

The News Register

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“Intra-organization Communication is the Life-Blood of our organization.”

AASBCR_{SM} President Carole Lovell attended the AT&T Annual Shareholders Meeting, met with other ATT retiree group leaders, and AT&T Human Resources management people in small group meetings prior to the large meeting of AT&T officers, board of directors, employees and shareholders at the Shareholders Meeting. Carole secured answers to many questions about retiree benefits.

Following are some key items you need to know from the meeting with AT&T Human Resources:

- As of 12/31/08 the AT&T United States Combined Pension Plan is at 92% funding. This was after a very bad year for the stock market. There will be no company contribution to the US pension plan in 2009. AT&T reported that there will likely be a contribution to the US plan in 2010 unless the stock market experiences a significant rally.
- AT&T reported that there was no use of pension assets to fund separation payments, severances, buyouts merger costs etc. in 2008 or in 2009 to date.
- AT&T reported that there was no use of pension assets to fund healthcare in 2008 or in 2009 to date.
- AT&T was asked if it plans to continue to offer retiree health care to those retirees over age 65 in the future. AT&T reported that there was no active effort to eliminate healthcare for retirees over age 65 at this time.
- The AT&T CVS/Caremark contract extends through 2010. AT&T reported that it is discussing several changes with CVS/Caremark. One item is the possibility of offering a list of generic drugs at low prices similar to Wal-mart's. They are also discussing being able to apply the cost of out of pocket prescriptions that participants find at better prices than CVS/Caremark, to the high yearly deductible. AT&T reported that participants can order prescriptions directly from any pharmacy and specify that they do not want CVS Caremark notified of their purchase of that prescription. AT&T HR managers stated that this is between the participant and the pharmacy. The participant MUST insist with pharmacist or their manager that this medication order is NOT to be applied to or reported to the CVS/Caremark insurance.

- AT&T reported that if there are work stoppages in any part of the country throughout the coming months, there may be added calls into the benefit centers. Striking employees may check and ask about their benefits. Otherwise, a work stoppage would have no effect on retirees.
- SPDs and SMMs continue to plague retirees and or their dependents with the “legal” language that the company inserts into these documents. Clear formatting appears to be a key element to making the documents understandable. As the size of the documents keep increasing, it is getting more and more difficult to understand them in their entirety. The AT&T HR representatives stated that there is much activity taking place with the objective of making these documents more readable. The documents still need to satisfy legal requirements identified by the attorneys but a group is reviewing them and working on tools to move to a more readable product.

After the AT&T human resources managers left the meeting, Carole and the other AT&T retiree organization leaders continued to meet and work on issues of mutual interest. The items addressed were:

- Explored ways of including more AT&T retirees who are not yet affiliated with any of the AT&T retiree organizations.
- Discussed possible methods to use to reach out to AT&T retirees in the Bell South areas where no “Bell South” based retiree organizations exist.
- Looking at ways of sharing resources among retiree groups to avoid duplicating efforts.
- Discussed the possibility of expanding the annual AASBCR_{SM} meeting in Florida to include all AT&T retiree groups’ retirees. If acceptable to all, in the winter of 2010 the first annual AT&T Florida Retiree Meeting will be held.

At the AT&T 2009 Shareholders Annual Meeting, Carole was able to speak with several AT&T officers, She presented the AASBCR_{SM} proposal “Say on Pay” which proposed that shareholders be given a non-binding advisory vote (approve or disapprove) for AT&T’s executive compensation packages.

- The proposal was met with very favorable response from the audience consisting of CWA and IBEW active and retired employees, active and retired management employees, as well as the other AT&T shareholders present. They robustly applauded the AASBCR_{SM} introduction of the proposal with a standing ovation.
- **There continues to be a difference between what the many smaller shareholders want and what the AT&T executives and large shareholders want on this issue. ASBCR_{SM} was not able to move enough votes to pass the proposal – 47% for the proposal. Just a few points short of the goal but much closer than in 2008.**