

AT&T Retirees and Future Retirees,

For some of you, this is an update, and for others, an introduction. AT&T Concerned Employees for Retirement Protection (ACE) has been an advocacy organization since 1998, composed of current and retired employees of AT&T. Our mission is to:

- **Educate AT&T colleagues, active and retired, about the changes that have and are happening that affect our retirement security.** Specific issues include cash balance pension conversions; pension funding, and health care changes.
- **Work to restore and preserve our retirement benefits, with a current focus on pension rights and the retention of and improvement in current healthcare benefits for our current and future retirees.**

All these activities take time, money, and resources, so we are asking you to join or renew your membership in ACE for only \$10 per year. With this funding, we can continue and expand our current efforts.

Our website, <http://att.nac.net>, will provide the details, but here is what we have done over the past five years:

- Filed the Cash Balance Lawsuit in 1998, which now has class action status. Visit the *AT&T Controversy Tab* on the website for historical and current information.
- Represented ACE at the April 2003 IRS Hearings. As a result, current legislation restricts any further pension changes before October 2004.
- Initiated letter-writing campaigns to Congress, the Department of Labor, and the IRS.
- Sponsored Shareholder Proxy Proposals, requesting our executive team to offer a choice of pension plan to those AT&T employees and retirees negatively impacted by the conversion to cash balance.

This year we:

- Sponsored a proxy that was accepted by AT&T to exclude all pension credits from the executive compensation formula. (*Shareholder Proxy Tab*)
- Engaged in legislative action to protect healthcare benefits, which are eroding for current and future retirees.

We need your support to continue our work, on your behalf, so please:

- **Join or renew your membership with ACE** – you’ll enable us to fight for current and future retirement benefits. Visit our website and/or mail your \$10 annual dues to:

ACE
45 Park Place South
#137
Morristown, N.J. 07960

Please be sure to update us with your *personal e-mail address*, when returning your annual membership dues.

- **Spread the word** - We need the support of your fellow AT&T friends who may not be aware of our efforts.
- Take the one question survey – Click on *Summary Plan Description (SPD) Survey Tab* on the home page. Your data will be used to ensure that you are a part of the class action group, and the information may be used in our lawsuit.
- **Volunteer** – **If you want to get involved, we’d love to have the help!**

Note: ACE is aligned with the National Retiree Legislative Network (NRLN) in philosophy and action and sits on the Board. See the *NRLN Link* on our website for more information. ACE members automatically become paid members of NRLN. A portion of annual membership dues is also contributed, on behalf of each member, to the Pension Rights Organization.