

Pension Benefit Guaranty Corporation
c/o Office Specialists, Inc.
700 South Royal Poinciana Boulevard, Suite 90
Miami Springs, Florida 33166

TELEPHONES:
Toll Free: 800-400-7242
Local: 305-883-9997

MAILING ADDRESS:
P.O. Box 111210
Miami, Florida 33011-1210
4085
July 31, 1998

PBGC Case Number: 104850
Plan Name: EASTERN AIR LINES PLAN NON CONTRACT EMPLOYEES

Mr. [REDACTED]

JAN 07 2015

Dear Mr. [REDACTED]

The Pension Benefit Guaranty Corporation (PBGC) is paying the pension benefits under the terminated pension plan named above. We used the pension plan's records, and the information provided by the participant to determine the amount of the PBGC benefit. We have completed our review and determined that you are entitled to receive a surviving spouse benefit because preretirement survivor annuity (PSA) coverage was in effect on the date of your spouse's death. You are entitled to receive monthly pension payments of \$140.31, beginning on October 1, 2007.

The monthly payment listed above is in the form of a Straight Life Annuity that provides a benefit for the rest of your life. There is no survivor benefit.

The information presented in this letter is the PBGC's initial determination of the PBGC benefit. We have enclosed a Benefit Statement that explains how we calculated the benefit. If you believe this determination is incorrect, you may appeal to the PBGC Appeals Board within 45 days of the date of this letter. Any appeal must be filed in writing within 45 days to preserve your appeal rights. We are enclosing a pamphlet, *Your Administrative Appeal Rights*, which explains the necessary procedures if you wish to file an appeal. We urge you to read this important information very carefully.

If you have any questions, or if you change your address, please call our Customer Service Center. The toll-free Customer Service telephone number is 1(800) 400-7242. If you use a TTY/TDD, call toll-free on 1(800) 877-8339, and give the communications assistant our telephone number. If you write to us, please include the participant's social security number, PBGC case number 104850, and a telephone number where we can reach you during the day. Our mailing address is:

Office Specialists, authorized PBGC representative
P.O. Box 111210
Hialeah, FL 33011-1210

Please keep this letter in your records for future reference. We look forward to serving you.

Sincerely,

A. Ray Edwards / *ARE*
Ray Edwards
FBA Manager
Office Specialists/ Miami Springs

Enclosure:

Statement of benefits - Benefit Statement
Your Right to Appeal - PS-02
Payment Joint & Survivor Annuity Information Sheet - Pymnt J&S Annuit. Info Sh

Pension Benefit Guaranty Corporation
U.S. Government Agency

EASTERN CO LINES PLAN NON CONTRACT CO YEEES

Case Number:
Date of Plan Termination:

104850
October 5, 1990

Benefit Statement

JAN 07 2015

Participant Data

Name: [REDACTED]
Social Security Number: [REDACTED]
Sex: Female
Date of Birth: [REDACTED]
Date of Hire: 06/18/1979
Date of Termination of Employment (DOTE): 10/05/1990
Normal Retirement Date (NRD): 10/01/2017
Earliest Unreduced Retirement Date (EURD): 10/01/2014
Earliest Retirement Date (ERD): 10/01/2007
Annual Minimum Benefit Rate (BR): \$144
Non Contract Formula Benefit at 12/31/89 (NC89): \$3,271.53
Total Credited Pension Service at 12/31/89 (CPS89): 7.693
Pre-Retirement Survivor Annuity Factor (PSA): 0.99990
Factor for Non-Vested Benefits (NVFACT): 1.029389
Form of Annuity: Straight Life

Your total benefit was determined under an allocation of assets and by additional benefits provided by recoveries under Section 4022(c) of ERISA. The funding level of the plan, including these recoveries, increases your vested benefit by 2.9389%.

Calculation of Monthly Pension Payment

- (1) 1990 Annual Benefit Accrual under Non Contract Plan:
NC Plan frozen 8/1/89 - No accrual in 1990 \$0.00
(2) Total Annual Non Contract Formula Benefit as of 10/5/90:
[(NC89)+(1)] x PSA = [\$3271.53 + \$0.00] x 0.99990 = \$3,271.20
(3) Annual Minimum Accrued Benefit as of 10/5/90:
(BR) x (CPS89) = \$144.00 x 7.693 = \$1,107.79
(4) Monthly Non Contract Vested Benefit at EURD:
[The greater of (2) and (3)] / 12 =
[The greater of \$3271.20 and \$1107.79] / 12 = \$272.60
(5) Monthly Non Contract Pension Payment at EURD:
(4) x NVFACT = \$272.60 x 1.029389 = \$280.61
(6) Form Conversion Factor for Survivor Benefit: 0.500
(7) Beneficiary's Monthly Benefit Payable at Benefit Commencement Date:
(5) x (6)
\$280.61 x 0.500 = \$140.31

#2

JAN 07 2015

201S
December 08, 2015

PBGC Case Number: 10485001
Plan Name: EASTERN AIR LINES PLAN NON CONTRACT EMPLOYEES

[REDACTED]
[REDACTED]
[REDACTED]

Re: [REDACTED], deceased payee

Dear [REDACTED]:

This is to advise you that because you were married to [REDACTED] at the date of death, PBGC has determined that you are due \$2578.00 plus interest that we owed under the above named plan. The total amount including interest as of 01/01/2016 would be approximately \$6929.00.

Please complete the enclosed **Application for Lump-Sum Payment** and return it to us in the envelope provided. You may roll this payment over to an eligible retirement plan (an individual retirement account (IRA), an individual annuity, or a qualified trust or annuity plan). Please read the enclosed **Special Tax Notice Regarding Non-Periodic PBGC Payments**. Each option carries potential tax consequences.

In lieu of this one-time payment, you may instead elect a monthly annuity. You are entitled to a monthly annuity of \$136.30 as of 01/01/2016 in the form of a Straight Life Annuity. Please contact us for a Qualified Pre-Survivor Annuity (QPSA) application if you would prefer a monthly annuity.

If you have any questions or need assistance, please call our Customer Contact Center at 1 (800) 400-7242, Monday through Friday, 8:00 a.m. – 7:00 p. ET. If you use a TTY/ASCII, call 1 (800) 877-8339, and ask the relay operator to call our telephone number. Or, you may write to: PBGC/Benefits Administration and Payment Department, P.O. Box 151750, Alexandria, VA 22315-1750. Please include your customer ID number: 694470, PBGC case number: 10485001, and a daytime telephone number.

Please keep this letter in your records for future reference.

Sincerely,

Karen Long

Karen Long
PVA Pension Benefit Analyst
Post Valuation Administration

Enclosures:

Privacy Act Notice (Short Form)
Form 720 - Application for Lump-Sum Payment
Postage Paid Reply Envelope #9

Pension Benefit Guaranty Corporation
U.S. Government Agency

JAN 07 2015

#3

Richard M. Hale
4501 N. Oregon Blvd.
Appt. 1400
Boca Raton, FL 33431

Thank you again so much for helping me with my late wife's Eastern Airlines pension, which as discussed, is in the hands of PBGC.

When during a recent conversation with my neighbor, [REDACTED] of [REDACTED] in [REDACTED] I found out that a government involved agency or company took over bankrupt companies pension funds- PBGC. [REDACTED] then went on line, found their telephone number, gave it to me and told me to call them. Which I did. I believe this was at the end of November or the beginning of December 2015.

Following there letter with info options and application form; I subsequently made inquiries via telephone to PBGC which I was able to turn up the information that I was eligible to start receiving monthly pension checks of \$ 140 per month, starting back on October 1, 2007.

Well, now it gets interesting. I then got a variety of different answers from different representatives in different departments (customer assistance, appeals department, legal dept., etc.) at least 5 or more inquiries with PBGC. The replies went something like this:

-

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GC. They

~~SECRET~~

As I have said, this is not about being ungrateful or trying to get more money for myself. It is about honoring my late wife's memory as she worked hard for Eastern Airlines and would be disappointed to see a big part of her pension benefit thrown in the trash. I just want PBGC to do the right thing and I am not afraid to take them to court if my legal rights are not honored.

Although representatives are very polite at PBGC, I don't know if you can get a truthful straight answer from PBGC regarding " the retro active question " there has to be a better impartial legal source that would know the answer in my case. (one high up rep. did say my case was "unusual"

Again, Susan, thank you so much. I really appreciate your help.

[illegible]



PENSION ACTION CENTER, GERONTOLOGY INSTITUTE
MCCORMACK GRADUATE SCHOOL OF POLICY AND GLOBAL STUDIES
UNIVERSITY OF MASSACHUSETTS BOSTON

100 Morrissey Boulevard
Boston, MA 02125-3393
P: 617.287.7307
F: 617.287.7080
PENSION.UMB.EDU

#4

January 21, 2016

Karen Long
PVA Pension Benefit Analyst
Post Valuation Administration
Pension Benefit Guaranty Corporation
1200 K Street N.W.
Washington, DC 20005

Re: [REDACTED]
PBGC Case No. 10485001/ Eastern Air Lines Plan for Non-Contract Employees

Dear Ms. Long:

Please be advised that [REDACTED] has requested the assistance of the New England pension Assistance Project with respect to the issue of his survivor benefit pursuant to the above-named trusteed plan. Enclosed is a signed and notarized Release from [REDACTED] authorizing this office to communicate on his behalf in this matter.

We are writing to seek clarification of the amount of the benefit payable to Mr. [REDACTED] as the surviving spouse of [REDACTED]. Your recent correspondence to Mr. [REDACTED], dated December 8, 2015, conflicts with information the PBGC had previously provided to him in 1998.

In 1998, the PBGC informed Mr. [REDACTED] that a monthly survivor benefit of \$140.31, would be payable to him as of October 1, 2007. This start date appeared to be correct, as it would have been the first month after the late Mrs. [REDACTED] 55th birthday. The amount also appeared to be correct, according to the benefit calculation which was included. See copies of July 31, 1998, letter and benefit calculation, enclosed.

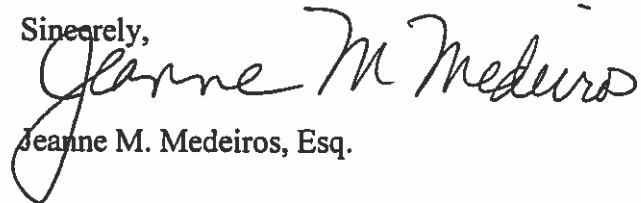
Based upon these 1998 documents, then, it appears that Mr. [REDACTED] should now be entitled to receive a lump sum representing benefit payments retroactive to October 1, 2007, as well as an ongoing monthly survivor benefit of \$140.31. The retroactive payment would be over \$14,000. The figures stated in your letter of December 8, 2015, do not agree with the 1998 benefit determination and would appear to create a substantial benefit forfeiture.

Please review this matter immediately and provide us with corrected information regarding [REDACTED]'s benefit entitlement and amount, or with an explanation of the large discrepancy between the 1998 benefit determination and your recent correspondence.

Please direct your written response to me by email to: Jeanne.medeiros@umb.edu or by regular mail to me at: New England Pension Assistance Project, Gerontology Institute, Univ. of Massachusetts Boston, 100 Morrissey Blvd., Boston, MA 02125.

Thank you for your prompt response to this request.

Sincerely,

A handwritten signature in black ink that reads "Jeanne M Medeiros". The signature is fluid and cursive, with the first letters of each name being capitalized and prominent.

Jeanne M. Medeiros, Esq.

cc: [REDACTED]

David Smith, PBGC Deputy Program Manager (by email)



PBGC/Benefits Admin & Payment Dept
P.O. Box 151750
Alexandria VA 22315-1750

#5

January 27, 2016

PBGC Case Number: 10485001
Plan Name: EASTERN AIR LINES PLAN NON CONTRACT EMPLOYEES

JEANNE M MEDEIROS
NEW ENGLAND PENSION ASSISTANCE PROJECT
GERONTOLOGY INSTITUTE, UNIV OF MASS BOSTON
100 MORRISSEY BLVD
BOSTON MA 02125

RE: [REDACTED]

Dear Jeanne M Medeiros:

Thank you for your recent correspondence regarding benefits due Richard W Haley as the surviving spouse of Deborah W Haley from the above mentioned pension plan. We have reviewed this matter and have determined that Mr [REDACTED] may elect a one-time lump sum payment of \$2,578.00 plus PBGC interest or a monthly annuity in the amount of \$140.31 retroactive to 10/1/2007. Please review these options with him (further described below) and complete the appropriate application or applications as required.

Option 1: If Mr [REDACTED] elects the one-time lump sum, the total amount including PBGC interest as of 3/1/2016 would be approximately \$6,949.00. With this election, he would only need to complete the enclosed **Application for Lump-Sum Payment** and return it to us in the envelope provided. This payment may be rolled over to an eligible retirement plan (an individual retirement account (IRA), an individual annuity, or a qualified trust or annuity plan). The enclosed Special Tax Notice Regarding Non-Periodic PBGC Payments further explains the potential tax consequences.

Option 2: If Mr [REDACTED] would prefer a monthly annuity in lieu of the one-time payment, he would be eligible for \$140.31 per month in the form of a Straight Life Annuity with no survivor benefits. This payment would be retroactive to 10/1/2007, which is the latter of [REDACTED] Earliest Retirement Date or the month following [REDACTED]'s date of death. This option would include a large back payment of \$14,171.31 plus PBGC interest. If Mr [REDACTED] would like to elect this option, he would need to complete the **Beneficiary Application for Pension Benefits (PBGC form 705)** and **Application for Lump-Sum Payment (PBGC form 720)**.

If you have any questions or need assistance, please call 1 (800) 400-7242. If you use TTY/ASCII, call 1-800-877-8339 and give the relay operator our telephone number.

Pension Benefit Guaranty Corporation
U.S. Government Agency

You may also write to:

PBGC/Benefits Admin & Payment Dept
P.O. Box 151750
Alexandria VA 22315-1750

When contacting us, please include [REDACTED]'s customer ID number: [REDACTED]
PBGC case number: 10485001, and daytime telephone number.

Sincerely,

Heather Ward

Heather Ward
PVA Pension Benefit Analyst
Post Valuation Administration

CC: [REDACTED]

Enclosure:
Acceptable Proof of Age
Form 705 - Beneficiary Application for Pension Benefits
Form 720 - Application for Lump-Sum Payment
Privacy Act Notice (Short Form)
Postage Paid Envelope 6 X 9

Pension Benefit Guaranty Corporation
U.S. Government Agency

Jeanne Medeiros

#6

From: Jeanne Medeiros
Sent: Wednesday, February 03, 2016 9:58 AM
To: Gray Michelle
Subject: RE: Benefit calculation problem/ PBGC Case No. 10485001 - Eastern Air Lines Plan for Non-Contract Employees

Hi Michelle :

One more issue. I just spoke to Mr. [REDACTED] and we are wondering why his benefit is characterized as being a monthly annuity of \$140.31 with a retroactive payment of "\$14,171.31 plus PBGC interest", with no information about what the amount of interest is, and therefore, no total stated.

It would be helpful if Mr. [REDACTED] could be told complete information about the amount of the retroactive, including the amount of interest. Thanks so much - Jeanne

Jeanne M. Medeiros, Esq.
Director, Pension Action Center
Gerontology Institute
John W. McCormack Graduate School of Policy and Global Studies University of Massachusetts Boston
100 Morrissey Blvd.
Boston, MA 02125

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-----Original Message-----

From: Jeanne Medeiros
Sent: Tuesday, February 02, 2016 3:01 PM
To: Gray Michelle
Subject: Re: Benefit calculation problem/ PBGC Case No. 10485001 - Eastern Air Lines Plan for Non-Contract Employees

One thing that makes no sense is that they gave him an option of a \$6000 lump sum with no further benefit, or the benefit we requested -\$140 per month going forward with a retroactive payment of over \$14,000. Who in their right mind would choose the first option and where in the world are they getting that? It makes no sense. Probably not your department, but thought I'd let you know Jeanne

> On Feb 2, 2016, at 2:49 PM, Gray Michelle <Gray.Michelle@pbgc.gov> wrote:
>
> Thanks for the update. Please let me know if you need any additional information.
>
>
> Michelle Gray, Manager