

CORBE, Inc.

Draft Minutes of the Annual General Meeting (AGM) on October 27, 2022 (Prepared for Use of Counsel and CORBE, Inc. Trustees)

The 2022 CORBE, Inc. Annual Meeting was held as a Zoom webinar on Thursday, October 27, 2022 at 1:00 PM EST. The 50-member quorum required by CORBE's Bylaws was satisfied with 109 members logged in to the Webinar and 86 proxies received by mailed as of October 25th.

Introduction and Acknowledgements

President Fredericks welcomed the participants and reviewed the meeting agenda. Rob thanked Trustee Betty Hahn for leadership and operations management of the Webinar technology platform, the Trustees, and the Associate Members of the Board.

Approval of Summary Minutes of the October 28, 2021 Meeting

Summary minutes for the 2021 General meeting which were included in the 2022 Annual meeting Notice sent to members by US Postal Service were presented. On a motion by Art Ketterer and seconded by Frank Zupa, the minutes were approved by 159 affirmative votes including 83 mail-in proxies and 76 votes cast by electronic polling during the meeting.

Treasurer's Report

Treasurer Bob Sesko reported receipt of \$11,025 in donations by 175 members located in 26 States as of October 1, 2022 in response to a request made by the Board in 2021 Annual General Meeting. Bob expressed the Trustees team's gratitude for these funds which will enable the team to continue operations for several years.

A summary of CORBE, Inc. financial results for September 30, 2021 to October 1, 2022 follows:

CORBE, Inc Assets	9/30/2021	\$6,204.83
INCOME		
	- 6 new members	\$300.00
	- 175 Donations	<u>\$11,025.00</u>
TOTAL INCOME		\$11,325.00
EXPENSES		
	Administrative (2 Mailings, PO Box)	(\$1,541.05)
	Administrative (Web Site, Zoom, Mtg Room)	(\$687.88)
	Lawyer Fees	(\$850.00)
	NJ Corporate Filing Fee	(\$33.00)
	Officer Liability Insurance	<u>(\$665.97)</u>
TOTAL EXPENSES		(\$3,777.90)
CORBE, Inc. Assets	10/1/2022	\$13,751.93

Membership Report

Associate Secretary Art Ketterer reported there were 1167 members of CORBE as of October 1, 2022, residing in 26 States. CORBE received death notifications for 23 members since the last General meeting in October 2021. Work is ongoing to identify members who are deceased or for whom we have no current addresses and other contact information. Members are asked to notify Art as soon as possible when they change contact information (mail address, telephone number, email

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address). Changes can be sent to CORBE using the message facility at the CORBE website (<https://www.corbe.org>).

Members are also asked to encourage new retirees to join CORBE.

Election of Trustees

A slate of candidates to serve as CORBE Trustees for the 2022/2023 year included in the annual meeting notice was presented for consideration in the meeting. No additional names were placed in nomination up to 10 days before the meeting.

A motion was made by Art Ketterer and seconded by Frank Zupa to close nominations and vote on the proposed slate of candidates. There were 86 mail-in proxies received by October 25th containing 75 vote to approve the slate of nominees. In an electronic poll during the webinar, 93 members voted to approve the proposed slate of nominees. Accordingly, the proposed slate of Trustee candidates for 2022-2023 was approved.

CORBE Trustees for 2022/2023 are: Tom Browne, Rob Fredericks, Betty Hahn, Howard Lemberg, Bob Sesko, Roy Squillario and Frank Zupa.

President's Report

President Rob Fredericks presented a summary of the information sent to members by e-mail on July 29th regarding the transfers of pension obligations for persons retired as of February 1, 2022 from the Ericsson US Pension Plan to insurance companies (Athene and Banner Life) in 2019, 2020 and September 2022. Plan participants not retired by that date remain in the Ericsson US Pension plan. This e-mail is posted on the CORBE.org web site where all members can read it. As stated in the notification from Ericsson in July, CORBE members included in these transfers will receive their monthly pension benefit payments from Athene Insurance company, instead of Mellon Bank, in the same amount as before. In response to an inquiry by CORBE, Ericsson has confirmed that the supplemental death benefit established by Bellcore in 1991 will be included in the annuity policies of those individuals that were eligible for that benefit when it was established by Bellcore and continued by Ericsson. This benefit is titled "The '91 Death Benefit" in the Athene documentation.

Fredericks discussed CORBE's efforts to influence Ericsson's planning. In a 2014 letter, CORBE recommended several elements that should be included in the event Ericsson decided to execute such a transfer. The following elements recommended in that letter were included in the 2022 transfer: a "fully allocated" group annuity contract, annuities for each retiree from multiple insurance companies, the use of "separate accounts" by insurance companies to isolate funds for Ericsson plan transferees, re-insurance to secure the funds used for payment of benefits, and funding for the Supplemental Death Benefit established by Bellcore in 1991 for qualifying employees.

The September 2022 transfer removed 2,684 participants from the Ericsson US Pension Plan at a cost of about \$1.123B, leaving an estimated 3,283 participants in the Plan, which likely contains former Bellcore/Telcordia employees, including CORBE members. Accordingly, CORBE will continue monitoring Ericsson's corporate performance, and the Ericsson Pension Plan.

The most important impact of these transfers is that affected members' pension income is now protected by State Departments of Insurance and State Guarantee Associations pursuant to State statutes governing insurance companies, in place of the Federal Pension Benefit Guarantee

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Corporations (PBGC) pursuant to the 1974 ERISA law. Findings from ongoing studies by CORBE show that, despite many legal and operational differences, the two regimes both provide a high level of pension and annuity income security. These studies also show that Insurance Company insolvencies are extremely rare. Both the PBGC and the State-level regimes secure pension incomes by means of a “safety net” protecting pensioners against Pension Plan and Insurance Company insolvencies. These “safety nets” are not unlimited, the limits differ among the States, and CORBE members should analyze their personal situation very carefully to determine the limits in their individual case.

Vice-president Howard Lemberg discussed his research into practices employed by State Departments of Insurance to monitor the financial health of insurance companies doing business in their State and the regulatory means available to protect annuitants. He discussed the role of separate accounts, statutory reserves and re-insurance used by insurance companies to enhance the safety of funds. He described the publicly available information that may enable CORBE to monitor Athene and Banner and share findings with the membership going forward. Finally, he described information obtained from the Maryland and Iowa state insurance departments in response to public information requests relating to Banner Life and Athene Annuity and Life.

E-Mail Opt-in

To reduce CORBE operating expenses wherever possible, the Board asks all members to consider accepting e-mail instead of paper delivered by the United States Postal Service for informational communications. Members were urged to submit questions and make suggestions for future meetings.

With no further business, the meeting was adjourned at 3:05PM.

Prepared by: Thomas E. Browne

November 10, 2022

Approved by the Board of Trustees:

January 18, 2023

Approved by the membership: