at&t

AT&T Services, Inc.
6500 River Place Blvd.
Room 419
Building III
Austin, TX 78730

May 23, 2007

5-25-07

cc: **Local Presidents (AT&T-D6 Only)**
District Staff
Debbie Van Tasell

Mr. Richard Kneupper
Assistant to Vice President
CWA – District 6
The Terrace, Building One
2600 Via Fortuna – Suite 260
Austin, Texas 78746

Dear Richard:

Attached is a copy of the **2007 Retirement Checklist**. This document is now available on the Benefits web site. Printed copies will be mailed to employees upon request.

Sincerely,

Tony Brush

Tony Brush
Associate Director-Labor Economics

Attachment

CC: Ms. Wilkinson

AT&T Retirement Checklist

Your Step-by-Step Guide to Your Retirement Benefits

April 2007 NIN: 78-9989

Over the years, your commitment to the well-being of our company has helped it grow and become the world's telecommunications leader. As you prepare to leave AT&T, we want you to have information that will help you make important benefits decisions regarding your and your family's well-being.

The AT&T Retirement Checklist tells you what you need to know, what you need to do and where you need to go for information so that you can take advantage of your retirement benefits.

Contents

Tips on Using This Checklist

- ☑ From health care coverage to pension plans, the AT&T Retirement Checklist provides you with a list of next steps that will help you transition smoothly to your retirement benefits. Please read this entire checklist to ensure that you receive your retirement benefits.
- ☑ The telephone numbers you need are listed throughout this checklist. They are also listed on the back page along with Web site addresses.
- ☑ **Please Note:** The AT&T Retirement Checklist is a summary of the actions you must take in order to access your retirement benefits. For full details, including eligibility, you should consult the summary plan descriptions (SPDs), summary of material modifications (SMMs) or the official plan documents. To access the SPDs and SMMs online, go to the Benefits section of HROneStop at **hronestop.att.com** (from work) or the Benefits section of **access.att.com** (from home) and log in. You may also call the AT&T Health Benefits Enrollment Center toll-free at **(877) 722-0020** to request a printed copy of any document. In all cases, the official plan documents govern and are the final authority on the terms of the plans.

Managing Your Financial Well-Being

Your Pension Plan

What You Need to Know

Your pension plan is administered either by the Fidelity Service Center (Legacy SBC employees) or by the AT&T Pension Service Center (Legacy AT&T employees). Service associates are available to coach you step by step through the required actions, helping you to initiate the retirement process and to advise you on your payment. You will receive information customized to your retirement situation.

What You Need to Do

Legacy SBC employees:

- ☑ When you are approaching your retirement date, simply contact the Fidelity Service Center at **(800) 416-2363.** This starts the retirement process and is the first step toward receiving your pension. When you contact Fidelity, you will be assigned a service associate who will explain your next steps.
- ☑ Be prepared to provide documents showing proof of birth, marriage, Social Security number (SSN), etc., for you and your spouse/ legally recognized partner (LRP). You will need documentation such as copies of birth certificates, Social Security cards and marriage certificates. (This documentation may be needed for other vendors as well.)

Legacy AT&T employees:

- ☑ When you are approaching your retirement date, simply contact the AT&T Pension Service Center. You can obtain documents to begin your pension process online by going to **www.attpsc.com** or by calling **(800) 736-7779** and speaking with a representative. This starts the retirement process and is the first step toward receiving your pension. When you contact the AT&T Pension Service Center, you will speak to a representative who will explain your next steps.
- ☑ Be prepared to provide documents showing proof of birth, marriage, divorce, etc., for you and your spouse. You will need documentation such as copies of birth certificates, marriage certificates and divorce decrees, if applicable. (This documentation may be needed for other vendors as well.)

Your Savings and/or Stock Ownership Plan(s)

What You Need to Know

When you retire, you may have balances in 401(k) savings and/or stock ownership plans. If so, you will receive a Participant Distribution Notice in the mail stating the current value that you are eligible to receive from each plan. This notice will also explain your distribution options and what you need to do to receive your final distribution.

What You Need to Do:

- ☑ Watch for your Participant Distribution Notice and Special Tax Notice Regarding Plan Payments. These notices help explain your options, as well as the associated federal tax implications, regarding your vested account balance.
- ☑ Should you choose to take a distribution, please contact the Fidelity Service Center at **(800) 416-2363** or go to the Fidelity NetBenefits Web site at **http://netbenefits.fidelity.com** to initiate this transaction.
- ☑ For additional information regarding your distribution options, please call the Fidelity Service Center to speak with a service associate.

Managing Your Health

Your Health Care Plans and Programs

What You Need to Know

This includes your medical, dental, vision, CarePlus (if applicable), prescription drugs, mental health/chemical dependency (MH/CD) or mental health/substance abuse (MH/SA) and life insurance benefits. Your current medical/HMO coverage, MH/CD or MH/SA, dental, vision, CarePlus and prescription drug coverage will end on the last day of the month in which the last day of your employment occurs. For example, if you retire on April 16, your coverage ends on April 30.

Note: Coverage and contributions offered to you at termination of employment may vary depending on your retirement date, the company you retire from and the benefits available to you.

The company will review your eligibility for retiree benefits, and you will receive a Confirmation of Coverage statement in the mail from the AT&T Health Benefits Enrollment Center in about seven to 10 days from the date your retirement notice is received. This statement tells you the coverages you, your spouse/LRP/domestic partner and/or dependent(s) are eligible for after your retirement.* The statement also includes information on any contributions you will need to make. If you need to make any new elections, you will instead receive an Enrollment Worksheet with instructions on what to do next.

What You Need to Do:

☑ Contact the AT&T Health Benefits Enrollment Center at **(877) 722-0020** if you have any questions and/or to make a new election, if required.

Paying for Your Health Benefits

If you are eligible to continue coverage after your employment ends, your contributions to benefits coverage may be different from your pre-retirement contributions.

The AT&T Health Benefits Enrollment Center can provide more information on your new contributions, if applicable. Just call **(877) 722-0020** if you have any questions and/or to make a new election, if required.

* *If you or your dependents are eligible for COBRA continuation coverage, you will also receive that notification within 44 days from your employment termination date or the date your coverage is scheduled to end, whichever is later.*

Your Medicare Coverage

What You Need to Know

When you retire, AT&T does not enroll you in Medicare or provide information on Medicare programs. Upon your termination of employment, you should contact the U.S. Social Security Administration directly to determine your eligibility, enroll yourself and/or your dependents in Medicare or to request information on the program.

If you are eligible for Medicare upon your termination of employment, Medicare generally becomes your primary coverage and your company-provided medical benefits will be affected.

Medical, MH/CD and MH/SA benefits payable under the company-sponsored plan will be reduced by amounts payable by Medicare Parts A and B, whether you actually enroll or not. (Refer to your medical plan SPD or SMMs for details.) However, unlike medical benefits, prescription drug benefits under your plan will not be reduced, unless you enroll in Medicare Part D.

You may be eligible for reimbursement from AT&T on a portion of your or your dependents' Medicare Part B premium(s). The AT&T Health Benefits Enrollment Center can help you determine if and when you become eligible and can help you with enrollment. You must actively enroll in order to receive this benefit once you are Medicare-eligible. No payments will be made retroactively.

What You Need to Do:

- ☑ Call the U.S. Social Security Administration at **(800) 772-1213**, contact your local Social Security office or go to its Web site at **www.ssa.gov** for information on the status of your Social Security and survivor benefits.
- ☑ Visit **www.medicare.gov** or call Medicare at **(800) 633-4227** for Medicare prescription drug information.
- ☑ Enroll in Medicare Parts A and B, if eligible.
- ☑ Contact the AT&T Health Benefits Enrollment Center at **(877) 722-0020** to determine if you are eligible for reimbursement on a portion of your or your dependents' Medicare Part B premiums and/or to enroll once you are Medicare-eligible.
- ☑ If you are Medicare-eligible for reasons other than age, in addition to contacting the U.S. Social Security Administration to enroll, you must contact the AT&T Health Benefits Enrollment Center.

Additional Benefits

Your Flexible Spending Account

What You Need to Know

If you participate in a flexible spending account (FSA), your participation ends on your retirement date. However, you have until March 31 of the following year to submit eligible claims that you incurred while you were an active employee. Any remaining balance in your FSA is forfeited.

To avoid forfeiture of your FSA balance, you can elect COBRA continuation coverage and continue participating in the Health Care FSA up to the end of the year in which you retire, but you will have to continue your monthly contributions on an after-tax basis. If COBRA is elected, you can receive reimbursement of eligible claims that you incur throughout the COBRA period. The COBRA election must be made by the deadline provided in the COBRA Enrollment Notice, which you will receive in the mail from the AT&T Health Benefits Enrollment Center.

What You Need to Do:

- ☑ To continue participating in your Health Care FSA, call the AT&T Health Benefits Enrollment Center at **(877) 722-0020** before the deadline noted in your COBRA Enrollment Notice. Representatives can answer your questions and/or make changes to your coverage.
- ☑ For information or for the status on your current flexible spending accounts, call SHPS at **(877) 358-0302.**

Your Long-Term Care Insurance

What You Need to Know

Coverage for you and your dependents in the company-offered group long-term care insurance plan continues after your last day of employment. To ensure coverage, you must continue paying the required premiums to the long-term care claims administrator.

What You Need to Do:

- ☑ Because contributions from payroll will cease when you retire, the long-term care claims administrator will automatically arrange for direct billing with you. However, you must make these arrangements before you retire.
- ☑ If you do change your mind and you don't want to pay your premiums or continue your long-term care coverage, call John Hancock Life Insurance Company at **(800) 247-3020.**

Your Adoption Reimbursement

What You Need to Know

After your last day of employment, you will no longer be eligible for the adoption reimbursement program.

What You Need to Do:

- ☑ If you have questions about an adoption reimbursement due to you before you retired, call the AT&T Health Benefits Enrollment Center at **(877) 722-0020.**

Additional Information

Your Stock Options

What You Need to Know

When you retire, the period in which you can exercise your stock options may be shortened. This means that you may have a limited amount of time to exercise or cash in your options.

What You Need to Do:

- ☑ Call the Stock Option Administration hot line at **(866) 533-4390** or **(210) 351-3271** for more information on whether your stock options are affected by your retirement.

Your Employee Concessions/Discounts

What You Need to Know

You may still be eligible for discounts on AT&T products and services.

What You Need to Do:

- ☑ For information on these discount programs, refer to the contact information posted online. If you are accessing it from work, go to HROneStop at **hronestop.att.com** and go to the Quick References section. If you are accessing the information from home, go to **access.att.com** and log in. Then go to the Benefits section, and click on Where to Go for More Info.

Your Unused Vacation

What You Need to Know

In limited circumstances, you may be eligible to receive payment for unused vacation and personal days. You should check your applicable paid-time-off policy or collective bargaining agreement. You may also contact HROneStop to discuss your situation.

What You Need to Do:

- ☑ Check your applicable paid-time-off policy or collective bargaining agreement.
- ☑ Contact HROneStop at **(888) 722-1787** at least one week before your retirement date.

Receiving Your Last Paycheck

What You Need to Know

AT&T will send your last paycheck to your home address. If you use direct deposit and have payments automatically deducted, you should be aware that your last paycheck will not be deposited directly into your account. It will be mailed to your home address.

Staying in Touch

Your Membership to the Pioneers

What You Need to Know

As an AT&T employee or retiree, you are eligible to join or to continue your membership with the Pioneers, the world's largest industry-related volunteer organization. You will be a "Life Pioneer."

What You Need to Do:

- ☑ Call your local Pioneers chapter. To look up your local chapter's telephone number or to get more information, visit the Pioneers Web site at **www.newattpioneers.org.**

Home Address Changes

What You Need to Know

AT&T will send you important benefits updates. It's important that we have your current home address, telephone number and e-mail address (if applicable) on file.

What You Need to Do:

- ☑ After you retire, whenever you move, remember to call the Fidelity Service Center at **(800) 416-2363** to update your address.
- ☑ If you are a Legacy AT&T retiree, you must also contact the AT&T Pension Service Center at **(800) 736-7779** to update your address.
- ☑ In addition, if you have long-term care insurance, you must update your address with the John Hancock Life Insurance Company. Call them at **(800) 247-3020.**

Staying in Touch

Annual AT&T Benefits Enrollment Process

What You Need to Know

Generally, benefits annual enrollment occurs in the fall. Before annual enrollment, the AT&T Health Benefits Enrollment Center will mail** you enrollment materials or a Confirmation of Coverage statement. These materials will include specific enrollment instructions and will communicate any applicable changes in your benefits options, contributions or availability.

What You Need to Do:

☑ In the fall, watch for your annual enrollment materials in the mail.**

*** If you prefer, you can enroll in eBenefits and receive this information via e-mail. Refer to the AT&T Retiree News section for more information.*

AT&T Beneficiary Designations

What You Need to Know

As part of your retirement and estate planning, it's important that you identify who will receive the proceeds of your benefits programs in the event of your death. For example, you'll want AT&T to know to whom to distribute any final unpaid compensation and benefits, life insurance payouts, and pension or savings amounts.

What You Need to Do:

☑ When you retire, make sure that you have an updated AT&T Beneficiary Designation Form on file with Fidelity. To receive a form, call the Fidelity Service Center at **(800) 416-2363.**

In the Event of a Death

What You Need to Know

The Fidelity Service Center needs to be advised of the death of a retiree and/or any eligible dependents.

Note: Telephone concession will be removed from the deceased retiree's telephone account on the sixth month from the date of death.

What You Need to Do:

☑ Call the Fidelity Service Center at **(800) 416-2363.**

AT&T Retiree News — Your Link to AT&T News and Information

This program will keep you up to date on what's happening, inform you how you can help AT&T win in the public policy arena, update you about your company benefits and much more. You'll have the option to select which of the following e-mail subscriptions you want to receive. You can choose one or all three. It's up to you.

- **Company News.** Receive e-mail notifications about the exciting changes at AT&T, as we move quickly into the wireless and entertainment businesses. We'll also send you the latest on new products, industry innovations and AT&T's efforts in the local community.
- **Legislative News.** Voice your opinion about legislation that affects you and our business. We'll share ways in which you can help AT&T win in the public policy arena. You have a voice. Let it be heard.
- **eBenefits.** Receive benefits alerts — such as *Benefits Updates*, summary plan descriptions (SPDs) and educational resources — online instead of in the mail. When you sign up for eBenefits, you'll receive e-mail letting you know when new or revised information is available.

Signing Up for AT&T Retiree News Is Easy

1. Once you retire, go to **access.att.com** and log in. The first time you visit this Web site you will need to register as a retiree. To do so, click on the Retiree Registration link and follow the prompts to set up your user name (your e-mail address) and password.
2. On the **access.att.com** home page, click on the AT&T Retiree News link.
3. On the AT&T Retiree News Subscription page, select which e-mail subscriptions you're interested in receiving, enter your e-mail address(es) and click Submit.

Once you've signed up, you'll receive a confirmation e-mail that indicates which subscriptions you've selected. You will not be able to sign up for AT&T Retiree News until you retire.

Use this notes page to jot down questions about your retirement benefits, to document any issues and resolutions or to make a note of updated benefits Web sites and telephone numbers.

Your Retirement Resources:
Key Telephone Numbers and Web Sites

Resource	Web	Telephone
AT&T Benefits Web Site This secure AT&T Internet Web site for employees and retirees lets you securely access company and benefits information, such as the latest AT&T news, stock prices and benefits information related to your health, your finances and your home and work life.	• **http://access.att.com** • Follow the login instructions. • Go to the Benefits section of the Web site.	N/A
AT&T Health Benefits Enrollment Center For questions and general information about eligibility and enrollment for health and life benefits.	• **http://resources.hewitt.com/att** • Enter your AT&T Health Benefits Enrollment Center user ID and password.	**(877) 722-0020** **+1 (847) 883-0866** (international) Monday – Friday, 7 a.m. – 7 p.m. Central time
AT&T Pension Service Center (Legacy AT&T employees) For questions and information about pension plans.	• **https://www.attpsc.com**	**(800) 736-7779** **+1 (847) 806-1101** (international)
Employee Concessions/Discounts For questions and general information about employee concessions and discount offerings.	• **http://access.att.com** • Follow the login instructions. • Go to the Benefits section of the Web site, and then to Where to Go for More Info.	Legacy SBC • If telephone service is provided by a regional AT&T local service provider, call the AT&T Customer Support number on your telephone bill. Legacy AT&T • If telephone service is provided by another telephone company, call Wells Fargo TPA Customer Service at **(888) 251-0645.**
Fidelity Service Center For questions and information about pension (Legacy SBC employees), savings, stock ownership plans and beneficiary designation forms.	• **http://netbenefits.fidelity.com** • Enter your SSN/customer ID and PIN.	**(800) 416-2363** **(888) 343-0860** (hearing-impaired) Monday – Friday, 7:30 a.m. – 11 p.m. Central time

Tear out this handy contact list and keep it in a convenient place.

Your Retirement Resources: Key Telephone Numbers and Web Sites

Resource	Web	Telephone
John Hancock Life Insurance Company For answers and information about long-term care insurance	• **http://att.jhancock.com** • Username: T • Password: mybenefit	**(800) 247-3020** **+1 (617) 886-8713** (international) **(800) 255-1808** (hearing-impaired)
Medicare • Social Security Administration • Medicare prescription drug coverage	 **www.ssa.gov** **www.medicare.gov**	 **(800) 772-1213** **(800) 633-4227**
Stock Options For answers and general information about your stock options	N/A	**(866) 533-4390** or **(210) 351-3271**
SHPS For answers and general information about flexible spending accounts	**www.shps.net/myshps**	**(877) 358-0302** **+1 (502) 267-3399** (international) **(800) 952-0450** (hearing-impaired) **(866) 643-2219** (fax)

Important Information

This document was written for easy readability. Therefore, it may contain generalizations and informal language, such as "AT&T retirees," rather than precise legal terms. Also, this document only summarizes benefits, and individual situations may vary. For full details, including eligibility, you should consult the summary plan descriptions, summary of material modifications or the official plan documents. In all cases, the official plan documents govern and are the final authority on the terms of the plans. The AT&T companies reserve the right to terminate or amend any and all benefits plans, subject to bargaining agreements. Benefits described in this document may be subject to collective bargaining.

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