

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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Volume 59

15 Years of Service to the Verizon Retiree Community

★ 1996 ★

★ 2011 ★

Idearc/ SuperMedia Retiree Pension Lawsuit Progresses

The following is an update on the pending litigation in the federal court on behalf of SuperMedia retirees who were transferred from the Verizon pension umbrella to Verizon's spinoff company Idearc.

On May 9, 2011, there was a mediation meeting for the *Murphy* and *Jacobsen pension fund* cases pending in the Dallas Federal Court. Counsel for all parties to the litigation, with the assistance of a highly experienced mediator, attempted to reach an agreement for resolution of the lawsuits. Named class representatives and members of the Association of the BellTel Retirees were on a conference telephone line and they were consulted about various settlement offers. However, no offer that was made to the retirees was acceptable, the mediation failed, and the cases continued forward.

On June 21, 2011, the named class representatives, on behalf of the class, submitted revised claims set forth in a second amended complaint. Class members demand that all retirees who were transferred to Idearc/SuperMedia

be returned to the Verizon pension umbrella and that they be made whole. The litigation is unprecedented for the federal courts to address. The named class representatives request Senior Federal Judge A. Joe Fish to grant the entire class appropriate equitable relief allowed under the federal law ERISA.

Our Denver based attorney, Curtis L. Kennedy, conducted depositions of key Verizon and Idearc officials who were involved in the spin-off transaction. He has reviewed over 60,000 pages of documents produced by either Verizon or SuperMedia. During June, the named class representatives responded to a formal discovery request made by Verizon. Now, all formal discovery proceedings are completed.

Judge Fish ordered all parties to file their motions for summary judgment, their legal briefing and evidentiary materials by August 26, 2011. Then, on October 14, 2011, the parties are to respond to opposing motions and arguments.

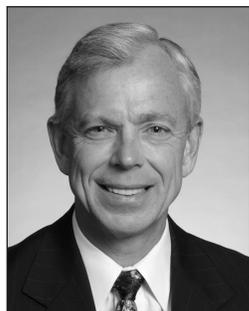
The case is moving forward as expected. While we remain hopeful that a good outcome will be achieved, there are many hurdles to be cleared. The cases are being hard fought. Verizon leadership is standing firm on their position that the transfer of the retirees was "proper" and the retirees should not be returned to Verizon's pension and welfare benefit plans. Verizon's legal team has expressed the corporation's intent to appeal any adverse rulings.

We will continue to include updates in the newsletter. Anyone with Internet access can view all of the important court filings and related documents on our web site: www.belltelretirees.org. Go to "Association Activities" and click on a drop-down tab "Legal Action" and select "Murphy v. Verizon." Also, see "Jacobsen v. Verizon."

The Association of BellTel Retirees is committed to right this wrong. We urge all Idearc/SuperMedia retirees to support this effort financially with a contribution to the Association. For those who have already contributed in 2011, **thank you!**

Lowell McAdam Appointed New CEO at Verizon Communications

On July 22, Verizon officially announced that Lowell McAdam will succeed Ivan Seidenberg as Chief Executive Officer of Verizon Communications effective August 1. Mr. Seidenberg will continue to serve as Chairman of Verizon.



Lowell McAdam
Verizon Chief Executive Officer

Mr. McAdam ran Verizon Wireless for the past three years, and was appointed President last year. He started his career with the

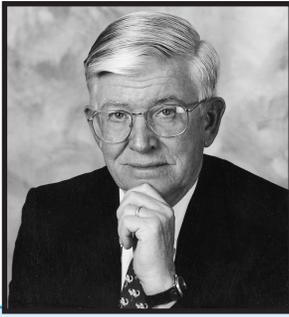
company in 1983 as the old Ma Bell was being broken up.

"Lowell's appointment to CEO is testimony to his extraordinary record of achievement...His stellar leadership of Verizon Wireless and his outstanding 28-year career in the telecommunications industry have

positioned Lowell to understand the

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2011 SPECIAL EDITION
Your Retiree Association at 15.— see page 5-8



President's Message

by C. William Jones

In 2006, former Association of BellTel Retirees board member, Jim Casey, led the formation of a new not-for-profit organization named ProtectSeniors.Org. This new entity was charged with the responsibility of lobbying Congress to pass legislation that would make it illegal to reduce or terminate company-provided healthcare benefits once a person retired – a critically important part of our earned financial safety net in retirement.

Creating this new corporation was required for two reasons. First, it was clear that the Association, a 501(c) 3 charitable nonprofit, was not allowed by IRS lobbying regulations to spend the necessary amount of funds to accomplish the goal. Second, since this legislation would benefit retirees of all corporations, ProtectSeniors.Org could recruit retirees from hundreds of different corporations to help the organization build a national footprint.

Because protecting our valuable, earned healthcare benefits was of utmost importance it was decided to focus 100% of ProtectSeniors.Org's efforts on that single goal.

Now, five years later, our entire retiree financial security is in jeopardy as Congress seeks ways to cut the national deficit. Social Security and Medicare are on the chopping block and, to make

matters worse, there is the threat of increased taxes on our fixed income and our living expenses.

For these reasons, ProtectSeniors.Org will be widening its scope to include all forms of retiree financial security matters.

To accomplish this, they will partner with other senior-focused organizations such as the Pension Rights Center, the National Committee to Preserve Social Security and Medicare and the Leadership Council of Aging Organizations.

The goal will be to provide our membership with information on pending legislative threats to retiree financial security so that we all will be aware and armed with the information to help protect critical components of retiree economic security.

Passing legislation to protect our healthcare benefits will continue to be ProtectSeniors.Org's most important thrust. But to ignore other threats would be a critical oversight.

The Association of BellTel Retirees encourages all members to be active, contributing members of ProtectSeniors.Org.

We thank all of our members who have already responded by making calls, visits, sending emails and writing letters

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 Idec/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.

to Members of Congress, but more than that, financial support of both the Association and ProtectSeniors.Org has never been more important.

Get your friends, neighbors and relatives involved. These issues are critical to everyone, of all ages. Retirement financial security is a national issue that must be addressed.

For more on ProtectSeniors.Org see story on page 9.

Verizon Workers' Strike

On August 7, 2011, Verizon workers went on strike. The Association hopes that bargaining will lead to a satisfactory agreement that will allow Verizon workers to get back on the job.



Association of BellTel Retirees Inc.

UNITED, TO PROTECT OUR FUTURE

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A Look At the Pros and Cons of The Wireless Industry

Retirees Tapping Into Wireless Connectivity

Distance may make the heart grow fonder, but new smart phone technology allows callers to connect in new ways. Phone users have more options in connecting with loved ones such as texting, video messaging, emailing, etc., all in a single hand held device.

The telecommunications industry has to work to keep up with the expectations from their users, to keep them constantly connected if they choose to be. The industry also has to compete against rival technological advancements. These advancements have benefited subscribers.



For example, when cell phones shifted from the 3 pound bricks of the past to sleek and slim models, many subscribers disconnected their landlines in favor of portable cell phones and smart phones. They were able to text their loved ones, not just call them.

These phones are not just conversation tools, but users can surf the web with only the click of a button and a wealth of information is available online at their fingertips. Smart phones now have the capability to even eliminate the need for a computer. All that is needed is a data plan for the smart phone.

Social networking programs like Facebook and Twitter are already installed on many smart phones, helping users connect to old friends, meeting new ones and keep in touch with their relatives. Services like FaceTime, Tango, and Skype, which run off a wireless Internet connection, may even make voice plans a thing of the past.

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Verizon & Wireless Industry Leading a Jobless Economic Boom

Despite growing revenue and continued growth in the number of subscribers, the wireless industry is not producing the levels of new telecommunications industry employment once needed to manage and maintain the landline business. At the same time, the wireless industry has also been implementing significant job cuts, even as it grows.



Despite significant revenue growth, telecommunication jobs are shrinking in the wireless side of the business.

Though the wireless industry has seen substantial economic growth in the last 10 years, the work force, most of which is not unionized, has shrunk about 20 percent since 2006. According the Wall Street Journal, productivity gains from new technology, outsourcing, and consolidation are the reasons for the staffing cuts.

The Wall Street Journal also points to the introduction of simpler to use smart phones and services, like online bill pay and online chat customer support, which have decreased the need for workers.

The customer service and sales departments appear to be the ones hardest hit by the job cuts at the Telecom industry. According to the U.S. Labor Department, there has been a 22,000 drop in customer service workers at wireless carriers in the last 4 years.

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



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Gaining Coverage Even with Pre-Existing Conditions

As part of the Patient Protection Affordable Care Act of 2010, one of the provisions includes providing uninsured Americans with affordable health insurance. The plan is called the Pre-Existing Condition Insurance Plan (PCIP), but will be phased out in 2014 when insurance companies can no longer legally deny coverage to individuals with pre-existing conditions such as asthma, cancer, diabetes. The PCIP is run by the Department of Health and Human Services.

Effective July 1, 2011 people who are applying for coverage only need a letter from their doctor dated within the past 12 months stating that they have a med-



ical condition, disability or illness. This coverage only applies to legal U.S. citizens and those who have been without health coverage for the past six months.

The Center for Medicaid and Medicare Service's Office of the Actuary anticipated that 375,000 people would enroll in the program, however currently only 22,000 people in the U.S. have signed up.

In states that offer PCIP, individuals

that sign up will see their health premiums lowered by as much as 40%. The following states offer PCIP: Alabama, Arizona, Delaware, Florida, Georgia, Hawaii, Idaho, Indiana, Kentucky, Louisiana, Massachusetts, Minnesota, Mississippi, Nebraska, Nevada, North Dakota, South Carolina, Tennessee, Texas, Vermont, Virginia, West Virginia, Wyoming and District of Columbia.

There are as many as 25 million Americans that lack insurance because of pre-existing conditions. However, those who lose their healthcare due to a job loss, have to either pay Cobra or go

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Retirees Tapping Into Wireless Connectivity

(Continued from page 3)

All are leading the technology in free video chat and are as easy to use as making a telephone call on either a computer or smart phone.

There will likely be no more collect calls from your college students in the dorm since smart phones let you engage in face- to -face video conversations. Users are able to see and be seen. It is the most effective way to keep in touch with long distance relatives and college bound children and grandkids, since

you can look at your caller just as with a face-to-face conversation.

Andrew Carle, professor and director of the Program in Senior Housing Administration at George Mason University said "People say technology is so impersonal, but we are watching it being used to reconnect one of the most personal and important relationships of the species (between grandparents and grandchildren). I watch my own kids talking to their grandparents 1,000 miles away, and I love it."

New York Times analysts see data plans and data and video capabilities as a new phase in how cell phone companies do business, allowing users to make calls and send text messages through the Internet. This means that cell phone minutes and text messages are completely sidestepped as a way to communicate.

"Eventually, everything migrates to a data channel," said Brian Higgins, Executive Director of Ecosystem Development for Verizon Wireless who is currently overseeing the high-speed 4G network. "We're moving away from silos of communication to one where everything is combined together."

Independent telecommunications

analyst Chetan Sharma has found that the wireless companies are making much more money from data plans they offer. Voice revenue has fallen 7 percent over the last four years, while data revenue has soared 132 percent. Data revenue now makes up 35 percent of the total revenue for the wireless industry in the United States.

The question for wireless providers lies in how to best adapt to the changing market and meet subscribers demands. Microsoft has already partnered with Skype and Sprint with Google Voice, which allows users to call phone numbers from an Internet connection. They are currently partnering to develop the next evolution of smart phones to use these capabilities. Others, like Verizon, are counting on the smart phone sales and data plans to keep them in the marketplace.

As it is clear that Verizon and its competitors recognize data and smart phone technology as the cornerstone of the industry, its time for many of our retirees who have not yet migrated from their standard cell phones to begin dipping their toe into the water.

After a couple of weeks of getting used to your new smart phone you might even be thinking, "What took me so long?"

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2011 Special Edition:
Your Retiree Association at Age 15



"We better get our friends, neighbors, and relatives to join the Association of BellTel Retirees to help us stop the assaults on retiree financial security."

15th ANNIVERSARY SPOTLIGHT
PART III IN OUR SERIES

The Association of BellTel Retirees' March to Growth and Success

Throughout the year the Association of BellTel Retirees has been running a series of articles looking back over the 15 years since the group's founding, looking at key events, important moments in time and the retirees who have supported our success. In that time span, the Association has grown from a handful of retirees worried about the lack of a COLA increase to a 112,000 member national advocacy organization. In this issue, of the BellTel newsletter the story continues.

Toward the end of 2003, former Bell companies such as Lucent and Qwest



began cutting earned retiree benefits to the bone. At the same time in Washington, DC, U.S. Comptroller General, David M. Walker, announced that the federal Pension Benefits Guaranty Corporation was

at high risk of default if not stabilized, due to the numerous recent pension fund defaults.

At a September Congressional Town Hall meeting at Stony Brook University in New York, sponsored by the Association, some 250 retirees came out to speak their minds about Congress' proposed health-care reforms and the rising costs of prescription drugs in America.

Congressman Tim Bishop (D-NY) advised retirees to take action and speak up to put "pressure on the Speaker of the House Majority and Ways and Means Committee to pass HR 1322."

Due in part to pension uncertainty, many employees, perhaps more than the company anticipated, accepted a September 2003 buyout offer from Verizon. The buyout package included 2 weeks pay for each year of employment (a maximum of 35 weeks) and a \$15,000 - \$35,000 bonus. 5,600 union and 16,000 non union workers accepted the deal; 40,000 wireless workers were not offered a package.

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Early, in 2004, Michael S. Gordon, the Association's legal counsel and one of the original drafters of the ERISA pension law when he served as a Congressional lawyer, passed away. "Tens of millions of retirees have unknowingly benefited because of the efforts and dedication of Michael Gordon," said Bill Jones. "Our Association and all of its retirees will miss the significant contributions of this champion and defender of worker and retiree rights."

In the Spring, the Association held its 8th annual membership meeting at the Holiday Inn Sarasota Bradenton in Florida. The meeting, which fell on St. Patrick's Day was a sold-out event with 475 attendees. Bob Rehm, the Association's Chief Financial Officer told the crowd, "We are all the same now. We are all in the same boat. We are not management, not union, just ALL retirees," to rousing applause.

Surpassing 100,000 Members:

2004 marked a very significant milestone for the Association as the membership had grown from four original NYNEX retirees talking over lunch to surpassing the 100,000 member mark. The 100,000 and 100,001 members were a Virginia couple, Luther, a retired C & P telephone employee and Margaret Becraft, a South Western Bell and later at C&P telephone retiree.

"I think it is wonderful that the Association has that many members that are ready to fight for our interestswhen we retired we felt like the world forgot about us and there was nobody looking out for our interests. Now we are part of a group that looks out for each other and is always in your corner," said Margaret Becraft.

Next, the Association won yet another proxy victory against Verizon. Before the 2004 Verizon annual member proxy votes were cast, Verizon agreed with the Association's proxy that executive severance agreements that were more than 2.99 times an

executives' base salary and bonus would need prior approval of shareholders. The previous year, shareholders had passed the Association's proxy to limit overly generous executive compensation packages and golden parachutes by a wide margin 59-41 percent.

"This marks the second time in two years that the Association and its board members have been successful in reducing the outrageous senior executive compensation while our retirees are forced to live on pensions that have been eroded by more than 30 percent because of inflation and the lack of long promised pension increases," said Association President C. William Jones, at the 2004 shareholders meeting. "We will continue to push Verizon on certain corporate governance issues that we feel will be beneficial to both the shareholders and the company."

2004 also had a great significance for the company too, as Verizon, was added to the Dow 30 list of important bell weather stocks to own.

For the first time the BellTel newsletter peeked behind the curtains at the Cold Spring Harbor headquarters in New York. There the office is directed by two particular smiling voices on the other end of the phone belonging to long time staffers Chris Kruger, our office manager and Jackie McCann. "Our goal is to direct members to the proper agencies where they can get the information they need," said Kruger.

"Because of the Association, we stay connected with a lot of people," said Mr. Jones. "It is satisfying to stay in touch with folks you worked with and try and help make a difference in their lives."

In 2004, the Association was honored in Washington, D.C., as the recipient of the National Committee to Preserve Social Security and Medicare's Salute to

Ageing Award, recognizing retiree activists committed to enhancing the quality of life for seniors and their families. Then New York Senator Hillary Clinton said of the Association, "This award recognizes your exemplary acts of service to our nation's seniors from your leadership in protecting pen-

"when we retired we felt like the world forgot about us and there was nobody looking out for our interests. Now we are part of a group that looks out for each other and is always in your corner"
said Margaret Becraft.



*Luther and Margaret Becraft
BellTel 100,000 and 100,001 members*



The Association of BellTel Retirees was honored by the National Committee as one of the most successful retiree associations in America.

sions to promoting shareholder advocacy to mentoring grassroots retiree organizations."

With a turn on the calendar to 2005 came another retiree proxy victory. Verizon agreed to reign in Supplemental Executive Retirement Plan (SERP) income for executives, before it reached shareholder vote. The Associations' victory received national media coverage and recognition in the **Washington Post, Business Week, CBS News, Forbes, CNN, USA Today** and more.

That year corporate America began its blame game, blaming retirees and union workers for our nation's economic problems. According to a **Forbes** magazine report, pension promises and 'legacy costs' are reasons many companies have gone into bankruptcy court and not mismanagement at the top.

General Motors and IBM all froze management pension plans. Yellow Pages workers went on strike for 14 weeks in New York.

2005 was also a year when Verizon continued its acquisition spree by purchasing MCI for \$8.4 billion.

In 2006, the Association celebrated its 10th anniversary holding its annual member meeting on Long Island, New York. Once again a packed house of five hundred people listened to guest speaker Curtis Kennedy, our Association's legal counsel, talk about Verizon pension plan issues in comparison to those of other companies. He urged all retirees to learn more about the management of the plans that contain their pension assets and not to be afraid to act as watchdogs.

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ProtectSeniors.Org Funded To Lead Fight on Capitol Hill

The Association took another bold step to expand the fight for retiree legislative protection by founding ProtectSeniors.Org., to fight for what is today the Earned Retiree Healthcare Benefits Protection Act of 2011, (HR1322). In its first year, 29,000 retirees from across the U.S. signed on and the



Association attorney Curtis Kennedy was a popular keynote speaker at the 10th annual member meeting

group rapidly established itself on Capitol Hill with an executive director and chief lobbyist.

Also in 2006, the Association then kept its proxy win streak going when Verizon agreed to change its corporate by laws to mandate an independent Verizon board of directors.

"This proxy win streak is amazing and truly unmatched in the annals of corporate shareowner activism. Who would have thought a group of retirees could take on and defeat the 18th largest company in America not once but 4 years consecutively. This is a great signal to small shareowners and a warning to CEOs and their hand picked deputies that the company does not belong to them but rather to each and every shareholder," said Association co-founder, proxy proposer and Chief Financial Officer Robert Rehm.

On Growth and Evolution of Association's Mission

Dear Association:

We just received your current newsletter outlining your proxy "successes." There is one glaring failure you did not address. This organization was founded with a prime objective of increasing retiree pensions. To my knowledge, it has never been recently addressed in your communications or any meetings I have attended. I truly believe the company is holding all the cards on this issue and you have no leverage to negotiate on this issue. In a past newsletter, you alluded to a plan but were reluctant to reveal any details for fear of tipping your hand to the company. Do Something and Do it Soon!

I have chosen not to sign this letter. In a previous newsletter you chose to ridicule and demean a member who dared to question you on similar matters. You displayed total disdain for this member. A good leader should not be so thin skinned, accept criticisms and address the issue.

— A Disappointed Member

Dear Disappointed Member,

You are correct that inflation protection for pensions is one of the top two issues upon which our Association was formed. It is also probably one of the most frustrating issues as well.

This issue has been discussed by me at every one of the fifteen Association annual meetings and at those meetings we responded to the questions from the floor about this issue and others. In addition, the lack of pension increases is referred to in our proxy proposal presentations as a

dichotomy to the top executive compensation and retirement plans.

As you probably know, the last across-the-board increases were received in 1991, 1993 or 1996, depending upon what company you retired from and whether you were management or craft.

Each year when we met with the Chairman and other top officers, we made the case for increases in pensions. At that time, the pension plan was fully funded and in most years overfunded.

Largely because of our activities, in 1999, 2000 and 2001, the minimum annuity pensions were increased by \$100.00 per month from \$400.00 to \$500.00, to \$600.00 and finally to \$700.00 per month.

In 2000, a lump-sum payment from \$5,000 to \$20,000 was made, depending upon the size of your annuity pension and the number of years that you were retired.

Since then there have been no further increases in spite of our efforts in meetings with top officers of Verizon. Since 2008 the pension fund has been underfunded by about ten percent or \$3.2 billion. Because of the underfunded status of the pension trust and other forces, there is little chance of receiving a traditional cost of living increase. The Association continues to explore and present to Verizon alternative ways of providing inflation protection for pensions. We are also discussing with Verizon the need to return the pension trust to fully-funded status.

This information is provided by me and other board members at retiree gatherings and I have provided oral and written summaries when I have been called or emailed by members.

Bill Jones

Dear Association:

Enclosed is an additional donation for 2011. After reading the summer 2011 BellTel Retiree publication and President C. William Jones' May 5th presentation to the Verizon Board of Directors and Shareholders in Indianapolis, I was moved to make the additional donation.

The Association is doing an outstanding and commendable job for all of our retirees. President Jones' presentation made me smile and was framed in such a manner that was exactly what the Verizon board of directors needed to hear. Rest assured the Verizon directors are listening when a well organized sizeable group such as ours shows up and states our purpose and our ideas.

I retired from New York Telephone in 1992 as management with 36 years of service and feel that forming our Association was a brilliant move.

I send my congratulations to Bill Jones and all the staff people that support and manage the BellTel Retiree Association. The work on shareholder advocacy is especially remarkable. Keep up the good work.

Sincerely,

Don Devine
Washington Township, NJ.

2011 Special Edition:

The Cost to Fight on Behalf of Verizon and SuperMedia Retirees

Dear Fellow Members,

In our June 2011 newsletter, we provided a complete financial report for 2010; that data is currently being audited by BDO USA, LLC. It is important for you to know that this is an IRS requirement, and we must include the audit with our federal and all state tax filings each year.

Engaging professional services for this work, along with all the day-to-day financial recording throughout the year by our staff, is costly and time consuming. But the results are rewarding: we are able to report to you that we are in full compliance on all levels with the laws governing nonprofit organizations. Needless to say, there is much, much more work done each day by your board and staff.

Our staff's role in interfacing with the members, answering calls, helping to solve benefit problems, coordinating mailings, recruiting new members – it all adds up. Thank goodness this work is supplemented by 12,000 volunteer hours annually by your board. This together with your contributions make it possible for us to continue operating in a professional manner.

Many of you provided extra support last year by contributing several times throughout the year. This is greatly appreciated, not only by us but by your fellow members. In support of this year's efforts, our goal is to raise revenues of \$726,000. As of July 31st, we have reached 79% of that goal.

We need the support of all members to achieve this threshold, and to go beyond. Our fight is not getting easier. It seems that everyone is anxious to balance the nation's budget on the backs of seniors by cutting their earned benefits. It is as if they have decided we no longer exist. The Association of BellTel Retirees is here to fight on behalf of the economic protection needed by Verizon and SuperMedia retirees. Here is the status of our fundraising as of July 31st.

	2009	2010	7/31/2011
CONTRIBUTIONS	\$685,472	\$744,532	\$576,024
# of Contributions	24,493	26,691	20,553
Average	\$27.99	\$27.62	\$28.03

The important message we must continually communicate is that our retirees and their economic protection is vital. All of us need the Association to be a physical and vocal presence for retirees so our issues do not become invisible. We must fight back, but we need your financial support to do it. Your latest personal contribution date is shown on the enclosed contribution card following your name. If you have not given, now is the time to take action.

We are 21% below our 2011 fundraising goal. Please participate.

PLEASE: HELP US EXCEED OUR GOAL. SEND IN A CONTRIBUTION TODAY, AND SUPPORT YOUR FELLOW RETIREES!!

Thank you, Eileen Lawrence, Treasurer

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 contribution of:

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

The Association of BellTel Retirees is a 501 © (3) IRS Tax-Exempt Corporation representing retirees and active employees of Verizon, all of its subsidiaries and all of the companies that were combined to form Verizon and Idearc.

Washington, D.C. Efforts Vital to Your Retirement Security

The Association of BellTel Retirees' sister organization ProtectSeniors.Org has been working with elected officials to pass the new Earned Retiree Healthcare Benefits Protection Act of 2011, now in Congress.

For those of you who have been writing to your elected officials and have received responses which resulted in bipartisan cosponsorship of the bill for the first time — Thank You! Should you desire to write to Congress or any other official in Washington, plan to write several letters and emails. Unfortunately, writing once or twice is not nearly enough.

Some of our members have shared with us rather tepid responses they received from their elected officials whose offices sometimes provide non-answers to their constituents such as:

"I look forward to reviewing the committee's findings on H.R. 1322. Should this legislation come before the full House of Representatives, I will keep your thoughts in mind." – or how about this one -

"While I am not a Member of this Committee, please know that I support this bill and will vote for it should it come before the House for consideration during this session."

One additional example of a "non

answer" occurred after a group of members visited a Member of Congress on June 9th. She appeared sympathetic but her response letter claimed that she was awaiting the committee report on the bill.

It is important to note that the lack of a committee report did not stop her from cosponsoring other Congressional legislation initiated by members of both parties, while those bills were still in Committee.

This bill should be a "no-brainer." Not only will it cost the tax payer nothing, but failure to pass HR1322 will actually increase Medicare/Medicaid costs when retirees lose their earned benefits.

Reflecting on the responses shown above, in both cases, they have not cosponsored HR 1322 nor did they say definitively in their letter that they would. You are entitled to a real response from your Member of Congress.

HR1322 is a bipartisan bill. The bill has been modified to be cost neutral and thus should appeal to Democrats and Republicans alike.

The Association of BellTel Retirees is not permitted by the IRS to do the lobbying necessary to get this bill passed. Saving our valuable healthcare benefits is

an incredibly important component of our mission. For that reason ProtectSeniors.Org was formed.

It is essential that all Association of BellTel Retiree members:

- Join ProtectSeniors.Org
- Contribute financially to ProtectSeniors.Org
- Respond to ProtectSeniors.Org requests to contact your Members of Congress
- Do not accept a non answer!

Association Sponsors Sports Jamboree for the Second Year

The Association of BellTel Retirees is sponsoring the 12th annual NJ Telecom Pioneers Sports Jamboree on August 20, 2011. The event, which was created by the Telecom Pioneers, brings about fun and friendly athletic competition and activities for wheelchair bound and visually impaired youth and young adults ages 8-23.

The Association's Chairman Jack Brennan and retired Association Board Member Mike McFadden are among the many proud volunteers at the event. This is the second time the Association has sponsored the sports jamboree.



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Rhode Island Municipal Retirees To Lose Large Percent of Pensions and Benefits

A city in Rhode Island filed for bankruptcy in the beginning of August citing the cost of providing pensions and benefits to its retirees.

Municipal leaders and a mediator involved in the issue blamed the financial problems on the Rhode Island city never actually setting aside enough money to pay for the very pension and benefits it had negotiated with workers. The retirees will now wind up receiving much smaller pension checks and will have to assume greater costs for their healthcare.

Rhode Island leaders are seeking to put a cap on just how much checks will shrink in hopes that retirees' annual pensions will not be less than \$10,000 a year.

Before filing for bankruptcy, the Rhode Island state's receiver had asked certain municipal retirees to give up a significant percentage of their pensions or risk losing all of it. Robert G. Flanders, Rhode Island's State receiver and a retired judge had advanced an idea known as "the big ask plan," calling for retirees to lose about half their pension.

Less than 1.5 % were willing to accept Judge Flanders offer.

The majority of the retirees felt that they should not be punished for municipal financial problems and would rather take their chances in court if municipalities, file for bankruptcy.

The Judge said bankruptcy was their only option. "Although we did everything reasonably feasible to avoid the necessity of filing for bankruptcy, in the end we were left with no other practical option."

RETIREE SPOTLIGHT: GENE CREEDON

World War II has been an area of fascination for modern audiences with movies and books romanticizing brave young soldiers who go off to war.

Eugene "Gene" Creedon's time in the U.S. Navy defined his future at New England Tel and still provides an interesting hobby in his retirement.

"I wound up operating the same types of circuits as I did in the Navy. It was uncanny how my carrier kept coming back to my time with the Navy. I wonder how many other BellTel retirees had the same experience as me," ponders Gene.

At New England Telephone, Gene spent time in several different departments, including: field maintenance in the N and K carrier networks, as a foreman for a circuit division, plant and toll training for transmission, DTWX field inventory, and eventually warehouse operations. He retired in 1985.

After graduating high school with a series of classes on radio technology behind him, Gene joined the Navy in 1944.

The two years he spent fighting during WW II gave him a wealth of experience that he could look back on and learn from later in life. His time in the Navy was spent in the Pacific Islands and Japan.

After returning home from the war his family urged him to join New England Telephone. At the time he knew nothing about how telecommunications worked. However, New England Telephone was looking for men with experience with



Gene Creedon, A member since 1999

electronics and radio technology, which his Navy background had taught.

He joined New England Tel in 1947 as a c.o. equipment installer and then a pole tester.

In 1949 he was laid off but spent the next two years back in the military working for the Air Force. Using his knowledge of radio technology and telecommunications he traveled to Portugal and the Azores Islands.

By 1952 Gene was back in Boston and in his pole test position, but with 1953 came a new assignment, fighting the Cold War.

Gene accepted a transfer to Western Electric DEWLINE in Illinois, where he was part of a then top -secret operation to develop radar to help track the movement of Russian military weaponry.

After realizing the planes would cause a flutter in the reception of early black

and white televisions, Bell Labs realized this could be used to track communist military movements. The plan was to develop digital transmission in the Atlantic Ocean, and between Alaska and Greenland.

"Since then the radar has improved, but what we found is still in operation," Mr. Creedon said.

In 1954, he returned to New England Tel in Boston. He married his wife Kay, going on to have three children, Frank, Kevin, and Kathleen. Gene also has three grandchildren and one great granddaughter. The family is very close-knit, so much so that two of his children live with him.

By 1959 he was promoted to Foreman of a circuit division.

Gene has been a member of The Association of BellTel Retirees since 1999. He proudly supports their efforts, recognizing that retiree benefits in our nation are under assault and are being attacked now more than ever.

"It is even more important to join and support the Association. Back when I joined, our concern was preserving our pensions. Now there are big attacks by big businesses to stop supporting retirement medical plans. The Association has done a hell of a lot of good for the Bell System retirees," declared Gene.

"I find that when you retire, unless you have something to occupy your mind you are bored stiff. Retirees should plan something to keep them engaged in a worthwhile activity. I found mine in WWII history," said Gene.

VERIZON BUSINESS NEWS

Verizon Second Fiscal Quarter Results Show \$1.61 billion in profits

Verizon Communications announced its 2nd quarter fiscal results for 2011 which included total operating revenue for the period was \$27.5 billion and \$1.61 billion in profits due to the acquisition of the iPhone. This has been Verizon's strongest quarter for consolidated revenue growth in the last ten quarters.

Verizon has reported 2.2 million net additions in their wireless division and 189,000 FiOS internet and 184,000 FiOS TV net additions in their wireline division.

"In terms of earnings growth and the acceleration of revenue growth, this has been one of Verizon's best quarters since the economic downturn," said Chairman and CEO Ivan Seidenberg. "We expanded sequential margins in both our wireline and wireless businesses, and in the second half of the year we



expect Verizon to build on this strong, positive momentum to continue to drive profitable, sustainable growth."

Verizon has invested in their 4G LTE wireless broadband network. In first-half 2011, Verizon's capital expenditures totaled \$8.9 billion, compared with \$7.6 billion in first-half 2010.

Verizon 4G Network Grows

At the end of July, Verizon expanded its 4G LTE network to another 28 markets within the United States. Verizon first unveiled its 4G LTE in December 2010. 4G the fourth generation of cellular wireless standards, that provides faster service. It is an upgrade from its predecessor, the 3G network standard.

The areas gaining 4G LTE coverage are Decatur and Huntsville, AL.; Colorado Springs, CO.; Lakeland and Sarasota-Bradenton, FL.; Augusta, GA.; Hilo, Honolulu, Kahului-Wailuku and Lahaina, HI; Carbondale, IL.; Wichita, KS.; Louisville, KY.; Baton Rouge and Hammond, LA.; Springfield, Mass.; Greensboro/Winston-Salem/High Point and Raleigh-Durham, N.C.; Toledo, Ohio; Tulsa, OK.; Portland, OR.; Wilkes Barre/Scranton, PA.; Charleston, S.C.; Chattanooga and Knoxville, TN.; Olympia and Tacoma, WA; and Charleston, W.V.

"In fewer than eight months we have introduced our 4G LTE network to more than 100 markets and we are continuing to aggressively expand our 4G LTE network. By the end of 2013 we plan to bring 4G LTE mobile broadband to our entire 3G coverage area," said David Small, chief technical officer of Verizon Wireless.

Verizon Pays \$20 Million in Class Action Lawsuit

In July, Verizon agreed to pay \$20 million in a class action lawsuit filed by the Equal Employment Opportunity Commission on behalf of 24 subsidiaries of Verizon Communications arguing that Verizon violated the American's with Disability Act (ADA) by refusing to make exceptions to its "no fault" attendance plan to accommodate employees with disabilities.

The lawsuit affects union-represented employees that provided wireline phone service.

According to the EEOC, Verizon had set up a policy on attendance for its employees, but refused to make exceptions for disabled workers who needed "reasonable accommodations" in order to work. The EEOC says, Verizon denied reasonable accommodations to hundreds of disabled employees and disciplined them or fired them for absences directly related to their disability.

Bob Varettoni, company spokesperson said in a statement, "As part of the settlement, Verizon does not concede any violation of the ADA and agreed to settle this complaint with the EEOC solely because it is in the best interest of

our company, our employees and our customers to avoid delay and expense of protracted litigation."

According to the EEOC, this ruling is among the largest ADA settlement in EEOC history.

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Verizon & Wireless

(Continued from page 3)

Sprint Nextel Corp. executives have worked to cut customer service calls by offering both simpler smart phone plans, and an easier new account activation processes. The company has closed 30 call centers and cut 20,000 employees since 2007.

While wireless employees are praised for a job well done, increased productivity is one of the causes of the shrinking wireless telecom work force. The Labor Department found that in 2009 the work output per hour of wireless-carrier workers rose more of any other service industry, 24.3 percent.

Outsourcing jobs has also led to diminished domestic employment in the wireless industry. In 2009 Sprint moved 6,000 workers to Telefon AB L.M. Ericsson in an outsourcing agreement. Of the transferred workers, 800 moved to other parts of the company and 500 were laid off or resigned. Recently, Clearwire Corp. also moved about 1,400 employees to telecom out-sourcers Ericsson and TeleTech Holdings Inc.

To date, the two leading wireless providers, AT&T and Verizon Wireless, have managed to keep their workforce stable, but have not shown increases in employment to accompany

market share growth. It is projected that as they buy and consolidate with smaller wireless carriers layoffs are expected.

In 2009 Verizon acquired Alltel Corp. Last summer, the wireless company closed an Alltel call center in Virginia. If AT&T is allowed to purchase T-Mobile USA, the company expressed plans to combine the companies' retail stores, advertising departments, and back office systems to save money. This could mean more layoffs.

Verizon's Wireless Average Revenue Per User for its Retail Service was \$52.49 for its monthly service and has 89.7 million wireless retail customers.

Lowell McAdam Appointed New CEO at Verizon Communications

(Continued from page 1)

potential of our company and the actions that need to be taken every day to attain that potential," said Seidenberg.

"It's been a smooth transition by any measure, and we have Ivan to thank for

that," McAdam said regarding his new position. "He had a clear plan from the beginning, and it was to focus on the customer and the investor."

Todd Rosenbluth an equity analyst for Standard & Poor in New York said, "This is a well orchestrated hand off. Given that he's been chief operating officer for the past year, we don't expect much change in strategy."

As CEO, Mr. McAdam will have to work to revive Verizon's land-line business, increase FiOS fiber optic TV and internet service and fight off competition.

"We will definitely try to bring that entrepreneurial culture from the wireless side into the wire line side and focus on an acceleration of applications and services," said Lowell McAdam, Chief Executive Officer.

Mr. McAdam is currently focusing attention on negotiating new labor contracts in the landline side of the business unit, stating that he wants union represented employees to have the same healthcare plan as management and wireless employees, as a means for the company to cut costs.

Gaining Coverage

(Continued from page 4)

without health insurance for 6 months, according to the new law if they want to be covered under PCIP. This is difficult for those who have severe medical issues.

However, the Department of Health and Human Services cannot change the six month waiting period since it is written in the healthcare law. "It's in the statute, so we do not have the authority to waive that," said Mr. Richard Popper director of the HHS office of Insurance Programs.

To learn more about the program visit www.pcip.gov or call toll free 1-866-717-5826.

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