

AT&T CEO Accepts Bonus For 2009, Pay Rises To \$20.2M vs. \$15M In Recession-Starved 2008

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NEW YORK (AP) -- The frugality of the recession eased in the 2009 pay package for AT&T Inc. CEO Randall Stephenson, who resumed taking a bonus and saw **his compensation rise by one-third to \$20.2 million**, according to Associated Press calculations on a regulatory filing Thursday.

Stephenson declined a bonus in 2008 because of the recession and the job cuts the telecommunications company was making. Last year Stephenson accepted a bonus of \$5.85 million, according to the filing with the Securities and Exchange Commission.

AT&T said Stephenson received a \$1.45 million salary in 2009, a 2 percent increase over 2008.

Most of his compensation was in the form of options and performance-based stock incentives valued at \$12.1 million.

He accumulated more than \$864,000 in perks, including nearly \$216,000 in club memberships and \$200,000 in life insurance premiums. **He also got \$140,576 in "tax gross-ups,"** which compensate for the taxes he pays on other benefits. However, the company said it is eliminating such gross-ups for its executives this year.

The Associated Press' calculations of total pay includes salary, bonus, incentives, perks, above-market returns on deferred compensation and the estimated value of stock options and awards granted during the year. **The calculations exclude changes in the present value of pension benefits**, and they sometimes differ from the totals companies list in the summary compensation table of proxy statements filed with the SEC.

In 2008, Stephenson's pay was \$15 million, according to calculations by the AP. In 2007, his first year as CEO, he earned \$18 million.

Dallas-based AT&T is the country's largest telecommunications carrier, and **Stephenson's 2009 pay exceeded the \$17.5 million earned by Ivan Seidenberg, CEO at the second-largest carrier, Verizon Communications Inc.**

Stephenson also had \$6.9 million worth of stock vest in 2009. He didn't exercise any options, according to the filing.

For all of 2009, AT&T earned \$12.5 billion, or \$2.12 per share, on revenue of \$123 billion. That compared to 2008 earnings of \$12.9 billion, or \$2.16 per share, on revenue of \$124 billion.

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