

Important AT&T Retirees Federal Pension Litigation

The Employee Retirement Security Act of 1974 (“ERISA”) has not been kind to retirees in recent years!

As a result, there have been several recent breakthrough litigations that are exceptionally worthy for our fellow retirees to follow and be aware of.

Of particular importance is an actuarial based case for our sisters and brothers who spent their careers working for, and retired from, AT&T.

There is also a second important case involving retirees from PPG Industries, another Fortune 500 company and global supplier of paints, coatings, fiberglass, and chemicals. Some may know this company as the Pittsburgh Plate Glass Company that once had 150 manufacturing locations around the world.

Both of these cases involve major, blue-chip, world-class companies that have the financial wherewithal to dig in for a long fight hiring the best and most expensive attorneys and financial experts. It’s clear the goal is to minimize with cost obligations.



AT&T

Did AT&T Pension Calculations “Shortchange” Retirees Taking Survivorship Option:

This important AT&T retiree’s federal litigation, known as Scott v. AT&T, is an “actuarial equivalence” case. It is pending in the Northern District of California, with Judge James Donato of the US District Court presiding.

The heart of the litigation is based on the premise that AT&T deliberately used outdated mortality tables when it calculated joint and survivorship benefits for its retirees, and therefore offered them less than the actuarial equivalent of a single life payout, with no survivorship benefit.

In a nutshell, it suggests that AT&T shortchanged workers who choose pension formats that pay benefits to their surviving spouses after their deaths. The lawsuit claims that this runs counter to ERISA’s requirement that these benefits be actuarially equivalent to traditional, single-life pensions.

AT&T argued the workers lacked a valid claim under Section 502(a)(2) of ERISA, which authorizes claims against

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Pension De-Risking Tsunami Gets Congress’ Attention

Corporate pension “de-risking” is growing into what might be one of the greatest threats to retirement security of all time. Pension de-risking is the off-loading of pension liabilities to insurance companies often through the purchase of a group annuity contract.

In the last decade hundreds of billions (yes, that’s billions with a “B”) of dollars in retirees’ pensions have been transferred, following Verizon retirees’ experience with the pensions of 41,000 management retirees being sent to Prudential back in 2012.

Why is this such a big issue? Well, those of us who still have our pensions managed by the employer we worked for, can rest easy that these assets are still protected by ERISA, right? Maybe not!

There is simply no guarantee that those protections will always be there, as a growing army of companies recognize they can transfer their pension assets whenever they choose, leaving an inferior safety net in place to protect the retiree.

Apparently, no retiree is safe from pension de-risking. This includes those of us who are lucky enough to still have our pensions with our former employer. The de-risking trend is so popular, how can we know who is next?

Since 2012, nearly \$220 billion has been transferred out of federally insured and protected corporate defined benefit pension plans and converted into less secure group pension annuities.

What is further concerning to retirees is the lack of transparency regarding the unknown financial vehicles our pension assets are being invested in.

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Senator Chris Murphy (CT)



Rep. Frank Mrvan (IN)

4,000 NY TelCo Fire Workers Recognized – At Last!

Nearly 50 years ago, on February 17, 1975, the largest toxic indoor fire raged at a critical switching station at Second Avenue and 13th Street in Manhattan. This event was the 1975 NY Telephone Company Fire.

It may have taken half a century, but at the end of May 2022, the Fire Department of the City of New York held a solemn plaque dedication ceremony, to commemorate this tragic incident.

BellTel Chairman Thomas Stead attended the ceremony and served as a featured speaker, along with Retired New York City Firefighter Dan Noonan, who was among the first to arrive on the scene of the toxic inferno and he was, the impetus for the ceremony.

This dedication was about honoring the firefighters who fought the fire that day and the Telephone Company employees who restored service. The front rows at the auditorium were reserved for them. The firefighters and TelCo employees who responded to the fire were also given a commemorative “challenge coin” as a tribute.



For many decades now, Noonan has been the leading advocate shining an exceptionally bright spotlight on the fire and its aftermath, not only on all who were there but also those who lived in the surrounding community.

Billions of feet of PVC cable burned, filling the air with poisonous toxins that were ingested by 699 firefighters and some 4,000 Telephone Company staff.

The FDNY’s Bureau of Health Services affixed what became known as, the “Red Star of Death” on each of the 699 firefighters’ personnel folders.

According to data, Noonan said the average age of death for those firefighters was 50.2, many of whom passed away due to throat cancers.

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Chairman's Report

By Thomas Steed

My Fellow Retirees & Current Employees,

I hope you and your families have had a wonderful summer. In many ways, due to COVID, some of us feel we have lost or been deprived of so much over the last two years. Perhaps, we more keenly appreciate that family is most important.

My wife and I were blessed to welcome three grandchildren in a 40-day period this year. Being a grandparent is among the greatest honors and joys one could have. Similarly, our Association is about family and our support of one another.

We may not be blood relatives, but we share a heritage through MaBell, AT&T, Verizon, Western Electric, Lucent, Directory Operations, Empire City Subway and many other branches of our family tree.

Your Association's mission is laser focused on supporting our family.

2022 Thus Far:

We started 2022 with a major win. Verizon agreed to accept our demand that they broaden the mandate of their HR committee to include workplace issues of employees up and down the

ranks, instead of exclusively senior executive compensation.

Our Golden Parachute proxy achieved 44 percent of the vote, putting it very close to reaching the winner's circle. We will continue our unrelenting efforts on your behalf and with your support.

In collaboration with our partner, Retirees for Justice, we welcomed the Pension Risk Transfer Accountability Act of 2021 (HR 5877) in the US Senate, a companion bill to one introduced in the House of Representatives. If passed, it will create a stronger safety net and accountability for retirees whose pensions have, or might still be, spun off to other financial institutions.

In May, I also had the privilege of speaking at a dedication ceremony honoring the 699 firefighters and thousands of Telephone Company employees who responded to the 1975 NY Telephone Company Fire. You can read more about the ceremony in this issue or watch it on the Belltel YouTube channel.

BellTel Annual Meeting, Oct. 19, 2022:

I look forward to seeing many of you on October 19th in Long Island, NY when your Association holds its first in-person annual meeting since 2019. It's time to get together again in camaraderie and to discuss our critical ongoing mission to protect our retirement security.

Call some work friends and make it a reunion, or just show up as an important member of our extended family.

We Need You Now:

The Association survives on the generosity of your donations. We know how precious every dollar that you have saved means, but the fact is we are in a fight with a powerful foe with enormous

corporate financial resources. I ask each of you to donate today to support our mission.

If you have already contributed in 2022, kindly consider doing so again. Also, smaller recurring donations could make a huge difference. Instead of writing a check or making one (large) donation, you could set up smaller recurring donations online with a credit card or with your bank checking account.

You can make a single donation and/or arrange recurring donations on the Association's website by clicking the "DONATE NOW" button.

Imagine the power we will wield with even greater support from our entire membership community!!



UNITED, TO PROTECT OUR FUTURE

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Volunteers: WE WANT YOU!

Each of us have logged tens of thousands of hours for the most critical communications firms during our careers, while leading productive and rewarding lives.

The next or perhaps current chapter – retirement – comes about quickly as a dramatic and overwhelming change of pace. It's where we find ourselves with "more time" than we had previously for hobbies, travel, or to give back and make a difference in the world around us.

Many of our fellow retirees simply join the Association and are truly grateful for the dedication and service of its volunteer leadership. And your gratitude is always deeply and graciously appreciated.

There's also another way to show your thanks that can resonate with the Association's members.

Consider the opportunity to volunteer as a leader with your Association of BellTel Retirees. Our ongoing advocacy and success for over 25 years would never be possible without vol-

unteer power. We need our members' precious energy and enthusiasm to continue serving and fighting for the rights of all of our entire community.

A good team needs to always be adding new talented individuals with fresh ideas, who show that they care.

If the past couple years of the pandemic have taught us anything, it's that our Association can maximize its potential when our members stand together, step up to the fight, and show their desire to make a difference.

Without the dedication and persistence of our founders, it's very likely that collectively we would have lost critical benefits, weakening our security and retirement safety net. Our strength comes from our numbers and enables us to aggressively pursue protections for you.

It's with this spirit, that the Association of BellTel Retirees, like Uncle Sam, needs you.

Write us at Association@BellTelRetirees.Org or give us a call at 1-800-251-9222.

OUR MISSION:

The Association of BellTel Retirees is dedicated to promoting the protection and enhancement of the pensions and benefits for all retirees and for the current and future beneficiaries of the companies derived and evolving from the original Bell System.

Since 1996, the Association has worked to convince the companies to protect and guarantee, rather than raid or erode, the hard-earned retirement security for hundreds of thousands of dedicated current and former union and management personnel and their families.

Return of the Annual Meeting

In Long Island, NY - October 19, 2022

We are back!
 Live from New York (Long Island, actually) it's the 2022 Association of BellTel Retirees Annual Membership Meeting!

Lock down your calendars for October 19, because we hope to see as many of you as possible at the Fox Hollow in Woodbury, Long Island, just a 30-minute drive from New York City!

Our annual meetings are an important opportunity for members to connect with friends and former co-workers.

There will be ample opportunities that day to speak directly with the Association leadership and have important questions answered about your retirement security.

Those planning on attending should fill in the RSVP card below and mail it to our office with the \$5 per person reservation fee.

In past years this event has sold out so please plan early to attend. If you have any questions, please reach out to us by calling our office at 1-800-251-9222 or emailing association@belltelretirees.org.

For those wanting to book a room at the onsite hotel, The Inn at Fox Hollow, call 800-291-8090, tell them you want the special Association of BellTel Retiree rate of \$179.00/night +tax. The Inn is located at 7755 Jericho Tpke, Woodbury, NY 11797.

This rate is available for a 10/18/2022 check-in and includes a buffet dinner as well as an early buffet breakfast. Availability of this discounted rate is very limited and will go fast. We suggest you quickly make your room reservation as this rate it expires on 9/18/2022.

Take a chance to check out the gorgeous fall foliage in and around Long Island's North Shore and even better, use this opportunity for a reunion with old work friends.



Old Westbury Gardens
 - Photo Courtesy Old Westbury Gardens

The facility is nestled on eight private acres with spectacular gardens and waterfalls. Fox Hollow is also just minutes from beautiful beaches, exciting shopping, dining, and entertainment venues.

Nearby is shopping at the Roosevelt Field and the Walt Whitman Malls. Golfers can tee off at Oyster Bay Golf Club, adjacent to Fox Hollow, or at Bethpage State Park, one of Golf Digest's 100 Best Public Courses in the Nation.

The area is known for its famous Gold Coast mansions from "The Great Gatsby" era, including, Old Westbury Gardens, Vanderbilt Museum, and Mill Neck Manor House.

Take our word for it. Spend a little time with friends, erase worries and stress, and renew the spirit, while setting aside some time to focus on maintaining a strong retirement future.

The Association and its volunteer leaders are consistently working hard to protect your retirement security.

Fox Hollow Catering, where the meeting will take place is located at 7725 Jericho, near the Nassau-Suffolk border. It is easily accessible from both the Long Island Expressway and Northern State Parkway.

From the Long Island Expressway

- Take Long Island Expressway to Exit 44 North (Rt. 135 North)



Bethpage State Park Golf Course
 - Photo Courtesy NY State Parks

- To Exit 14 East (Woodbury 25 East)
- At Exit, make right turn onto Jericho Turnpike
- The Fox Hollow is on the left at 2nd traffic light

From Northern State Parkway

- From Northern State Parkway (AKA: Grand Central in Queens) to Exit 36B North (Rt. 135 North)
- To Exit 14 East (Woodbury 25 East)
- At Exit, make right turn onto Jericho Turnpike
- The Fox Hollow is on the left at 2nd traffic light

From Belt Parkway and Southern State Parkway

- Take the Belt Parkway (Brooklyn) to the Southern State Parkway
- To Exit 28A North (Rt. 135 North)
- To Exit 14 East (Woodbury 25 East)
- At Exit, make right turn onto Jericho Turnpike
- The Fox Hollow is on the left at 2nd traffic light

The morning starts at 8 am with a continental breakfast and gathering with former coworkers and friends for great conversations. This is followed by the business and informational portion of the meeting kicking off at 9:30 am.

We expect to have several interesting and informative guest speakers during the program and will have an engaging member Q&A.

RSVP for 2022 Association of BellTel Retirees Annual Meeting

Wednesday, October 19, 2022, at Long Island's Fox Hollow Catering in Woodbury, NY

A Ticket is Required to Attend

I will attend the meeting in Woodbury, NY - # in Party _____ Name: _____

Address: _____ Phone Number: _____

Email Address: _____ Enclosed is a Check for \$ _____ (\$5 per person)

Please list your guest's name and address: _____

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 form and fee ASAP to: Association of BellTel Retirees Inc. c/o Stef Baker P.O. Box 33 Cold Spring Harbor, NY 11724

Webinar on “Burn Pits” Reaches Many

— NY TelCo Fire & WTC Site Toxicity Linked —

Recently, Association of Bell-Tel Retirees Chairman Thomas Steed, Retired FDNY firefighter Dan Noonan, 9/11 legal advocate Michael Barasch, along with Dr. James Dahlgren, MD. Environmental Scientist and Assistant Clinical Professor at UCLA School of Medicine, held a very successful webinar with over 1,000 participants.

Hundreds joined the webinar live, with more watching on YouTube.

The webinar highlighted the tragic aftermath of the 1975 NY Tel Co Fire – with many from the FDNY and TelCo family coming down with cancers - and bridged that to the toxic connections with the September 11 terrorist attacks.



Discussing the 1975 NYTel Fire, Noonan noted, because no one died on the day specifically, “[The Telephone Company] spun it as the Miracle on Second Avenue! We called it the Disaster on Second Avenue!”

Mr. Steed was quick to agree, “It was no miracle.”

The four discussed the tragedy of that day and what took place, as the 5-alarm fire raged for some 24-hours, requiring 699 firefighters, and then the many months of clean up and restoration work by 4,000 members of the Telephone Company workforce from across the Bell System.

Noonan, then in his second year with the FDNY, explained his fire company was among the first to arrive on the scene.

He said that while the fire was deemed “under control” after 17 hours, “we had to evacuate the building twice... one time there was an explosion of hydrocarbon gas... any firefighter who was near it, [the explosion] knocked them off their feet.”

Thomas Steed recounted being there at the early stages of the fire operation and how he and countless other telephone workers watched and waited for the building to be deemed safe, so they could finally get to work.

“When I arrived, smoke was coming out of the upper floors. Firefight-

ers in ladder trucks were attacking the fire with streams of water and we had to wait until the fire was finally out the following morning. We were all geared to go in, but we had to wait.”

Dr. Dahlgren spoke about the health effects working in a toxic environment.

“Acute poisoning levels for hydrochloric acid and Vinyl Chloride Monomer can cause an acute illness and the levels of exposure here were massive. [This was] immediately dangerous to life and health.” He continued, “And that’s why people were so sick, because of the acute high-level exposure to these highly toxic chemicals.”

While no one died that day, the dangers lurked under the surface as

firefighters and telephone workers who remained for months at the site started showing signs of cancer and other severe illnesses.

The first victims on the FDNY side began to get sick and die, as soon as two weeks after the fire,

said Noonan. He explained a young, healthy FDNY lieutenant dropped dead only two weeks later at the site of a small Bronx fire, as result the damage from the Vinyl Chloride Monomers.

To that, Attorney Michael Barasch, who is the nation’s leading legal and environmental health advocate for the 9/11 community said, “I’m sure there has been no concerted effort to reach out to [the telephone workers] to find out how many of them got cancer, how many died. These people are in the dark.”

The webinar lasted an hour as the four recounted the months that followed and, explained the absolute toxic connections for the Verizon and Empire City Subway workforce who also turned out to restore service following the 9/11 Terrorist Attacks.

While the 1975 NY Telephone Fire was recognized as the largest indoor toxic fire in our nation, the response to the World Trade Center terrorist attack on 9/11, resulted in the largest toxic burn pit our nation has ever seen.

The common dominator is these two unique workforces standing shoulder to shoulder during an emergency.

Tune into the webinar on the Bell-Tel YouTube channel. The Association would like to thank the Barasch McGarry Law Firm for helping to lead this important webinar.

4,000 NY Tel

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An abridged version of the ceremony is available on the BellTel YouTube channel. Several members who watched the ceremony, shared their comments.

Bob Rehm, our own Association Co-Founder said, “I was called and told to immediately fly back from a 2-week Buildings Engineering course I was attending at the Bell System for Technical Education Center in Illinois. As the plane approached NY City, headed for LaGuardia Airport, I could see the massive smoke billowing from 2nd Ave. That smoke plume was higher than the jet that was descending for landing.”

Rehm continued, “I too, spent 4-5 weeks inside that building doing space and reconstruction planning. Fortunately, I don’t appear to have any side effects from the nasty smells that lingered throughout my 12+ hour non-stop days. Quite an assignment for us that will never be forgotten and hopefully never occur again.”

Member Edith Coleman, added, “I remember! I worked in Brooklyn, and at 375 Pearl St. At 204 2nd Avenue, my technicians did a hell of a job I must say!”

Register to Protect

The Verizon Building at 140 West Street was immediately adjacent to the World Trade Center (WTC), which collapsed in the aftermath of the September 2001 terrorist attacks.

Toxic debris from the Tower’s collapse fell onto the Verizon Building rooftop, ledges, inside windows and HVAC systems and tore gaping holes in the exterior of the building, just to begin with. For months, underground fires also raged at the WTC site, spewing highly dangerous airborne toxins.

In the immediate aftermath of the attacks, thousands of Verizon employees and contractors responded and worked to restore communications at the earliest possible moment.

Thousands of you worked at or from 375 Pearl Street, just a short walk from the terrorist attack site.

Others worked in the field in Lower Manhattan as part of a Telephone Company army, to restore services.

Skilled professionals from across the Company’s footprint worked on the restoration of 140 West Street.

The bottom line is, if you were present in Lower Manhattan in the nine months after the 9/11 attacks, please take action and register with the federal 9/11 funds.

Co Fire Workers Recognized – At Last!



Another member who worked at the Second Avenue site chimed in, “Truly heartwarming video. At the time I was what they called, tester, deskmen, or test desk technician, depending what decade it was. A handful of testers went to the 2nd Ave building to help with the restoring of service. Reading and seeing

the destruction that fire caused, I am still amazed how quickly everything was completed.”

The Association salutes all of the dedicated women and men who worked on that vital project with gratitude. We salute the FDNY and the Fire Bell Club of New York for finally acknowledging



Thomas Steed & Dan Noonan in front of FDNY dedication wall

the importance of this historic and tragic event, whose restoration by NY Tel came to be known as The Miracle on Second Avenue.

Protect Yourself from Toxic WTC Burn Pit Exposure

Crews Working Round the Clock

In 2016, Mary Hogan, an Association of Bell-Tel Retirees member and union retiree, described in a video interview on the BellTel YouTube channel, the essential work her team conducted, working round the clock.

“At West Street, we lost a couple floors of the building, so they were really reliant on the expertise of the techs because we knew where the cables were,” she said. “We were in the World Trade Center that day. Our gangs actually met there at Two World Trade.”

Ms. Hogan and her colleagues were assigned to New York’s One Police Plaza, where city, state, and federal leaders were all headquartered and making critical decisions.

They worked day and night for weeks, often not even returning home after long shifts to get the job done.

These are the very types of first responders and members of the Verizon workforce for whom 9/11 federal health and compensation protections was created to serve as a safety net for.

Those two distinct programs are: The World Trade Center Health Pro-



Both 375 Pearl Street (Above) & 140 West Street (R) were at the heart of the WTC toxic containment zone.

gram and the Victim’s Compensation Fund.

Now, nearly 21 years after the attack, while 80% of the first responder community – made of up police, firefighters and other uniformed personnel have registered to qualify for the critical health protections, only about eight (8%) percent of civilians exposed have enrolled.

We owe it to our Verizon friends, colleagues, and their families to check up on one another to make sure, if you know someone who was there, insist they register without delay - before they become seriously ill or die.

If you were there, from September 11, 2001 to May 31, 2002, for Verizon,



AT&T, Empire City Subway, or a contractor, take action. Statistics prove that those who were there have a 60% higher rate of certain diseases, including 68 identified cancers.

NYPD Detective James Zadroga died at 34 from exposure during the cleanup. His autopsy revealed that his organs had the pH level equivalent to Drano.

Take action and protect yourself.

Annual Financial Report & Membership Appeal

I acknowledge that financial data may not be riveting to all our readers. However, financial reporting is necessary to keep you well-informed. I'll endeavor to provide salient details and to be brief.

The processing and tracking of our finances requires detailed input by our staff and accountants. In addition, the staff tracks contributions by type (cash, check, credit card, online). All data is reviewed under the IRS requirement for annual external audits.

The Association is grateful to our staff for their dedication and attention to detail, ensuring accuracy and gathering the required documentation. At the same time, they fulfill the single most important role, together with our volunteer board leadership, in being our personal connection to you.

We receive hundreds of calls, letters, and emails from members each year thanking us for assistance, and we expect to continue providing that help well into the future.

The following are top highlights of our financials for 2021:

REVENUE: Our total revenue for 2021 was \$528,380, which represents a decrease of 11% compared to 2020. Know that your contributions represent nearly 100% of revenue; individual donations average about \$42.

EXPENSES: We do everything we can to hold the line on operating expenses. In 2021, expenses amounted to \$457,328, an increase of just 1%. Professional fees, including legal and accounting, as well as costs for our long successful Verizon shareowner proxy campaign, were just over \$69,000 or 15% of overall expenses. This campaign enabled our recent influence to expand the VZ Board's HR Committee responsibilities beyond senior executive pay. Our "Golden Parachutes" proposal gained 44% of the shareowner vote! This near-win puts us in a good position to push this proposal over the finish line in the future.



**We can't keep the corporate machine at bay w
Join the Tug of War to Protect our pensio**

Our lobbying affiliation with the non-profit Retirees for Justice is vital to advocate for retirees on the state and federal levels. Our 2021 allocation to support their efforts was 9% of our expenses. Such legislative advocacy is vital to counter the powerful corporate lobbying interests.

The BellTel Retiree Newsletter is one of the primary ways we communicate with our members. Our total printing, distribution and postage cost was \$77,000. This accounts for about 17% of expenses before we factor in our communications team's role. Primarily, they maintain interaction and presence with the news media, handle internet and social media, and produce our newsletters.

Association staffing costs, including wages and payroll taxes, represent 22% of our total expenses. Wage expenses are offset by thousands of volunteer hours by your board each year.

I hope you have a broad picture of how prudently we spend your kind and generous contributions.

As mentioned above, contributions significantly decreased by 11% in 2021. If you have yet to contribute this year, please know we need your support now.

If you have already donated, please consider giving just a wee bit more.

- Your checks are always welcome. Use the enclosed donation card and envelope.
- Online donations. You can send donations from your bank account or credit card or you can go to our site at belltel-retirees.org/donate-now. Please consider recurring monthly donations.
- Qualified Charitable Distribution (QCD). Even if you do not itemize, you can still make a Required Minimum Distribution (RMD) directly from your retirement account to the Association and take advantage of a tax deduction. Consult your financial and/or tax advisor.
- Consider including the Association in your estate planning. Consult your financial and/or tax advisor.
- Amazon Smile. Please shop at smile.amazon.com. Create a new account or sign onto your existing Amazon account. You will be asked to "Select a Charitable Organization to Start Shopping". Under "pick your own charitable organization" type "Association of BellTel Retirees".

*Yours in eternal solidarity,
Una Kelly, Treasurer*

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

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

\$100 \$50 \$40 OTHER _____ We appreciate any amount you can donate

Or use your credit card: VISA MASTERCARD DISC AMEX

Acct.# _____ / _____ / _____ / _____ Expiration Date _____ Zip Code: _____

**Please consider adding \$1.00 or more to help offset costly transaction fees
and ensuring your donation will fund the work we do on your behalf.**

Name _____

Address _____

City/State/Zip Code _____

E-mail _____

Telephone # _____

I am a: Management retiree _____ Union retiree _____ Other _____ Company Retired from: _____ Year Retired: _____

You can also donate online by going to www.belltelretirees.org and click on the DONATE NOW button.

Consider a recurring donation – an easy and safe way to budget your contribution.

The Association of BellTel Retirees Inc is a 501(c)3 tax-exempt organization.



without your support.
Pensions and benefits.

Pension De-Risking Tsunami Gets Congress' Attention

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It's staggering that in 2021 alone – a pandemic year – more than \$40 billion in U.S. corporate pension assets were transferred away to annuity providers! Perhaps these corporate decision makers recognized few were paying attention.

The law has long been on the side of these employers and annuity providers, which is why we are full-throated in supporting proposed federal legislation. It would direct the U.S. Secretary of Labor to review and enhance the fiduciary standards companies must uphold when they choose the safest available annuity provider, consistent with ERISA.

Key provisions of the “Pension Risk Transfer Accountability Act of 2021,” sponsored by Rep. Frank Mrvan of Indiana and Senator Chris Murphy of Connecticut has been incorporated into the Rise and Shine Act which is currently pending before the Senate Committee on Health, Education, Labor and Pensions. There has also been renewed focus on reporting and disclosure requirements which will help make pension de-risking more transparent.

This federal legislation is a step in the right direction for the enhanced protection of our retirement assets, once they are cast away by our former employers. It's why our support and collaboration with the non-profit Retirees for Justice is so critical.

With passage of this legislation, America's retirees would be better protected from the risks of future third-party transfers to other Wall Street investors or insurance entities whose policies are opaque.

Important AT&T Retirees Federal Pension Litigation

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plan fiduciaries to recover losses suffered by the plan, because their lawsuit seeks “purely individual relief,” and not relief for the pension plan itself.

Judge Donato disagreed with AT&T, pointing to language in the complaint seeking restoration of plan losses and other remedies aimed at benefiting the plan.

“The time will likely come when the scope of the remedies takes center stage, and no doors are being closed here for a full consideration of the question as the record warrants,” Donato said, according to Bloomberg Law. But for “present purposes,” the complaint “plausibly states a claim for injuries to the Plan,” he said.

To date, the AT&T pensioners have successfully argued that the old mortality tables used by the company did not reflect the fact that people in our modern era were living longer. As a result, workers who chose spousal benefits got less than they would have, if more modern, updated tables had been used by AT&T and its pension fund actuaries.

The AT&T pensioners claim that “table shopping” and the use of flawed data in the pension calculations has resulted in an improper reduction of earned benefits under ERISA.

More than a dozen major corporations have been sued based upon the “table shopping” premise, as the AT&T retirees attorneys claim. In one case, Raytheon Co. agreed to a class action settlement of nearly \$60 million to settle claims against it. Back in 2020, AT&T had been successful in defeating another similar claim, but this new case provides a ray of hope to our fellow retirees from AT&T and their families.

Although very little media attention has been focused on this case to date – which we are sure is to the benefit of AT&T – the litigation is very much alive with court hearings expected on class certification motions in the coming months.

The AT&T retirees are being represented by a series of law firms, including: Stris & Maher LLP, Cohen Milstein Sellers & Toll PLLC, Feinberg Jackson Worthman & Wasow LLP, and Shaun P. Martin of San Diego, CA.

PPG Retirees Case - Vesting of Retiree Life Insurance & Reservation of Rights Clause:

According to attorney Edward Stone, special counsel to the Association of BellTel Retirees and Executive Director of the non-profit Retirees for Justice, “The PPG case is more of a mixed bag

as it involved a highly specific fact pattern that is unlikely to be replicated in other cases.”

That case is *Bellon v. The PPG Emp. Life & Other Benefits Plan*.

This important case arises out of a commercial business transaction involving defendant PPG Industries, Inc. merging its commodity chemicals division with Georgia Gulf to create a separate public company named Axiall Corporation.

The retirees (plaintiff) contend that the transaction and subsequent developments violated various ERISA provisions. Further, the retirees allege breach of contract against PPG and violation of fiduciary duty against PPG and its plan administrator.

At stake is the issue of whether terminated retiree life insurance coverage had actually “vested” during a 15-year period from 1969 to 1984. In this fact pattern, it is critical to note that ERISA was enacted in 1974.

Scott v. AT&T suggests that

AT&T shortchanged

workers who choose pension formats that pay

benefits to their surviving spouses after their deaths.

The District Court had granted summary judgment in June of 2021 on all claims before ruling on class certification and the plaintiffs appealed to the Fourth Circuit. They claimed that “newly discovered evidence” showed that a reservation of rights clause was adopted in 1969 but then removed that same year, because it “caused doubt in the minds of retirees and the sense of security that retirees look for was absent.”

By taking out the reservation of rights clause, the Fourth Circuit reasoned that PPG “relinquished its previously asserted right to amend the Plan to take away retiree benefits, thereby manifesting its intent to provide retirees with vested life insurance.” The time frame ended in 1984 when PPG reinserted a clear and unambiguous reservation of rights clause in its Plan documents.

Mr. Stone commented, “while this must be considered a victory of sorts, the implication is that it is very difficult to argue that life insurance or any other welfare plan benefits will be deemed to have vested.”



COLA Increases May Be Tempered by Inflation

More than halfway through the year, it has not been easy so far for many seniors. Inflation has taken a toll on everyone's finances amid falling stocks and what many believe to be a looming recession.

As many retirees have guessed, due to rising inflation, the Social Security cost of living adjustment (COLA) may increase significantly just to keep up.

Typically, SSI increases are within the range of 2-4%, but after rising inflation at the tail end of 2021, retirees received a 5.9% COLA. In June 2022, inflation reached 9.1%, pointing towards signs of a record-breaking COLA.

As inflation only continues, analysts are predicting that the January adjustment could fall anywhere from 8.6% to 10.8%, some even say it might be as high as 11.4%.

Social Security recipients have not seen a double-digit COLA in over 40 years, since 1980 when it reached 14.3%.

We will have to wait until October for official word from the Social Security Administration about next year's increase, based on a calculation that compares the average consumer price index from the third quarter of 2022 with data from the same period last year.

According to the Senior Citizens League, a high COLA will be eagerly anticipated to address an ongoing shortfall

in benefits that Social Security beneficiaries are experiencing in 2022 because inflation has run higher than their 5.9% COLA.

A big boost in next year's COLA could also result in negative tax consequences for older Americans, unless lawmakers change the income thresholds for Social Security beneficiaries.

Increased incomes can result in cuts to income-related benefits for low income people and higher taxes for people with incomes above \$25,000 (individuals) or \$32,000 (married couples).

Since income thresholds are not adjusted like ordinary tax brackets, such sky-high SSI COLA increases could lead to permanently higher taxes for many retirees.

Just because we know you are likely thinking, "what's the prospect of a pension COLA in these times," we will try and address that topic.

In the case of a COLA for Verizon or AT&T pensioners, the chances are probably unlikely, but the ask should be made regardless.

While state and municipal pensions may sometimes see adjustments, corporate pensions over recent decades are typically left untouched, regardless of cost of living changes.

For our fellow retirees whose pensions have been derisked and converted into a



group pension annuity, it is unlikely that the insurance company managing those assets would do so for many reasons.

For those who took a pension buyout, it is also not likely.

Back in 2000-2003, BellTel won a pension COLA of \$700 per month for three consecutive years for retirees surviving on minimum pensions. At that time, the company also granted special lump sum payouts of \$2,500 to \$20,000 for defined benefit pensioners who had retired before February 1, 1995.

Many ask what's the prospect of a pension COLA in these times?

MEMBER MAIL BAG



Thank you for continuing the fight for all AT&T retirees! At over 100 years old, my mother still needs all her benefits. She started working for AT&T in the early 50s at 195 Broadway in NYC. Hats off to you.

— *Rich*

Thank you so much for fighting for us. My husband is 85 with 35 years in Verizon. He has Alzheimer's. I'm 81 and his caregiver. I don't know what we would do without his pension and benefits.

Thank you again for not leaving us. Keep fighting!

— *Linda and Lance Kaster, Pasadena, MD*

We had the CWA Union Local 1101 looking after our rights for many years. We are lucky to have the Association of BellTel Retirees looking out for us now. Thanks to the many retirees for their time and efforts for us.

— *Raymond Duffy via YouTube*

I retired from Verizon in 1992. Thank you for all you have done for us retirees.

— *Susan Harrington, Shaftsbury, VT*

Thank you for taking care of our pension benefits.

— *Lillian Carter via Facebook*

Thank you for all you do for us old timers who helped build this company back when it was New England Telephone & Telegraph way back in 1953. From iron wire to cable with no bucket trucks and just hooks all day long. How many can say that they put up hundreds of cross arms and ran copper wire back then?

— *Donald Nickerson*

Thank you for all that you do in helping to protect your fellow retirees. You are appreciated for your hard work!

— *Mildred Schlosser, Asheville, NC*

INDUSTRY UPDATE

The continued business and fiscal success of Verizon and AT&T is important to all retirees and the current workforce, through our pension, benefits, and our investment in company stock over the decades.

In late-July Bloomberg News began to examine the metrics of the two companies as they reported second-quarter results, and startled investors after \$40 billion in market valuation was erased following less than stellar financial performances from two of the communication industry's biggest players.

While AT&T did experience a massive gain of 1.06 million wireless customers in the period, it was directly attributable to a costly phone giveaways program.

To net more than one-million customers the free phone promotion resulted in significantly higher costs, cutting into free cash flow, and resulting in the stock dropping 7.6%.

In this year's first quarter, AT&T reported 101.6 million wireless subscribers.

In Verizon's case, the company elected to steer away from such freebies. The problem was that such strict fiscal and promotional discipline in the face of your #1 wireless competitor's largesse let the company fall far short of new customer acquisition targets.



In the second quarter, Verizon only added 12,000 monthly wireless phone subscribers, well below analyst's projection for 167,200. According to Verizon, the carrier currently has 143 million subscribers.

The problems for AT&T and Verizon presented an opportunity for T-Mobile's growing presence. It posted a net gain of 723,000 postpaid phone subscribers in the fiscal quarter ending in June. This significantly topped the predictions by Wall Street analysts of a growth of 573,000 new customer connections.

T-Mobile has since raised its guidance for the full year, saying it expects net customer additions of between 6 million and 6.3 million, a market share increase of about 3.5%. According to the carrier's recent investor report, T-Mobile has 109.5 million subscribers.

T-Mobile acquired Sprint in 2020 in a deal valued at \$26 billion, netting it 2.4 million migrations to T-Mobile plans.

With growing inflation and projections that more customers may fall behind on paying for their service in case of a recession, the major players will need to be mindful of customer delinquencies and defections.