

Greetings from the CORBE, Inc. Trustees. We hope this finds you and your family healthy and safe. Considering the continuing pandemic, and evidence that our “virtual” annual meeting in November was well received, as a minimum we have decided to conduct the 2021 annual meeting by video teleconferencing. After the November 10, 2020 Annual Member Meeting, the Trustees elected Rob Fredericks, President; Howard Lemberg, Vice President; Bob Sesko, Treasurer; and Tom Browne, Secretary as Officers.

**Update on Transfers from the Pension Plan to Annuity Company**

The October 2020 transfer of Participants from the Pension Plan to Banner Life Insurance (owned by Legal and General-America) affected those with pensions less than \$20,100—those generally covered by State Guaranty Association “Safety Nets”. Their Supplemental Death Benefit is covered by Banner.

As a result of both the May 2019 and October 2020 transfers, I sent a “personal” email to CEO Börje Ekholm expressing participant income security concerns about any future transfers. An Ericsson officer replied to my email and subsequently Frank Zupa and I had a constructive meeting with members of Ericsson’s benefits organization. They acknowledged that the current participants have a high level of income security provided by the fully-funded Pension Trust Fund, that is backed up by Ericsson’s 100% funding policy, and insured by the PBGC. So, maintaining the status quo would be excellent for participants’ pension income security. The impact of any potential future transfers—that could be detrimental to participants’ pension income security—was also discussed at length. **The CORBE Trustees believe, at this time, there are no Ericsson plans for additional transfers.** The Trustees will continue their “watchful waiting” of Ericsson’s pension transfer actions.

**Brief Summary of Ericsson Pension Plan April 2021 Annual Funding Notice**

We all received the Annual Funding Notice (AFN) from the Ericsson Pension Plan a few days ago. This Letter provides a brief summary so you can draw better conclusions about our Plan’s status.

Going back to 2019, there were two changes to the Plan—the May transfer of participants with a less than \$12,000 annual pension to a Banner group annuity, and the October Lump-sum-or-Immediate-Monthly-Annuity offer. In spite of these changes, on 01/01/2020 the Actuarial view of the Net Plan Assets divided by the Liabilities (the Funding Target Attainment Percentage, or FTAP) is 124.23%. The FTAP is up from 111.77% on 01/01/2019. As noted in the AFN, “*the higher the percentage, the better funded the plan*”. Simply put, the **Plan Actuarial Assets continue to exceed Liabilities on 01/01/2020.**

In October 2020, Participants with Pensions less than \$20,100 were also transferred from the Plan to a Banner group annuity. The AFN states “*As of December 31, 2020, the fair market value of the Plan’s assets was \$2,121,244,989. On this same date, the Plan’s liabilities, determined using market rates, were \$1,949,492,607.*” This is a ratio of 108.81% and is an increase from 105.74% the year before. Even though the markets experienced substantial turmoil in the Spring of 2020, the **Plan’s market value of assets continued to exceed liabilities on 12/31/2020.** The impact of this October 2020 transfer will be reported in the Actuarial view FTAP in the 2022 AFN.

The AFN states that some Plan regulatory and demographic changes are anticipated to result in a Decrease in Assets of \$212.2 million but only a Decrease in Liabilities of \$126.7 million as of 12/31/2021. **The Trustees will provide an analysis at the October 28<sup>th</sup> CORBE Annual Member Meeting.**

**October 28, 2021 Annual Member Meeting**

Meeting topics include analysis of Pension Plan financials, Ericsson’s corporate health, PBGC health, an update on transfers, and government actions regarding pensioner rights. Also, you will elect the Trustees, review the budget and membership reports etc. Please let me know of any additional topics.

**2021 Board of Trustees Priorities**

- a. Ericsson US Pension Plan: Monitor, report findings and identify issues
- b. State Guarantee Association “Safety-nets”: How they operate
- c. Membership Outreach: Continue to meet Member needs

The [corbe.org](http://corbe.org) website provides information for you. Please use the [corbe.org](http://corbe.org) “Contact Us” feature to notify us of any changes in your contact information, or inform Art Ketterer (732-463-1151, [corbe.email@gmail.com](mailto:corbe.email@gmail.com)). Please use the [corbe.org](http://corbe.org) “Opt-In” feature to receive informational correspondence via email to save the expense of USPS.

Please contact me with questions or concerns. Thank you for your continued support for CORBE and recommending to your former workmates to join CORBE.

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