



## Verizon Hit With Pension Lawsuit

On Dec. 30, 2024, three Verizon Communications Inc. retirees filed a class-action lawsuit against the company and independent fiduciary State Street Global Advisors, alleging that the companies violated their fiduciary duties by transferring defined benefit pensions to “risky” group annuities.

The lawsuit, filed in U.S. District Federal Court in New York, is related to Verizon’s \$5.9 billion transaction in March 2024 that transferred 56,000 union and management pension obligations to Prudential Insurance Company of America (PICA) and RGA Reinsurance Company, as a group annuity contract.

Group annuity contracts are governed by individual state regulations, rather than being protected by the federal backstop of the Pension Benefit Guaranty Corporation (PBGC). This means that all the uniform protections intended by Congress under the Employee Retirement Income Security Act of 1974 (ERISA) are also lost to these 56,000 retirees.

The Verizon case resembles the class action lawsuit filed against AT&T on March 11, 2024, when two groups of AT&T retirees took aim at the 2023 transfer of \$8.05 billion of pension assets — covering approximately 96,000 participants in AT&T’s pension plan — to Athene Holding Ltd., which the lawsuit described as “a private equity-controlled insurance company with a highly risky offshore structure.”

That lawsuit is still awaiting the Boston federal judge’s decision about whether to proceed with the case.

The Verizon lawsuit is the first involving a pension risk transfer to Prudential. Though Prudential and RGA have not been named as defendants in the case, the lawsuit alleges that both are “heavily dependent upon transactions with affiliates that are not transparent and expose plan participants to unreasonable amounts of risk and uncertainty.”

These insurance company affiliates, the suit says, are “domiciled in ‘regulation light’ jurisdictions where wholly owned captive reinsurers and affiliates are permitted to count debt instruments as assets and are not required to file publicly available financial statements in accordance with Statutory Accounting Principles (“SAP”), the requisite accounting standard under which all U.S.

life insurance companies operate.”

As a result, the suit asserts that lacking clarity around the assets, liabilities, structure and claims-paying ability of these affiliates, “State Street and Verizon could not possibly have met their obligations as prudent fiduciaries under ERISA.”

The suit claims that, at the very least, “Verizon and State Street should have requested copies of statutory financial statements that clearly detail affiliated party reinsurance and exposure to risky assets, including assets originated by affiliates.”



It is alleged that State Street acted in its own best financial interest, as it also has quite a significant holding in Verizon, as well as financial stake

in Prudential and RGA, the retiree plaintiffs alleged.

The retirees are seeking to have the annuities guaranteed through the purchase of reinsurance and to have the contracts placed inside of Verizon’s plan as an asset, among other requests for relief.

The lawsuit invokes the Executive Life Insurance Company debacle of 1991, when the California-based insurance giant suddenly became insolvent, prompting state regulators to seize the company. The suit notes that this “resulted in massive losses to pensioners and total losses to policy holders were estimated in the billions of dollars.”

The Verizon lawsuit concludes that “the Verizon retirees have now been transformed into certificate holders under risky group annuities that are no longer regulated by ERISA or insured by the Pension Benefit Guaranty Corporation. As a consequence, impacted retirees are quite rightly fearful and concerned about their futures, the fate of their retirements, and the financial well-being of their beneficiaries.”

## Preparation for 2025 Proxy Fight Underway

Once again leaders of your Association of BellTel Retirees have launched a shareholder proxy campaign at Verizon, with one proposal targeting senior executive compensation and another proposal targeting health and safety concerns about the company’s lead-sheathed cable network.

Our proxy proposals were submitted in the lead-up to the annual Verizon shareholders’ meeting, tentatively scheduled for early May. We are currently awaiting feedback from the Securities and Exchange Commission (SEC) about whether these proposals will end up on the ballot.

Our first proposal is separate from last year’s proposal regarding senior executive compensation policy. Whereas last year’s clawback policy proposal — which ended up garnering 37.9% of shareholders’ votes — focused on Verizon’s limited approach to potentially recouping compensation when an executive engages in “willful misconduct,” this year’s proposal recommends that senior executives should hold a significant portion of their equity for two years past retirement.

Overall, the thrust of the two proposals is the same: We believe that Verizon’s policies do not go far enough to align senior executives’ interests with shareholders’ long-term interests.

Current policy requires the CEO to maintain share ownership equal to at least seven times base salary, while other named executive officers must maintain share ownership equal to at least four times their base salary.

This meant that for 2023 CEO Hans Vestberg, with a base salary of \$1.5 million, was required to hold \$10.5 million in company stock. However, his stock awards for that year alone were valued at \$18 million.

*(Continued on page 5)*

**SAVE THE DATE**  
**BellTel Annual Meeting**

**TUESDAY,**  
**APRIL 22, 2025**  
**9am - 12pm**

**Mile Square Theatre**  
**1400 Clinton St. Hoboken, NJ**  
**See pages 4 & 5**



## Chairman's Report

By Thomas Steed

The results are in, and the verdict is clear: Business is booming for Verizon and AT&T these days.

Both companies beat Wall Street expectations in their recently released fourth-quarter earnings reports. Verizon's revenue came in at \$35.7 billion — up 1.6% from last year — while AT&T's reported net income jumped 70% year-over-year to \$4.41 billion, on revenue of \$32.3 billion.

The rosy numbers don't stop there: Mobile and broadband subscriber numbers surpassed expectations, as did the figures for postpaid phone subscribers, fiber additions, and just about every other number on the sheet.

Verizon CEO Hans Vestberg said he expects the pending acquisition of fiber internet provider Frontier Communications and several artificial-intelligence initiatives to boost Verizon even further this year.

What Vestberg doesn't like to talk about is how little he seems to care about his company's employees and retirees. Recent data shows that Verizon and AT&T cut over 15,000 jobs in 2024, reducing their combined headcount by 6% last year and by a third over the past decade.

I hardly need to remind you about the shameful way these companies have treated their faithful retirees in recent years.

In 2023 AT&T completed an \$8.05 billion deal that transferred the pension liabilities of 96,000 plan participants

## 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.

and beneficiaries to Athene Annuity and Life Company. And then in March 2024 Verizon announced it had completed a \$5.9 billion transaction transferring the pension liabilities of 56,000 union and management retirees to Prudential and RGA.

Neither company gave us so much as a heads-up about these deals, let alone alternative options to protect the retirement savings for which we worked so long and hard.

By washing their hands of us, Verizon and AT&T are no longer required to pay annual flat-rate PBGC premiums for their plan participants, thus freeing up their balance sheets. Combined with rampant job cuts, it all serves to enrich the corporate executives who value their bottom line above all else.

AT&T is taking this even further by doing whatever it takes to end its landline service obligations to customers across the country. In December 2024, the company announced it planned to eliminate its traditional landline phone service across nearly all U.S. states in its service area by 2029.

The one exception was California, where the Association of BellTel Retirees helped convince utility commissioners to reject AT&T's proposal to draw down its copper-based network there last year.

AT&T lobbyists helped push state legislation that would have allowed AT&T to exit its landline obligations, but thankfully the bill was pulled by its author a month later, effectively removing it from California's 2024 legislative session.

AT&T's motivation here is the same: They want to cut costs and juice profits by whatever means necessary, even if that leads to worse service for their customers.

Just look at what they did recently in New York, where the company abruptly stopped offering its fixed-wireless internet service statewide. AT&T objected to a new local law mandating that service providers offer high-speed broadband service to low-income customers at fixed prices. AT&T called this "uneconomical" for them and fled the state.

What I can promise you, readers, is this: The Association of BellTel Retirees will continue to fight this corporate greed and remain an important counterbalance to executives prioritizing profits over people.

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.

As this year progresses, we will be keeping a close eye on the Verizon pension class action lawsuit, in which the plaintiffs allege that Verizon and State

Street Global Advisors Trust Company breached their fiduciary duties and engaged in prohibited transactions in connection with the 2024 transfer of 56,000 pension liabilities to Prudential and RGA.

Pension risk transfer deals continue to pile up across the country, which is bad news for retirees who don't want their pensions in the hands of an insurance industry increasingly in bed with private equity fund managers. Your Association will continue to call out the bad corporate actors in these deals and advocate for enhanced ERISA protections for retirees.

We've also got the annual Verizon shareholders' meeting coming up in early May. Your Association has submitted two proxy proposals to Verizon: the Senior Executive Compensation Proxy and the Lead Cables Proxy. More on that later in this newsletter.

And let's not forget our Annual Member Meeting, which is slated for April 22 in Hoboken, New Jersey. We hope you'll join us for an informative presentation and good camaraderie at Mile Square Theatre.

As always, 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.

We are nothing without your participation and continued support.



UNITED, TO PROTECT OUR FUTURE

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# Protecting Landlines: The Battle Continues

After being thwarted in California last summer, AT&T has renewed its push to eliminate traditional landline service. However, now they have a much larger goal: the entire country.

The communications provider announced in December that it aims to retire landline service in most of the 21 states it services by 2029.

Immediately following AT&T's announcement, the Association of BellTel Retirees came out with a forceful press release and statement decrying the move. Chairman Tommy Steed stated:

"AT&T's intention to eliminate landline phone service across the country shows reckless disregard for so many Americans who rely on landlines as a critical lifeline in their everyday lives. Leaving vulnerable residents to rely on finicky Internet-based phone services that are prone to outages would be malpractice for a company supposedly committed to equitable communications services for all its customers. The Association of BellTel Retirees stands firmly against this greed-driven decision and will continue working to ensure affordable, reliable access to phone services for everyone."

The Association of BellTel Retirees further stands with the thousands of union technicians who work tirelessly to maintain this system, and whose jobs would be endangered by this reckless move.

Our position on this issue caught the attention of Jeff Baumgartner, senior editor for the magazine *Light Reading*. Baumgartner wrote an article noting your Association's opposition to the AT&T announcement, which in turn got the attention of AT&T's leadership in Washington, D.C. Steed has scheduled a meeting to discuss the issue and address our concerns.



AT&T is justifying its latest move by arguing that the current, copper wire landline infrastructure is outdated and too costly to maintain, promising that they can provide better service via fiber and wireless broadband networks.

Yet AT&T fails to acknowledge that landline phones are a necessity for many of the country's most vulnerable citizens.

Early last year, AT&T sought to be relieved of its "carrier of last resort obligation" in the state of California, similarly arguing that the technology is outdated and that demand is low. The alternatives offered are all internet-based, which have proven to be less reliable in the event of emergencies.

BellTel leaders resolutely opposed these efforts, with Chairman Tommy Steed testifying at public hearings and writing to California's Public Utilities Commission. Months later, the commissioners denied AT&T's request.

AT&T attempted to work around this by pushing state legislation that would have allowed the company to exit its landline obligations, but the bill was then pulled by its author following resistance from the Senate Energy, Utilities and Communications Committee, effectively removing it from California's 2024 legislative session.

However, AT&T looks poised to retire its copper landline systems in the 20

other states it services.

According to a 2021 Pew Research Center report, 24% of low-income Americans don't own a smartphone, 41% don't own a desktop or laptop computer, while 43% lack home broadband service. This underscores the need for maintaining landlines.

Furthermore, older Americans also heavily rely on their landlines. More than half of Americans over 65 have landline phones in their homes and prefer them to cell phones. Landlines might be the only reliable option for many seniors, especially if they live in more rural areas.

Landlines are often the only reliable means to call for help during an emergency, and many local emergency response agencies recommend that people rely on landlines. Chairman Steed has stressed the importance of maintaining a connected, coast to coast landline system as a national security imperative due to their superior reliability during emergencies.

During emergencies such as major weather events or tragic wildfires, landlines provide a critical resource, as cell phone towers may be destroyed or internet-based communications channels become overwhelmed by traffic.

Removing landlines can pose a danger and leave millions of Americans without a way to communicate.

In 2022, AT&T was forced to pay a \$23 million fine to resolve a federal criminal investigation into alleged efforts to influence former Illinois House Speaker Michael Madigan to pass legislation exempting the company from maintaining its landline system.

Ratepayers of the landline system funded the research, development, and build-out of the satellites, cell towers, and network that are now AT&T's bread and butter. These loyal customers should not be abandoned by AT&T.

## Longer Lifespans May Require Spending Adjustments

For many decades, the commonly held wisdom for retirement spending was to spend about 4% of one's savings every year, to make it last throughout a lifetime, as no one ever wants to outlive their savings.

That 4% rule, largely intended for those who rely primarily on a retirement savings lump sum, was based on research coined by financial adviser and author William Bengen.

However, a new analysis by Morningstar suggests that retirees should now be even more cautious and consider adjusting their spending plans by reducing their annual withdrawals to just 3.7% of their savings.

The new withdrawal rate guidance

was influenced by both financial market uncertainty and the persistence of inflation.

Morningstar's research indicated that the anticipated 30-year returns for stocks and bonds will be slightly lower than in previous years.

Another key factor that led to the reduction in the withdrawal rate is longevity trends.

While the retirement age remains fairly consistent, thanks to advancements in healthcare, American lifespans have gotten longer, suggesting that retirees should now adequately plan for 30-40 years of retirement.

Average life expectancy in the United States has risen since the 4% rule

was created in 1994, when the average lifespan for men was 72.2 years and for women 79. The current average lifespan in the U.S. for men is now 74.8 years and 80.2 for women, according to the most recent CDC data.

Withdrawing too much during the early years of retirement risks prematurely depleting savings.

In 2022, Congress raised the age for required minimum distributions (RMD), the minimum amount required to be withdrawn from retirement accounts annually, from 72 to 73. The RMD withdrawal rate is calculated based on life expectancy and the account's year-end value.

# Annual Member Meeting: Join Us in Hoboken

Come join your fellow retirees and BellTel board members for our 2025 Annual Member Meeting on April 22 in the waterfront city of Hoboken, New Jersey! The meeting will take place from 9am to 12pm at Mile Square Theatre, that city's go-to venue for the arts.

Our Annual Member Meeting is a great way to stay informed on the latest retirement security issues, to connect with friends and former colleagues, and to engage and be involved directly with your Association.

On top of all those reasons to participate, it is the perfect excuse to get out and enjoy a spring day overlooking stunning views of the Manhattan skyline and Hudson River. Mark your calendars for this must-attend event in late April!

Over the years we have hosted our Annual Member Meeting at conference centers across the country, including Florida, New York, Delaware, Massachusetts, New Jersey, Pennsylvania, and Virginia.

After conducting last year's meeting virtually, we are so excited to see everyone in-person again. Although we are grateful that technology has helped keep us connected, being together in a charming and transit-friendly city certainly beats a laptop screen.

Known as New Jersey's most walkable city and the hometown of Frank Sinatra, Hoboken offers a unique blend of boutiques shops, cafes, and world-class restaurants, all in the convenience of a walkable square mile.

While in Hoboken, you can take a scenic walk across the waterfront, enjoy the Hudson River breeze, and take in incredible views of the Manhattan skyline from the area's many piers and parks. Or, hop on one of the ferries to and from Manhattan for a little extra exhilaration.

There are plenty of dining options in



the area, most notably along Washington Street.

Travelling to Hoboken from Manhattan or other parts of Jersey is easy. Here are some transportation options:

- **PATH Train:** A one-way ticket costs \$3.00 (\$1.50 with a Senior SmartLink Card). Stops include World Trade Center, 33rd Street/Penn Station–Macy's Herald Sq., 23rd Street & 6th Ave, 14th Street & 6th Ave, 9th Street & 6th Ave, and Christopher Street at 7th Ave before arriving in Hoboken.

Though the PATH Train lets passengers out 20 blocks from the theater, once there, hop on the free shuttle, The Hop, which will take you close to the theater.

- **NJ Transit Bus 126:** Taking the bus is the most direct way to arrive from Manhattan or other parts of Jersey. The bus runs every 10 minutes from NYC's Port Authority Terminal and only makes a couple of stops before arriving at Willow Ave. & 15th St. (one block from the theater).

That is a 15–20-minute bus ride, depending on traffic. Be sure not to ride all the way to Hoboken Terminal – that is one stop too far!

- **Ferry:** The ferry terminal is just a short 7 blocks west on 14th St., with departures every 20 minutes on weekdays.

Seniors ride for \$10.75 one way (valid ID may be required). Get to Hoboken 14th St. from Midtown/W 39th St. in about 15 minutes, or take a quick



11-minute trip from Battery Park City/Pier 11 to the Hoboken Rail Station. From Wall Street, you can be at Hoboken 14th St. in just 11 minutes.

Street parking in Hoboken is very limited, so we recommend one of the many public parking lots. The closest is underneath Trader Joe's at 1330 Willow Ave., right around the corner from the theater. See several other paid parking garage options below.

#### Paid Parking Garages:

- 1330 Willow Ave. Garage: 1 min. walk from theatre / \$15 for 4 hours
- 1450 Garden St. – Park & Garden Garage: 3 min. walk from theatre / \$17 for 4 hours
- 1450 Bloomfield Ave. – Hudson Tea – Garage: 3 min. walk from theatre / \$11 for 4 hours

Mile Square Theatre features 120 seats and is handicap accessible, so make your reservations today as seating is limited!

Those planning on attending should fill out the RSVP card below and mail it to our office with the \$5 reservation fee per person to reserve a seat. If you have any questions, please reach out by calling the office at 1-800-261-9222 or emailing [association@belltelretirees.org](mailto:association@belltelretirees.org).

To attend, please fill out the RSVP coupon below and submit a \$5 fee to reserve your spot. If you pay by credit card, you will still need to send the RSVP coupon (can be done via email with PDF or picture).

## RSVP for 2025

### Association of BellTel Retirees Annual Member Meeting

Tuesday, April 22nd, 2025, 9am – 12pm

Mile Square Theatre, Hoboken, NJ (1400 Clinton St, Hoboken, NJ 07030)

A Ticket Is Required To Attend

I will attend the meeting in Hoboken, 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 Kathleen Moccia P.O. Box 33, Cold Spring Harbor, NY 11724



## A Guide To Enjoying A Spring Day In Hoboken, NJ

Should Mother Nature cooperate, we highly recommend strolling down to the waterfront to snag some sweet views of the Big Apple. A 10-minute walk from the theater, Pier 13 features a waterfront beer garden with food trucks, while the Hudson River Waterfront Walkway provides free access 24/7 for the general public.

For an added adventure, hop on the ferry for an exhilarating ride along the Hudson River. It's not only a scenic excursion but also an easy way to travel between Hoboken and Manhattan.

Explore the city's rich history and culture at Hoboken's Historical Museum, featuring artifacts from Frank Sinatra's life, or join their Sinatra-themed walking tour. On the Hudson River Waterfront Walkway, you can even find a bronze statue of the famous singer.

For a taste of American history, visit Castle Point Lookout on the Stevens Institute's college campus, home to the university's historic cannon. The artifact was believed to be brought to the American colonies by France to support the American Revolution. The photo-op spot is a favorite amongst visitors and is the highest elevation in Hoboken at 100 feet, offering scenic skyline views.

There are plenty of restaurant options in the area. The Hoboken Biergarten, conveniently located on the same block as the theater, offers craft brews, cock-

tails, and global cuisine on an outdoor patio. For pizza, you can check out Urban Coalhouse. San Giuseppe Coal Fired Pizza & Cucina offers wider-ranging Italian cuisine.

Blue Eyes is a Sinatra-themed Italian spot on the waterfront. For an upscale menu, visit Dino & Harry's Steakhouse. Washington Street also has plenty of other dining options for every palate.

Are you an early bird? You might want to relax and pass some time before our meeting. There are coffee options at *bwè kafe*, only a few steps away from the venue, and light bites and smoothies are offered at Toast-ique.

For brunch, Turning Point of Hoboken on Sinatra Drive is a 10-minute walk away. Rosticeria Da Gigi, an all-day Italian cafe, also offers breakfast and brunch options.

With so much to see and do while in Hoboken, our 2025 Annual Member Meeting promises to be a great experience. Consider this your perfect excuse for a reunion with former colleagues you spent decades working alongside.



Gather with friends and enjoy a fantastic day reconnecting and exploring the city.

Whether you're having lunch with friends, exploring historic sites, or simply taking in the stunning waterfront views, there's something for everyone to enjoy. Join us for a wonderful day of great company and great memories!

## BellTel Prepares for 2025 Verizon Proxy Fight

*(Continued from page 1)*

In other words, equity awards in a single year can dwarf Verizon's share ownership guidelines for stock retention by senior executives.

As a result, a requirement that senior executives must hold shares based on a multiple of base salary will thus lose its effectiveness over time. After they meet the applicable holding requirements, senior executives are free to sell additional equity. In addition, currently there are no limitations on how quickly they can sell shares that they are holding after they depart the company, whether through retirement or otherwise.

By adhering to our recommendation to hold a significant portion of an executive's stock-based awards for a two-year period, we believe senior executives will be better motivated to focus on the company's long-term business objectives and share price.

Verizon has asked the SEC to block this proposal, claiming that it "relates to ordinary business operations and impermissibly seeks to micromanage Verizon."

### Lead Cables Proxy

The Association's second proxy mea-

sure this year formally requests that Verizon perform a study and report back to its shareholders on the status of the thousands of miles of abandoned, lead-sheathed cables crisscrossing the country.

Our proposal demands that Verizon's Board of Directors assess all potential sources of liability regarding these lead-sheathed cables, comprehensively map all impacted locations, estimate the potential costs of remediation, and investigate which of the mapped remediation sites pose the greatest public health risks. We ask the Board to provide a summary report to shareholders.

On July 9, 2023, the Wall Street Journal began publishing a thorough, multi-part investigative series titled "Lead Legacy: America Is Wrapped in Miles of Toxic Lead Cables."

It found that telecommunications providers like Verizon and AT&T "left behind a sprawling network of cables covered in toxic lead that stretches across the U.S. under the water, in the soil and on poles overhead." Nearly 1,000 BellTel members contributed to a survey about their time working with these cables, and some members even did interviews for the story.

The Journal's investigative team, together with health scientists and environmental advocates, discovered that the lead sheathing has degraded considerably, and that these cables were often abandoned and left in place to decay.

It is well-established that lead exposure can damage the brain, as well as the nervous and cardiovascular system.

Verizon asked the SEC to reject our lead cables proxy proposal last year, arguing that our Association was attempting to "micromanage" the company's "ordinary business." BellTel's legal team rebutted this argument, and the SEC agreed, allowing our proposal to come to a vote.

As BellTel's Chief Financial Officer Frank Bruzek said at our last annual meeting, "Our Association always wants Verizon to be a successful company. All actions our Association takes against Verizon are in pursuit of protecting all our retirees' hard-earned pension benefits, including their health." Our proposal was made with that sentiment in mind.

At last year's Verizon meeting, this proxy measure achieved support of 14.6% of shareowners, with higher hopes for the proxy season ahead.

## Message from Surviving Spouse on Supporting OUR Association

**W**ithout the support of the Association of BellTel Retirees, I'm not sure I would have recovered my spousal benefits after my husband, Carl B. Witwer, passed away on Oct. 8, 2024. It's why I would like to encourage everyone reading this newsletter to make a financial contribution to the Association.

Carl was a wonderful man who devoted his entire working life to Bell of Pennsylvania. He got out of the Navy at age 22, married me, then started working for Bell on Dec. 6, 1954. He missed exactly one day of work until he retired in 1992.

As a field technician, Carl was always outside working in the cold, running up poles and wires even when storms came their way. He was a quiet, humble man who went beyond what his employer asked of him. Sometimes I would joke that he was more devoted to them than he was to me!

Carl was a union man and a pensioner who chose not to take the lump sum. He even opted for a deduction that went towards my survivor's benefit, in case I might need that someday.

So you can imagine how upset he was last March when he learned that Verizon had transferred his pension benefits to Prudential and RGA without so much as a warning.

He had trusted Verizon to stick by him the way he did for them all those years, and now they were turning their backs. It knocked us both off our feet.

A week after Carl's death, I called Prudential to claim my benefits. Without hesitation the man on the other end of the phone said that my case was closed. Those benefits had ceased upon Carl's death, he said.



I told him I had letters from Verizon stating that I was owed a pensioner death benefit, which is a one-time lump sum payment made to the beneficiary, and the survivor's benefit, which is a monthly payment made to a qualifying survivor. Those two benefits were transferred to Prudential while basic life insurance benefits continue through Verizon.

The call representative couldn't have cared less.

So began nine weeks of painful back and forth between me and the hapless call reps at Prudential and Verizon. These people stonewalled me at every turn, repeating that "my case was under review."

Thankfully Association Chairman Tommy Steed got wind of my ordeal and provided free support. He insisted that Prudential couldn't get away with this and encouraged me to bring a lawyer into the mix. The lawyer said that in this case Prudential was violating the "anti-cutback rule," which says that the accrued benefit of a plan participant may not be decreased by an amendment to the plan.

Shortly after threatening legal action, I received an overnight package

filled with forms from Prudential. I also ended up finding Verizon's original letter stating my survivor's benefits in an old white envelope, buried behind my husband's old sweaters in a highboy dresser.

After filling out the forms and attaching the letter as proof, I got straightened out with my long-awaited benefits.

I don't know if I would have gotten through this mess if it weren't for my husband's long-running membership and interest in the Association of BellTel Retirees. The Association always kept us well-informed on pension issues through the years, so I knew where to turn when trouble hit.

I thank God for all the retirees at the Association banding together to hold Verizon accountable. There are many men and women who have no idea which benefits they are owed or how to track them down, so we need organizations like BellTel to make sure we don't get left behind.

Let this also be a reminder to stay vigilant with your paperwork from these companies. And make sure you call Prudential and/or RGA at least once a year to verify you're on the same page with these three benefits: basic life insurance, pensioner death benefit, and the survivor's benefit.

It is critical that we have the Association of BellTel Retirees continue to be here as a safety net for all of us, so please support them with a contribution.

Thank you and God bless you all.

*Sincerely,*

*Jean Witwer  
Lancaster County, PA*

### ASSOCIATION OF BELLTEL RETIREES

Department 3170, PO Box 986500, Boston, MA 02298-6500

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](http://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.



# Member Voices on Top Issues of 2024

We enjoy staying connected with our fellow retirees through social media, and in 2024 we kept the conversation going by sharing the latest news on retiree and pension issues. As we look back on the year, let's have a look at some of our more engaging issues of 2024 that sparked the most interaction.

Our most liked post last year was a MarketWatch news article we shared with our members in September, which garnered nearly 19,000 interactions.

The article reported Verizon's announcement that approximately 4,800 employees would be leaving the company under a voluntary separation program.

At the time, the telecom giant anticipated severance charges of up to \$1.9 billion in the third fiscal quarter. As part of its ongoing cost-saving efforts, Verizon also planned to discontinue the use of certain offices and exit "non-strategic portions" of select businesses, though specific details were not provided.

While many of our followers engaged with the post, one of them, Tracy McGeever Cornelius, commented that taking Verizon's buyout was "the best thing [she] ever did" and that it allowed her to "start living."

It is no surprise that our post with the most comments of the year was about Verizon's \$5.9 billion transaction that moved 56,000 members of the pension plan to Prudential and RGA. When combined with a previous \$8.4 billion transaction in 2012, where 41,000 management retirees had their pensions transferred, this brings the total number of defined benefit pensions offloaded at Verizon to 97,000, totaling a staggering \$14.3 billion of our pension assets.

We're glad to see our members proactively engaging with our content. In fact, our second most-liked post of the year featured an article originally published on the front page of the BellTel newsletter, titled "Empty Promises" and authored by Association Special Counsel Edward Stone.

Stone highlighted how telecom giants like Verizon and AT&T have broken their promises of lifelong retirement security by offloading pension liabilities and cutting retiree benefits, leaving thousands of former employees facing financial uncertainty while corporations prioritize cost savings over their commitments.

The post resonated with many of our members, who shared their personal experiences and frustrations.

The most-liked comment on the article was by Nancy C. Backstrom, who shared: "Retired in 1998 and everything was fine until 2012. Then we got screwed. Not a happy camper then and not a happy camper now. I feel for those that are now going through this."

Another user, Stacy Lewis, reflected on her father's advice when she was hired in 1971, recalling that he warned she wouldn't see Ma Bell "from the cradle to the grave," a prediction she now claims was "oh so right."

Bob Teeden, yet another one of our fellow retirees, explained he was a part of the 1975 layoff and rearrangement and claimed it was "illegal." Despite returning to the company in 1979, he stayed "bitter" until the end when he left.

Aside from articles, another one of our top posts featured photos shared by Chairman Tommy Steed for #ThrowbackThursday.

Steed reminisced about a time when his crew faced a major challenge after the NYNEX cable feeding the radio antenna atop Mt. Beacon (at 1,400 feet) in New York State's Hudson Valley failed.

With the steep access road washed out by flooding, trucks couldn't reach the site, but Construction Superintendent Al Berg made the call for a helicopter airdrop to deliver the cable. The team then tackled the tough job of installing the pole line through dense, steep terrain.

Many of our members enjoyed this post and shared their appreciation, with John Kolimaga of Pennsylvania expressing, "[W]ow, had heard of people having a tough job but nothing like yours - I'm

sure the work was done safely - THANK YOU FOR SHARING."

Another member, Marilyn T. Perito, called it "a typical Al Berg story."

We sincerely appreciate your kind words and for sharing your personal experiences with us. Our BellTel online community is a wonderful space to connect and stay informed on key pension issues.

The Association of BellTel Retirees remains dedicated to protecting and enhancing the pensions and benefits of all retirees, as well as current and future beneficiaries of companies that evolved from the original Bell System.

Stay connected with us online to be up to date on the latest retiree and pension news. We love hearing from you, and please remember to share our posts with your friends!

## Pension Funds Dabble in Crypto

Retirement plans have begun dabbling in investing in cryptocurrency.

To this point cryptocurrencies have generally been characterized as high-risk, potentially high-reward investment vehicles.

Bitcoin, perhaps the most ubiquitous cryptocurrency, famously crashed from \$65,000 to \$15,000 per share in 2022. Astoundingly, it currently stands at over \$101,000 per coin, as of press time.

While the financial data on private retirement plans more recently wading into crypto investment is not immediately clear, what is clear is that several public-sector pension funds are dipping their toes into the water.

By the end of September 2024, Wisconsin's Investment Board was the 12th-largest shareholder in BlackRock's cryptocurrency, an investment worth roughly \$155 million as of January 2025.

*(Continued on page 8)*



Below are some notes we have recently received from countless fellow retirees. Please keep them coming via social media, e-mail or U.S. mail. We love when you stay engaged!

"Many thanks to the Officers, Board and Staff of this Association. Having been a long-time member, I am positive that without your dedication and hard work, all of the retirees that it represents would today be experiencing significant financial hardship.

I urge that every member who is reading this newsletter make a contribution in 2025. If so, you can be assured that it will pay dividends."

— Tom Jones

## MEMBER MAIL BAG



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"I think a lot of people will be dropping [Verizon], they are the highest price in the industry and they keep going up. I am under a 3 year contract where I am obligated to keep in compliance with it but apparently they don't have the same restrictions. I am an ex employee and if they keep going up and up they will lose me as a customer. Loyalty can't be just one way.

— Jack DeNaples

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"Thank you for all your efforts on protecting our retirees!"

— Dorothy I. Hecht

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"Thank you for keeping us informed."

— Marilyn G. Daly

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"It would be nice if our pensions went up."

— Patricia Burkhardt

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"Please keep up your great work. NJ Bell = Bell Atlantic = Verizon! 35 Years"

— Terry McGraw

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"I'm a proud Bell Head."

— Bryan Owens

# INDUSTRY NEWS AND NOTES

## Verizon Raises Prices

Verizon is experiencing increased profits and customer growth in its wireless business while raising prices for customers and decreasing its workforce.

In its fourth-quarter earnings report for 2024, Verizon reported \$20.0 billion in total wireless service revenue, a roughly 3% year-over-year increase. The telecom giant also added nearly 1 million post-paid mobile and broadband subscribers, marking its best quarterly result in more than a decade.

Meanwhile, Verizon cut nearly 6,000 jobs, meaning the company now employs about 78,000 fewer people today than it did 10 years ago.

Starting in February, customers with select phone plans began experiencing price increases.

Customers with myPlan (5 or more lines) now pay an extra \$3 per line, while those on the discontinued New Verizon Plan (sizes S to XXL) are seeing a \$4 increase per line.

Single-line phone accounts are facing a \$4 monthly access fee, while multi-line phone accounts are being charged \$15. Data coverage fees under the new Verizon Plan have increased from \$15 to \$20 per GB.

Last December, Verizon raised its Administrative and Telco Recovery Charge by \$0.20 per line. In October, it cut the autopay discount for older plans from \$10 to \$5, and in September, it halved the Auto Pay discount, raising monthly bills by 5%.

The increase in fees follows a price increase for its 5G plans in March 2024 and comes after a \$100 million class-action lawsuit settlement in October over allegations of misleading customers about its Administrative and Telco Recovery Charge.

## Telecoms Hacking

In January, AT&T and Verizon announced they had secured their networks after being targeted by the China-linked Salt Typhoon cyber espionage campaign.

This was the two telecom giants' first

acknowledgment of being impacted by the cyberattack, a monthslong effort to spy on the cellphone communications of high-value intelligence targets.

"We detect no activity by nation-state actors in our networks at this time," said an AT&T spokesperson.



A Verizon spokesperson asserted the carrier has "contained the cyber incident brought on by this nation-state threat actor," confirmed by an "independent and highly respected cybersecurity firm."

There were "relatively few instances" of individually compromised information, said AT&T, noting the hackers targeted "a small number of individuals of foreign intelligence interest." Verizon added that the hackers specifically targeted a "small number of high-profile customers in government."

The attack may have granted the Chinese government unprecedented access to U.S. foreign-intelligence systems and to sensitive data from the telecom giants.

This all really started back in 2001 with the Patriot Act, which expanded surveillance capabilities in response to terrorist threats. Wiretap warrants got thrown out the window, paving the way for bad actors to eventually exploit telecoms' electronic systems.

It's likely that telecoms will face this threat for years to come. U.S. officials describe Salt Typhoon as a dangerously advanced, state-sanctioned hacking group that uses AI and machine learning to enhance its espionage efforts.

While the investigation remains ongoing, national security advisors say U.S. officials will likely never know the full scope and scale of the intrusion.

However, it is important to note that Salt Typhoon has so far limited its targets to high-value political and national-security figures, not to everyday AT&T and Verizon users.

## AT&T Ends Broadband Service in NY

AT&T has pulled its 5G internet service from New York in "protest" of the state's law requiring affordable plans for low-income residents.

This follows a long saga of New York State's efforts to enforce its Affordable Broadband Act. After the law initially passed in 2021, AT&T and other internet service providers sued, lost, and appealed to the U.S. Supreme Court, which more recently declined to hear the case.

The Affordable Broadband Act requires ISPs to offer \$15/month internet at 25Mbps or \$20/month for 200Mbps to qualifying low-income residents, who must provide ongoing documentation to remain in the program.

The Affordable Broadband Act took effect in January 2025, prompting AT&T to pull its services. AT&T can do so quickly because its 5G internet is entirely wireless, relying on its existing mobile infrastructure.

"New York's broadband law imposes harmful rate regulations that make it uneconomical for AT&T to invest in and expand our broadband infrastructure in the state," the telecom giant said.

Cell phone service will not be affected, but AT&T customers with 5G home internet must return any equipment, keeping only devices they purchased.

## How to Opt Out of PRU Marketing

Please know that you may tell Prudential not to share your personal information among Prudential companies for marketing purposes, and not to share consumer report information among Prudential companies, by "opting out" of such sharing. To do so, visit the following website: <https://www.prudential.com/links/privacy-center> or call 1-877-248-4019.

# Pension Funds Dabble in Crypto

(Continued from page 7)

Meanwhile, Michigan is the sixth-largest shareholder in Grayscale's ETF, a stake it has disclosed is worth \$12.9 million as of November 2024.

In August, the Washington Post reported that the cryptocurrency industry was lobbying local politicians in Arizona, Louisiana, Missouri, Ohio, and Oklahoma to consider giving fund managers more authority to invest in crypto.

These investments do of course come with the risk of failure, as the Ontario Teacher's Pension Plan in Canada learned when they wrote off a \$95 million investment in the failed FTX digital currency, which collapsed in 2022. As of October 2024, former FTX investors

will begin receiving reimbursements for their losses.

In December 2024, the federal Government Accountability Office (GAO) released a report that found that cryptocurrency investments are currently only a small fraction of defined pension contribution plan investments, but have advised fund managers to keep such investments to a minimum, citing their high risk.

The U.S. Department of Labor concurred with the GAO's conclusion, advising fiduciaries to exercise extreme caution before adding crypto to a 401(k) plan's investment portfolio.

Public and private pension funds are expected to become more open to crypto investments as newly elected President Trump's administration, which is

viewed as friendly to the industry, takes shape.

President Trump himself, along with First Lady Melania, even launched their own "meme coins" on January 19, just before the inauguration. Meme coins are a specific type of cryptocurrency that are highly volatile with no intrinsic value.

During the election, Trump voiced support for creating a "strategic bitcoin reserve" for the country, for which Senator Cynthia Lummis (R-Wyoming) has drafted legislation.

It remains to be seen how many pensions, public or private, will choose to enter the crypto pool. While the high rewards it promises are certainly enticing, its potential for volatility suggests caution and careful consideration.

Anything considered too good to be true, may just be.