

December 1, 2018

Dear CORBE, Inc. Member,

In April, Ericsson distributed The Annual Funding Notice for the Ericsson US Pension Plan which contains important information about the Plan. We encourage you to read it carefully, and possibly discuss it with your family and/or your financial advisor. Also, please notify Art Ketterer (732-463-1151 or avketterer@verizon.net) of any changes in their contact information as soon as it happens to ensure continuity in communications.

Summary Minutes for the CORBE's Annual Meeting on May 15, 2018 are provided on the following page. As in years past, there was a lively discussion on the various topics, and I believe everyone who was there went away with a better understanding of current developments in the pension arena and the state of the business at Ericsson.

The web-site, www.CORBE.ORG established in 2017, has had an average of 150 visits each month, with up to 450 visits in some months. At this site, members and non-members can obtain information about CORBE including: the mission statement, officers, a downloadable membership form, and a copy of important correspondence. There is also a place where site visitors can enter questions or concerns which are then passed to the Trustees. Members are encouraged to pass the website address to potential CORBE members (i.e. active and recently retired employees) to increase the membership size, and to help communicate the issues CORBE is monitoring.

The Board of Trustees routinely monitors several items of interest to CORBE Members including: the overall financial health of Ericsson; the industry buzz about Ericsson's future; the current trends in single company pension plans; annuity industry health and interactions with State insurance safety nets; and the overall trends in the funding level of the Pension Benefit Guaranty Corporation (PBGC). This knowledge is used to inform members, to guide Trustee activities (including formal interactions with our legal counsel), and to prepare for potential changes if they occur.

Trustees also analyze events that can impact retirees, work with our attorney to understand developments in Pension Law and look for opportunities to benefit CORBE members.

Finally, I regret to inform you that one of the Trustees, Lyle Smith, lost his fight with cancer in early October. In accordance with the By-laws, the Trustees will be appointing a replacement for Lyle in the coming months for the remainder of the term. Please let me know if you would be interested in serving on the Board.

I personally, and on behalf of the Board members, wish you and your families the very best in the coming Holiday Season, and a healthy and happy New Year.

Frank P. Zupa
President, CORBE, Inc.

Summary Minutes of the CORBE Meeting of May 15, 2018

1. The Minutes of the May 24, 2017 meeting were approved.
2. Frank Zupa provided a Financial Report for the Corporation prepared by the Treasurer that shows a balance of \$13,536.12 as of 4/30/18
3. Frank Zupa reported that the membership stands at 1083 at the time of this meeting.
4. The following CORBE members were elected Trustees for the year 2018/2019:

<u>Name</u>	<u>Phone</u>	<u>e-mail</u>	
Frank Zupa	973-267-9478	frankzupa@aol.com	President
Rob Fredericks	610-688-3135	clfrmf@gmail.com	Vice-President
Bob Sesko	973-895-5455	robert.sesko@gmail.com	Treasurer
Tom Browne	973-635-1078	tombrowne@ieee.org	Secretary
Rich Baseil	732-739-6952	rbaseil@comcast.net	
Howard Lemberg	908-766-3420	hlemberg@hotmail.com	
Lyle Smith	732-787-0675	lmsmith@ieee.org	

The following CORBE members volunteered to continue serving in the positions indicated to manage and execute correspondence with the membership and financial matters:

Assistant Corresponding Sec'y	Art Ketterer	732-463-1151	avketterer@verizon.net
Alternate Assistant Corresponding Sec'y	Ron Baruzzi	732-741-7699	baruzzi@verizon.net
Assistant Treasurer	Connie Spring	973-835-1866	springgch@optimum.net

5. Frank Zupa discussed the items listed below, responded to members' questions and moderated discussion among members on the following matters:
 - Death benefit vs. Life insurance. The Death Benefit, initially funded by the Bellcore Pension Plan and preserved in the Telcordia Pension Plan, is provided in the Ericsson US Pension Plan for those who retired before 2013. The Telcordia-provided Term Life Insurance plan, which was terminated about 10 years ago, is no longer available to retirees. Members present had several questions on Death Benefit beneficiaries, and Frank clarified the mandatory beneficiaries in the Death Benefit continued by Ericsson.
 - The funding status of the Ericsson US Pension Plan as reported to plan participants by Ericsson in April 2018, for the year ending 2017. The plan continues to be fully funded. The FTAP reported by Ericsson last year for the Ericsson US Pension Plan was 126.8%.
 - Pension Benefit Guaranty Corp. (PBGC), established by the 1974 ERISA Law, compared to the backstop/safety net provided by State Guaranty Associations (SGAs) for insurance company products such as pension annuities.
 - If a pension provider fails, then the PBGC payouts are predictable.
 - If an Insurance Company that was paying out a retiree annuity fails, then that payout may be covered by State Guarantee Associations but could be subject to lengthy litigation.
 - PBGC payments don't vary by state, but the state safety nets by SGAs for insurance companies do.