



## Federal Government Pension Agency Proves More Spin-Offs to Come

The Pension Benefit Guaranty Corporation (PBGC) found that rising premiums encourage companies to de-risk their pensions and that more than 86 percent of plan sponsors acknowledge they have taken steps to de-risk.

In its 2017 annual report, the PBGC examined the reasons why corporations de-risked pensions and what factors could slow down the process.

The report, which was produced in partnership with Mercer Consultants and "CFO Research," aided in the report's findings. Among the findings were:

69% of respondents in the study indicated that a material decrease in PBGC premiums would make plan sponsors LESS likely to implement risk transfer actions.

86% of plan sponsors have taken at least some steps to de-risk pension plans.

At least 80% of respondents in the 2015 and 2017 CFO surveys said they were either considering a de-risking strategy or already had one in place.

The findings show that a reduction to PBGC single employer premiums would decrease de-risking.

The Association's Chairman Jack Cohen has been quoted in Plan Sponsor Magazine, which speaks to the pension and annuity fund management community on multiple occasions.

"This is the same warning we have been giving for a long time now," said Cohen. "Back when my pension was de-risked, Verizon was paying the PBGC \$42 per participant. The premium has steadily risen to \$80 for 2019. Does anyone think this won't cause more de-risking?"

According to Mercer consultants, 71% of plan sponsors have analyzed the present value of the cost of PBGC premiums compared to the cost of risk transfer activities.

### It's Simple Economics

- 86% of corporate plan sponsors have taken at least some steps to de-risk pension plans
- 80% of CFOs surveyed were considering a de-risking strategy or already had one in place
- The PBGC fee per pension was \$42 in 2013, it has gradually increased each year and in 2019, it will be a whopping \$80. Won't this cause more derisking?

The number of sponsors considering plan termination in the next ten years has increased from 47% to 59% based on the 2015 and 2017 CFO surveys.

In 2017, there was a 73% increase in lump sum payments. In 2013, there was 49% increase in lump sum payments.

55% of corporate pension fund decision maker respondents interviewed believe a lump sum-based risk transfer is likely or very likely in the next two years and 56% believe a retiree annuity buyout is likely or very likely.

Beginning in 2014, the percentage of plan sponsors offering lump sums to terminated vested participants more than doubled based on an analysis of IRS data. This coincides with the timing of

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## Let's Win 2018 **verizon** Proxy

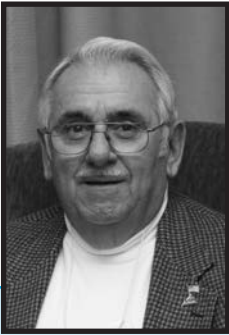
The Association of BellTel Retirees is once again seeking important corporate governance reforms at Verizon that would limit excessive compensation and could claw back earnings from executives for "conduct" that results in significant financial or reputational harm to the company.

The Association views the company's current clawback policy, which is limited to only "willful misconduct" that may produce such harms as way too narrow. Also too narrow is the separate provision allowing executive incentive compensation - to be clawed back if there is "willful misconduct" or "gross negligence" in connection with Verizon's statement of financial results.

The Association is also concerned that the current "willful misconduct" standard is too vague to ever be applied. The Association's proposed standard would focus on "conduct" that is harmful to the Company, including an executive's failure to exercise responsibility that prevent such damage.

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**Important New Pension Rights Case Elevated in the Courts. -Story on pg 6.**



## President's Message

By John "Jack" Brennan

So far in 2018, there is a lot of debate amongst the political parties in America, but what we all need to recognize is that rhetoric, good or bad, is all part of our democracy and the political system.

On January 30, the president gave his State of the Union address to Congress and the nation. While there were many important issues that he announced and that would be addressed in 2018, none was directly focused on American retirees.

I think that is a lost opportunity, regardless of your political affiliation or belief system.

America as a society, needs to do a much better job of embracing what its older citizens have to offer: vibrancy, intellectual capabilities, and experience, just to touch on a few items.

We retirees are the generations that helped build and sustain the achievement of this great nation over the most recent decades of economic success, technological innovation and advancement. To simply take an entire population of people with a deep well of knowledge and experience, combined with our get-it-done attitude, and declare "oh, you are 65, time to retire and just disappear," sells our nation very short.

The reason I raise these issues is because modern society is so very much, perhaps too much, about disposing of and replacing the old with the new. Be that racing out to purchase the new iPhoneX because an older one from 6 months ago or 4 years ago is just not good enough, or the corporate mindset

## Spotlighting The Greatness of Verizon's Retirees

that views retirees not as an asset for what they have done for a company, but as a liability that can be easily pushed aside.

Just as we ought to continue to show gratitude and respect for military veterans that have served our nation, corporations need to look at its retired workforce with a new mindset.

It is exactly part of what we do here at the Association of BellTel Retirees. You, our members - each and every one of you - has played a critical role for Verizon and the American communications sector during your working years. Now that you are retired does that diminish the contributions you made to what is now Verizon's immense success?

I think we can all agree the answer is no.

**"Each one of you can have a key, critical, beneficial influence on what we need to do to maintain the advocacy that only our Association can offer."**

But the corporate bean counters are of a mindset that today's worker and their productivity is tomorrow's liability or legacy cost. We are not a liability.

Throughout the past year and indeed throughout its history, your Association of BellTel Retirees has fought back against that corporate disregard for our collective historical contributions and value to the company.

Our Association has taken on the big corporate bully on the block to defend the honor, reputation and economic well-being of all of our retirees.

We made sure time and again that

the company cannot simply dismiss our members rights without consideration. We want those in the executive suite and their advisors to know that if they take an action that harms our members, we are going to be staring them down and looking for a fight, if that's what it takes.

Sure, none of us expected we would have to put up our dukes and fight for the protection of our own economic security in retirement, but that is, unfortunately, the hand that we and too many other American retirees have been dealt.

Thank you to my fellow members of this Association, thank you to my fellow Association of BellTel Retiree board members who have served and have given so generously over the last 22 years. We can't do it without all of you playing a role.

Let me close with this: Remember that each one of you can have a key, critical, beneficial influence on what we need to do to maintain the advocacy that only our Association can offer.

I implore you to volunteer, get involved, attend our annual meeting this June 6 in Atlantic City, or one of our smaller upcoming regional meetings.

I also ask you to consider showing your generosity by supporting the activities and efforts required by our organization. Our leadership volunteers all its time, and the vital support we receive from outside professionals is obtained at rates well below what they might charge others.

Please continue to help us get in the ring and be a counterbalance for you against the corporate decision makers intent on taking away our retirement benefits and peace of mind.

Thank you,  
John "Jack" Brennan

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# Let's Win 2018 **verizon** Proxy

(Continued from page 1)

At Verizon, where the vast majority of senior executive compensation is tied to financial performance, it is necessary for the benefit of retirees as well as shareholders generally to ensure Verizon's long-term growth and to create disincentives for actions that could be harmful to that growth.

The Association has also introduced a second shareholder proposal that urges the board to prohibit the practice of paying above-market earnings on the non-tax qualified retirement saving or deferred income account balance of senior executives.

Above-market earnings on non-qualified accounts are not performance-based and therefore does nothing to align management incentives with long-term shareholder interests. In addition, gross disparities between retirement benefits offered to senior executives and other employees risk potential morale problems and reputational risk.

Last year, Institutional Investor Services (ISS) flagged the practice, saying that Verizon, "provided guaranteed earning rates on deferred compensation that are above what can be earned in the general marketplace."

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youtube.com/user/BellTelRetirees

On the Web:  
www.BellTelRetirees.org

This non-performance-based benefit creates additional costs to shareholders."

## Verizon Proxy Ballot:

- **Clawback Proposal**

Vote Yes

- **Prohibit the practice of paying above market earnings**

Vote Yes

- **High executive pay**

Vote No

The ISS report also noted that the payment of "above market or preferential earnings to executives ... increases the ultimate expense of the plan to shareholders and is not considered a best practice."

In 2016, Verizon reported paying CEO Lowell McAdam, above and beyond his other compensation, \$100,855 in such "above market earnings" on his non-qualified plan assets, which totaled just under \$12 million at year-end.

For McAdam, these above-market earnings came on top of \$424,000 in company matching contributions to his Deferral Plan account and \$21,200 to his Management Savings Plan account. Verizon "provides a matching contribution equal to 100% of the first 6% of base salary and of short-term incentive compensation that a participant contributes."

This \$545,000 in total company matching contributions and "above-market earnings" were received by McAdam *for just one year*, dwarfing the maximum company contribution available to employees participating only in the Savings Plan (\$21,200). For McAdam,

this is all on top of nearly \$2.8 million in accumulated pension benefits under legacy plans frozen in 2006.

According to Equilar, McAdam's total compensation for 2016 was \$18.3 million.

Every proxy vote counts and by not voting, it allows corporate executives to keep their excessively high compensation. If you are a shareholder, we ask you to vote FOR both proposals.

Over the past 17 years, the Association has introduced proxy proposals at the Verizon shareholders meeting which have resulted in positive changes in corporate governance eleven times, three by majority vote and eight the company negotiated off the ballot.

Last year the Association also introduced the "clawback" proposal, which earned 33.7% of the vote. We need to make sure that number goes up this year.

## Verizon Shareholders Read This Now:

Please read and save these instructions for use when you get your 2018 Verizon shareholder proxy information.

We ask you to wait for a letter or an email from the Association that gives our recommendations for shareholders voting this year.

You will receive the annual report, proxy statement and ballot BEFORE you hear from us. Please be patient. We will not know the exact names and numbers assigned to the Verizon retiree proxy proposal until we receive this information from the company materials.

We will need that information to finalize our instruction letter, print it and mail it to you. There is no rush to vote, as you will have plenty of time to send in your ballot after you receive our letter.

Those who are signed up for our email bulletin service will receive this information first, then by U.S. mail a week or more thereafter. To sign up for our emails, go to the "join us" section of our website.



# Join Us on June 6, 2018: BellTel Annual Member Meeting In Atlantic City

Come join your fellow retirees and BellTel board members at the 22<sup>nd</sup> annual Association of BellTel Retirees member meeting in Atlantic City, New Jersey. The meeting will take place on Wednesday, June 6, 2018 at 8:30 a.m. at the beautiful Golden Nugget Casino Hotel and Marina at 600 Huron Avenue and Brigantine Boulevard.

This year we pushed our annual meeting back by about one month and we hope the likely warmer weather and location on the Jersey shore waterfront will be of interest to many more of you.

You can get to the meeting by car, Amtrak, the Jitney bus or Greyhound bus. More details can also be found here <http://bit.ly/2k7zqax>

The Golden Nugget hotel will be offering Association members a special rate of \$74 plus taxes and fees for those who wish for overnight accommodations.

The Association hosted the annual membership meeting last year in Atlantic City. The later date gives you and your spouse, friends and colleagues ample opportunity to participate in the summer time activities that Atlantic



*The Golden Nugget is located on a beautiful waterfront marina with great dining options to gather with friends.*

City has to offer, such as the beach, fishing, golfing, walking tours, and other outdoor activities.

You can also stroll the boardwalk, go to the Tanger shopping outlets, visit museums, and don't tell the grandkids, but even gamble.

Reservations are needed to attend the meeting. To reserve a seat, please complete and send the RSVP reservation form below. Be sure to include the names of those attending and return it with your \$5 per person registration fee to Ms. Stef Baker, c/o the Association of BellTel Retirees, P.O. Box 33, Cold Spring Harbor, NY 11724.

Please make all checks payable to the Association of BellTel Retirees.

Entrance tickets and directions will be mailed to you closer to the event.

Please note that hotel and event reservations are separate and a reservation to one does not mean a reservation to the other.

To reserve a hotel reservation at the discounted rate of \$74 plus taxes and fees, contact the Golden Nugget at 1-800-777-8477 and use the code ABELLT. The reservation cutoff date is May 21, 2018.

## Early Bird RSVP for Association of BellTel Retirees Annual Meeting

Wednesday, June 6, 2018 at \_\_\_\_\_ Atlantic City, NJ

A Ticket Is Required To Attend

I will attend the meeting in Atlantic City, NJ - # in party \_\_\_\_\_ Name: \_\_\_\_\_

Address: \_\_\_\_\_ Phone Number: \_\_\_\_\_

Email Address: \_\_\_\_\_ Enclosed is a Check for \$ \_\_\_\_\_ (\$5.00 per person)

Please list your guest's names and addresses: \_\_\_\_\_

PLEASE PRINT CLEARLY

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

A ticket will be mailed to each member and guest for admission. Please return this registration form and fee ASAP to:  
Association of BellTel Retirees Inc. c/o Stef Baker P.O. Box 33, Cold Spring Harbor, NY 11724

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the PBGC variable rate premium (VRP) increases and the understanding that future flat rate and VRP increases were imminent.

Only 12% of those who Mercer consultants surveyed, indicated that a decision to not implement risk transfer action was due to concern over impact on participants.

According to the CFO survey, only 28% of plan sponsors have not implemented a terminated vested lump sum offering because of concerns about how it would impact retirees.

Only 22% regarded participant impact concerns as the main reason for not purchasing annuities for retirees.

Over 45% of companies Mercer surveyed indicated that sponsors are not considering terminating their plans because either employees appreciated the plan or the plan is helpful for workforce management.

It is important to point out that, well-funded plans are more likely than poorly funded plans to de-risk, largely because poorly funded plans are restricted from utilizing certain types of risk transfer by statute.

The size of the plan in relation to the overall size of the organization impacts the prospects for de-risking as well.

There is also concern that future cash contributions for under-funded plans will lead to difficult times for a company, which could lead to pension de-risking.

The decline of the defined benefit plans threatens the mission that the PBGC was set to accomplish when it was created by the ERISA law in 1974. ERISA was signed into law by president Gerald Ford.

According to the EBRI (Employee Benefit Research Institute) in the private sector:

### Companies that have already spun-off their pensions



• In 2014, 33% of all private-sector workers participated in a defined contribution plan (e.g. 401K),

• In 2014, only 2% of workers participated in a defined benefit pension plan. (11% had both a Defined Benefit and Contribution).

• This contrasts to 1979, when slightly over one out of every four workers participated in a Defined Benefit Pension Plan, which at the time was the only retirement plan available. At that time 10% had both the DPB and DCP's available, while only 7% (1979) had only DCP open to them – that figure grew to 33% by 2014.

“The Association works so hard to ensure retirement security and this study shows why we need to continue fighting and even increase our efforts on behalf of the millions of retirees in this country who are getting a raw deal from the companies to which they gave their entire working lives,” said Association President Jack Brennan. “What is ironic is that the PBGC itself, which collects the premiums, found that decreasing the fee will slow down de-risking, yet instead Congress is mandating that it increase fees. We are curious to see what the PBGC will or can do to address this.”

The report can be found at:  
[https://www.pbgc.gov/sites/default/files/pbgc\\_advocate\\_report\\_2017.pdf](https://www.pbgc.gov/sites/default/files/pbgc_advocate_report_2017.pdf)

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## 2018 U.S. Supreme Court Session Re-Awakens on Pension Rights

Are retirees harmed when their pensions are spun off without their knowledge? When their assets are shipped to an insurance company and they are no longer protected by the federal ERISA law? Do those remaining under the pension umbrella get a chance to assert their rights before their own assets meet the same fate?

The answer, it seems, depends upon which group of federal judges you ask.

There is now a disagreement among two federal circuit courts over these very questions - after your own Association of BellTel Retirees fought a case all the way up to the U.S. Supreme Court - and we may soon see that disagreement resolved.

A new case hovering at the Supreme Court level comes in the form of *Osberg v. Foot Locker*, another class action lawsuit brought against the footwear company over changes it made to its defined benefit pension plan that would essentially freeze payments to beneficiaries. Like our own case, which reached the Supreme Court in both 2016 and 2017, this is the case for retirees and corporations alike to watch in 2018. And they certainly are!

After 41,000 Verizon retirees had their pensions spun off in 2012, your Association initiated federal litigation seeking relief under the ERISA law, as those whose pensions were sold, lost federal protections without their consent, or even their knowledge.

Led by our field marshal Curtis

Kennedy, we fought for 4 ½ years through the federal courts. When the Fifth Circuit Court of Appeals, based in Louisiana and covering that state, as well as Texas and Mississippi, sided with Verizon in 2016, we kept going, convincing the U.S. Supreme Court to look at our case, *Pundt v. Verizon*.

The Fifth Circuit had concluded that our plaintiffs could not show they had been individually harmed (YET!) by the so-called de-risking and therefore had no legal standing to seek the court's protections.

In 2016 the Supreme Court vacated the Fifth Circuit decision and ordered the lower court to reconsider its reasoning based on another precedent-setting case, *Spokeo vs. Robins*, which also addressed the issue of standing. The Fifth Circuit, one of the most conservative in the nation, once again sided with Verizon and the corporate behemoths that were waiting in the wings, hanging on every development to find out if they could spin off more of their retirees' pensions.

Your Association appealed again to the highest court in our land, but the Supreme Court, at that point deadlocked 4-4 in a politicized split after the death of Antonin Scalia, did not take our case. In fact, Chief Justice John Roberts noted in the denial that he did not participate in the decision.



When the Supreme Court says no, there aren't a lot of new avenues to pursue, but one year later a light at the end of the tunnel may be emerging for retirees in the form of *Osberg v. Foot Locker*. And because of the opposing outcome of *Pundt v. Verizon* it may just force the High Court Justices' hand.

*Foot Locker*, like Verizon, argued that the plaintiffs did not have standing to sue without proof of individual harm, the issue that impacted our case. The *Foot Locker* case was heard by the Second Circuit Court of Appeals, based in New York City, and also covering Connecticut and Vermont.

The Second Circuit Court judges found that the plaintiffs in the *Foot Locker* case did not have to show individual  
(Continued on page 8)

## Thousands More Corp. Pensioners Spun-off!

Thousands of retirees of NCR Corp, a computer hardware, software and electronics company, have become the latest victims of de-risking, as the company announced it purchased a single premium group annuity contract from Principal Life Insurance Co.



The move spins off the pensions of 6,000 retired workers, beginning this year.

In a letter to plan participants, NCR said it "has worked for several years to minimize the impact of its pension liability on financial results, while also meeting its pension obligations. This group annuity contract purchase supports that strategy."

The company claims the transaction

will help secure \$190 million in benefits to retirees.

"Because this contract was purchased with existing plan assets, no additional funding of the plan was required," NCR Treasurer John Boudreau said in a statement.

The pensioners will receive the same monthly payments from Principal Life they received under



NCR, although, of course, they will lose federal ERISA protections that could prove costly.

Arconic, a metals engineering and manufacturing company, based in Pittsburgh, PA, has announced it will freeze its

defined benefits plans in April 2018. This will affect 7,900 employees.

The company claims the freeze will not affect those who already vested or are collecting benefits.

According to Chief Investment News, "Arconic expects a \$140 million liability decrease due to the reduction of future benefits. For the full year, the company projects to shrink its pension-related expense by roughly \$50 million pre-tax."

Unfortunately, in each of these spin-off examples the former employees are looking at retirees as an expense liability as opposed to being a strategic long time asset.



# New Tax Law, Rising Federal Pension Insurance To Result in More Corporate Pension Shedding

The new tax law enacted at the end of 2017 makes pensions even more expensive for companies, which combined with rising Pension Benefit Guaranty Corporation (PBGC) fees could unfortunately set off a race of de-risking. In fact in the final months of 2017 there was a rush by many companies, among them: The New York Times, CBS, Sears, International Paper, the Ball company, ABX air to shed fiduciary responsibility for their pensions and retirees.

Right now, companies have until mid-September 2018 to benefit from a higher 35% rate, deducted on the money they contribute to their remaining defined benefit pension plan. After that, the deduction goes down to 21 percent, meaning pension contributions will be

even less appealing to corporate bean counters.

For example, a \$1 billion pension plan contribution from a company will result in a \$350 million tax deduction for 2017 or early 2018. However, in 2019, it will only result in a \$210 million tax deduction.

When the 41,000 Verizon pensioners were moved in 2013, the fee was \$42. Since then it was gradually increased each year and in 2019, it will be a whopping \$80.

Until only 2010 the rate was \$35 per pensioner. Prior to 2007 it was \$31 per pension annually.

This means that companies may start an even faster race to spin off their pension plans before the end of 2018 to avoid having to pay higher taxes and fees

on their remaining pension payments in 2019.

Its just one of the reasons our sister organization, ProtectSeniors.Org's advocacy on Capitol Hill and in individual state capitals is so critical.

"Whether or not this new tax law will close the pension gap for underfunded pensions or lead to more de-risking is still to be determined. For companies looking to give more to their pension contributions, this may be seen as lipstick on a pig because it benefits the corporations with tax breaks, plus a well-funded pension fund is much more attractive to insurance carriers interested in converting those assets into group insurance annuities," said Jack Cohen, Chairman of the Association of BellTel Retirees.

## MetLife Fails in Pension-Annuity Payments to 30,000

Last year, MetLife failed to pay pensions payments to about 30,000 retirees last year, according to the Wall Street Journal, another troubling development for those whose pensions have been de-risked.

Regulators in Massachusetts and New York have since launched investigations.

"Retirees cannot afford to have glitches with their pension checks," Massachusetts Secretary of the Commonwealth William Galvin, the state's top securities regulator, told Reuters, "I want to uncover

why this occurred and how MetLife is going to rectify the problem for the retirees."

In New York, Maria Vullo, the superintendent of the Department of Financial Services, told Reuters, the authorities are "currently reviewing the matter" and seeking to work with MetLife to "remediate the issue and ensure that all MetLife's outstanding pension obligations are fulfilled."

MetLife, which says those affected are beneficiaries earning payments less than \$150 a month, pledged to cooperate with regulators in both states.

"While it is still difficult to track everyone down, we have not been as aggressive as we could have been," MetLife said in a statement.

The company said it is using "enhanced techniques" to locate and pay those who missed payments.

According to MetLife, those who were not paid are those who "have moved jobs, relocated or otherwise could not be located."

MetLife CFO John Hele said "When we realized this was a significant issue, we launched an effort to do three things: figure out what happened, strengthen our processes so that we do a better job locating retirees, and promptly pay anyone we find – as we always do."

MetLife did not say how many years of missing income was owed to those 30,000 beneficiaries. The company said in a statement that, "We are deeply disappointed that we fell short of our own high standards. Our customers deserve better."



### MetLife



## ProtectSeniors.Org

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## More Regional BellTel Member Mini-Meetings to Come

*By Jack Cohen*

Many of you have attended our Annual membership meetings each Spring, held in locations, mostly along the East coast. Others find it inconvenient to travel or stay overnight and have suggested having smaller localized meetings. We hear you and are seeking to do just that.

Indeed, we have already had smaller, intimate sessions in both Brewster and Yonkers, New York, as well as in Bethlehem, Pennsylvania. They have been so successful that we have expanded our schedule and will be having more such meetings throughout 2018.

We expect to have "Mini-Meetings," upcoming in upstate New York, Massachusetts, Pennsylvania and New Jersey. We have not yet pinned down the specific locations, nor have we pinned down the dates. We would love to hear from you with suggestions and locations in your region that you could help us sponsor.

The meetings usually attract 30-60 people. A modest location works fine, such as a club hall, American Legion, Elks, or any place where some round tables could be arranged and some tables where coffee, tea and pastries can be set out. Of course, we would offer a modest donation in support of the sponsoring organization.

Generally, three of our board members would be in attendance and we have found that this kind of intimate setting offers ample opportunity for Q&A and intense discussions of what is important to retirees today. Actually, all retirees are welcome. All suggestions are also welcome. Please send me an email or write to me at the address appearing below.

Jack Cohen  
3354 Curry St.  
Yorktown Heights, NY 10598  
jackcohen856@gmail.com

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Also remember, when shopping on Amazon use the link:

<https://smile.amazon.com/ch/11-3311185> so that for every dollar you spend, .5% is donated by Amazon to the Association.

As always, thank you for your support.

## U.S. Supreme Court

*(Continued from page 6)*

harm to sue, a direct contradiction of what the Fifth Federal Circuit Court justices believed.

When federal appeals courts disagree with one another, there is only one court that can resolve the impasse: That's right, the Foot Locker case may head to the Supreme Court to finally decide this issue

once and for all.

If the United States Supreme Court, now at a full nine members, rules in favor of the plaintiffs in *Osberg v. Foot Locker*, does that open a whole new world of possibilities for Verizon retirees seeking relief under ERISA?

It certainly breathes new life into our cause. Here's hoping the highest court in the land sides with pension holders over corporate interests.

## OVERVIEW OF VERIZON RETIREE DEATH BENEFITS

NY/NE Management	Mid-Atlantic Management
<ul style="list-style-type: none"> <li>▪ Eligible if hired before June 30, 1985</li> <li>▪ One-year's pay benefit (pay frozen at June 30, 1985) including bonus</li> <li>▪ Benefit eliminated for retirements after December 31, 2001</li> <li>▪ Mandatory beneficiary includes surviving spouse, dependent child or dependent parent</li> <li>▪ Paid as a lump sum</li> </ul>	<ul style="list-style-type: none"> <li>▪ Eligible if hired before March 31, 1991</li> <li>▪ One-year's pay benefit (pay frozen at December 31, 1991) including bonus</li> <li>▪ Benefit eliminated for retirements after December 31, 2001</li> <li>▪ Mandatory beneficiary includes surviving spouse, dependent child or dependent parent</li> <li>▪ Paid as a lump sum</li> </ul>
NY/NE Associate	Mid-Atlantic Associate
<ul style="list-style-type: none"> <li>▪ Eligible if hired before December 31, 1986</li> <li>▪ One-year's pay benefit (pay frozen at December 31, 1986) including differentials and awards</li> <li>▪ Benefit currently available for future retirements</li> <li>▪ Mandatory beneficiary includes same household surviving spouse, dependent child or dependent parent</li> <li>▪ Additional beneficiaries available as long as dependent on participant</li> <li>▪ Paid as a lump sum, or up to 5 annual installments</li> </ul>	<ul style="list-style-type: none"> <li>▪ Eligible if hired before August 9, 1986</li> <li>▪ One-year's pay benefit (final pay with differentials and awards, but capped at \$39,000)</li> <li>▪ Benefit currently available for future retirements</li> <li>▪ Mandatory beneficiary includes same household surviving spouse, dependent child or dependent parent</li> <li>▪ Additional beneficiaries available as long as dependent on participant</li> <li>▪ Paid as a lump sum</li> </ul>



## Attention Retiree-Veterans: Where Are Your Discharge Papers?

By Tom Steed

**M**y former colleague and I, Association member William “Wild Bill” Damson, a former New York State Vice Commander of the American Legion, visited our childhood friend John, who was terminally ill with cancer.

John, along with other terminally ill veterans, are treated at a dedicated section of Veterans Administration Hospital at the Castle Point Campus in Wappingers Falls, NY, called “Veteran’s Village.”

John had a nursing Assistant sitting by his bedside 24 hours a day and while she took care of him, we were able to spend some time with him and reminisce about growing up in the Bronx. Our friend was treated with compassionate care and dignity at the V.A. Hospital.

Sadly, John passed away and was buried with a Military honor guard because he served two tours in the Navy patrolling the Mekong Delta in Vietnam.



*NY State American Legion Vice Commander Bill Damson, a Verizon retiree and BellTel Board member Tom Steed.*

He deserved and earned it for his military service.

Bill reminded me of the importance that every veteran, whether combat or peace time, know where his or her discharge papers are located.

Since 1950 the Department of Defense has issued each veteran discharge papers which are commonly referred to as Form DD214. Every veteran who was honorably discharged, as well as their spouse and dependents, are eligible for benefits, disability compensation, pension, health care, burials, loans, insurance, long term care and end of life hospice care. These are services that Medicare and many private insurance plans do not provide.

Many of our members are veterans or the spouse or dependent of one. Our objective is to advocate for the Verizon retiree and their surviving spouses.

This is yet another opportunity for your Association of BellTel Retirees to help inform, educate, remind or simply spotlight benefits you might have earned or be eligible for. But, unless you have the knowledge to apply for them, you would be out of luck.

We salute all of our veterans and especially our BellTel members and their families who served and sacrificed for the greater good of America.

For more details visit

<https://www.benefits.va.gov/persona/veteran-elderly.asp>

It is imperative for every veteran to know the two important cardinal rules:

1. Know where your discharge DD214 papers are located and let your family know as well. If the paperwork is lost, apply for a replacement.

2. You don't have to do it yourself.

If you file any type of action or claim there is free support available. Veterans organizations such as The American Legion, Veterans of Foreign Wars and Disabled American Veterans have Service Officers who will help you process your application.

We at the Association of BellTel Retirees appreciate the sacrifices and service our military veterans provided *Our Country*.

Remember, just like Verizon pension and benefits, these were earned benefits for veterans, not entitlements.

### 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/Dex Media 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.

# Will The U.S. Government Build Its Own 5G Network?

The Trump Administration is hinting that it may build a federal 5G network, according to recent news reports.

The 5G network is considered the “next generation” wireless technology, which will give phones a faster connection and more reliable service.

Intelligence Reports have cited concerns about high-tech spying by China



a statement he posted on Twitter. “Any federal effort to construct a nationalized 5G network would be a costly and counterproductive distraction from the policies we need to help the United States win the 5G future.”

White House Press Secretary Sarah Huckabee Sanders said that discussions are at an early stage, and absolutely no decision made other than the fact that there is a clear need for a secure network.

AT&T and Verizon have stated that they believe the best option for the U.S. to lead in 5G technology advancements is through a competitive marketplace, which they of course lead.

According to Bloomberg, if the government chooses one secure network over several, it leads to questions such as whether it would be taxpayer funded, whether it would be owned by the government, a private company or a combination of public and private entities.

Verizon has already been working on its wireless 5G network and other companies are planning to rollout theirs in 2020.

and other potentially hostile nations as the reason for the proposed network.

Federal Communications Commission Chairman Ajit Pai, a former Verizon attorney said the wireless service lobby and wireless providers oppose the idea.

“I oppose any proposal for the federal government to build and operate a nationwide 5G network,” Mr. Pai said in



Association of BellTel Retirees Inc.  
UNITED, TO PROTECT OUR FUTURE

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## MEMBER MAILBAG



Thank you for all your hard work and efforts. It is appreciated. Happy 2018!

-F.A.L.

\*\*\*

Thank you for doing what you can to save our retirement, social security, retiree healthcare and pensions.

I wish I could contribute more but I can't because of my health problems.

I retired in Dec. 1991 from C&P TELCO of VA.

Thank you,

-R.E.

\*\*\*

Dear Association,

Thank you for being there for all of

us retirees. You are very much appreciated. Hope the new year is a great one.

-J.L.

\*\*\*

Thank you for all the hours and days you spend to keep our benefits we worked for. Such as healthcare and Social Security.

Without you we would surely lose both.

Thank you again.

-R.R.

\*\*\*

Dear Association,

Thank you for all you do for us!

-K.B.L.

\*\*\*

# The FCC Votes Against Net Neutrality

The FCC voted against Net Neutrality, which is the practice that all consumers/ internet users are able to access all the content and applications they want, regardless of the source without internet service providers (ISPs), such as Verizon or AT&T, favoring or blocking particular products or websites.

People who support net neutrality say it allows for the concept of a free and open internet.

At the end of last year, the Federal Communications Commission approved a measure (3-2 vote) to end net neutrality. This ruling allows ISPs to block, throttle, and prioritize content if they wish to. The only real rule is that they have to publicly state that they're going to do it.

Criticism from advocates say that ISPs will prioritize their own content over their competitors.

"The internet wasn't broken in 2015. We were not living in some digital dystopia," FCC chairman Ajit Pai, a former Verizon legal counsel said. "The main problem consumers have with the internet is not and has never been that their internet provider is blocking access to content. It's been that they don't have access at all."

The two people on the FCC who voted "no" were Jessica Rosenworcel and Mignon Clyburn.

Mignon Clyburn said, "I dissent, because I am among the millions who is outraged. Outraged, because the FCC pulls its own teeth, abdicating responsibility to protect the nation's broadband consumers. ...Each of us raised our right hands when we were sworn in as FCC Commissioners, took an oath and promised to uphold our duties and responsibilities 'to make available, so far as possible, to all the people of the United States, without discrimination a rapid, efficient, nation-wide, and world-wide wire and radio communication service with adequate facilities at reasonable charges.'

Today the FCC majority officially abandons that pledge and millions have taken note."

Jessica Rosenworcel, said, "This decision puts the Federal Communications Commission on the wrong side of history, the wrong side of the law, and the wrong side of the American public.... This (ruling against net neutrality) is not acceptable. It is a stain on the FCC and this proceeding. This issue (net neutrality) is not going away. It needs to be addressed."

Arguments against net neutrality say that it prevents users who hog bandwidth. By throttling those users, it can ensure fair bandwidth to people that do not hog internet traffic.

It can also enable ISPs from preventing illegal file swapping and provide uninterrupted bandwidth services to



medical services professionals who need a higher bandwidth.

After the ruling, 22 state attorney generals filed a petition asking the court to repeal the FCC's decision.

"An open internet — and the free exchange of ideas it allows — is critical to our democratic process," New York Attorney Eric Schneiderman said. "The repeal of

net neutrality would turn internet service providers into gatekeepers — allowing them to put profits over consumers while controlling what we see, what we do, and what we say online."

The lawsuit, which was filed in the U.S. Court of Appeals for the D.C. Circuit, asks the court to determine that the FCC's repeal is "arbitrary, capricious, and an abuse of discretion" under the law.

## BE A PART OF OUR 2018 ANNUAL JOURNAL

This year the Association of BellTel Retirees will publish and distribute a 2018 annual member journal to those participating in the 22<sup>ND</sup> ANNUAL MEETING IN ATLANTIC CITY.

If you want to add a message into the souvenir journal contact the Association at 1-800-261-9222 or [association@belltelretirees.org](mailto:association@belltelretirees.org)

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# VERIZON BUSINESS NEWS

## Verizon Employees Each Receive 50 Shares of Stock

Verizon announced that its employees (other than top management) will each receive 50 shares of restricted stock. Part time employees will get 25 shares. Verizon currently has 155,000 employees. Restricted stock is usually a form of employee compensation and is usually not transferrable.

This means that 7,750,000 shares will go to Verizon's workforce.

Before Verizon announced the news, the company said in a report that "employees will further share in the company's success" following the federal tax reform put forth by the Trump Administration.

Under the new tax law, Verizon expects savings of \$3.5 billion - \$4 billion in operating cash flow in 2018, boosting earnings by 55 to 65 cents a share for the full year.

"I just left the employee meeting where we decided what we were going to do with the \$3.5 billion to \$4 billion," McAdam told CNBC.

The company plans to put the extra money into dividends, paying off debt, philanthropy and investing in its network.

## Verizon's 4<sup>th</sup> Quarter Results

Verizon Communications announced Earnings per share of \$4.56 in the fourth quarter of 2017, compared with \$1.10 in fourth quarter 2016. Verizon said it plans to use the \$3.5 billion-\$4 billion in additional cash flow from the tax bill, in part, to strengthen its balance sheet.

Verizon will contribute \$200 million to \$300 million to the Verizon foundation over the next two years.

Total consolidated operating revenues in fourth-quarter 2017 were \$34 billion, up 5 percent from fourth quarter 2016. Full-year 2017 consolidated operating revenues were \$126 billion.

Net income was \$18.8 billion in fourth-quarter 2017.

Cash flow from operations totaled \$25.3 billion in 2017, and capital expenditures totaled \$17.2 billion.

In 2017, Verizon made \$9.5 billion in cash dividend payments to shareholders.

Verizon's Oath's revenues were \$2.2 billion in fourth-quarter 2017, up approximately 10 percent from third-quarter 2017, due to increased advertising from the holidays.



## 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](mailto: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.

## Verizon Workers Exposed to Toxic Dust after 9/11 Attacks Eligible for Healthcare, Compensation

The Verizon community was significantly impacted by the 9/11 terrorist attacks on New York City and played a crucial role in the recovery efforts by restoring communications for all of Lower Manhattan as well as getting the Verizon Building at 140 West Street back online.

If you were working south of Canal Street on September 11, 2001 or at some point during the 8 months that followed, you are eligible for federal health screenings, healthcare and compensation, but you must apply. 68 cancers and many respiratory illnesses have been linked to World Trade Center toxins. The federal government also has earmarked \$7.3 billion for compensation to individuals with negative health effects.

We can help! Barasch McGarry PC has advocated for more than 10,000 individuals impacted and secured over \$1 billion for those who turned to us.

See a 4 minute informational video: <http://tinyurl.com/y8geb4wq> or call us



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