

IBEW Workers Support BellTel's Lead Cables Fight

In the summer of 2023, union leader John Rowley received a phone call that altered his professional priorities.

One of his members was asking about the recently published Wall Street Journal investigative series on toxic lead-covered cables left behind by the old Bell System's telephone network. Had he read the articles?

Since 2006 Rowley has served as business manager of the International Brotherhood of Electrical Workers (IBEW) Local 2324, a chapter in Springfield, Massachusetts representing hundreds of telecom retirees and 230 active Verizon workers.

After getting that phone call, he immediately contacted the Wall Street Journal reporter to ask who had helped provide information on telecom workers impacted by lead cables.

That's how Rowley, who retired from Verizon in 2024, found out about the Association of BellTel Retirees. Hundreds of our Association's members shared their stories with the Journal, recalling times in their careers when they were responsible for installing or maintaining lead-sheathed cables on



Left to right: IBEW Local 2324 Business Manager John Rowley, Dr. Jack Caravanos of NYU, and Dr. Phillip Landrigan of Boston College are working to prevent lead exposure in telecom workers.

poles, buildings, and in the ground, at locations across the country.

Now Rowley and his fellow IBEW telecom members are standing squarely behind the Association's 2025 Verizon proxy, "Item 5: Lead-Sheathed Cable Report," which demands that Verizon stop ignoring a massive problem that has been festering for decades.

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Become an Active BellTel Volunteer

By Don Kaufmann
BellTel Secretary

As a long-time volunteer at various non-profits, I can tell you one thing that's sure to kill any organization trying to stay relevant: complacency.



People's natural tendency, myself included, is to go through the motions. We read our newsletter, send a donation, and move on to other matters.

That might be enough to keep an advocacy group afloat for a while, but not for long. To make a real difference we all need to make our voices heard loud and clear!

That's because our counterparts in Verizon's C-suite are pretty comfy. They're perfectly content to kick back and watch their money pile up, knowing full well they can purge those pesky retirees from their balance sheets with barely a whimper of protest.

There's a whole ecosystem letting these corporate bigwigs get away with pretty much anything. Exorbitant CEO pay has become as humdrum as a Burger King commercial, and pension stripping's handsome payouts oil the wheels of private equity opportunists who take the money and run.

These multibillion-dollar pension asset transfers don't even make it on the nightly news. If anything, reporters covering the insurance industry just parrot the company line, pretending everything is hunky dory and outright ignoring the retirees whose long-held ERISA protections were submitted to a paper shredder.

Well, I've had enough. I won't just sit around quietly anymore, letting these executives run roughshod over the pensions and benefits you and I worked so hard to earn.

And neither should you! It's time to stand up and volunteer for the Association of BellTel Retirees!

We all need to get together to talk about this stuff, then encourage others to join our Association so that we can collectively make our voices loud enough and frequent enough to be heard by the executives high up in those corporate skyscrapers.

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A Deeper Look at Pension Risk Transfer Litigation

By Edward Stone
Association Special Counsel

Over the past year there have been seven lawsuits filed against defined benefit plan sponsors and their independent fiduciaries challenging their decisions to offload pension liabilities to annuity providers in pension risk transfer (PRT), or "pension stripping," transactions.

The first lawsuit was filed against AT&T and State Street Global Advisors on behalf of 96,000 AT&T retirees in March of 2024. Since that initial filing, other lawsuits have been filed against Alcoa, General Electric, Lockheed Martin, ATI, and Bristol Myers Squibb.

Most of these lawsuits also name State Street Global Advisors as the independent fiduciary required by ERISA to choose the "safest available annuity provider." State Street, the world's fourth-largest asset manager, has helped facilitate many pension risk transfer deals in recent years.

What each of these cases has in common is a PRT deal with Athene Annuity & Life Company, a subsidiary of the pri-

vate equity giant Apollo Global Management.

Athene, which reinsures approximately 80% of its liabilities with a wholly owned subsidiary based in Bermuda, is itself domiciled primarily in Iowa, with other subsidiaries located in Delaware and New York. Athene's parent, Apollo, was built upon the ashes of the failed Executive Life companies that went bust back in the early 1990s along with the infamous Drexel Burnham Lambert firm led by Michael Milken.

While each case has different class representatives and varying fact patterns, there are a couple of key legal issues that impact each of the cases.

Most importantly, the defendants consistently seek to dismiss the lawsuits, alleging that plan participants lack standing (known as Article III standing) to sue because they cannot show current or imminent economic harm to plan participants until Athene collapses.

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Some insurers move assets and liabilities around like it's a game of three-card monte.



Chairman's Report

By Thomas Steed

First and foremost, I'd like to thank everybody who traveled to our wonderful BellTel Annual Member Gathering on April 22.

This time we were in Hoboken, New Jersey on a perfect spring day at Mile Square Theatre. It felt great to be in front of such a lively and engaged audience of fellow retirees, especially during the member discussion portion of the meeting.

I was really impressed with the number of important retirement questions directed our way, and even more so by the moving stories shared by so many members. I'm already looking forward to the next meeting, wherever that may be.

One of your Association's top priorities this year has been our 2025 lead cables proxy proposal at Verizon. Votes for our proposal were to be tallied during Verizon's 2025 shareholders meeting on May 22, after this newsletter went to print.

The odds were stacked against us, since Verizon did all it could to encourage its shareholders to vote against our proposal. Verizon executives want to preserve the status quo and avoid reporting on possible remediation of degrading lead cable sites across the country, even if the health of our communities is at risk.

But it's important to remember that this is a long-term fight. As Muhammad Ali said, "You don't lose if you get knocked down; you lose if you stay down."

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.

The lead exposure problem goes back many decades, and retired telecom workers continue to get sick long after their exposure to those toxic lead-sheathed cables.

I'm especially encouraged by the support we've drawn on this issue from our union friends at IBEW.

John Rowley of IBEW Local 2324 in Massachusetts has teamed up with prominent doctors, environmental health experts, and politicians to make sure all telecom workers are fully aware and protected from lead exposure going forward.

It's an issue that hits home for me, since I developed stage 3 lymphoma back in 2008, most likely stemming from my years of exposure to lead cables. Thank God five months of chemotherapy got me through it, but many others haven't been so fortunate.

I was a cable splicer and lineman for

*As Muhammad Ali said,
"You don't lose if you get
knocked down; you lose if
you stay down."*

New York Telephone, NYNEX, Bell Atlantic, and Verizon. Back in the 1970s and '80s, there were even more lead cables in the environment than there are today.

Removing those cables was when you really got exposed to the toxins. I remember the thick clouds of white dust coming off the degraded cables when we hauled them out of the ground.

Our employer didn't bother with strict protective measures around lead. We weren't told to wear any masks — just a hard hat, gloves, and safety glasses — and we didn't think much of it.

But in 1986 it got to a point where I was vomiting every morning after breakfast. That lasted about a year, and even after I finally got blood work done, NYNEX never sent me my test results for lead. The New York State Health Department eventually did, revealing that my blood-lead level was significantly elevated.

We must hold companies like Verizon and AT&T accountable on this issue so that no one — whether it's telecom employees working in manholes or even children unknowingly playing near lead contamination sites — experiences the suffering my family went through with me.

How many thousands of our members might have similar stories and encountered other serious negative health consequences that they never thought traced back to lead poisoning? That is why this proxy and the support and advocacy of IBEW Local 2324 matters!

Meanwhile, your Association is also keeping an eye on a variety of other unfair corporate practices at Verizon. The company recently approved a 40% increase to the biggest part of CEO Hans Vestberg's annual compensation.

Vestberg's annual target long-term incentive award will go up to \$25 million this year; it was \$18 million in 2024.

According to the AFL-CIO Executive Paywatch, in 2023 CEO pay at S&P 500 companies increased 6% over the previous year — to an average of \$17.7 million in total compensation. Meanwhile, the average U.S. worker saw a wage increase of \$18,240 over the past decade, earning on average just \$65,470 in 2023.

Across the U.S., the average CEO-to-worker pay ratio was 268-to-1 for S&P 500 companies in 2023. It would take more than five career lifetimes for workers to earn what CEOs receive in just one year.

We want to hear more from you about the priority issues that matter most to you and our fellow retirees.

As always, thank you for sticking by us as we continue to fight the good fight.

When you support the Association of BellTel Retirees you belong to something that is bigger than yourself. So, as best you can, contribute and leave a legacy that will impact people for years to come.



UNITED, TO PROTECT OUR FUTURE

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Ways to Become an Active BellTel Volunteer

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Active volunteers are the heartbeat of BellTel’s mission, and your leadership and participation play a pivotal role in supporting our shared cause.

It’s time for all members to become more active volunteers who contribute to our community outreach and advocacy efforts.

One great way to volunteer is helping to plan or organize upcoming smaller regional gatherings, otherwise known as our “mini meetings.”

These gatherings are crucial for re-connecting with fellow retirees and discussing important issues face-to-face.

You can volunteer by hosting or co-ordinating these events in your own community, helping ensure everything runs smoothly and those in attendance feel welcome. It’s a great way to form new connections and to recruit new members to our cause.

Are you involved with a local retiree club, faith-based group, or veterans organization in your area? Those are

great places to tell others about our organization and be an evangelist for our mission to protect retirees’ pensions and earned benefits.

Your leadership and participation play a pivotal role in supporting our shared cause.

And if you’re a snowbird in the winter, maybe there are opportunities to connect with fellow retirees in your warmer-weather community and help spread the word about BellTel.

Every new member strengthens our mission. With your help, and by pro-actively hosting mini meetings or out-reach events or recruiting retirees to the cause, we can expand our voice and impact even further.

In addition to local engagement, you can contribute to our legislative advocacy efforts. Calling your elected representative, writing a letter, and acting on key issues are ways you can make a difference beyond our immediate community.

Another way to get involved is by distributing newsletters at any telco retiree breakfasts or luncheon gatherings you participate in. It’s a simple but powerful way to share crucial information and keep our members informed.

Volunteers will be shipped all the necessary materials to help you represent BellTel professionally and engage with our local communities in a meaningful way.

Together, we can protect the benefits we have earned and ensure our voices are heard. Your involvement, whether big or small, makes a lasting difference for our mission.

Join us as an active BellTel volunteer and help shape our future!

Contact our office by dialing 631-367-3067 or emailing association@belltelretirees.org.

Explaining the Verizon Death Benefit Transfer

The BellTel office continues to hear from Verizon retirees concerned about their Pensioner Death Benefit (aka Sickness and Death Benefit).

We are more than happy to clear up any confusion that might be lingering over which benefits have been transferred to Prudential and/or RGA and which benefits are remaining with Verizon.

The administration of your Basic Life Insurance remains with Verizon, and your chosen beneficiaries do remain the same. Your benefit amount also remains unchanged.

We recommend that all of you call Verizon Benefits at 855-489-2367 to obtain a refreshed copy of your policy amount and designated beneficiaries to keep in your personal records. Having this handy will make it easier for your loved ones when that time comes.

Following Verizon’s pension risk transfer deal in March 2024, Pensioner Death Benefit claims were moved to Prudential and RGA along with the pension liabilities.

Affected members would have received letters from Prudential and/or RGA explaining the transfer. This benefit has mandatory beneficiaries (normally a spouse or dependent child) or a \$500 estate payout if there is no beneficiary available.

The rules state that your spouse must be living with you for the beneficiary to receive the claim. However, if you or your spouse pass away in a nursing home, the beneficiary can still claim the Pensioner Death Benefit as long as you are filing a joint income tax return.

For most individuals, 50% of the Pensioner Death Benefit amount will be guaranteed by Prudential and 50% will

be guaranteed by RGA.

However, for residents specifically of the states of Connecticut, Maine, New Hampshire, New York, or any U.S. territory, 100% of the pensioner death benefit amount will be guaranteed by Prudential.

verizon Affected retirees should have received a letter in the mail from Prudential entitled “Your Death Benefit Summary.”

The letter should state the exact amount of your pensioner death benefit payable to your beneficiary. We recommend that you keep this for your records. You can also call Prudential at 844-446-2778 with any questions.

We also recommend that your spouses and beneficiaries obtain a record of your Pensioner Death Benefit so they can file a claim at the appropriate time.

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 _____

E-mail _____

City/State/Zip Code _____

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.

IBEW Workers Support BellTel's Lead Cables Fight

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"This is inordinately important because we're talking about people's health," Rowley said.

Rowley reached out to BellTel CFO Frank Bruzek after watching a YouTube video of Bruzek explaining BellTel's lead cables proxy. They have been collaborating on this issue ever since.

The Dangers of Lead

The Wall Street Journal series revealed that telecom companies left behind a sprawling network of cables covered in toxic lead across the U.S. That lead is degrading under water, in the soil, and on poles overhead, marking a source of contamination that had not been adequately addressed by the companies or environmental regulators.

The Journal also found that many current and former workers at telecom companies stemming from Ma Bell said they learned lead-cable work on the job and typically didn't receive respirators or regular blood testing.

Even the lowest levels of lead can harm health and cause disease. The World Health Organization and the Centers for Disease Control and Prevention (CDC) have determined that no level of lead in blood is safe.

Once exposed, it can stay in the blood stream for extended periods and be stored in bones and organs, potentially leading to debilitating diseases later in life. Lead can damage the central nervous system in children, and it can cause kidney, heart and reproductive problems in adults.



Lineman working with lead cables in photo from Bell Telephone Magazine.

Courtesy Prelinger Library

Perhaps most concerning, lead exposure is not just a threat to people working with or around lead cables. It is also a significant threat to their family members and fellow citizens.

When workers are exposed to lead dust, it typically sticks to their clothing, work boots, tools, and hands. Even after removing their protective gear, workers can inadvertently carry home traces of lead on their skin, hair, clothing, shoes, and vehicles, potentially exposing their children or grandchildren to the toxic metal.

Moreover, lead from telecom manholes can easily get into the water supply. Manholes occasionally flood after hard rains, so for workers to enter them, they sometimes must pump thousands

of gallons of water out of the ground, which can carry degraded lead into nearby storm drains and allow it to leach into the broader environment.

Clearly, this is not just a Verizon issue. This is an American issue.

Shocking Results

In February 2024, Rowley filed an official complaint to the National Institute for Occupational Safety and Health (NIOSH), the first such complaint filed by IBEW in decades.

The complaint named Verizon New England, calling them out for allegedly failing to adequately address worker safety around lead cables for many years.

A week later, NIOSH, which is part of the CDC, opened up a "health hazard evaluation" in Western Massachusetts, allowing them to begin investigating work sites and testing lead levels across the region.

On March 6, 2025, NIOSH sent a letter to Verizon revealing some of their testing results in Springfield. They found that one of the Verizon New England splice service technician's lead exposure was above OSHA action level.

Upon seeing that result, Dr. Jack Caravanos, an environmental health professor at New York University, issued a blunt assessment to Rowley.

"You don't know how bad that is, John," he said.

NIOSH also conducted below-ground tests in Springfield. Full results of their bulk sediment testing samples have yet to be released, but a NIOSH representative told Rowley that they were "magnitudes above the allowable level for lead."

Responding to the NIOSH Air Quality test from January 2025, a representative from Verizon Environmental Health & Safety stated that "the NIOSH high level of lead Air Quality test results were an anomaly."

Abdicating Responsibility

The truth is Verizon, AT&T, and other telecom companies have known about these lead dangers for years and have delayed action. Verizon's position is that it abides by all regulations.

The problem is those regulations are shamefully outdated. American telecom companies follow guidance from OSHA, which considers 50 micrograms per cubic meter to be an acceptable lead level in workplaces.

That standard has been in place since 1978.

We now know that any elevation of the blood lead level above 2 micrograms per deciliter increases risk of disease, and the higher the blood lead level, the greater the risk. The CDC considers 5 micrograms/dl and above to be elevated among working adults.

BellTel Chairman Tommy Steed, who worked on underground cables in the Bronx, Hudson Valley, and at the 1975 Telephone Company Fire in Manhattan, had his blood-lead level measured at 43 micrograms/dl in 1988.

He never got those test results from NYNEX (now part of Verizon), despite repeated requests. The state health department later provided them, and NYNEX made no effort to get him any remedial help.

Nowadays, there is a greater threat looming for many Verizon retirees: The company wants to phase out retiree medical coverage.

According to Rowley, Verizon employees who were hired prior to Aug. 3, 2008 are a subject of contract negotiations with every succeeding contract, meaning that the company could demand ending such retiree coverage in bargaining.

Verizon, IBEW, and CWA are set to commence early bargaining in May 2025 for a contract that does not expire until August of 2026.

If the post-2008 retirees' healthcare coverage is not addressed now, the pre-2008 retirees' healthcare coverage will likely get phased out in the next contract, as the ratio of pre- and post-2008 retirees approaches 50-50.

If the company is on a road to ending retiree medical coverage, what will happen to all the retirees who start developing lead-related illnesses? This is a ticking time bomb that must be addressed in collective bargaining agreements to come.

Gaining Allies

Thanks to BellTel and IBEW's outcry on this issue, members of the U.S. Congress have joined our cause.

When BellTel first presented the lead cables proxy last year, New York Rep. Patrick Ryan stood with us, saying, "It's time for Verizon to finally put safety ahead of profit and give full consideration to this shareholder proposal."

Massachusetts Senator Ed Markey also got involved.

"We need more information on where these lead-covered cables are and if they pose a threat to workers and communities in Massachusetts and across the country," Markey said. "Telecommunications companies own these cables, and now they must own the solutions. It's time they give us answers."

Tens of thousands of our peers were exposed to this health and safety hazard that does not simply go away upon our official retirement. The health consequences remain in our bodies, so our collective advocacy on this OSHA issue remains so critical for the retiree community and those working at the company.



Our 2025 Verizon Proxy: Lead Cables Report

For 29 years, your Association of BellTel Retirees has led shareholder proxy campaigns at Verizon. Your Association has won 11 proposals, three by majority vote and eight where the company agreed to a negotiated settlement, as our vote tallies reached 40-plus percent. This includes outright wins in 2007, 2008, and 2013 to bring about positive corporate policy change.

This year, BellTel leaders reintroduced our shareholder proxy campaign targeting health and safety concerns relating to the company’s lead-sheathed cable network. Shareholders are to vote on the proposal at Verizon’s 2025 shareholders meeting on May 22, which occurs after this newsletter goes to print.

BellTel first presented this proposal at Verizon’s 2024 shareholders meeting, where it received the support of 15% of shareowners.

Titled “Item 5: Lead-Sheathed Cable Report,” our 2025 proposal formally requests that Verizon perform an independent study and publicly release a report by December 2025 to demonstrate that Verizon has assessed all potential hazards related to lead-sheathed cables.

The report would include a comprehensive mapping of the locations impacted and conclusions on the possible cost of remediation, which New Street Research analysts estimate could be between \$1 billion to \$4 billion for Verizon, although government programs may play a role.

BellTel CFO Frank Bruzek presented the proposal.

“The public health risks associated with lead exposure are well documented, and we believe Verizon should be ahead of the curve on remediation efforts,” Bruzek said. “It is critical that Verizon focuses and communicates on this issue with the same rigor it does with its current business performance measures.”

On July 9, 2023 the Wall Street Journal began publishing a multipart



BellTel CFO Frank Bruzek holds up part of a lead cable during a YouTube presentation on the Association’s Lead Cables proxy proposal.

investigative series titled, “Lead Legacy: America Is Wrapped in Miles of Toxic Lead Cables.”

It found that telecom 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.”

The Journal’s investigative team discovered that the lead had degraded considerably.

The dangers of working with and around lead are much clearer today than in years past. The World Health Organization and the Centers for Disease Control and Prevention (CDC) have determined that no level of lead in blood is safe.

Lead was used extensively from the late 1800s to the 1960s to insulate communications cables and to protect cables from wind, weather, and water.

That lead has since degraded, falling to the ground underneath aerial cables and contaminating the soil. Some of the lead has also entered bodies of water from submarine cables, and some of it has accumulated in dust and sediment in manholes used by telecom workers.

Verizon, AT&T, and other telecom companies continue to insist that the amount of lead released by these cables is negligible.

New York Congressman Pat Ryan has supported our proxy proposal since early 2024, calling on Verizon to reverse its recommendation against the retiree proposal. He stated, “It’s time for Verizon to finally put safety ahead of profit and give full consideration to this shareholder proposal. They’re making billions of dollars on the backs of hard-working families; the least they can do is be honest about where the toxic cables are located.”

BellTel leaders submitted two other proxy proposals earlier this year, but Verizon and AT&T sent a team of high-priced SEC lawyers after us to knock them off the ballot, telling the SEC that they didn’t want shareholder input on these matters.

One of those proposals targeted senior executive compensation at Verizon, recommending that senior company executives should be mandated to hold a significant portion of their equity for at least two years beyond the date of retirement.

The SEC labeled this as “micromanaging” in its rejection statement.

The other discarded proposal was similar to our lead cables proposal at Verizon, arguing that AT&T also perform an independent study and report back to shareholders on the status of thousands of miles of lead-sheathed cables across the country.

Pension Stripping Legislation Makes Progress

As litigation drags on with Verizon and AT&T over their efforts to offload retirees’ pensions to insurance annuities, several states are pondering legislation that would regulate pension stripped assets.

When companies transfer their pension plans, retirees lose the uniform pension protections guaranteed by the federally enforced Employee Retirement Income Security Act (ERISA), which mandates that plan managers “act in the best interest of their plan participants.”

Pension stripping also results in retirees losing access to federal courts, credi-



New York State

Assembly Bill A1761

2025-2026 Legislative Session

Provides protection to certain retirees from pension de-risking transactions

tor protections, fiduciary standards, annual financial disclosures, and Pension Benefit Guaranty Corporation (PBGC) coverage.

Moreover, pension stripping also comes with the danger of the insurer someday becoming insolvent.

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A Deeper Look at Pension Risk Transfer Litigation

(Continued from page 1)

On the other hand, the plaintiffs in each of the cases go to great lengths to show the courts that Athene is a house of cards and is likely to fail due to its high concentration of risky assets and its reliance upon shady reinsurance transactions with its Bermuda affiliate.

Specifically, the plaintiffs allege that Athene's "Bermuda Triangle" structure consists of little more than moving assets and liabilities around to avoid reserving requirements in the U.S. by transferring assets to Bermuda in exchange for an IOU from an affiliate — something that seems very much like a high stakes game of Three Card Monte.

Athene is also known for using something called "modified coinsurance" — also with their Bermuda affiliate — to make it look like they are properly reserved when the opposite is true.

If you don't know what modified coinsurance is, you are not alone.

It is a peculiar type of reinsurance where the insurer (Athene) transfers its regulatory capital requirements and asset risks to a reinsurer (an Athene subsidiary based in Bermuda), but no assets change hands.

Athene's prolific use of affiliated reinsurance and modified coinsurance means that Athene is dramatically under-reserved and would go bust overnight if the affiliated transactions had to be unwound.

In addition to the lawsuits involving Athene, another lawsuit was filed late

last year against Verizon Communications Inc. and, once again, State Street Global Advisors involving a PRT deal with the Prudential Insurance Company of America (PICA) and RGA Reinsurance of Missouri.

In that case, there are also claims of self-dealing and breach of fiduciary duty arising out of both the choice of annuity providers and the amounts paid to cover known liabilities.

In essence, the Verizon case alleges that the Plan shorted the annuity providers by \$200 million, making their risk of failure more imminent, and Verizon was able to reap the profits from the reduced price paid for the two suspect annuity contracts.

The complaint in the Verizon case was recently amended to add additional factual allegations and an additional class representative whose pension was transferred out of the Verizon Management Pension Plan as opposed to the Verizon Pension Plan for Associates (the Union plan). Both plans were funded out of the Bell Atlantic Master Trust.

There is also a claim in the Verizon case related to the improper offloading of the sickness and death benefit, which dates back to the original AT&T divestiture.

Most importantly, the First Amended

Complaint shows how PICA and RGA are super high risk and not the least bit transparent.

Remember: PICA is not Prudential, and if PICA fails, Prudential has no obligation whatsoever to retirees.

Every PRT press release Prudential issues includes the following disclaimer: "Insurance products are issued by The Prudential Insurance Company of America (PICA), Newark, New Jersey. PICA is a Prudential Financial company. PICA is solely responsible

for its financial condition and contractual obligations."

To date, there have been two opposing decisions on motions to dismiss in two different federal courts.

In the Lockheed Martin case in Maryland, defendants' motion to dismiss was denied. Lockheed filed an emergency appeal, and discovery in that case has been temporarily stayed.

In the Alcoa case in the District of Columbia, the defendants' motion to dismiss was granted. The plaintiffs in the Alcoa case have filed a motion asking the court to allow them to reopen the case and amend their complaint.

Alcoa must respond to that motion before May 13, 2025. Stay tuned as these cases are likely to wind their way to SCOTUS.



Pension Stripping Legislation Makes Progress

(Continued from page 5)

Should such a crisis occur, retirees would be left with no recourse save for de minimis state guaranty associations. The caps on lifetime replacement payments in most states are laughably low.

Frequency of Insurer Insolvency

According to credit rating agency AM Best, 13 insurers became impaired in 2023, 10 of which were placed in insolvency liquidation.

This is not an uncommon occurrence. A total of 432 property and casualty insurers became impaired from 2000-2023, with 364 insolvency liquidations and 66 rehabilitations, 43 of which were closed, with only 23 remaining open and operational.

In addition, AM Best found that there were 59 conservatorships, 57 of which led to rehabilitation or liquidation.

State legislation is needed to ensure that the pensions that retirees worked decades to earn, are secure after they are transferred to a third party.

Without the force of the law, companies will keep offloading their pensions onto insurance companies or private equity firms. According to a 2024 MetLife

survey, 85% of plan sponsors said they planned on undergoing a pension risk transfer at some point in the future.

Action in NY, MA

At the beginning of the year, New York Assemblymember Stacey Pheffer Amato (D-Rockaway Beach) introduced Assembly Bill A1761, which mandates that any pension that has undergone a de-risk transfer provide plan participants with the contact information of the New York Life and Health Insurance Guaranty Association or substitute guaranty associations and provide annual disclosures.

Amato's bill also requires that such transfers be made only if the insurer assuming the pension obligations has the required financial strength. The standard applied would be that of the National Association of Insurance Commissioners, which requires an insurer's capital to be at 400% above the risk level, with no sign of a negative financial outlook.

The bill is currently in committee.

However, both the Life Insurance Council of New York (LICONY) and the American Council of Life Insurers

The Commonwealth of Massachusetts HOUSE NO. 1184

(ACLI) staunchly oppose any legislation that seeks to curb pension stripping.

In Massachusetts, State Rep. Ryan M. Hamilton sponsored H.B. 1184 in January.

The bill is comprehensive, mandating third-party guaranty and reinsurance, mandatory disclosures, opt-out allowances for retirees that do not want to derisk, and importantly, creditor protections.

The text of the bill explicitly states that its goal is to "provide reasonably equivalent protection to retirees in de-risking transactions who lose benefits Congress intended under ERISA."

Hamilton's bill also includes an opt-out for retirees and requires that plan participants be notified at least 90 days in advance and provided with an opt-out capability should their ERISA-protected plan undergo de-risking.

Annual Member Gathering Hits the Mark in Hoboken

Your Association's 2025 Annual Member Meeting was held in the waterfront city of Hoboken, New Jersey on April 22. Hosted at Mile Square Theatre, the event had lots of energy and member engagement.

The Association has always sought to rotate locations of our annual gatherings, year after year, bringing the event to where our members live.

Past meeting locations have included Annapolis, MD; Atlantic City, NJ; Boston, MA; Milford & Sturbridge, MA; Camp Hill, Harrisburg and King of Prussia, PA; Dover, DE; Fort Meyers, Ft. Pierce and the Villages of Florida; Long Island and Tarrytown, NY, Washington D.C., and Richmond, VA.

The meeting featured a dynamic line-up of speakers with engaging and informative presentations covering topics crucial to our collective retirement security and the protection of our pensions.

Participants heard from Association Secretary Don Kaufmann, Chairman Tommy Steed, Chief Financial Officer Frank Bruzek, Special Counsel Edward Stone, and Director Tom Butler.

BellTel Board Secretary Don Kaufmann opened the meeting with a powerful welcome and presented the Association's Slate of Volunteer Officers standing for election to the non-profit board.

Chairman Tommy Steed followed with updates on our advocacy efforts and addressed pension death benefit transfers and strategies to support our members. He also shared developments across the telecommunications industry and discussed our ongoing efforts to preserve landline services, as well as the pending Verizon acquisition of Frontier.

"As an association of retirees fighting on behalf of fellow retirees, we exist for each other, just as we seamlessly worked as management and craft together during our careers," said Steed during his remarks. "We seamlessly work together in our retirement, and not only for retirees, but for the good of employees too."

Members were presented with a 2024 financial report by CFO Frank Bruzek, who shared that total 2024 income for our Association was \$493.3K, compared to total 2024 expenses of \$534.3K.

Your Association has been controlling cost in light of inflation. Over 99% of revenues are member donations. The Association is addressing recent decreases in member donations and plans to increase membership.

Mr. Bruzek also addressed our 2025 proxy campaign targeting Verizon's neglect of lead-sheathed cables across the country. He will present BellTel's lead cables proxy proposal at the Verizon annual shareholders meeting.



Edward Stone, Executive Director for Retirees for Justice and BellTel Special Legal Counsel, addressed regulatory needs and ongoing legislative activity across various states to seek better protections for retiree needs. He also detailed key pension stripping federal lawsuits involving major telecom companies, such as Verizon and AT&T.

Director Tom Butler presented a historical overview of our Association, diving into our success and impact since 1996. The meeting concluded with a dynamic member Q&A session, allowing attendees to directly engage with speakers and Association leadership.

Thank you to our speakers and

members for making this year's Annual Member Meeting a success. These gatherings remain a crucial way to stay informed on key retirement security issues, reconnect with friends and former colleagues, and actively engage with the work of our Association.

Thanks also to all those who helped make the event run smoothly, including Senior Executive Assistant & Staff Manager Stef Baker and her daughter Maggie, Kathleen Moccia, Eileen Steed, and Dorothy Bruzek.

For those who missed the in-person meeting, you can view the meeting in full on our Association's YouTube Channel.

Engage With BellTel's Online Community

In today's digital age, social media has been a great way for us to stay connected with fellow retirees and the BellTel community.

Your Association uses platforms like YouTube, Facebook, LinkedIn, and Twitter to keep members informed about the latest retirement and pension news.

Over the last few months, we've produced and shared four informative and engaging videos on our YouTube channel discussing key information, including an invitation to our 2025 Annual Member Meeting, a Spring Report presented by our CFO Frank Bruzek, and a detailed video on this year's proxy campaign regarding lead-sheathed cables.

Our YouTube channel has about 1,000 subscribers.

Fellow retiree Edith Coleman found this helpful, offering, "Thank you for informing me," on our proxy campaign video, a reminder of our ongoing commitment to keeping you informed.

On Facebook, we've grown to over 3,800 followers.

Our recent post on the 50th anniversary of the New York Telephone Company Fire received a lot of attention. Many members shared their memories of the fire.

Toni Catania Sasso said, "I remem-

ber. I started at NYT in 69. Very sad."

Maria Buhr Vann said, "My dad was in the building that night working for the phone company and working in it for months of cleanup and he died because of this event."

Dan Raidt shared his remembrance of it well, saying he was a #5 Crossbar Switchman, working the 4-12 shift in the N.J. Central office.

Daniel Thomas captured the sentiment of many retirees, noting, "Social Security goes up, Medicare payment goes up accordingly, cost of living goes up. The meager increase in Social Security doesn't keep up with the other costs."

We enjoy staying active on our social media channels, keeping you informed on important issues, Association updates, and upcoming events. We share the latest news on matters impacting retirement, pension and benefit developments, and telecommunications topics, post event photos, and even share some of your Throwback Thursday memories.

We are always looking for ways to connect and better engage with our community, and online has been a great, engaging way to do so.

Be sure to follow us to stay updated with your Association, share stories, reconnect with fellow retirees, and sup-

port our ongoing efforts to protect your pensions and earned benefits.

Visit our YouTube page at www.youtube.com/@BellTelRetirees/videos, and check out our Facebook page at www.facebook.com/associationofbelltelretirees.

Our LinkedIn page is www.linkedin.com/company/belltel-retirees, and you can find our Twitter page at www.x.com/BellTelRetiree.

Be sure to subscribe so you never miss a beat!

Connect with BellTel and share your photos and memories via social media



x.com/BellTelRetiree



Facebook.com/associationofbelltelretirees



youtube.com/@BellTelRetirees

On the Web:

www.BellTelRetirees.org

INDUSTRY NEWS AND NOTES

Verizon – Google Cloud AI

According to Verizon, artificial intelligence is proving to be a boon to the company's sales.

Sampath Sowmyanarayan, CEO of Verizon's consumer group, recently said that AI assistants powered by Google's model significantly reduced call times, freeing up representatives to market products to customers and thus leading to a surge in sales.

Verizon first introduced the new AI features in July 2024 and began ramping up their use in January 2025. The telecom giant's 28,000-strong service team have increased their sales by almost 40% since these features were introduced.

Sowmyanarayan remarked that "we [Verizon] are doing reskilling in real time from customer care agents to selling agents."

The remarks serve as a counterpoint to investors who fear that tech companies are throwing too much money into AI with little to show for it.

Verizon's new, AI-powered Personal Research Assistant was created by feeding almost 15,000 internal documents into Gemini, Google's AI model. Google Cloud CEO Thomas Kurian noted that "compared to what other people are doing, this is enormous scale."

According to Google, the AI allows Verizon customers to have seemingly natural conversations with virtual assis-

ants via chat or over the phone.

As a whole, the telecom industry appears to be embracing AI technology in order to cut costs and streamline their internal operations, as Verizon is reporting.

Others seek to profit from the transport of AI data or host third-party AI applications within their networks. Some telecom network operators, like South Korea's SK Telecom, are planning on selling AI services directly to users.

While the full extent of the industry's embrace of artificial intelligence remains to be seen, what is certain is that it is currently a potent force that is reshaping the industry.

AT&T Emphasizes Fiber

At news deadline, AT&T is in talks with Lumen Technologies to acquire their consumer fiber operations.

The deal is potentially valued at \$5.5 billion. It has not been finalized, meaning there is still the potential for negotiations to collapse.

Lumen's fiber operation provides high-speed internet services to residential users. However, Lumen is trying to tap into the AI boom to fuel its near-term growth, while dealing with the swift decline of its legacy business.

Lumen began the process to sell its consumer fiber operations in December 2024. The company's fiber-optic cable provider has over 1,700 wire centers

across its network. Consumer fiber is available in roughly 400 of those centers.

AT&T has been investing massive resources into its high-speed fiber internet offerings in order to increase subscriber and revenue growth.

MEMBER MAIL BAG



"Thank you for the information. I did not know how the life insurance worked, nor did I know about the death benefit letter."

—@jfitzpatrick6108 via YouTube

"We desperately need you. Thank you so much for all your hard work. God bless each of you."

—Betty Durand

"Proud 29-year contributing member."

—Stephen Haran

"The best work ever! Thank you."

—Guy Hutchings

"Thank you for your newsletters."

—Ida Hasfal

"Thanks! Keep up the good work."

—Frank Heller