- Enrolled on an unlimited data plan or feature;
- Have fulfilled your minimum contract term;
- Are attempting to use data on a cell site that is experiencing high demand;

Please note that customers on "MORE Everything plans" or other usage-based data plans are not subject to "Network Optimization."

Verizon Launches Rewards Program

Verizon is launching a new loyalty rewards program called "Smart Rewards." Customers earn points for every dollar they spend in exchange for allowing their mobile movements to be tracked so Verizon can market ads tailored to their interests to their mobile devices.

Verizon is the first mobile phone company to launch such a program.

Subscribers get points by paying their monthly bill, going paperless, upgrading to smartphones, adding new lines, etc. The program is also intended to maintain Verizon's current subscriber base and lure customers away from competitors such as T-mobile and Sprint.

Verizon is using the loyalty program to increase enrollment in "Verizon Selects," a program that tracks a subscriber's surfing and location data.

If a customer wants to use "Smart Rewards," they need to enroll in "Selects." However, they can eventually opt out of "Selects" and keep using "Smart Rewards." If a customer stays in the "Selects" program, they will get extra points each month.

The rewards program is run by a private company called Destination Rewards.