

ONE ASSOCIATION-ONE TEAM

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**Special items
of Interest**

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YOU CAN HEAR US NOW

First Words

On behalf of your new team of directors and volunteers, I would like to welcome you to this Newsletter. Your board is committed to working to deliver efficient and effective information of value to all.

We have all worked many years as a team, united in purpose and made Raytheon one of the great companies in the USA.

Now that we are retired we are ONE Association-One TEAM.

After years of working together in a known environment, many found retirement life a dramatic change. For some, it is the greatest time of life. Time to visit friends, relatives or grandchildren. Perhaps a seasonal retreat, or trips to far off places. Unfortunately for others, there is never enough money, unending loneliness, or failing health.

Regardless of your particular situation, many of these items are shared by others. You are not alone. We are in this together. ONE Association - One TEAM.

With your help and support we can assist you and help. This Newsletter showcases the many issues that bond

us, resolve some of the issues that confuse us, and eliminate some of the issues that disappoint us all.

In the coming year we will continue to evolve the Association to better meet the needs of all our fellow retirees. Your new board has reviewed and updated the Goals and Purposes of our Association to reflect today's issues and the realities of life after Raytheon. Those Goals and Purposes are detailed within this issue.

All the members of the board are excited about the opportunity to help our fellow retirees in any way we can. Our guiding principle of ONE Association - One TEAM refers to a belief by the directors that they are your advocates as they plan and direct their programs.

I am pleased to be writing my first newsletter column as President and anticipate this publication and other media will serve as a valuable communication link between you, your Association and fellow retirees. Fortunately I have a dedicated and experienced team that has recently stepped forward to guide the Association in the future. A brief snapshot of your board is included in this newsletter.

(Continued on page 2)

First Words (continued)

(Continued from page 1)

Popular features of past Newsletters will continue. The column will be expanded to include essential financial and tax information such as 401k dissolution information and other items of concern. Joe DeAmbrose now heads up the committee and will author many of those added features. The column will also continue to include articles concerning health benefits written by Bruce Nogueira.

An ongoing dialogue with Raytheon remains a high priority in our plans. Al Swenson and Mel Weinzimer will report on the corporate activity of Raytheon Company and provide insight into the world of Raytheon today. Of course, our pension plans and status will continue to be highlighted as well.

Tom DiPaolo will also continue to report on financial issues within Raytheon as he has in the past.

We also look forward to associate with other retiree organizations in order to strengthen our voice and be heard at the national level as well. Jack O'Halloran is reviewing our collaboration and participation with these organizations and will report on his progress in the future.

Dave MacLellan is handling the finances of the Association to insure we receive maximum return for any money spent.

Bill Burditt is creating and reviewing policies we intend to use to guide us as we move forward..

Of course, Lorraine will continue to efficiently manage our office and provide a conduit for matters of concern received from you. Our members are entitled to receive maximum value for their membership and support. This value includes the ability to assist in resolving member issues as well a place to obtain information.

At our last meeting, the Board of Directors took a long hard look at our goals and objectives and determined it was time to update them to meet the needs of today's retirees. From our humble beginning in Fred Churchill's home in 2001 with 3 members we have grown and now speak for retirees in 45 states and 7 countries with over 3000 members. With change, comes opportunity and we have outlined our initial objectives as well as a number of new ideas and services.

ONE Association - One TEAM is an inclusive principle. We welcome your input, whether critical or praise, and encourage you to share your insight and suggestions as to how we can serve you better.

Our website will be updated on a more frequent basis with added news about the company and our members gleaned from as many sources as we can find. Members should feel free to contact me or any of the other Directors with any questions or concerns by contacting us as individuals or through the office.

On behalf of the directors, I would like to offer you and yours a healthy, safe and happy year to come.

Sincerely

Robert Hamilton, President

*Provide Insight
Into Raytheon
Company And Its
Pension Plans*

*We Speak For
Retirees In 45
States And 7
Countries*

*Provide Insight
Into National
Retiree Organi-
zations*

Purpose: To Improve The Conditions Of Raytheon Retirees
Goal: To Speak For All Raytheon Retirees

The Association of Raytheon Retirees was founded in 2001 with the principal purpose of improving the conditions of retirees. The Association accomplishes this purpose by monitoring the retirement benefits such as pension, savings, health and life insurance provided to retired individuals. These retired persons have earned an entitlement to these benefits as the result of lengthy service as employees of Raytheon Company or its affiliates.

The Association tracks the various benefits provided to retirees or to be provided to Raytheon's current employees. These benefits are described in Raytheon Plan documents, Annual Reports filed by the Company with the IRS and Department of Labor, Raytheon Company financial statements and other public pronouncements.

Our goal is to be the voice of retirees and active Raytheon employees to assure that these benefits are being provided as promised and in order to maintain and improve these benefits to the maximum extent possible. In so doing, the grade of the products and services of the Raytheon Company will be improved through a higher degree of efficiency in the occupations of its employees.

The Association will monitor federal and state legislation and legislative initiatives affecting retirement benefits to carry out its principal purpose. The Association may bring its concerns to the attention of legislative and executive members of government if in the best interest of Association retirees. Furthermore, it may publish and distribute newsletters and announcements to the members reporting on its activities and disseminating other information of interest. Other activities may include sponsoring meetings of the members from time to time to share common experiences and to advance solidarity of the membership in achieving the goals of the organization.

The Association will accept membership of both active and retired employees in advancing these goals.

To achieve these purposes, the Directors have organized around a number of action committees to concentrate on the issues and concerns of today. The six Committees are Benefits, Raytheon Liaison, National Liaison, Communications, Membership, and Financial.

The activities of these committees are described in the balance of this newsletter.

*The Association Is
An Advocate For
All Raytheon
Retirees*

*We Track Ray-
theon Benefits*

*We Will Speak
In A Positive
And
Constructive*

*We Monitor Leg-
islation*

*Our Action
Committees Are
Now In*

Health and Pensions-Joe DeAmbrose

Health Benefits

Our health benefits do not have the same protection as pension benefits which are partially protected by the Employee Retirement Income Security Act (ERISA). We are dependent on the Company carrying out its contracts to provide medical benefits. We intend to continue to make sure that the Company is aware of member concerns about the high cost of health benefits and the dwindling level of coverage provided by the current retiree plan. There are employee groups that have different

coverage or no coverage (as compared to the legacy Raytheon group) and our goal is to understand these situations and provide help and support and a voice for their concerns to the extent possible.

We believe the popularity of the various health related articles in past issues of our newsletters have resulted in more informed decision making by our fellow retirees. We intend to continue that service and in fact improve and expand it to cover more items of interest to retirees throughout our nation.

Health Coverage Benefits Lack Protection

Pension Benefits

The first priority of the Association is the preservation of the current level of pension benefits whether those benefits are provided through the legacy Raytheon Salaried or Hourly pension plans or through other pension plans. As with retiree health, we recognize that we do not have complete visibility on all pension plans. We will work to close that knowledge gap and serve all retirees of the Company. We intend to monitor any pension plan amendments and all other aspects of plan performance such as the plan investment experience and the Company's funding policy that directly affect the security of the promised benefits.

The directors are aware of a recent plan amendment to the Raytheon Salaried Plan which effectively cuts off membership to new hires. In taking this step, Raytheon is following a troublesome national trend to cut back defined pension plan benefits. It is our goal to make the Company more thoughtful in dealing with the pension benefits of both active and retired employees. We will do that with your help by trying to stay out in front of Company initiatives and we must make sure that the Company knows that retirees are former employees and stakeholders in the Company just as shareholders are.

First Priority Is To Preserve What We Have

Pension Membership Effectively Cut For New Hires

You can help by informing the Association of any changes that come to

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(Continued from page 4)

your attention, e.g., notices posted on Company bulletin boards about plans. As an Association we will work to gather plan documents, financial, actuarial and other information about the Plans and the Company. We will employ actuaries and accountants, if appropriate, in order to make employees and retirees less helpless in the face of Company cost cutting.

Another goal is to make sure that pension benefits are being administered correctly and efficiently. Please keep the Association informed of problems. We cannot directly solve problems but we will try to point you in the right direction and we will keep a tally and make sure the Company is aware of common deficiencies.

Since its inception, the Association has worked to have the Company provide a cost of living increase in pension payments to retirees even if only to those retirees with the greatest need.

The Company has answered the request with a clear denial of any intent to consider a COLA. The Association will not give up on the goal of achieving some contribution to the financial relief of the most deserving of our fellow retirees. The optimum situation would be one where the Company is convinced that dealing with the plight of retirees in some way is in their interest. The Association will work to that end. As with other goals, the more information the Association has, the more it can do to formulate a plan of action. Please keep us informed of extreme situations.

TAX OPPORTUNITY— Joe DeAmbrose

There have been recent changes in the tax laws aimed at encouraging charitable contributions. It allows individuals over age 70 ½ receiving payments from an individual retirement account (IRA) in 2007 to have all or part of the payment made directly to a charity. The result is that the payment is not subject to tax as it would normally be. On the other hand, no deduction is allowed for the directed payment. Some individuals could gain a tax benefit by making a directed payment from an IRA rather than receiving a payment from the IRA and making a separate charitable contribution. The potential beneficiaries are a narrow group to start with, i.e., age 70 ½ with an IRA. Tax savings only arise for a relatively small subset of that group such as non-itemisers and those with tax features affected by the amount of their income. Some possible beneficiaries are:

- 1) Individuals that make contributions but do not itemize.
- 2) Itemisers claiming a medical or a miscellaneous deduction.
- 3) Moderate income individuals receiving social security.
- 4) Individuals losing a portion of their personal exemptions and itemized deductions because of high income.
- 5) Massachusetts filers.

Many retirees receive mandatory distributions from IRA's. They also may be making recurring contributions to their church or other charities. The new law allows such individuals to minimize income taxes when there is such a combination. If you think you may qualify, ask your tax preparer if changing how you contribute in 2007 can save some tax dollars.

Your Health Matters— Bruce Nogueira

Authorizing A Medical Representative

With the new medical privacy laws, even your spouse cannot discuss claims matters with Medicare, Fiserv, or your Medicare D Prescription Drug Provider (PDP).

One way to ease this problem is to authorize a medical representative. This year, I completed forms for Medicare, Fiserv, and Humana to name my wife and daughter as my authorized representatives to whom my personal health information may be disclosed. Similarly, my wife completed those forms naming me and our daughter as authorized representatives on her behalf.

You can obtain the privacy forms by calling Medicare, Fiserv, and your Medicare D PDP. The forms are mostly straight-forward, but the Medicare form will require care when answering the questions.

On question 2, check the box: “Other personal health information”, and write the explanation: “All my personal health information.”

On question number 3, check the box that has a start and stop date for disclosing my health information. I put start 01/01/2007 and a stop date of 12/31/2012.

This is 6 years and I hope I remember to renew the document at the end of 2012. In retrospect, I probably should have put the stop date way out—such as 12/31/2027.

Health Care Proxies are used primarily in situations where you are unable to make medical decisions on your own. This Medical Representative approach is a useful tool for claims issues before you need a Health Care Proxy.

I have already used this authorization to help my wife on her Rx claims with Humana this year.

Coordination of Benefits

For those retirees whose total Rx costs are likely to exceed \$2400 the coordination of benefits with the Raytheon Medicare Plus Rx plan could result in the same problems our retirees experienced in 2006. Raytheon has contacted most of the major Medicare D PDP carriers to get cooperation in processing Rx claims when your PDP stops paying toward your prescriptions, because your total Rx costs exceeded \$2,400.00

Unfortunately some pharmacies and mail order vendors might not follow the Coordination of Benefits process as set up by the PDP's.

To help your chances of getting the Raytheon 80% benefit when \$2,400.00 is exceeded, here are a couple of suggestions:

1) contact your PDP and ask for the coordination of benefits office (for example, the Humana # is 800-999-1118), and request a coordination

of benefits form. Complete this form with the requested ID information from your Raytheon Medicare Plus card, and mail the form to your PDP.

2) after your drug costs total about \$500.00, call Innoviant(1-877-559-2955) to see if they are receiving your Rx claims information from your PDP. If not, request Innoviant to follow-up with your PDP to set up a proper electronic exchange of your claims data in the future.

Raytheon believes that the coordination of benefits with the PDP's should be better in 2007 than the problems many experienced last year trying to get payment from the Raytheon plan. But you can help yourself by using the above approaches early in the year to get your Rx claims data onto the Innoviant system before your drug costs exceed \$2,400.00.

Raytheon Liaison-Al Swenson

The present Board is embarking on a strategy of proactive cooperation with Raytheon and will endeavor to obtain our objectives by providing win-win scenarios to our fellow retirees and Raytheon management. This

strategy may include opportunities for retirees to volunteer their time to Raytheon charity efforts and Raytheon sponsored community services. We plan to meet periodically with senior Raytheon management to share our goals and concerns and attempt to implement win-win scenarios.

Communications-Bob Hamilton

The Newsletter is our primary means of communicating with our members since many retirees do not have access to email. When Raytheon stopped sending the Raytheon News to retirees, we lost a great source of information. Therefore, we are expanding the scope of the publication to increase its applicability to all retirees. Our newsletter and website will expand the reporting of news

and information about old friends and acquaintances as well as Raytheon items of interest.

Our web site has also been a major source of news about the Association. We are adding additional and timely information of interest to the website and intend to report on the many informal retiree groups throughout the country. The Website will be increased in content and made timelier with periodic updates between mailings.

Membership -Mel Weinzimer

Our membership of over 3000 retirees resides in 45 states and 7 countries, with high

when you meet. We can let others know of your existence.

Your new board of directors recognizes that to keep this organization vital, solvent, and growing, we need to expand our membership. Our current membership base of 3000 remains a small fraction of the Raytheon retiree population.

To be an effective voice for you we need to grow! However, we need your help to reach out to new members including recent retirees and future retirees. What can you do?

- Renew your membership if you haven't already done so.
- Contact your fellow retirees that you stay in touch with and encourage them to renew their membership as well.
- Provide us with contact information of any retirees who are not members



The Air Traffic Control Retiree's group from NCS/Marlboro at their February monthly luncheon.

concentrations in the Northeast (Massachusetts, and New Hampshire) as well as Tennessee, California and Florida. We know that many of you continue to stay in touch with your fellow associates, meeting on a regular basis such as the group above from Massachusetts.

We want to help these Raytheon communities grow. Let us know who you are and

Another initiative we plan to undertake is to establish contact with Raytheon retirees from legacy Hughes, TI and E-Systems companies. We want to understand these retirement plans to identify differences between these and the legacy Raytheon plan. We encourage you to send us your ideas for recruiting new members, and for other services or social activities that we can help organize or support. We welcome your input.

*Please Keep Those
Cards and
Funding Coming*

Financial –Dave MacLellan

Identity theft is of increasing concern. We suggest you request your free credit report every 12 months from each of the national credit companies, TransUnion, Experian

or then Equifax. You can stagger the requests in order to receive a single report every 3 or 4 months. Use the following link: <https://www.annualcreditreport.com>

National Liaison-Jack O'Halloran

In addition to monitoring relevant retiree issues at Raytheon, the Association also collaborates with other national retiree organizations and government officials, thereby adding our support to their efforts to maintain

what we have mutually earned. It is essential that our Association maintain a national presence. The present board is making a comprehensive review of possible alliances to ensure we obtain the maximum value for our participation.

Thanks to Fred Churchill, all Past Directors, and Volunteers

Some of you may not be aware of the simple beginnings of your Association. It began as a one-man operation. In the fall of 2000, Fred Churchill put together a mailing list with the names of 500 Raytheon retirees. He wrote a solicitation letter and in early January 2001 mailed it out. The letter had three signatures, George Lagasse, George Peeler and Fred Churchill.

George L. and George P. were friends of Fred who had worked with him at Missile Systems Division. (MSD), They allowed the use of their names to add substance to the letter. On January 10, 2001, the three of them became the first paid-up members of the ARR, and the initial members of the Board of Directors. Within three months, about 200 retirees

had joined the Association. The Association continued to grow from that small beginning to over 3000 members. In fact over 12,000 retirees have been contacted to date.

As a result of the proposed dissolution of the Association, reported in the Fall 2006 Newsletter, Fred Churchill again rose to the challenge. He began an e-mail and telephone campaign to solicit help from many of our members. A number of Raytheon retirees subsequently came forward based on his solicitation and volunteered to serve as Directors. Thus the Association continues to serve the needs of Raytheon retirees.

Fred:

*We Could Not
Have Done It
Without You*

Office Notes

The board recently decided to maintain the existing office in Concord, MA. In addition, internet service was recently upgraded to a high speed DSL internet connection. This upgrade will facilitate the electronic transmission of the newsletter and other member communications.

The publication of our newsletter is a major expense for the Association. E-mail distribution, on the other hand, is accomplished without further cost. Consequently, all members with computer access are encouraged to provide or update their email addresses to allow for maximum communication via the internet and minimize the costs of paper communications. We will, however, continue to publish a paper version for those retirees without computer access.

Some of you may have received a letter from the National Retirees Legislative Network (NRLN) within the past few weeks. The letter solicited your donation and membership to the NRLN. In addition it contained inaccurate, misleading and incomplete information in regard to the status of your Association.

We can understand the concern and confusion among Raytheon retirees as a result of that letter, because it was published shortly after our Newsletter dated January 3, 2007 that informed you the Association was continuing in operation.

Our president has been in direct contact with the president of NRLN. He has apologized for issuing the letter, the resulting confusion it caused and has withdrawn his request to our members for individual membership in the NRLN.

*Rest Assured,
Newsletter Mail-
ings Will Continue
For Those Without
Computer Access*

*It Has Been A
Confusing January*

Reconnect With Your Fellow Retirees

If you would like to locate a former retired work associate, send us your request. We will forward it to that person who, hopefully will respond to you. That way we can maintain our privacy policy while you may

regain a lost friend. Give it a try. Send us an inquiry and we will forward to the intended recipient if he or she is in our database. E-mail your request to arr@raytheonretirees.org or mail us a note at 336 Baker Avenue, Concord, MA 01742.

*Want To Find A
Long lost
Co-worker?*

Meet Your Directors

Director	Home	Back-ground	Raytheon Ex-perience	Work Loca-tion	Years at Raytheon	Retired In
Joe DeAmbrose, Clerk deambjl@comcast.net	Wayland, MA	Tax Attorney	Director, Interna-tional Taxation	Lexington, Waltham, MA	30	2005
Bill Burditt, wburditt@comcast.net	Reading, MA	Financial Control	International Busi-ness Management	Lowell, Bed-ford, Tewksbury, Andover, MA	38	2006
Bob Hamilton, President bobnanne@comcast.net	Chelmsford, MA	Electrical Engineer	Programs Manger, Air Traffic Control	Sudbury, Way-land, Marlboro, MA	27	2000
Dave MacLellan, Treasurer jdmaclellan@yahoo.com	Lexington, MA	Tax Account-ant	Corporate Tax De-partment	Andover, Lex-ington, Nor-wood, Waltham, MA	37	2005
Jack O'Halloran, Tim72479@aol.com	Waltham, MA	Industrial Engineer	Manufacturing Man-ager	Waltham, MA	32	1994
Al Swenson, ljswen@comcast.net	Westford, MA	Finance	Controller, Director of Internal Audit	Andover, Lex-ington MA; NYC, Philly	34	2000
Mel Weinzimer, mellie@rcn.com	Framingham, MA	Electrical Engineer	Programs Manager Navy Standard Mis-sile, Air Traffic Con-trol	Bedford, Tewksbury, Marlboro, MA	38	2006

Association of Raytheon Retirees

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Concord, MA 01742

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Fax: 978-369 8410
Email: arr@raytheonretirees.org

Just So You Know

- We are looking for regional reporters to provide information on new retirees, retiree activities, events, and unfortunately about the loss of our co-workers and fellow retirees.
- How about letting us know about regional social events, and how you have adjusted to life after Raytheon

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We are on the Web
raytheonretirees.org

Association of Raytheon Retirees New Member Application

Last Name:	First Name:
Street Address:	
City:	State: Zip:
Email:	
Name of Spouse:	Home Phone:
Date of Retirement:	Age at Retirement:
Years at Raytheon:	
Work Location:	
My Main Concern Is:	I'd Like to Volunteer to Work On:
<input type="checkbox"/> Pension Security	<input type="checkbox"/> Newsletter
<input type="checkbox"/> Ad Hoc COLA Increases	<input type="checkbox"/> Legislative Committee
<input type="checkbox"/> Pension Law Reform	<input type="checkbox"/> Mailing
<input type="checkbox"/> Pension Fund Representation	<input type="checkbox"/> Clerical Work
<input type="checkbox"/> Health Benefits	<input type="checkbox"/> Recruiting
<input type="checkbox"/> Social Activities	<input type="checkbox"/> Pension Calculations
<input type="checkbox"/> Newsletter	<input type="checkbox"/> Phone Tree Calling
Comments:	

Please send completed form and contribution (\$15 Annual Dues) to:

Association of Raytheon Retirees, Inc.
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Association of Raytheon Retirees

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