

Association of Ameritech /SBC Retirees SM, Inc

Proudly working on behalf of retirees of the AT&T Midwest Region, SBC Midwest Region, Ameritech, and predecessor/successor Bell Companies of the New AT&T, located throughout the United States



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FROM THE PRESIDENT'S DESK, JUNE, 2008

My fellow retirees,

The past few months have been very interesting. I present the following as some of the highlights.



- Building a good working relationship with AT&T HR. We have cordial and frank communications. The AT&T HR personnel implement our benefits. They are also responsible to resolve any issues that you, AASBCR SM members, present to us.
- Working with the other three retiree groups sharing benefit issues and suggestions. Doing a joint member survey and sharing the results with AT&T.
- Examining AT&T benefit vendors especially Hewitt and United Health Care. Resolving member issues and assisting AT&T in probing concerns with the service provided by healthcare vendors.
- Building on our relationship with the National Retiree Legislative Network (NRLN). Working with the NRLN to have the EEOC ruling that allows corporations to eliminate health care for retirees at or over age 65. Ray Sternot is now on the NRLN board representing AASBCR SM.
- We had the 2008 AASBCR SM Annual Meeting. There were several locations in five states. I would like to see even more locations next year.

Going forward, I would like to see more participation by you, our members. There are assignments that I would like to delegate, but we need volunteers to assign them to.

AASBCRSM State Representatives

Florida	Pat Reichard	Ohio	Tom Burkhardt
Illinois	Phil Schelinski	Ohio	Kathy Vitelic
Michigan	Ron Rhodes	Wisconsin	Bob Ledvina
		Wisconsin	Corey Parollina

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This board, as well as the state representatives, have unselfishly shared their time and talents to benefit all of AASBCR_{SM}. We need added assistance with communications and benefit issues. On benefits, we want to do another member survey testing the costs of healthcare for our members. The communications team needs assistance to bring you, our members, information in a timely manner. I also want to add to the ranks of the state representatives. They are doing a great job getting out and about among retirees and telling the AASBCR_{SM} story. Please consider joining this great team and assisting your fellow retirees. It is a very rewarding task.

Carole Lovell

AASBCR_{SM} ANNUAL MEETING REPORT

BY CAROLE LOVELL

My fellow retirees;

On Thursday, June 5, AASBCR_{SM} had its' 2008 Annual Meeting. We had several sites joining in via tele-conference bridge. With us were a Chicago area site, Joe Zubay's residence in Buffalo Grove. Ray Sternot and I hosted a Cleveland/Akron area site at the Brecksville Library. Tom and Janet Burkhardt in Lancaster Ohio, Bob and Sue Ledvina in Racine Wisconsin, Pat Reichard in Naples Florida, and Carol Bentley in Southgate Michigan rounded out the locations. We plan to have more locations next year.



Clockwise: Jim Kempe, Art Comings, Joel Brown, Jim Lynch, Rich Runge at the Zubay's

since every "old" Board member stood for his/her old position, the 'new' Board looked exactly like the "old" Board. (The term "old" as used here is only to distinguish between the 2007-2008 and 2008-2009 Board members.) AASBCR_{SM} Attorney Jim Kempe administered the oath of office to all new Board members.

This has been a very busy and productive year for AASBCR_{SM}. Rich Runge has been of great assistance in memorializing our meeting minutes. Not easy with two people talking at once and/or folks speaking without introducing themselves.

We have a standard format for all communications thanks to Joe Zubay and his communications team Art Comings and Joel Brown. Joe and his team have managed



Pat Reichard, our Florida State Rep.

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to get out timely News Registers, Legislative Ledgers, and Blue Bulletins. In addition, all of the above mentioned reports are then included in the quarterly newsletter.

Our finances are in good hands with Chet Przybyslawski. He has migrated all AASBCR_{SM} finances from day one to a standard software platform. Thanks to Chet and Bob Papierniak, AASBCR_{SM} has had a review of our financials just completed.

Membership is slowly moving forward. I have implemented State Representatives to assist in getting the word out about AASBCR_{SM} as they are able to at lunches and such. Dues renewals are on track. Thanks to those of you who are able to renew without AASBCR_{SM} sending out a letter, that helps save money.

Clockwise from Brecksville: Nancy & Jim Reed, Margo & Tom Bertin, Mike Lockwood, Sylvia Arceci & Dave Hughes, Judy Hallam & Rita Bothwell with Ray and Carole in the center



This past year has been a difficult one for Tom Cotton. In addition to working closely with the rest of the AT&T Retiree Coalition in doing a member survey, he has been swamped with the many AASBCR_{SM} members who had enrollment and other benefit issues. Tom and I have spent a lot of time working with AT&T HR for resolution.

Ray Sternot has been busy with the National Retiree Legislative Network. He has been elected to the NRLN board representing AASBCR_{SM}. Ray

has been instrumental in setting up a list of questions to ask the senate and congressional candidates. He has also been busy adding to the NRLN grassroots members. These are members willing to personally contact their representative about Important retiree issues. Also, Ray has been working on proposals to both the Republican and Democratic Platform Committees. These are suggested platform items with retiree friendly goals and legislation.

Reflecting back on the past year, I have spent time getting to know my fellow retiree group presidents in the AT&T Retiree Coalition. They are a strong, committed group of retirees. I became involved with the National Retiree Legislative Network through Ray Sternot and his tireless efforts. I have worked with the AT&T HR personnel who implement the benefits that we all receive. Again with the hard work of Tom Cotton. I have also worked with leaders in the Pioneers Life member groups, again, to get out the message about AASBCR_{SM} in

Margo & Tom Bertin check their calendar



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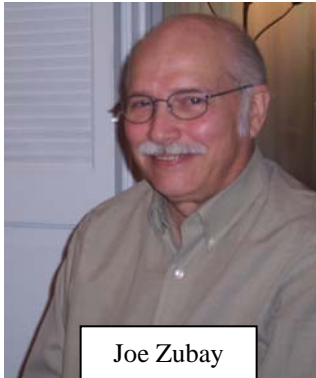
newsletters and council meetings as well as luncheons. I presented AASBCR's SM Say on Pay shareholder proposal at the 2008 AT&T Shareholders Meeting in Texas. Projecting forward, I will be closely watching the AT&T benefit vendors for their performance, especially Hewitt and UHC. I will move forward with the rest of the AT&T Retiree Coalition into even better relationships and sharing of ideas and issues. I will continue to foster an understanding with the NRLN as well as with the AT&T HR personnel.

A key goal that I am working on is to bring in the retirees who have no voice, are not members of a retiree group. We all need to be heard and we cannot be heard as individual voices, we need to work together as a group for our voices to be heard. I will press to get these retirees into a retiree group.

The State Representatives have been a great addition to AASBCR SM. They are starting to get out among retirees and tell the AASBCR SM story. I want to add to their ranks.

COMMUNICATIONS FROM THE COMMUNICATIONS SHACK

At the Annual Meeting, Communications Vice President Joe Zubay reported the accomplishments made by the Communications team in 2007-2008.



Joe Zubay

We have standardized Electronic communications vehicles: The News Register; The Blue Bulletin; The Legislative Ledger; The Quarterly Newsletter – including a link to all quarterly publications; The Web Site as an on-line repository of all publications. The News Register and Legislative Ledger are new vehicles, allowing the Blue Bulletins to concentrate on Benefits Issues. The intent is to integrate all media.

We have standardized Non-Electronic communications vehicles: The Quarterly Newsletter is the official “catch-up” publication for those members who are not electronically connected; A Virtual Office ((312) 962-2770) was established with 2-day turnaround for voice and fax messaging to Board Members and State Representatives.

We have purchased a new Xerox Phaser 8560 printer to reduce cycle time for printed publications.

We have established a set of principles and procedures to continue on an ongoing quality improvement program for all AASBCR SM publications aimed at: Focusing on members' most important needs; Respect for Privacy; Ethical handling of issues; Value of the information to the members; Timely presentation of critical information; Objectivity of content; Professional behavior in written or spoken word.

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NEWS YOU CAN USE

“IN MEMORIAM” IS BACK

Around the end of 2007 AT&T stopped publishing the “In Memoriam” feature on its web site. The November/December (2007) and December/January (2007/08) lists have been lost. After many requests to continue this feature, AT&T reestablished this feature on their web site. We have added condensed lists (Ameritech and related companies) for January/February through April/May to the AASBCR SM Web site – www.aasbcr.org. -Art (Editor)

The AASBCR SM accepts a limited amount of advertisements from its members and friends. These advertisements are of wide interest to our membership. The revenue from these ads is used to offset the publication of our Quarterly Newsletter. AASBCR offers these ads with no warranties, expressed or implied.

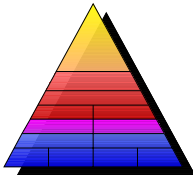
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LATE BREAKING NEWS

Actions such as the announcement below are the main reason the AASBCR SM Board has been strongly encouraging our membership to support the National Retiree Legislative Network (NRLN). Under the rules which grant us our 501[c][3] tax exempt status, the AASBCR SM is NOT allowed into the political arena. As an organization, we joined the NRLN so the AASBCR SM voice could be heard on Capitol Hill. But this work is expensive. It requires a physical presence (office and staff) in Washington DC. And it requires lawyers and lobbyists - who could be making a lot of money representing Big Business, trying to erode our promised retiree benefits. Please read the June 18 News Register - AASBCR SM Request to Support the NRLN's Lobbying Efforts. In the battle to keep our promised/earned retiree benefits, we need to hang together or our former employers will hang us separately. -Editor

Senate Finance Committee Staff Withdraws Proposal

An extraordinary team effort has caused the Senate Finance Committee staff to withdraw consideration of a proposal to modify Section 420 of the IRS Code to allow the transfer of billions of dollars from traditional defined benefit pension plans to fund 401(h) healthcare accounts to pay the healthcare benefits of active employees.

Because the National Retiree Legislative Network's Washington, D.C. staff members Phyllis Borzi, Marta Bascom and Michael Calabrese learned that the Senate Finance Committee was giving serious consideration to the proposal, we were able to insert ourselves early on into the dialogue to provide a voice for retirees. Early this month, Marta, Michael and I prepared a "white paper" opposing the proposal under consideration and offering alternatives. The "white paper" served as a basis for a conference call with two Senate Finance Committee staff members.

Due to our concerns following the call that the staff might propose legislation to the 21 members of the Senate Finance Committee, the NRLN formed a coalition with the AFL-CIO and the Pension Rights Center to oppose the proposal under consideration. Next, the NRLN's Grassroots Advocates who live in the states that have a member on the Senate Finance Committee responded to our request to send emails to their Senators. Those letters from constituents got the attention of several Senators and the Finance Committee staff members.

On Wednesday, June 25, one of the Finance Committee staff members with whom we had communicated earlier this month requested a conference call with the NRLN. On the Thursday conference call with Marta, Michael and me, the staff member informed us that due to the high level of opposition to the proposal it would be withdrawn.

The withdrawn proposal, motivated by the opportunity to gain additional corporate tax revenues, would have had devastating consequences on the future pension security of 44 million present and future retirees. Heading off this potential legislation shows once gain how important it is for retirees to have a strong voice on Capitol Hill.

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This is why we must continue to grow the NRLN's Grassroots Network, gain affiliation with additional Retiree Associations, and attract more Individual Members who will make an annual contribution to fund our legislative efforts. Association solicitation on behalf of the NRLN and encouraging family members and friends to sign up in the Grassroots Network at <http://capwiz.com/abtr/mlm/signup/> and become an NRLN Individual Member are critical to our continuing success. Details are available at www.nrln.org.

Thanks again to the NRLN's Washington staff members, the AFL-CIO, the Pension Rights Center and NRLN Grassroots Advocates for coming together to say with one strong voice that it would be a mistake for the Senate Finance Committee to support legislation allowing Section 420 transfers from defined benefit pension plans to be used to pay for healthcare benefits for active employees.

Together we can make a difference in the lives of retirees.

**Bill Kadereit, President
National Retiree Legislative Network**

KUDOS FOR THE AT&T HR STAFF

In an e-mail to the Board, President Carole lauded several AT&T HR Staff members who quickly resolved, or are actively working on, several retiree health benefit problems.

One retiree, while wintering in Southeast Florida, collapsed and was taken to the local hospital where he was treated by many doctors. The hospital and Cardiologist were paid by UHC, but the rest weren't – they were “out of network”. The retiree was transferred to a larger hospital for specialized treatment, including a heart surgeon. The heart surgeon wasn't “in network”. AT&T HR stepped up, escalated to UHC, and followed through. All bills have been or will be cleared – at “in network” rates.

Three retirees in one Zip code in Northern Michigan don't have any “in network” health care providers. Their Zip code has recently been changed from one allowing “out of network” health care to be paid as “in network” to being paid as “out of network” Ouch! The agreement says that if there are NO “in network” facilities available, “out of network” will be accepted at “in network” coverage. These bills are being reviewed and corrected.

There are other individual cases being examined. But how many others are out there, unreported. This work is labor intensive. The Board has limited time. We need volunteers to help in this vital work.

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AT&T ANNUAL MEETING

The AT&T Annual Meeting in San Antonio has been reported in three News Registers, included below. The highlights were:

Our Shareholder Proposal only garnered 44% of the vote. We are getting closer, but are not there yet.

Carole Lovell and Tom Cotton met with representatives of the other three AT&T Retiree Groups, forming bonds and learning to work together for our common benefit without losing focus on the differences in retirement plans that create the need for separate groups.

The representatives from the four Retiree Groups met with the AT&T HR team, and a representative from Hewitt. The multiple fiascos from the latest benefit enrolment period were well discussed.



The Coalition in a work session



L-R Tom Cotton, Jeff (AT&T HR), Monte Baggs (TELCO), Carol, Chuck Gilbert (TELCO) waiting for the Shareholder Meeting to begin



Front L-R Tom Cotton, Jane Banfield (ACER), Carole, Chuck Gilbert (TELCO)
Rear L-R Kathy Maher (ACER), JoAnn Alix Gagain (SRA), behind Carole Kathy and Jeff (AT&T HR), Monte Baggs (TELCO) - Still Waiting



Carole presents the AASBCR/TELCO Shareholder Proposal, supported by TELCO's Monte Baggs

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FROM THE DESK OF ART COMINGS, AASBCR_{SM} Communications
Director and Newsletter Editor:

Our president, Carole Lovell, is always working, digging out new information, and exploring opportunities on our behalf. I want to share with you, the response she received from an exploratory correspondence she had with The California Public Employees' Retirement System (CalPERS) the largest Government Employee Pension Fund in the nation. The following is CalPERS' reply to Carole's correspondence:

"Thank you for your inquiry, we do appreciate input and active participation from concerned members.

Question: I am president of the Association of Ameritech SBC Retirees - AASBCR_{SM}. We are retirees from what is now AT&T. for two years we have submitted a "Say on Pay" shareholder proposal on the AT&T shareholders ballot. We have come up short with 44% approval. I am wondering whether CalPERS holds AT&T stock and would support such a proposal, or do you have any suggestions to share with us on resubmitting the proposal next year?

Answer: CalPERS takes the "Say on Pay" issue very seriously. To demonstrate our level of commitment, we wrote the U.S. Senate Banking Committee on Banking, Housing, and Urban Affairs in hopes to move the market and encourage regulatory adoption on this issue.

Do not be discouraged, not all proposals at companies perform well. An idea to assess your likelihood of success, is to research the voting practices of AT&T's top shareowner base (largest shareowners). You may find that the issue has not lost importance in the market as a whole, but that the shareowner base at AT&T are institutions that have voting policies not yet accepting of this issue (so do not yet vote FOR the proposal).

Know that this is not a dead issue. CalPERS hopes that this issue only gains momentum over the next few years as more and more companies adopt this right for shareowners to have a "say on pay." Currently, we are involved in almost 70 corporate governance related proposals because of the size of our fund and the number of companies we target to improve governance and firm value. We will continue to submit "say on pay"

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proposals based on companies we identify through CalPERS' Corporate Governance Program. Also, we will continue to vote FOR these types of proposals when submitted at any of the 7,000 companies we own.

We definitely support your position and will continue to support you through our shareowner vote.

Kind Regards,
Investment Office – CalPERS”

QUARTERLY CORRESPONDENCE:

During the past quarter we have sent the following correspondence via e-mail.
(E-mail recipients please click on the following links to the AASBCRSM web site.)

- [6/18/08 NEWS REGISTER – AASBCRSM Request to Support the NRLN's Lobbying Efforts](#)
- [AASBCRSM BLUE BULLETIN VOL.3 NO.3 - 6/16/08 In-Network vs ONA Health Care Billing](#)
- [6/2/08 LEGISLATIVE LEDGER - NRLN Proposals for Democrat and Republican National Platforms](#)
- [5/21/08 NEWS REGISTER - Update on the Linda Call versus AT&T Pension Benefit Plan \(formerly Ameritech Management Pension Plan\) lawsuit.](#)
- [AASBCRSM BLUE BULLETIN VOL.3 NO.2 - 5/22/2008 AT&T has replied to our questions concerning Caremark processes that some of our members felt might be an infringement on our privacy and our management of healthcare and medical costs.](#)
- [5/10/08 NEWS REGISTER - Final Report on the 2 Coalition Shareholder Proposals Presented at the on April 25th, 2008 at the AT&T SanAntonio Annual Shareowners Meeting.](#)
- [AASBCRSM ANNUAL MEETING TO BE HELD ON THURSDAY, JUNE 5, 2008 AT 10 AM CDT. CLICK HERE TO READ THE 5/14/08 NEWS REGISTER CONTAINING MORE DETAILS.](#)
- [5/9/08 NEWS REGISTER - What AT&T and Hewitt will/won't do to prevent a reoccurrence of the 2008 enrollment debacle](#)
- [5/8/08 NEWS REGISTER - General Report from the AT&T Annual Meeting - More to follow](#)
- [AASBCRSM BLUE BULLETIN VOL.3 NO.1 - 4/3/2008 If you mail in your health care premium, you DO have a grace period](#)

