



Verizon retirees sue over pension, benefits

By Thomas Grillo

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More than 2,000 telephone company retirees have filed a class action lawsuit against Verizon Communication Inc. alleging an illegal pension switch.

In court documents, the retirees allege they were involuntarily switched from the financially secure Verizon pension plan to one sponsored by a newly spun-off company, Idearc Inc., which later went bankrupt.

The federal complaint filed in U.S. District Court for the Northern District of Texas in Dallas says that when Verizon transferred hundreds of millions of dollars in surplus pension assets to Idearc in 2006, no pension plan language identified or traced the monies to liabilities owed to plan participants for the payment of benefits.

The complaint asks that all retirees who were transferred to Idearc be put back into Verizon's pension and welfare benefit plans.

Sandra R. Noe of Ipswich and Claire M. Palmer of West Newton, two of the Massachusetts plaintiffs, declined to comment. Philip Murphy of Millis, the other local plaintiff, could not be reached for comment.

Susan Burke, 56, one of the original plaintiffs who had worked for the phone company since 1970, said since Idearc Inc. took over, retirees have to pay for health-care benefits.

"How do they get to change the rules of the game?" she asked. "We want to be with Verizon, not with a bankrupt company."

A Verizon spokesman denied the allegation. In an e-mailed statement Philip Santoro said, "All of the transferred retirees retired from business entities that were separated from Verizon to form Idearc more than three years ago. Verizon properly transferred their post-retirement benefit responsibility to Idearc, along with over \$750 million to fund their pension benefits. Contrary to allegations, documents were provided to these plaintiffs, as required by federal law, and their internal claims were timely reviewed. Suggestions to the contrary are incorrect and misleading to Idearc retirees."

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