

Summary Plan Description



IMPORTANT BENEFITS INFORMATION

AT&T East Disability Benefits Program

This is an updated summary plan description (SPD) for the AT&T East Disability Benefits Program. This SPD replaces your existing SPD dated September 2010 and all of its summaries of material modifications (SMMs).

Please keep this SPD for future reference.

NIN: 78-31415

Disability

Summary Plan Description | July 2014

IMPORTANT INFORMATION

This summary plan description (SPD) along with the AT&T Umbrella Benefit Plan No. 3 (Plan) is the official document for the benefits offered under the AT&T East Disability Benefits Program (Program). It will govern and be the final authority on the terms of the Program. AT&T reserves the right to terminate or amend any and all of its employee benefit plans or programs, at any time for any reason. Participation in this Program is neither a contract nor a guarantee of future employment.

What is this document?

This SPD, together with any summaries of material modifications (SMMs) issued for this Program, constitute your SPD for this Program.

Este documento contiene un resumen, en inglés. Si usted tiene dificultad en entender este documento, entre en contacto por favor con AT&T Integrated Disability Service Center, **866-276-2278**.

What action do I need to take?

You should review this SPD.

How do I use this document?

As you read this SPD, pay special attention to the key points at the beginning of most major sections and shaded boxes that contain helpful examples and important notes. While AT&T has provided these tools to help you better understand the Program, it is important that you read the SPD in its entirety, so that you can understand the Program details. Also, throughout this SPD, there are cross-references to other sections in the SPD. Please consult the Table of Contents to help you locate these cross-referenced sections.

Keep your SPDs and SMMs for your future reference. They are your primary resource for your questions about the Program.

Questions?

If you have questions regarding your Program benefits, contact the Claims Administrator. See the "Contact Information" section for information on how to contact the Claims Administrator.

Si usted tiene alguna dificultad en entender cualquier parte de este documento, entre en contacto por favor con el Claims Administrator en la sección de "Contact Information".

USING THIS SUMMARY PLAN DESCRIPTION

KEY POINTS

- *This SPD applies to you if you become Disabled on or after Jan. 1, 2014.*
- *If you were Disabled before Jan. 1, 2014 and continue to be Disabled on and after Jan. 1, 2014, the determination as to whether you are eligible for benefits under the Program, whether you are Disabled, and the amount and duration of your benefits are determined by the plan provisions that were in effect when you became Disabled. For all other purposes (such as the contact information and the claim and appeal process), the provisions of this SPD are applicable to you beginning Jan. 1, 2014.*

This SPD is a legal document that provides comprehensive information about the AT&T East Disability Benefits Program (Program).

This document describes the disability benefits offered to those employees eligible to receive benefits from the Program and is intended to serve as the SPD as required by the Employee Retirement Income Security Act of 1974 (ERISA).

Use this SPD to find answers to your questions about your Program benefits in effect as of Jan. 1, 2014. This SPD replaces all previously issued SPDs and SMMs and applies to you if you become Disabled on or after Jan. 1, 2014. If you became Disabled before Jan. 1, 2014, and continue to be Disabled on and after Jan. 1, 2014, the determination as to whether you are eligible for benefits under the Program, whether you are Disabled, and the amount and duration of your benefits are determined by the plan provisions that were in effect when you became Disabled. For all other purposes (such as the contact information and the claim and appeal process), the provisions of this SPD are applicable to you beginning Jan. 1, 2014.

Section References

Many of the sections of this SPD relate to other sections of the document. You may not obtain all of the information you need by reading only one section. It is important that you review all sections that apply to a specific topic. Also, see the footnotes and notes embedded in the text. They further clarify content, offer additional information or identify exceptions that apply to certain Participants. These notes are important to fully understand Program benefits.

Terms Used in This SPD

Terms that are capitalized are explained in the text of this SPD or defined in the "Definitions" section of the SPD.

CONTENTS

Important Information	2
What is this document?	2
What action do I need to take?	2
How do I use this document?	2
Questions?	2
Using This Summary Plan Description	2
Section References	3
Terms Used in This SPD	3
Benefits at a Glance	6
Eligibility and Participation	8
Eligibility at a Glance	8
Eligible Employee	8
Participating Companies and Applicable Bargaining Agreements	9
Term of Employment	9
Enrollment	9
Enrolling in Supplemental Long-Term Disability Benefits	9
Premiums	10
For Supplemental Long-Term Disability Benefits	10
When Coverage Begins and Ends	10
Coverage Begins	10
Coverage Ends	11
Your Short-Term Disability Benefits	12
When You Are Considered Disabled	12
Filing for Sickness Disability Benefits	12
When Sickness Disability Benefits Begin	13
Amount and Duration of Sickness Disability Benefits	14
Your Accident Disability Benefits	16
Rules Applicable to Short-Term Disability Benefits (Both Sickness Disability Benefits and Accident Disability Benefits)	20
Your Company-Provided Long-Term Disability Benefits	23
When You Are Considered Disabled	23
Rehabilitation	24
Filing for Company-Provided Long-Term Disability Benefits	24
When Company-Provided Long-Term Disability Benefits Begin	25
Amount of Company-Provided Long-Term Disability Benefits	25
How Company-Provided Long-Term Disability Benefits Are Paid	27
When Your Company-Provided Long-Term Disability Benefits End	27
Your Supplemental Long-Term Disability Benefits	28
Filing for Supplemental Long-Term Disability Benefits	30
Amount of Supplemental Long-Term Disability Benefits	30
How Supplemental Long-Term Disability Benefits Are Paid	30
When Supplemental Long-Term Disability Benefits End	30
Final Unpaid Benefits Under the Program	30
Benefits Provided Under Other Plans or Programs	30
Additional Information About Filing a Claim for Benefits Under the Program	31
How to Appeal a Denial of Benefits	32
When You May File an Appeal	32
Who Decides Your Appeal	32

How to Appeal a Denied Claim	32
Importance of Exhausting Administrative Remedies	33
Overpayments	34
ERISA Rights of Participants.....	34
Your ERISA Rights	34
Prudent Actions by Plan Fiduciaries.....	34
Enforce Your Rights.....	35
Assistance With Your Questions	35
Definitions.....	35
Other Plan Information.....	38
Amendment or Termination of the Program.....	39
Limitations on Rights.....	40
Facility of Payment.....	40
Contact Information	40
Information Changes and Other Common Resources.....	43
Appendix A: Participating Companies and Applicable Bargaining Agreements	45

BENEFITS AT A GLANCE

KEY POINTS

- *The Program provides Short-Term Disability Benefits and Company-Provided Long-Term Disability Benefits to Eligible Employees — which are 100 percent paid for by your employer.*
- *Eligible Employees may also purchase Supplemental Long-Term Disability Benefits from the Program.*
- *See the “Eligibility and Participation” section for more information on eligibility.*

The AT&T East Disability Benefits Program (Program) provides for ongoing income if you become Disabled due to an illness or injury and are unable to work. The Company pays the full cost of your participation in the Short-Term Disability Benefit Program and the Company-Provided Long-Term Disability Program. Your Short-Term and Company-Provided Long-Term Disability Benefits work together to provide for your Disability coverage. See the *Benefits at a Glance* table.

Short-Term Disability Benefits	
Minimum/Maximum Benefit	50% or 100% of your Pay, based on your Term of Employment and subject to applicable Offsets
Maximum Duration	52 weeks, provided you remain Disabled
Definition of Disability	You are considered Disabled for purposes of Short-Term Disability Benefits if the Claims Administrator, at its sole discretion, determines that you have an illness, injury or other medical, psychiatric or psychological condition that prevents you from performing the essential functions of your regular job (or any other job assigned by your employer for which you are qualified) with or without reasonable accommodations. See the "When You Are Considered Disabled" section for more information.
Waiting Period	7 (full) consecutive calendar days of absence from work for Sickness Disability Benefits. None for Accident Disability Benefits.
When Payments Begin	8th consecutive calendar day of full or partial absence from work as a result of an approved off-the-job Disability. 1st full calendar day of absence from work as a result of an approved on-the-job Disability.
When Payments End	Generally, the earlier of the date when you return to work, you cease to be Disabled, you have received the maximum 52 weeks of Short-Term Disability Benefits, or your employment is terminated. See the "When Your Short-Term Disability Benefits End" section for more circumstances under which benefits may end.
Benefit Reduction/Offsets	Your benefits will be offset by other applicable sources of income that are available to you. See the "Offsets" section for more information.

Short-Term Disability Benefits	
Relapse (Successive Periods of Disability)	For benefit information on claims for Participants who have a subsequent Disability after recovering or returning to work from a prior Disability, see the "Relapses" section.
Disability Claim Filing	Contact the Claims Administrator as soon as you know your absence will result in an absence greater than seven full consecutive calendar days for Sickness Disability Benefits or the first day of absence for Accident Disability Benefits.

Company-Provided Long-Term Disability Benefits	
Coverage Amounts	50% of your Pay when combined with certain other sources of income
Maximum Duration	Age 65 (or four years of Company-Provided Long-Term Disability Benefits, whichever is later) provided you remain Disabled. See the "When Your Company-Provided Long-Term Disability Benefits End" section for more information.
Definition of Disability	You are considered Disabled for purposes of Company-Provided Long-Term Disability Benefits if you are unable to perform the duties of any job for which you are qualified or may reasonably become qualified based on education, training or experience or you are incapable of performing the requirements of a job other than one for which the rate of pay is less than 50% of your Pay at the end of your 52-week period of Short-Term Disability Benefits. See the "When You Are Considered Disabled" section for more information.
When Payments Begin	On the first day immediately following the end of 52 weeks of Short-Term Disability Benefits, when Company-Provided Long-Term Disability Benefits are approved.
When Payments End	Generally, payments end the earlier of the date you return to work with any of the AT&T Group of Companies, cease to be Disabled, or reach the maximum length of benefits for your age. See the "When Your Company-Provided Long-Term Disability Benefits End" section for more circumstances under which benefits may end.
Benefit Reduction/Offsets	Your benefits will be offset by other applicable sources of income that are available to you. See the "Offsets" subsection of the "Amount of Company-Provided Long-Term Disability Benefits" section for more information.
Relapse (Successive Periods of Disability)	For benefit information on claims for Participants who have a second period of Disability after recovering or returning to work from a prior Disability, see the "Relapses" section for more information.
Disability Claim Filing	Within 90 days after the end of the period for which Short-Term Disability Benefits are payable.

Supplemental Long-Term Disability Benefits	
Coverage Amounts	You may elect to purchase Supplemental Long-Term Disability Benefits equal to 10% or 20% of your Pay, which supplements Company-Provided Long-Term Disability Benefits paid under the Program.
Enrollment Period	You may enroll for coverage during annual enrollment.

Supplemental Long-Term Disability Benefits	
Maximum Duration	You will continue to receive Supplemental Long-Term Disability Benefits under the Program until you reach age 65 or for at least four years (whichever is later), as long as you continue to be approved by the Supplemental Long-Term Disability Insurance Company.
Definition of Disability	You are considered Disabled for purposes of Supplemental Long-Term Disability Benefits if the Supplement Long-Term Disability Insurance Company determines that you are Disabled.
When Payments Begin	On the first day immediately following the end of 52 weeks of Short-Term Disability Benefits, when Supplemental Long-Term Disability Benefits are approved.
When Payments End	Generally, payments end the earlier of the date you reach 65, or have received four years of Supplemental Long-Term Disability Benefits (whichever is later) as long as you continue to be Disabled as determined by the Supplemental Long-Term Disability Insurance Company. See the "When Supplemental Long-Term Disability Benefits End" section for more circumstances under which benefits may end.
Benefit Reduction/Offsets	Your Supplemental Long-Term Disability Benefits will not be offset by other sources of income available to you.

ELIGIBILITY AND PARTICIPATION

KEY POINT

- *You must be an Eligible Employee (full-time or part-time) of an Employee Group in a Participating Company listed in Appendix A who is classified as a Regular or Term Employee to be eligible for the Program.*

Eligibility at a Glance

This section includes information to help you determine if you are eligible for this Program. Eligible Employees are eligible for Accident Disability Benefits on the first day of employment. For all other Program benefits, eligibility begins on the first day after completing a six-month Term of Employment.

Eligible Employee

To be considered an Eligible Employee, you must be a Bargained Employee on the active payroll of a Participating Company and be included in an Employee Group listed in *Appendix A*. You must also be receiving a regular and stated compensation for your services rendered to a Participating Company as a full-time or part-time Regular or Term Employee. You must be actively at work or currently receiving Program benefits to be considered eligible for the Program.

IMPORTANT: Part-time employees are **not** eligible to elect Supplemental Long-Term Disability Benefits coverage.

However, even if you are included in an eligible Employee Group described in the previous paragraph, you are not eligible to participate in the Program if you are classified by the Participating Company as a(n):

- Occasional Employee.
- Temporary Employee.
- Leased Employee.
- Independent contractor.
- Nonresident alien employed outside of the United States.
- Bargained Employee who is temporarily promoted to a management position (also known as an acting title).

You are also not eligible to participate in the Program if you are eligible for disability coverage (long-term or short-term) under any other disability benefit program sponsored by AT&T.

Eligibility During a Leave of Absence

You also may be considered eligible for Short-Term Benefits and Company-Provided Long-Term Disability Benefits if you are granted an approved leave in accordance with the Family and Medical Leave Act (FMLA), the State of Connecticut's Public Act No. 89-382 (or other state laws, if applicable), or if you are on a Leave of Absence, but only if the terms of your Leave of Absence provide for continued eligibility in this Program. If you are on a Leave of Absence that is ineligible for this Program, coverage will begin after you return to work and are otherwise eligible for coverage under the Program. Refer to the SNET Leaves of Absence Policy for more information about how a Leave of Absence affects your eligibility for this Program.

If you are already covered for Supplemental Long-Term Disability before your Leave of Absence begins, you may continue to pay the insurance premiums. You are not eligible to elect Supplemental Long-Term Disability Benefits if you are on a Leave of Absence.

Eligibility While Suspended From Work

You are not eligible for benefits from the Program while you are absent from work because of a disciplinary suspension.

Participating Companies and Applicable Bargaining Agreements

See *Appendix A* for the list of AT&T companies and bargaining units that participate in the Program.

Term of Employment

Term of Employment (also known as net credited service (NCS)) is determined by the AT&T Pension Benefit Plan.

ENROLLMENT

You are automatically enrolled in the Program if you are an Eligible Employee, except for Supplemental Long-Term Disability Benefits.

Enrolling in Supplemental Long-Term Disability Benefits

The Program also offers optional Supplemental Long-Term Disability coverage for Eligible Employees who enroll for the benefit as described in this section.

IMPORTANT: Part-time employees are **not** eligible to elect Supplemental Long-Term Disability Benefits coverage.

You may enroll for the first time or increase your coverage, during annual enrollment. Coverage becomes effective on Jan. 1 after annual enrollment. Coverage remains in effect for the entire calendar year.

You must submit evidence of insurability for approval by the Supplemental Long-Term Disability Insurance Company to enroll for the first time or to increase your coverage.

You may not increase, decrease or cancel coverage at any time during the year except at annual enrollment.

You must be actively at work during annual enrollment and on the effective date of the initial or increased additional coverage or the newly elected or increased coverage will be cancelled.

For additional details regarding the enrollment process, contact the Supplemental Long-Term Disability Benefits Enrollment Vendor. See the "Contact Information" section for information on how to contact the Supplemental Long-Term Disability Benefits Enrollment Vendor.

PREMIUMS

The Company pays the cost of the Program, except for Supplemental Long-Term Disability Benefits.

For Supplemental Long-Term Disability Benefits

You pay premiums for the entire cost of the Supplemental Long-Term Disability Benefits coverage you elect through after-tax payroll deductions. Your cost for coverage is determined by your age on Jan. 1 of each year following enrollment, your Pay at the time of annual enrollment and the amount of additional coverage elected. You will receive notice of these costs during annual enrollment.

Premiums will be deducted from your paycheck unless you are not receiving a paycheck for any reason (including being on Short-Term Disability or a Leave of Absence). In such a case, you will receive a bill for the cost of coverage directly from the Supplemental Long-Term Disability Benefits Enrollment Vendor. For additional details regarding direct billing, contact the Supplemental Long-Term Disability Benefits Enrollment Vendor. See the *Supplemental Long-Term Disability Benefits Enrollment Vendor* "Contact Information" section for information on how to contact the Supplemental Long-Term Disability Enrollment Vendor.

Additionally, you are not required to pay premiums for Supplemental Long-Term Disability Benefits if you are receiving Company-Provided Long-Term Disability Benefits. Premiums stop at the end of the month in which you begin receiving Company-Provided Long-Term Disability Benefits.

WHEN COVERAGE BEGINS AND ENDS

Coverage Begins

Coverage for Short-Term Disability Benefits – Sickness Disability Benefits and Company-Provided Long-Term Disability Benefits under this Program begin on the date you meet all eligibility requirements, including the requirement that you have completed a six-month Term of Employment. See the "Eligibility and Participation" section for more information on eligibility.

Coverage for Short-Term Disability Benefits – Accident Disability Benefits begins on your first day of work with a Participating Company.

Coverage for Supplemental Long-Term Disability Benefits begins on Jan. 1 after you enroll and your coverage is approved by the Supplemental Long-Term Disability Insurance Company.

Coverage under this Program means that you are eligible for Program benefits for an absence as a result of a Disability.

Coverage Ends

Except for Supplemental Long-Term Disability Benefit coverage (which is addressed separately below), you are no longer covered under the Program on the earlier of the date:

- The Program ends.
- You are no longer Disabled under the terms of the Program.
- You cease to fulfill any of the eligibility requirements described in this SPD. (See the “Eligibility and Participation” section for more information.)
- Your employment is terminated for any reason other than layoff. (See the “If You Are Laid Off While You Are Eligible for Short-Term Disability Benefits” section for more information.)
- The Program is terminated by the Company for your Employee Group.
- You are on a Leave of Absence that is ineligible for this Program. Refer to the SNET Leaves of Absence Policy for more information about how a Leave of Absence affects your eligibility for this Program.
- You retire.
- You receive the maximum 52 weeks of Short-Term Disability Benefits payable and your employment ends as a result unless you are on an approved Leave of Absence.
- You die.
- The Company may, from time to time, move job positions that are covered by the Program out of the Program (for example, a group of jobs may be transferred to coverage under another disability program). If that happens while you are Disabled and receiving Short-Term Disability Benefits or Long-Term Disability Benefits from the Program (or would be receiving benefits in the absence of Offsets), you will continue to be covered by this Program until you are no longer considered Disabled. Once you are no longer considered Disabled, your eligibility for coverage under the Program will cease.

However, you will continue to be covered by the Program after employment ends if:

- You terminate employment with a Participating Company and you are immediately employed or reemployed as an Eligible Employee by another Participating Company.
- You are receiving Long-Term Disability Benefits from this Program.

In addition to the reasons listed above, your Supplemental Long-Term Disability Benefits coverage will end on the earliest of the date:

- You fail to make any required Supplemental Long-Term Disability Benefits premium payments.
- You cancel Supplemental Long-Term Disability Benefits coverage by giving notice to the Supplemental Long-Term Disability Benefits Enrollment Vendor.

- The group Supplemental Long-Term Disability Benefits insurance policy ends, or when the Program is amended or ends.
- You reach the maximum period allowable under the Supplemental Long-Term Disability Benefits insurance policy.

YOUR SHORT-TERM DISABILITY BENEFITS

KEY POINTS

- *The Program offers two types of Short-Term Disability Benefits if the Claims Administrator determines that you have a Disability: Sickness Disability Benefits are available if you have an off-the-job Disability, and Accident Disability Benefits are available if you have an on-the-job Disability.*
- *Sickness Disability Benefits under the Program are payable on the eighth full consecutive calendar day of absence as a result of an approved Disability.*
- *Accident Disability Benefits under the Program are payable on the first full calendar day of absence as a result of an approved Disability.*
- *The amount of Short-Term Disability Benefits depends on your Pay and your Term of Employment.*
- *Short-Term Disability Benefits are payable for a maximum of 52 weeks.*
- *Your Short-Term Disability Benefits will be reduced by certain other income sources known as Offsets.*

This Program provides Short-Term Disability Benefits for up to 52 weeks while you are Disabled. The Program provides two types of Short-Term Disability Benefits: Sickness Disability Benefits and Accident Disability Benefits. If your condition is due to an off-the-job illness or injury, you should file for Sickness Disability Benefits. If your condition is due to an on-the-job illness or injury, you should file for Accident Disability Benefits. Benefits are not payable for both Sickness Disability Benefits and Accident Disability Benefits for the same period of absence or for the same illness or injury.

When You Are Considered Disabled

You are considered Disabled for purposes of Short-Term Disability Benefits if the Claims Administrator determines that you have an illness, injury or other medical, psychiatric or psychological condition that prevents you from performing the essential functions of your regular job and you cannot be accommodated due to an illness or injury at another job within any Participating Company. Your Disability must be supported by objective Medical Evidence.

Filing for Sickness Disability Benefits

In order to be considered for Sickness Disability Benefits under the Program, you must:

- Be an Eligible Employee. You must meet the eligibility requirements before the eighth consecutive calendar day of absence from work as a result of a Disability. See the "Eligibility and Participation" section for more information on eligibility.
- Contact your supervisor, or appropriate designated representative, as soon as reasonably practicable to report your absence on the first day of your absence.

- Contact the Claims Administrator as soon as you know your absence will be greater than seven full consecutive calendar days. See the “Contact Information” section for information on how to contact the Claims Administrator. If you are unable to call the Claims Administrator or provide the necessary information to the Claims Administrator, your Physician, supervisor, or any member of your family may make these calls on your behalf.
- Be under the care of a Physician and follow a treatment plan that is reasonably designed (where practicable) to result in your recovery and return to work. The Claims Administrator will require that you periodically furnish satisfactory Medical Evidence of your Disability.
- Ensure that your medical providers cooperate with the Claims Administrator to provide all necessary information to the Claims Administrator in a timely manner.
- Provide your Physician or other medical provider with a signed copy of the medical release form provided by the Claims Administrator.
- Report for a medical examination by a Physician designated by the Claims Administrator when requested. If the Claims Administrator requires this examination to continue your Sickness Disability Benefits, you will not be required to pay for the medical examination.
- Contact the Claims Administrator in advance if your Physician requires you to recuperate away from home.

IMPORTANT: If you want to travel away from home, you must obtain permission from the Claims Administrator based on medical necessity in advance of your travel, for the specific time of your trip. Otherwise, your benefits may be suspended or terminated.

If you are an active employee, your benefits may be suspended, and you can be subject to disciplinary action up to and including termination of employment if you fail to comply with the terms of the Program.

If you have any questions about these policies, or if you are unsure if an activity is appropriate, contact the Claims Administrator.

Only the Claims Administrator (or its delegates) has the discretion to determine whether you have a disability that qualifies you for Sickness Disability Benefits under the Program.

See the “Additional Information About Filing a Claim for Benefits Under the Program” section for information about filing a claim.

When Sickness Disability Benefits Begin

Your Sickness Disability Benefits begin on the eighth full consecutive calendar day that you are away from work as a result of an approved Disability (unless your absence begins within eight weeks of a previous short-term disability absence — see the “Relapses” section).

EXAMPLE: Mary is an Eligible Employee who is first absent from work as a result of an off-the-job illness or injury beginning on Dec. 16. If her absence continues until Dec. 23, her Sickness Disability Benefits would begin on Dec. 23 (eighth calendar day of absence) if approved. If Mary’s first day of absence is Dec. 18, her eighth consecutive calendar day of absence is Dec. 25 — a holiday that Mary is not scheduled to work. If Mary returns to work on Dec. 26, she will not have had a sickness disability under the Program. If she is still absent on Dec. 26 as a result of her approved Disability, she will begin receiving Sickness Disability Benefits as of Dec. 25.

If you are on an anticipated disability Leave of Absence, your Sickness Disability Benefits will begin on the eighth full consecutive calendar day of absence after your Leave of Absence has ended (provided that the Claims Administrator has approved your Sickness Disability Benefits).

If you are Disabled at the end of an approved military or public health service Leave of Absence, your Sickness Disability Benefits will begin on the eighth full consecutive calendar day of absence after your Leave of Absence has ended (provided that the Claims Administrator has approved your Sickness Disability Benefits).

Refer to the SNET Leaves of Absence Policy for more information on any Leave of Absence you may be eligible to receive.

Amount and Duration of Sickness Disability Benefits

Your Sickness Disability Benefits can last up to 52 weeks if you remain Disabled. The amount of your Sickness Disability Benefits depends upon your Term of Employment and your Pay, both as of the day your benefits begin (the eighth full consecutive calendar day of absence).

Term of Employment as of the 8th day of absence	Weeks at full Pay (100 Percent of Pay)	Weeks at half Pay (50 Percent of Pay)
At least 6 months but less than 2 years	4	48
2 but less than 5 years	8	44
5 but less than 15 years	13	39
15 but less than 20 years	26	26
20 but less than 25 years	39	13
25 or more years	52	0

Pay

Your Pay is your regular base pay and fixed differentials for regular evening and night assignments, and bilingual differentials in effect on the day your benefits begin (the eighth full consecutive calendar day of absence) not including other types of payments such as overtime, success sharing awards, incentive awards and commissions. For employees paid pursuant to a leveraged compensation plan, Pay will be based on base wages plus 100 percent of the target incentive amount, as defined under the collective bargaining agreement.

Any general wage increases in your Pay that become effective while you are receiving disability benefits will automatically be reflected in your Sickness Disability Benefits payments. No other wage increases (such as progression increases) will be effective until you return to work on a part-time or full-time basis, and will not increase your Sickness Disability Benefits.

- **Special Rule for Part-Time Employees**

The amount of your Sickness Disability Benefits will be calculated based upon your part-time Pay based on the number of hours you are regularly scheduled to work per week.

Sickness Disability Benefits While You Are Employed Part-Time Due to Disability

If you are a full-time employee, and your Physician requires you to work part-time because of a Disability, the following benefits may be available to you:

Special Sickness Disability Benefits Payments

You may be entitled to Special Sickness Disability Payments if you:

- Are working full-time, and

- You have at least a six-month Term of Employment, and
- Your Physician requires you to work on a part-time basis because of a temporary and partial Disability that is expected to be a total Disability in the near future.

You will receive your regular pay for the hours that you work. You will receive Special Sickness Disability Benefit payments for the hours that you do not work, up to the amount you were regularly scheduled to work prior to your Disability. Such payments begin on the first day of part-time work and may continue for up to two months. The Claims Administrator will determine whether you are eligible for these benefits based upon information from your Physician. These benefits count against the maximum 52 weeks of Short-Term Disability Benefits allowed by the Program.

Illness Other Benefits

You may be eligible for Illness Other Benefits (IOB) payments if:

- You receive Sickness Disability Benefits for at least three consecutive months,
- After which your Physician requires you to return to work on a part-time basis (for a minimum of four hours per day).

You will receive your regular pay for the hours that you work. You will receive IOB payments for the hours that you do not work, up to the amount you were regularly scheduled to work prior to your Disability. The amount of IOB payments you receive will be based on the amount of full Pay or half Pay benefits that you would be eligible to receive as Sickness Disability Benefits if you were Disabled. To receive IOB payments, you must have a written recommendation from your Physician and be approved for such payments by the Claims Administrator. The maximum duration of your IOB payments depends upon the length of your off-the-job illness or injury. You may receive IOB payments for:

- No more than two weeks following an off-the-job illness or injury of at least three consecutive months duration.
- No more than three weeks following an off-the-job illness or injury of at least five consecutive months duration.

These benefits count against the maximum 52 weeks of Short-Term Disability Benefits allowed by the Program.

Part-Time Employment Following Sickness Disability Benefits

You may be eligible to work on a part-time basis for up to six months following your receipt of Sickness Disability Benefits if:

- You are a full-time Employee.
- Your Physician requires you to work part-time due to a continuing disability (temporary or permanent) that is expected to last more than two months.
- You get approval from the Claims Administrator.
- Your employer is able to reasonably accommodate your needs.

During this period of part-time employment immediately following Sickness Disability Benefits, you will remain classified as a full-time Employee, but you will only be paid for the actual number of hours you work. You will **not** receive disability benefits from the Program.

As an alternative, you may request that your employer grant you an unpaid Leave of Absence for up to one year.

Offsets for Sickness Disability Benefits

Your Sickness Disability Benefits will be offset (reduced) by any sources of income available to you, including but not limited to:

- State Disability Insurance (SDI) and other benefits of the same general character under any state or federal disability law now in force or under any future law, such as benefits under disability insurance laws of any other state, or the functional equivalent of Workers' Compensation Benefits but excluding benefits under the Social Security Act. You must pursue any applicable appeals if your claim is denied. The Plan Administrator has the sole discretion to determine what payments under current or future laws are of the same general character as benefits under the Program.
- Pension payments in Pay status (including both qualified and non-qualified payments for disability, service, or vested pension) from the AT&T Pension Benefit Plan if your employment is terminated due to a layoff while you are Disabled, and you are eligible for a pension. The Offset will be the amount of the monthly single life annuity payable, whether or not you actually elect this form of payment. For example, if you elect a lump sum cash-out to be paid to you in cash or rolled over into a traditional individual retirement account (IRA) or an Eligible Retirement Plan (as defined by the Internal Revenue Code), the equivalent monthly single life annuity amount will be calculated and your Sickness Disability Benefits will be reduced by that amount. Once the amount of your pension benefit is determined and paid, any increase in your pension benefit due to a pension plan amendment will not decrease the amount of your Sickness Disability Benefits.

IMPORTANT: Your Sickness Disability Benefits will **not** be reduced to account for any Social Security disability benefit to which you are entitled.

This means that if the amount you receive from Offsets is less than the applicable percentage of your Pay, Sickness Disability Benefits provide additional payments to bring your total disability income up to that level. If your combined income from the Offsets is equal to or greater than the applicable percentage of your Pay, you will not receive payments from the Program. The Program may seek to recover any overpayments that you receive.

Furthermore, if Sickness Disability Benefits and Offsets are payable or awarded at different times for the same periods of Disability, Sickness Disability Benefits will be adjusted to take the Offsets into account and to make any necessary adjustments.

There is no time limit on when Offsets can be applied. The Plan Administrator and Claims Administrator may choose, for administrative reasons, to establish rules that result in deferring application of certain Offsets. Failure to apply an Offset as soon as it is available will not constitute a waiver by the Program of offset rights or otherwise prevent their later exercise.

Your Accident Disability Benefits

This Program provides Accident Disability Benefits designed to help replace your regular earnings if you are Disabled as a result of an on-the-job illness or injury. Your Accident Disability Benefits continue for up to 52 weeks, so long as you remain Disabled and unable to return to work.

Filing for Accident Disability Benefits

In order to be considered for Accident Disability Benefits under the Program, you must:

- Be an Eligible Employee. See the "Eligibility and Participation" section for more information on eligibility.

- Contact your supervisor and the Claims Administrator (if your supervisor has not already done so) to report your disability on the first full day of your absence. See the “Contact Information” section for information on how to contact the Claims Administrator.
- Be under the care of a Physician and follow a treatment plan that is reasonably designed (where practicable) to result in your recovery and return to work. The Claims Administrator will require that you periodically furnish Medical Evidence of your Disability.
- Ensure that your medical providers cooperate with the Claims Administrator to provide all necessary information to the Claims Administrator in a timely manner.
- Provide your Physician or other medical provider with a signed copy of the medical release form provided by the Claims Administrator.
- Report for a medical examination by a Physician designated by the Claims Administrator when requested. If the Claims Administrator requires this examination to continue your Accident Disability Benefits, you will not be required to pay for the medical examination.
- Contact the Claims Administrator in advance if your Physician requires you to recuperate away from your home.

IMPORTANT: If you want to travel away from home, you must obtain permission from the Claims Administrator based on medical necessity in advance of your travel, for the specific time of your trip. Otherwise, your benefits may be suspended or terminated. Generally, the Claims Administrator does not approve requests for recovery away from home while you are receiving Short-Term Disability Benefits from the Program.

If you are an active employee, your benefits may be suspended, and you can be subject to disciplinary action up to and including termination of employment if you fail to comply with the terms of the Program.

If you have any questions about these policies, or if you are unsure if an activity is appropriate, contact the Claims Administrator.

Only the Claims Administrator has the discretion to determine whether you have a disability that qualifies you for Accident Disability Benefits under the Program. See the “Additional Information About Filing a Claim for Benefits Under the Program” section for information about filing a claim.

No Accident Disability Benefits are payable when any other benefits (i.e., Sickness Disability Benefits or Long-Term Disability Benefits) are being paid to you by the Program.

When Accident Disability Benefits Begin

Your Accident Disability Benefits begin on the first full day that you are away from work because you are Disabled due to an on-the-job illness or injury. See the “Relapses” section for more information about successive absences.

Amount and Duration of Accident Disability Benefits

Your Accident Disability Benefits can last up to 52 weeks, so long as you are Disabled. The amount of your Accident Disability Benefits depends upon your Term of Employment as of the first full day of your absence, and your Pay based on your current scheduled hours per week.

Term of Employment	Weeks at full Pay (100 Percent of Pay)	Weeks at half Pay (50 Percent of Pay)
Less than 2 years	4	48
2 but less than 5 years	8	44
5 but less than 15 years	13	39
15 but less than 20 years	26	26
20 but less than 25 years	39	13
25 or more years	52	0

Your full-pay Accident Disability Benefits will provide you with the level of spendable income (income after taxes) according to the table above based on your normal work schedule. The level of your spendable income will be determined based on your Pay and income tax filing status. If you are eligible for Workers' Compensation Benefits, the level of income you receive will be a combination of Workers' Compensation Benefit payments (which are not taxable) and Accident Disability Benefits (which are taxable).

Pay

Your Pay is your regular base pay and fixed differentials for regular evening and night assignments, and bilingual differentials in effect on the first day your benefits begin (the first full calendar day of absence) not including other types of payments such as overtime, success sharing awards, incentive awards and commissions. For employees paid pursuant to a leveraged compensation plan, pay will be based on base wages plus 100 percent of the target incentive amount, as defined under the collective bargaining agreement.

Any general wage increases in your Pay that become effective while you are receiving disability benefits will automatically be reflected in your Accident Disability Benefits payments. No other wage increases (such as progression increases) will be effective until you return to work on a part-time or full-time basis, and will not increase your Accident Disability Benefits.

Partial Accident Disability Benefits

If an on-the-job illness or injury prevents you from working your regularly scheduled daily work hours, but you are still able to work in some capacity, you may qualify for partial Accident Disability Benefits. Partial Accident Disability Benefits ensure that you receive the appropriate percentage of Pay (half or 100 percent, depending upon your Term of Employment). See the "Amount and Duration of Accident Disability Benefits," section for the percentage of Pay to which you are entitled. Additionally:

- The Claims Administrator will determine if partial Accident Disability Benefits should be approved based on information supplied by your Physician.
- The partial Accident Disability Benefits you are eligible to receive depend on your Term of Employment.
- Your partial Accident Disability Benefits will count against the maximum 52 weeks of Short-Term Disability Benefits allowed by the Program. Your eligibility for partial disability benefits under the Program will stop if you receive Accident Disability Benefits for a period of 52 weeks.

While you are eligible for 100 percent Pay, partial Accident Disability Benefits are combined with any Workers' Compensation payments to make up for all or part of the loss of Pay between:

- Your spendable income (income after taxes) as of the date you are declared partially Disabled by the Claims Administrator; and
- The spendable income you are capable of earning while partially Disabled.

Offsets For Accident Disability Benefits

Your Accident Disability Benefits will be offset (reduced) by any sources of income available to you, including but not limited to:

- Workers' Compensation Benefits. If you are unable to work as a result of a work-related disability, you may be eligible to receive Workers' Compensation Benefits. Workers' Compensation Benefits, including permanent disability, will reduce your Accident Disability Benefits. Your Workers' Compensation Benefits will be determined based upon the applicable state law in effect as of the date of your injury. The Workers' Compensation claims administrator will provide you with the amount of your Workers' Compensation.
- State Disability Insurance (SDI) and any other benefits of the same general character under any state or federal disability law, such as benefits under disability insurance laws of any other state, or the functional equivalent of Workers' Compensation Benefits but excluding benefits under the Social Security Act. The Plan Administrator has the sole discretion to determine what payments under current or future laws are of the same general character as benefits under the Program.
- Pension payments in pay status (including both qualified and non-qualified payments for disability, service, or vested pension) from the AT&T Pension Benefit Plan if your employment is terminated due to a layoff while you are Disabled, and you are eligible for a pension. The Offset will be the amount of the monthly single life annuity payable, whether or not you actually elect this form of payment. For example, if you elect a lump sum cash-out to be paid to you in cash or roll it over into a traditional individual retirement account (IRA) or an Eligible Retirement Plan (as defined by the Internal Revenue Code), the equivalent monthly single life annuity amount will be calculated and your Accident Disability Benefits will be reduced by that amount. Once the amount of your pension benefit is determined and paid, any increase in your pension benefit due to a pension plan amendment will not decrease the amount of your Accident Disability Benefits.

IMPORTANT: Your Accident Disability Benefits will not be reduced to account for any Social Security disability benefit to which you are entitled.

This means that if the amount you receive from Offsets is less than the percentage of your Pay, Accident Disability Benefits provide additional payments to bring your total disability income up to that level. If your combined income from Offsets is equal to or greater than the percentage of your Pay, you will not receive payments from the Program. The Program may seek to recover any overpayments that you receive.

EXAMPLE: Suppose you have five years of Term of Employment, and your weekly Pay is \$700. Suppose also that your Disability was as a result of an on-the-job injury, and you are receiving Workers' Compensation Benefits of \$490 per week. The Claims Administrator approves you for Accident Disability Benefits at 100 percent of \$700 per week. Since you are receiving Workers' Compensation Benefits of \$490 per week, you will receive Accident Disability Benefits of \$210 per week to bring your total weekly benefit up to \$700 (equal to 100 percent of Pay).

If your Disability is still approved by the Claims Administrator after 13 weeks, you will be eligible to receive Accident Disability Benefits at half Pay for up to 39 weeks (if you remain Disabled). However, if Workers' Compensation Benefits of \$490 per week continue, you will not receive any payments from the Program because the \$490 per week of Workers' Compensation Benefits is more than Accident Disability Benefits at half Pay.

Furthermore, if Accident Disability Benefits and Offsets are payable or awarded at different times for the same periods of Disability, Accident Disability Benefits will be adjusted to take the Offsets into account.

There is no time limit on when Offsets can be applied. The Plan Administrator and Claims Administrator may choose, for administrative reasons, to establish rules that result in deferring application of certain Offsets for administrative reasons. Failure to apply an Offset as soon as it is available will not constitute a waiver by the Program of offset rights or otherwise prevent their later exercise.

EXAMPLE: If you were originally denied Workers' Compensation Benefits and are subsequently approved and as a result receive retroactive Workers' Compensation Benefits four months after you have begun receiving Accident Disability Benefits, you will be considered to have been overpaid by the Program for those first four months, and future Accident Disability Benefits will be reduced to reflect the future Workers' Compensation Benefits and to recapture the past overpayments. In some cases, the Program may determine that you have received an overpayment for which repayment to the Program will be necessary.

Rules Applicable to Short-Term Disability Benefits (Both Sickness Disability Benefits and Accident Disability Benefits)

How Your Short-Term Disability Benefits Are Paid

Your Short-Term Disability Benefits (whether Sickness Disability Benefits or Accident Disability Benefits) will be paid as soon as practicable following a determination that you have a Disability and at the same time as wages are paid by your Participating Company. Additionally, under current law, Sickness Disability Benefits and Accident Disability Benefits are considered federal taxable income.

Relapses

If you return to work on your regular schedule following receipt of Sickness Disability Benefits or Accident Disability Benefits and experience a relapse, you may be eligible for Sickness Disability Benefits or Accident Disability Benefits for your relapse depending upon the length of your original short-term disability and the length of time you returned to active work.

If you return to work after receiving less than the maximum 52 weeks of Short-Term Disability Benefits

If you return to work for 26 consecutive weeks or more of active work, on your normal work schedule with no disability benefits, and you relapse and are again absent due to an approved short-term disability, you are eligible for a new 52 weeks of Short-Term Disability Benefits.

If you return to work for more than eight but less than 26 weeks of continuous active work on your normal work schedule and are again Disabled – whether related or not to a previous Disability – you are not eligible for a new 52-week maximum benefit. Your earlier period of disability absence will be counted with your later period of disability absence, your maximum benefit will be a total of 52 weeks, and:

- Your Sickness Disability Benefits will begin on the eighth full consecutive calendar day of absence. For purposes of determining how long you will receive full Pay and how long you will receive 50-percent Pay, your Term of Employment will be determined as of the eighth full consecutive calendar day of your new absence, and the period of full Pay and half Pay will be reduced by the period(s) during which you previously received disability benefits.
- Your Accident Disability Benefits will begin on the first full calendar day of your new absence. For purposes of determining how long you will receive full Pay and how long you will receive half Pay, your Term of Employment will be determined as of the first full calendar day of your new absence, and the period of full Pay and half Pay will be reduced by the period(s) during which you previously received disability benefits.

If you return to active work on your normal work schedule for eight weeks or less and are again Disabled – whether related or not to a previous Disability – you are not eligible for a new 52-week maximum benefit. Your Sickness Disability Benefits or Accident Disability Benefits will begin on the first full calendar day of your new disability absence period. Your prior period of disability absence will be counted with your later period of disability absence, and your maximum benefit will be a total of 52 weeks. Your previous disability absence will be counted in determining whether you are eligible for full Pay, half Pay or both. Your Term of Employment will be determined as of the first day for which you previously received disability benefits.

EXAMPLE: Suppose Don became Disabled by an off-the-job illness and was unable to work for six weeks. He has four years of service. He returned to work and within two weeks was again Disabled, due to an on-the-job injury.

Since Don had four years of service, he is eligible for eight weeks of full Pay and 44 weeks of half Pay. After the seven-day waiting period, Don received full-Pay Sickness Disability Benefits for six weeks. After his relapse, Don can receive Accident Disability Benefits on the first day of this absence. He will receive two weeks of full Pay. If he remains Disabled, he will be eligible to receive the remaining 44 weeks of half Pay.

If you were considered disabled under the terms of another Company disability plan or program, then returned to work and transferred into coverage under this Program, and then become Disabled under the terms of this Program, the determination of whether you have had a relapse will be made under the terms of this Program. The time period for which you received disability benefits under the previous program will be counted in determining how much time you may receive Short-Term Disability Benefits under this Program. For example, if you had received eight weeks of short-term disability benefits under the previous program, transferred into this Program, and then relapsed, you will be treated during the relapse period as if you had already received eight weeks of Short-Term Disability Benefits from this Program.

If you return to work after receiving the maximum 52 weeks of Short-Term Disability Benefits

If you return to active work on your normal work schedule for eight weeks or less and received the maximum of 52 weeks of Short-Term Disability Benefits during your previous

disability absence, you may be eligible for Company-Provided Long-Term Disability Benefits if approved by the Claims Administrator.

When Your Short-Term Disability Benefits End

Your Short-Term Disability Benefits (whether Sickness Disability or Accident Disability Benefits) end on the earliest day any of the following events occur:

- At the end of 52 weeks of approved Short-Term Disability Benefits — either Sickness Disability Benefits or Accident Disability Benefits, or a combination of both.
- You are no longer Disabled under the terms of the Program.
- You are not under the care of a Physician.
- You do not follow the recommended treatment plan and/or receive proper treatment for your condition.
- You fail to provide Medical Evidence or other information reasonably required by and acceptable to the Claims Administrator for purposes of administering your claim.
- You do not cooperate in a medical examination or interview or fail to make yourself available for an examination as directed by the Claims Administrator.
- Your employment ends for any reason other than layoff. (See the “If You Are Laid Off While You Are Eligible for Short-Term Disability Benefits” section for more information.)
- You work at a job for an employer other than a Participating Company, attend school, go away on vacation or, without prior approval from the Claims Administrator, you travel or perform activities that are inconsistent with your diagnosis and treatment or Disability.

IMPORTANT: If you want to travel away from home, you must obtain permission from the Claims Administrator based on medical necessity in advance of your travel, for the specific time of your trip. Otherwise, your benefits may be suspended or terminated. Generally, the Claims Administrator does not approve requests for recovery away from home while you are receiving Short-Term Disability Benefits from the Program.

If you are an active employee, your benefits may be suspended, and you can be subject to disciplinary action up to and including termination of employment if you fail to comply with the terms of the Program.

If you have any questions about these policies, or if you are unsure if an activity is appropriate, contact the Claims Administrator.

- You die.

If You Are Laid Off While You Are Eligible for Short-Term Disability Benefits

If your employment ends due to a layoff while you are Disabled and you are eligible for Short-Term Disability Benefits under the Program, your benefit coverage will change as follows:

- Your Short-Term Disability Benefits will continue to be payable with no deductions other than those required by law. You will be required to pay any contributions and/or premiums for continued health or life insurance coverage (if applicable).
- If you remain Disabled after receiving the maximum 52 weeks of Short-Term Disability Benefits, you may be eligible for Long-Term Disability Benefits under the Program and/or Workers’ Compensation Benefits.

See the “Offsets” section for a discussion of what happens should you elect to receive pension payments.

Impact on Your Employment Status

If you reach the end of your 52 weeks of Short-Term Disability — Sickness Disability Benefits or Accident Disability Benefits, or some combination of both — and do not return to work, your employment status will be determined under your Participating Company’s policies which, at this time, generally provide that your employment will be terminated unless you are approved for a Leave of Absence. The termination, as administered under your Participating Company’s policies, will generally occur even if you are approved for Long-Term Disability Benefits. Contact your supervisor if you have any questions about your employment status. Refer to the SNET Leaves of Absence Policy for more information on any Leave of Absence you may be eligible to receive.

YOUR COMPANY-PROVIDED LONG-TERM DISABILITY BENEFITS

KEY POINTS

- *If you are approved to receive Company-Provided Long-Term Disability Benefits, your benefits will begin following your 52 weeks of Short-Term Disability Benefits.*
- *The Program pays Company-Provided Long-Term Disability Benefits that equal 50 percent of your Pay, reduced by applicable Offsets.*
- *Company-Provided Long-Term Disability Benefits will continue for most Eligible Employees until age 65 if you remain Disabled.*
- *If you are receiving Company-Provided Long-Term Disability Benefits, your employment with the AT&T Group of Companies will end unless you are approved for a disability Leave of Absence or if your employment was previously terminated due to a layoff.*

This Program provides Company-Provided Long-Term Disability Benefits to Eligible Employees who are Disabled following 52 weeks of Short-Term Disability Benefits.

When You Are Considered Disabled

You are considered Disabled for purposes of Company-Provided Long-Term Disability Benefits under this Program when:

- You are unable to perform the duties of any job for which you are qualified or may reasonably become qualified based on education, training or experience; or
- You are incapable of performing the requirements of a job other than one for which the rate of pay is less than 50 percent of your Pay (prior to any Offsets) at the end of your 52-week period of Short-Term Disability Benefits.

You are **not** eligible to receive Company-Provided Long-Term Disability Benefits if your Disability is caused by or contributed to by any injury or illness sustained as a result of any of the following:

- Your injury, illness, or pregnancy is not treated by a Physician.
- Your committing a felony or engaging in an illegal occupation.
- Your intentionally self-inflicting an illness or injury (whether or not you are sane or insane when inflicted).

- Military service or war, or international armed conflict.
- Your active participation in a riot, insurrection, rebellion or civil commotion.

Rehabilitation

You may be eligible to participate in a rehabilitation program. If this applies, you are allowed to work and still receive Company-Provided Long-Term Disability Benefits while you follow the approved rehabilitation program. The Company-Provided Long-Term Disability Benefits payable when added to the pay you receive from working cannot exceed 75 percent of your Pay and other sources of disability income. This additional coverage will continue while you follow the approved rehabilitation program. Your participation must be approved by the Claims Administrator.

If you have an employment opportunity (whether or not for pay or profit) and you have elected Supplemental Long-Term Disability Benefits, you must discuss your employment opportunity with the Supplemental Long-Term Disability Insurance Company to determine the effect on your Supplemental Long-Term Disability Benefits, if any.

Filing for Company-Provided Long-Term Disability Benefits

As a general rule, shortly before you reach the end of the 52-week period during which you received Short-Term Disability Benefits under the Program, the Claims Administrator will send you the appropriate forms to apply for Company-Provided Long-Term Disability Benefits, as well as information on filing for Social Security Disability Insurance benefits. If you are within a few days of the end of the 52-week Short-Term Disability Benefits period and you have not received the forms to apply for Company-Provided Long-Term Disability Benefits, contact the Claims Administrator. See the "Contact Information" section for information on how to contact the Claims Administrator.

In order to be considered for Company-Provided Long-Term Disability Benefits, you must:

- Be an Eligible Employee. See the "Eligibility and Participation" section for more information on eligibility.
- Have received the maximum amount (52 weeks) of Short-Term Disability Benefits under the Program.
- Ensure that your medical providers cooperate with the Claims Administrator to provide all necessary information described in this section.
- Provide your Physician or other medical provider a signed copy of the medical release form provided by the Claims Administrator.
- File an application for Company-Provided Long-Term Disability Benefits with the Claims Administrator within 90 days after the end of the period for which Short-Term Disability Benefits are payable (not 90 days from the date you receive your last short-term disability payment). See the "Contact Information" section for the mailing address of the Claims Administrator.
- Be under the care of a Physician and follow his or her recommended treatment. The Claims Administrator will require that you periodically furnish satisfactory Medical Evidence of your Disability.

- If the Claims Administrator requires, you must provide additional documentation regarding your continuing disability status and your application for other income benefits that are available to you.
- Report for a medical examination by a Physician designated by the Claims Administrator if the Claims Administrator requires this examination to initially qualify for or continue your Company-Provided Long-Term Disability Benefits. In this event, you will not be required to pay for the medical examination.

Only the Claims Administrator has the discretion to determine whether you have a disability that qualifies you for Company-Provided Long-Term Disability Benefits under the Program. If you do not file your claim for Company-Provided Long-Term Disability Benefits within 90 days after the end of the period for which Short-Term Disability Benefits are payable, the Claims Administrator will deny your claim and no Company-Provided Long-Term Disability Benefits will be payable unless the Claims Administrator, at its sole discretion, determines that the circumstances warrant an extension of the 90-day period. See the “Additional Information About Filing a Claim for Benefits Under the Program” section for information about filing a claim.

When Company-Provided Long-Term Disability Benefits Begin

Your Company-Provided Long-Term Disability Benefits begin on the first day immediately following the end of the 52-week period during which you received Short-Term Disability Benefits from this Program, provided that at the end of the 52-week period you are considered Disabled.

Impact on Your Employment Status

Even if you are approved for Company-Provided Long-Term Disability Benefits, your employment ends when you have reached your maximum Short-Term Disability Benefits unless you were previously terminated due to a layoff or unless you are approved for a disability Leave of Absence.

Amount of Company-Provided Long-Term Disability Benefits

The Program pays Company-Provided Long-Term Disability Benefits that equal 50 percent of your Pay, offset (reduced) by other sources of income listed in the “Offsets” section.

Pay

Pay is your regular base pay and fixed differentials for regular evening and night assignments, and bilingual differentials as of the first day of your Company-Provided Long-Term Disability Benefits. Pay excludes any other types of payments such as overtime, success sharing awards, incentive awards and commissions. For employees paid pursuant to a leveraged compensation plan, pay is based on your base wages plus 100 percent of the target incentive amount, as defined under the collective bargaining agreement.

- **Special Rule for Part-Time Employees**

The amount of your Long-Term Disability Benefits will be calculated based upon your part-time Pay based on the number of hours you are scheduled to work per week.

Offsets

Your Company-Provided Long-Term Disability Benefits will be offset (reduced) by any of the following sources of income available to you, including but not limited to:

- **Workers’ Compensation Benefits.** If you are unable to work as a result of a work-related disability, you may be eligible to receive Workers’ Compensation Benefits. Workers’ Compensation Benefits, including permanent disability, will reduce your Company-Provided Long-Term Disability Benefits. Your benefits will not be offset by attorney fees or court costs you receive in connection with your Workers’ Compensation claim.

- Social Security Disability Insurance (SSDI) and/or Social Security Retirement Benefits under the Social Security Act. The Claims Administrator will either make a reasonable estimation of the amount of Social Security benefits payable, at the sole discretion of the Claims Administrator, or the Program will consider the amount of your Social Security benefits on the date your Social Security benefits first become payable. Only the Primary Social Security Benefits finally determined as your initial award are taken into account. The Offset will not be recalculated if you later receive an increase, such as cost of living, in your Social Security award amount. If you receive a retroactive lump sum of your Social Security award that covers any time period in which you received Company-Provided Long-Term Disability Benefits, it will result in an overpayment for which repayment to the Program will be necessary. If you do not repay the Program, your future benefits will be reduced by any portion of your retroactive lump sum that you should have paid the Program. The Claims Administrator will direct you to a representative who will assist you in filing for Social Security benefits.

IMPORTANT: You and your Participating Company both pay Social Security taxes to provide benefits at retirement or if you become Disabled. If you qualify, you may receive Social Security Disability Insurance benefits. Social Security Disability Insurance benefits are not paid automatically, so you must apply for them in all cases. Social Security uses a different definition of "disability" than the Program. There may be circumstances where you may be considered "disabled" by Social Security but not by the Program.

- State Disability Insurance (SDI) and other benefits of the same general character under any state or federal disability law, such as benefits under disability insurance laws of any other state, or the functional equivalent of Workers' Compensation Benefits. The Plan Administrator has the sole discretion to determine what payments under current or future laws are of the same general character as benefits under the Program.
- Pension payments in pay status (including both qualified and non-qualified payments for disability, service, or vested pension from the AT&T Pension Benefit Plan or another employer's pension or disability benefits, if your Disability is due to your employment for an employer other than a Participating Company (or a predecessor of a Participating Company). The Offset will be the amount of the monthly single life annuity payable, whether or not you actually elect this form of payment. For example, if you elect a lump sum cash-out to be paid to you in cash or roll it over into a traditional individual retirement account (IRA) or an Eligible Retirement Plan (as defined by the Internal Revenue Code), the equivalent monthly single life annuity amount will be calculated and your Long-Term Disability Benefits will be reduced by that amount each month. Once the amount of your pension benefit is determined and paid, any increase in your pension benefit due to pension plan amendment will not decrease the amount of your Long-Term Disability Benefits. If you are eligible but elect to defer applying for any applicable pension benefit, your Company-Provided Long-Term Disability Benefits will not be reduced by any pension benefits you are entitled to receive until you apply for and are actually paid the pension benefit.

This means that if the amount you receive from Offsets is less than 50 percent of your Pay, Company-Provided Long-Term Disability Benefits provide additional payments to bring your total disability income up to that level. If your combined income from Offsets is equal to or greater than 50 percent of your Pay, you will not receive payments from the Program. The Program may seek to recover any overpayments that you receive.

EXAMPLE: If you receive Workers' Compensation Benefits or a settlement of those benefits while, or after, you receive Company-Provided Long-Term Disability Benefits from this Program, your future Company-Provided Long-Term Disability Benefits will be reduced to reflect the amount of the payment. In some cases, the Claims Administrator may determine that you have received an overpayment for which repayment to the Program will be necessary.

Furthermore, if Long-Term Disability Benefits and Offsets are payable or awarded at different times for the same periods of Disability, Long-Term Disability Benefits will be adjusted to take the Offsets into account.

There is no time limit on when Offsets can be applied. The Plan Administrator and Claims Administrator may choose, for administrative reasons, to establish rules that result in deferring application of certain Offsets. Failure to apply an Offset as soon as it is available will not constitute a waiver by the Program of offset rights or otherwise prevent later exercise.

IMPORTANT: Long-Term Disability Benefits payable under the Program will not be reduced by reason of any veterans' benefits.

Relapses

If your Company-Provided Long-Term Disability Benefits stop because you are no longer Disabled, you do not have any guaranteed right to reinstatement or reemployment (unless you were on a disability Leave of Absence expressly providing for reinstatement when you are no longer Disabled). But if you become Disabled due to the same illness or injury within 26 weeks of the date your Company-Provided Long-Term Disability Benefits stopped, your Company-Provided Long-Term Disability Benefits will resume. If you relapse after 26 weeks, or if you become Disabled due to a different illness or injury, you will not be eligible for Company-Provided Long-Term Disability Benefits (unless you have been reemployed by a Participating Company and you meet the Program's eligibility requirements in effect at that time).

If you recover from your Disability, return to work with your Participating Company and become disabled again, you must submit a new claim for benefits. See the "Filing a Claim" section.

How Company-Provided Long-Term Disability Benefits Are Paid

Any Company-Provided Long-Term Disability Benefits you receive are payable monthly. If payment has not been approved by the Claims Administrator in time to do so or if payment is approved following a review of a denied claim for Company-Provided Long-Term Disability Benefits, Company-Provided Long-Term Disability Benefits will be paid to you as soon as practicable on a monthly basis following approval of the Company-Provided Long-Term Disability Benefits, and any amounts in arrears may be paid in a single sum. Additionally, under current law, the Company-Provided Long-Term Disability Benefits are considered federal taxable income.

When Your Company-Provided Long-Term Disability Benefits End

Your Company-Provided Long-Term Disability Benefits end when the first of the following events occur:

- The date you reach age 65, or when you have received four years of Company-Provided Long-Term Disability Benefits, whichever is later.
- You are no longer Disabled under the terms of the Program.
- You are not under the care of a Physician.

- You do not follow the recommended treatment plan and/or receive proper treatment for your condition.
- You do not provide Medical Evidence acceptable to the Claims Administrator to justify your Disability.
- You do not cooperate in a medical examination or interview or fail to make yourself available for an examination as directed by the Claims Administrator.
- You return to work with any of the AT&T Group of Companies (See the “Definitions” section).
- You work at another job (whether paid or volunteer), attend school or perform activities that are inconsistent with your diagnosis and treatment, without the Claims Administrator’s prior approval.
- You die.

YOUR SUPPLEMENTAL LONG-TERM DISABILITY BENEFITS

KEY POINTS

- *You may elect Supplemental Long-Term Disability Benefits equal to 10 percent or 20 percent of your Pay.*
- *Benefits are paid by the Supplemental Long-Term Disability Insurance Company if you have an off-the-job illness or injury that prevents you from working for more than 52 weeks.*
- *You may enroll for coverage during annual enrollment.*
- *You must pay premiums for Supplemental Long-Term Disability Benefits on an after-tax basis. Your cost for coverage is determined by your age on Jan. 1 of the year following your enrollment, your Pay at the time of enrollment, and the amount of additional coverage you elect. You will receive notice of these costs during annual enrollment.*
- *Coverage may not be increased, decreased or canceled at any time during the year except during annual enrollment.*

You will continue to receive Supplemental Long-Term Disability Benefits under the Program, as long as you continue to be approved by the Supplemental Long-Term Disability Insurance Company.

Supplemental Long-Term Disability Benefits offer additional coverage to replace lost income when a disabling off-the-job illness or injury prevents you from working after you receive the maximum 52 weeks of Sickness Disability Benefits under the Program. This is an insured benefit, and the provisions of the Supplemental Long-Term Disability Benefits insurance policies, which are part of the Program, govern entitlement to and payment of Supplemental Long-Term Disability Benefits.

IMPORTANT: An insurance policy governs your Supplemental Long-Term Disability Benefits. To determine which policy governs your benefits, you must consider the date when Supplemental Long-Term Disability Benefits begin (or will begin):

- If you are receiving benefit payments that began on or after Jan. 1, 2004 and before Jan. 1, 2008, or if you want general information, refer to the SNET Supplemental Long-Term Disability Benefits insurance policy 588234 by contacting Unum Life Insurance Company of America.
- If you are receiving benefit payments that began or will begin on or after Jan. 1, 2009, or if you want general information, refer to the AT&T East Supplemental Long-Term Disability Benefits insurance policy G-44976-TX, by contacting Prudential Life Insurance Company.

You may elect this additional benefit. See the “Enrollment” section for more information on enrolling in Supplemental Long-Term Disability Benefits.

IMPORTANT: Part-time employees are **not** eligible to elect Supplemental Long-Term Disability Benefit coverage.

Eligibility for payment is determined based upon the Supplemental Long-Term Disability Insurance Company’s determination of whether you are Disabled (as determined by the Supplemental Long-Term Disability Benefits insurance policy) and your eligibility to receive Company-Provided Long-Term Disability Benefits. Additionally:

- You will continue to receive Supplemental Long-Term Disability Benefits under the Program, as long as you continue to be approved for Company-Provided Long-Term Disability Benefits, even if you are not receiving Company-Provided Long-Term Disability Benefits because of Offsets or because your income from other sources exceeds 50 percent of your Pay.
- If you are not eligible for Company-Provided Long-Term Disability Benefits because your disability does not meet the Program’s definition of Disability, you will not be eligible to receive Supplemental Long-Term Disability Benefits.
- If you are eligible for Company-Provided Long-Term Disability Benefits because your disability relates to an on-the-job illness or injury, you will not be eligible to receive Supplemental Long-Term Disability Benefits.

You are **not** eligible to receive Supplemental Long-Term Disability Benefits if your disability is caused by or contributed to by any injury or illness sustained as a result of any of the following:

- You have an injury, illness or pregnancy which is not treated by a Physician.
- Your committing a felony or engaging in an illegal occupation.
- Your self-inflicted injury (whether or not you are sane or insane when inflicted).
- Military service or war or international armed conflict.
- Your active participation in a riot, insurrection, rebellion or civil commotion.

Filing for Supplemental Long-Term Disability Benefits

Generally, if you are enrolled in Supplemental Long-Term Disability Benefits, the Supplemental Long-Term Disability Insurance Company determines if you are eligible to receive Supplemental Long-Term Disability Benefits. See the "Contact Information" section for more information about how to contact the Supplemental Long-Term Disability Insurance Company and file for Supplemental Long-Term Disability Benefits.

Amount of Supplemental Long-Term Disability Benefits

You may elect Supplemental Long-Term Disability Benefits equal to 10 percent or 20 percent of your Pay. Coverage may not be increased, decreased or canceled at any time during the year except during annual enrollment.

Pay

Pay is your regular base pay and fixed differentials for regular evening and night assignments, and bilingual differentials as of the first day of your Supplemental Long-Term Disability Benefits. Pay excludes all other types of payments such as overtime, success sharing awards, incentive awards and commissions. For employees paid pursuant to a leveraged compensation plan, Pay is based on base wages plus 100 percent of the target incentive amount, as defined under the collective bargaining agreement.

Offsets

Your Supplemental Long-Term Disability Benefits will **not** be offset (reduced) by other sources of income available to you.

How Supplemental Long-Term Disability Benefits Are Paid

If the Supplemental Long-Term Disability Insurance Company approves you for Supplemental Long-Term Disability Benefits, you will receive either 10 percent or 20 percent of your Pay (according to your election and approved coverage). Under current law, Supplemental Long-Term Disability Benefits are **not** considered federal taxable income.

When Supplemental Long-Term Disability Benefits End

Your Supplemental Long-Term Disability Benefits under the Program will continue until you reach age 65, or for at least four years (whichever is later) as long as you continue to be Disabled according to the Supplemental Long-Term Disability Insurance Company,

If you become employed in any capacity (whether or not for pay or profit) and you do not obtain approval from the Claims Administrator for such employment, your Supplemental Long-Term Disability Benefits will end, unless the Claims Administrator would have otherwise approved such employment.

FINAL UNPAID BENEFITS UNDER THE PROGRAM

If you die, your Short-Term Disability Benefits and your Company-Paid Long-Term Disability Benefits under the Program will be paid through the date of your death to your estate. Your Supplemental Long-Term Disability will be governed by and subject to the provisions of the Supplemental Long-Term Disability Benefits insurance policies, which are part of the Program.

BENEFITS PROVIDED UNDER OTHER PLANS OR PROGRAMS

For eligibility regarding other health and life insurance benefits that you may be eligible for while receiving benefits under the Program, refer to the SPD that governs eligibility for the applicable benefit plan.

ADDITIONAL INFORMATION ABOUT FILING A CLAIM FOR BENEFITS UNDER THE PROGRAM

KEY POINT

- *Generally, you will receive a written notice within 45 days from the Claims Administrator whether your claim for benefits is approved or denied.*

When you make a claim for benefits under the Program, the Program's Claims Administrator will notify you of the decision regarding your claim within 45 days of the date your claim is received by the Claims Administrator. The Claims Administrator may extend this 45-day period for up to 30 days (plus an additional 30 days if needed) if it determines that special circumstances outside of the Program's control require more time to determine your claim.

You will be notified within the initial 45-day period (and within the first 30-day extension period if an additional 30 days are needed) whether additional time is needed and what special circumstances require the extra time. If extensions are required because the Claims Administrator needs additional information from you, you will have 45 days from the Claims Administrator's notification to provide that information. Once you have provided the information, the Claims Administrator will decide your claim within the time remaining within either the initial or the extended review period. If you do not receive a written response within the time limits described in this paragraph, your claim will be deemed denied and you will have the right to file an appeal.

If your claim for benefits is denied in whole or in part, the Claims Administrator will provide you with a written or electronic notification of the denial that will include:

- Specific reasons for the denial.
- Specific reference(s) to the Program provisions, or applicable law upon which the denial is based, where applicable.
- If applicable, a statement that an internal rule, guideline, protocol or other similar criterion was relied upon in making the determination and that a copy of the rule, guideline, protocol or criterion will be provided free of charge upon request.
- An explanation of the scientific or clinical judgment for the determination and how the terms of the Program were applied to your medical circumstances if the determination is based on medical necessity, experimental treatment or a similar exclusion or limit and that a copy of this explanation will be provided free of charge upon request.
- If applicable, a description of any additional information needed to make your claim acceptable and the reason the information is needed.
- A description of the Program's appeal procedures.
- A statement concerning your right to file a civil action under ERISA after the required review and all appeals have been completed.

IMPORTANT: As a requirement for receiving benefits from the Program, you must authorize AT&T or any Participating Company or any provider of documentation of a claim to furnish the Claims Administrator with any and all information and records relating to your claim. Such authorization will be treated as a waiver of all provisions of law forbidding such disclosure.

HOW TO APPEAL A DENIAL OF BENEFITS

KEY POINTS

- *You have 180 days after receipt of the denial notice to submit a written request to appeal the decision.*
- *Generally, you will receive a final determination regarding your appeal within 45 days of receipt of your appeal by the Claims Administrator.*
- *You may not file a lawsuit against the Plan until the appeal process has been exhausted.*

When You May File an Appeal

If your claim is denied in whole or in part (or you have **not** received a decision or a notice of extension within the applicable period) and you disagree with the decision, you may appeal the decision by filing a written request for review. You or your authorized representative must make the request for review within 180 days of receipt of the denial notice (or within 180 days after the review period has expired).

Who Decides Your Appeal

The Plan Administrator has delegated discretion and authority to decide appeals to the Claims Administrator. See the "Contact Information" section for information on how to contact the Claims Administrator. The Claims Administrator will have full and exclusive authority and discretion to grant and deny appeals under the Program. The decision of the Claims Administrator regarding any appeal will be final and conclusive.

How to Appeal a Denied Claim

If you or your authorized representative sends a written request for review of a denied claim, you or your representative has the right to:

- Send a written statement of the issues and any other comments along with any new or additional evidence or materials in support of your appeal. See the "Contact Information" section for the mailing address of the Claims Administrator.
- Upon request and free of charge, reasonable access to and copies of all documents, records and other information relevant to your claim for benefits.
- Request and receive, free of charge, documents that bear on your claim, such as any internal rule, guideline, protocol or other similar criterion relied on in denying your claim.

In your appeal, you should state as clearly and specifically as possible any facts and/or reasons why you believe the Claims Administrator's action is incorrect. You should also include any new or additional evidence or materials in support of your appeal that you wish the Claims Administrator to consider. Such evidence or material must be submitted along with your written statement at the time you file your appeal.

One or more qualified individual(s) who was not involved in the decision to deny your initial claim will be appointed to decide the appeal. This individual will decide the appeal based upon the evidence that was considered by the Claims Administrator; the issues, records and comments submitted by you; and such other evidence as the individual may independently discover.

If your claim was denied based upon medical judgment, the review will be done in consultation with a health care professional with appropriate expertise in the field and who was not involved in the initial determination. The Claims Administrator may consult with, or

seek the participation of, medical experts as part of the appeal resolution process. When you file your appeal, you consent to this referral and the sharing of pertinent information.

Your appeal may be decided entirely on the basis of evidence submitted in writing. You are not entitled to a hearing, nor do you have the right to present oral testimony or cross-examine authors of written evidence submitted. You will be provided with the identity of any medical or vocational experts whose advice the Program obtained in connection with denial of your appeal, without regard to whether the advice was relied upon in making the benefit determination.

Unless you are notified in writing that more time is needed, a review and decision on your appeal must be made within 45 days after your appeal is received. If special circumstances require more time to consider your appeal, the Claims Administrator may take an additional 45 days to reach a decision, but you must be notified in writing that there will be a delay.

If your appeal is denied in whole or in part, the Claims Administrator will provide you with written or electronic notification that will contain:

- Specific reasons for the denial.
- Specific references to the Program provisions on which the denial is based.
- A statement that you are entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records and other information relevant to your claim.
- If applicable, a statement that an internal rule, guideline, protocol or other similar criterion was relied upon in making the determination and that a copy of the rule, guideline, protocol or criterion will be provided free of charge upon request.
- An explanation of the scientific or clinical judgment for the determination and how the terms of the Program were applied to your medical circumstances if the determination is based on medical necessity, experimental treatment or a similar exclusion or limit and that a copy of the explanation will be provided free of charge upon request.
- A statement of your right to file a civil action under ERISA after you have exhausted all opportunities to appeal under the Program.
- The following statement:

“You and your plan may have other voluntary alternative dispute resolution options, such as mediation. One way to find out what may be available is to contact your local U.S. Department of Labor Office and your State insurance regulatory agency.”

Importance of Exhausting Administrative Remedies

If your appeal is denied, it is final and not subject to further review unless a court of competent jurisdiction determines that the Claims Administrator has abused its discretion in denying the claim.

If you wish to bring a legal action concerning your right to participate in the Program or your right to receive benefits under the Program, you must first go through the claim and appeal process described in this section. A legal action may not be filed until you have completed the claim and appeal process. Legal action involving the Program should be filed against the Plan.

OVERPAYMENTS

The Program has the right to collect (at any time) any overpayment you receive by deducting it from future wages, by deducting it from any other future benefits payable under the Program, or by any other means, including bringing a civil action in court. If you, your attorney or other representative receives any funds that qualify as Offsets, you agree to place the funds in a separate, identifiable account. You also agree that the Program has an equitable lien on the funds, and/or you agree to serve as a constructive trustee over the funds to the extent that the Program has paid expenses related to that illness or injury. This means that you will be deemed to be in control of the funds.

ERISA RIGHTS OF PARTICIPANTS

KEY POINTS

- *ERISA is a federal law that provides certain rights and protection to all Program Participants.*
- *The persons who are responsible for the operation of the Program have a duty to act prudently and in the interest of the Participants and their beneficiaries.*
- *No one may fire or discriminate against you for exercising your ERISA rights.*

Your ERISA Rights

As a Participant in the Program, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all Participants are entitled to:

Receive Information About Your Plan and Benefits

- Examine, without charge, at the Plan Administrator's office and at other specified locations, such as worksites and union halls, all documents governing the Program, including collective bargaining agreements, insurance contracts and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Association (EBSA). There is no charge for this review.
- Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Program, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and updated SPD. The Plan Administrator may make a reasonable charge for the copies. Your written request must be directed to:

AT&T Services, Inc.
Attn: Plan Documents
P.O. Box 132160
Dallas, TX 75313-2160
- Receive a summary of the Program's annual financial report, if it is required to be prepared by ERISA. The Plan Administrator is required by law to furnish each Participant with a copy of any required summary annual report (SAR).

Prudent Actions by Plan Fiduciaries

In addition to creating rights for Plan Participants, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who operate your Plan, called "fiduciaries" of the Plan, have a duty to do so prudently and in the interest of you and other Plan Participants and beneficiaries. No one, including your employer, your union or

any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a welfare benefit or exercising your rights under ERISA.

Enforce Your Rights

If your claim for a benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of Plan documents or the latest annual report (if any) from the Program but do not receive them within 30 days, you may file suit in a federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator. If you have a claim for benefits that is denied or ignored, in whole or in part, and you have exhausted all applicable administrative remedies under the Program, you may file suit in state or federal court.

If it should happen that Program fiduciaries misuse the Program's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

Assistance With Your Questions

If you have any questions about your Program, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or at the address below:

The Division of Technical Assistance and Inquiries
Employee Benefits Security Administration
U.S. Department of Labor
200 Constitution Avenue NW
Washington, D.C. 20210

You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

DEFINITIONS

Accident Disability Benefits. Accident Disability Benefits that are provided under the Program. See the "Your Accident Disability Benefits" section.

AT&T. AT&T Inc. a Delaware corporation, or its successors.

AT&T Group of Companies. AT&T Inc. and any other entity included with it as an "employer" as determined pursuant to Internal Revenue Code §414(b), (c), (m) and (o) and the regulations thereto.

Bargained Employee. Any employee whose job title and classification are included in a collective bargaining agreement between a Participating Company and a union that has agreed to the benefits provided under the Program; or who is a confidential employee as defined by the National Labor Relations Act; or whose job title and classification, by agreement between a union and an employer, have been excluded from a collective

bargaining agreement entered into between the employer and the union which has agreed to the benefits provided under the Program.

Claims Administrator. The individual or entity delegated by the Plan Administrator to determine all claims and appeals for benefits under the Program. Currently, the Claims Administrator is Sedgwick Claims Management Services, Inc., which operates the AT&T Integrated Disability Service Center. See the "Contact Information" section for information on how to contact the AT&T Integrated Disability Service Center.

Company. Company means any or all of AT&T Inc., AT&T Services, Inc., or a Participating Company as indicated by the context.

Company-Provided Long-Term Disability Benefits. Company-Provided Long-Term Disability Benefits that are provided under the Program. See the "Your Company-Provided Long-Term Disability Benefits" section.

Leased Employee. An individual who is being paid by a company other than one of the AT&T Group of Companies and who is providing services to one or more of the AT&T Group of Companies in accordance with a contract that is between the company that is paying him and one or more of the AT&T Group of Companies. A Leased Employee is not eligible for coverage under the Program even if he is later determined (by judicial action or otherwise) to be a "common law employee" of one of the AT&T Group of Companies rather than an independent contractor or employee of an agency, leasing organization or other such company.

Leave of Absence. A leave of absence formally granted to an employee in accordance with rules established by his Participating Company.

Medical Evidence. Objective medical information sufficient to show that the Participant is Disabled, as determined at the sole discretion of the Claims Administrator. Objective medical information includes, but is not limited to, results from diagnostic tools and examinations performed in accordance with the generally accepted principles of the health care profession. In general, a diagnosis that is based largely or entirely on self-reported symptoms will not be considered sufficient to support a finding of Disability. For example, reports of intense pain, standing alone, will be unlikely to support a finding of Disability, but reports of intense pain associated with an observable medical condition that typically produces intense pain could be sufficient.

Occasional Employee. You are an Occasional Employee if you are engaged by a Participating Company on a daily basis for a period of not more than three consecutive weeks, or for a cumulative total of not more than 30 days in any calendar year, regardless of the length of the daily or weekly assignments, or as otherwise defined in the collective bargaining agreement applicable to you. Occasional Employees are **not** eligible for the Program.

Participant. Either an Eligible Employee or former employee who is receiving benefits under the Program.

Physician. An individual duly licensed to prescribe and administer drugs and medicines or to perform surgery. Physician will also include:

- A duly licensed dentist operating within the scope of his/her license.
- A podiatrist operating within the scope of his/her license.

- A qualified vocational rehabilitation counselor operating within the scope of his/her license only when the use of such qualified vocational rehabilitation counselor is authorized by the Claims Administrator under the vocational rehabilitation provisions of the Program.
- Other Physicians under designated disability management programs authorized by the Plan Administrator when operating within the scope of his/her license.

Physician also includes, a licensed Physician, licensed psychiatrist or other licensed Physician including, but not limited to, a chiropractor or psychologist referred by a licensed Physician or licensed psychiatrist as part of an ongoing treatment plan of the licensed Physician or licensed psychiatrist.

Primary Social Security Benefits. The Primary Insurance Amount payable to the employee on account of disability in accordance with the United States Social Security Act that covers any portion of the period for which benefits are paid under the Program, and are payable on account of the employee's disability.

Regular Employee. You are a Regular Employee if your employment with a Participating Company is expected to continue for longer than one year, although it may be terminated earlier by action on the part of the employee or the Participating Company, as determined by your Participating Company, or as otherwise defined in the collective bargaining agreement applicable to you.

Short-Term Disability Benefits. Short-Term Disability Benefits that are provided under the Program. The Program offers two types of Short-Term Disability Benefits - Sickness Disability Benefits and Accident Disability Benefits. See the "Your Short-Term Disability Benefits" section.

Sickness Disability Benefits. Sickness Disability Benefits that are provided under the Program. See the "Your Sickness Disability Benefits" section.

Supplemental Long-Term Disability Benefits. Supplemental Long-Term Disability Benefits that are provided under the Program. See the "Your Supplemental Long-Term Disability Benefits" section.

Supplemental Long-Term Disability Insurance Company. Supplemental Long-Term Disability Insurance Company means the insurance company with which AT&T has contracted to provide Supplemental Long-Term Disability Benefit coverage. Unum Life Insurance Company of America is the Supplemental Long-Term Disability Insurance Company for coverage and benefits that first became payable on or after Jan. 1, 2004, but prior to Jan. 1, 2009. Prudential Life Insurance Company is the Supplemental Long-Term Disability Insurance Company for coverage and benefits that first became payable on or after Jan. 1, 2009.

Temporary Employee. You are a Temporary Employee if (i) you are **not** classified by your employer as a Term Employee, (ii) your employment with a Participating Company is not more than one year, and (iii) may be terminated with or without cause for such reasons as completion of the work assignment for which he/she was engaged, or (iv) as otherwise defined in the collective bargaining agreement applicable to you.

Term Employee. You are a Term Employee if you are (i) classified by your employer as a Term Employee, (ii) hired into a Network Services Project Lightspeed job title or certain Non-Network job titles (both of which are set forth in the Memorandum of Agreement, Project Light Speed Hiring-Term Employee, effective Mar. 28, 2005 between AT&T and the CWA); and (iii) hired by a Participating Company for a period of time of less than thirty-six months on a part-time or full-time basis, and whose employment automatically terminates at the end of thirty-six months.

Workers' Compensation Benefits. All classes of benefits under the workers' compensation laws of any state, the District of Columbia, the United States government (e.g., benefits under the Longshore and Harbor Workers' Compensation Act) or any other jurisdiction in any country that requires payments to employees on a temporary or permanent basis in connection with injuries arising out of or in the course of employment, to replace or supplement income, or to compensate for diminished ability to compete in an open labor market, including but not limited to payments for temporary partial disability, temporary total disability, permanent partial disability, permanent total disability, vocational rehabilitation maintenance allowance and disability pension, whether liability for such payment has been determined by the court or administrative agency that determines liability for workers' compensation under the laws of such jurisdiction, or accepted voluntarily by the Participating Company or the Participating Company workers' compensation administrator or insurer.

OTHER PLAN INFORMATION

Other Plan Information	
Plan Name	AT&T Umbrella Benefit Plan No. 3
Program Name	AT&T East Disability Benefits Program
Plan Number	603
Plan Sponsor/Employer Identification Number (EIN)	AT&T Inc. P.O. Box 132160 Dallas, TX 75313-2160 210-351-3333 EIN 43-1301883
Plan Administrator	AT&T Services, Inc. P.O. Box 132160 Dallas, TX 75313-2160 210-351-3333
Type of Administration	<p>The Plan Administrator determines eligibility for coverage under the Program, that is, whether any particular individual is included in a group of employees that is covered by the Program.</p> <p>The Claims Administrator has been delegated the complete discretionary fiduciary responsibility for all disability determinations by the Plan Administrator to determine whether a particular Eligible Employee who has filed a claim for benefits is entitled to benefits under the Program, to determine whether a claim was properly decided, and to conclusively interpret the terms and provisions of the Program. Such determinations and interpretations shall be final and conclusive.</p> <p>The claims and appeals for Supplemental Long-Term Disability Benefits offered by the Program are administered by the applicable Supplemental Long-Term Disability Insurance Company. See the "Contact Information" section for information on how to contact the applicable insurance company.</p> <p>The Plan Administrator (or, in matters delegated to third parties, the third-party that has been so delegated) will have sole discretion to interpret the Program, including, but not limited to, interpretation of the terms of the Program, determinations of coverage and eligibility for benefits, and determination of all relevant factual matters. Any determination made by the Plan Administrator or any delegated third party will not be overturned unless it is determined to be arbitrary and capricious.</p>

Other Plan Information	
Agent for Service of Legal Process	<p>Process in legal actions in which the Plan is a party should be served on the Plan at the following Address</p> <p>CT Corporation 350 N. St. Paul St. Dallas, TX 75201</p> <p>Service of legal process also may be made upon a Trustee or the Plan Administrator.</p>
Type of Plan	The Plan is an employee welfare benefit plan.
Plan Year	Jan. 1 through Dec. 31
Trustee	<p>AT&T Voluntary Employee Beneficiary Association Trust</p> <p>Frost National Bank 100 W. Houston St. P.O. Box 2950 San Antonio, TX 78299</p>
Plan Funding and Contributions	<p>The Program is funded by a trust. Program costs for Short-Term Disability Benefits and Company-Provided Long-Term Disability Benefits are funded by periodic, non-reversionary Company contributions determined by the Program's actuaries for the purpose of funding Program benefits and maintaining appropriate reserves. Contributions are transferred to the Trust, which is established exclusively for approved Plan purposes. Benefits under the Program are paid or reimbursed by the Trust. Benefits paid in excess of IRS limits are funded by the general assets of your Participating Company. No benefits provided under the Program for Short-Term Disability Benefits and Company-Provided Long-Term Disability Benefits are provided by insurance.</p> <p>Employees who elect Supplemental Long-Term Disability Benefits pay for that portion of the Program through premiums paid to the applicable Supplemental Long-Term Disability Insurance Company.</p>
Collectively Bargained Plan	<p>With respect to certain Eligible Employees, the Program is maintained pursuant to one or more collective bargaining agreements. A copy of the collective bargaining agreement(s) may be obtained by Participants and beneficiaries whose rights are governed by such collective bargaining agreement upon written request to the Plan Administrator and also is available for examination by Participants and beneficiaries as specified under Department of Labor Regulations Section 2520.104b-30.</p>

Amendment or Termination of the Program

The Program is adopted with the intention that it will be continued for the benefit of present and future employees of Participating Companies; however, the right is reserved by the Plan Sponsor to terminate, amend, change or modify the Program retroactively or prospectively, in whole or in part at any time or for any reason, including changes in any and all of the benefits herein provided. Further, any Participating Company may terminate its participation in the Program at any time and for any reason. Such termination, amendment, change or modification of the Program, or termination of any Participating Company's participation in the Program may cause employees to lose all or a portion of their benefits or eligibility under the Program but will not affect the right of any employee to receive benefits for which he has already become entitled under the Program. Not affecting an employee's right to any benefit for which he has already become entitled under the Program means that the employee who is actually receiving payments would be entitled to continue receiving his disability benefits

through the date of the Program's termination or change until such benefits would otherwise cease. This does not mean that an employee will acquire a lifetime right to any Program benefit, to eligibility for coverage under the Program or to the continuation of the Program merely by reason of the fact that such benefit or the Program is in existence at any time during the employee's employment. The Program will comply with all requirements of applicable law and will be amended, if necessary, in order to satisfy any such requirements.

In the event of termination of the Program, you will be entitled to the benefits in effect at the time of any event that requires payment of such benefits.

Although a certain Plan or one of its Programs may be in effect during your employment or at the time of your retirement, it does not mean that you or any other employee or beneficiary will have:

- A lifetime right to any benefits under the Plan or Program.
- Eligibility for coverage under any such Plan or Program.
- Guaranteed continuation of any such Plan or Program.
- Coverage at employer expense or based upon a previously identified contribution schedule.

Limitations on Rights

Participation in the Program does not give you a right to remain employed with your Participating Company or any AT&T-affiliated Company.






Facility of Payment

If benefits under this Program have been paid under any other plan or program, the Plan has the right to pay any amounts, as determined by the Claims Administrator, to such other plan or program, or any other organization making those other payments. Such payment by the Plan will discharge the Plan from any liability for such benefits under the Program.

CONTACT INFORMATION

Contact Information	
Claims Administrator	
Name	AT&T Integrated Disability Service Center
Type	Claim initiation and appeals for Disability Programs
Claims Administrator Contact Numbers	
Domestic Telephone Number	866-276-2278
Claims Administrator Hours of Operation	
Hours of Operation	Service Center: Monday through Friday from 7 a.m. to 7 p.m. Central time

Contact Information	
Claims Administrator Mailing Address	
Claims	
Claims Regular	AT&T Integrated Disability Service Center P.O. Box 14627 Lexington, KY 40512-4627 866-224-4627 (fax)
Appeals	
Appeals Regular	AT&T Integrated Disability Service Center Quality Review Unit P.O. Box 14626 Lexington, KY 40512-4626 866-856-5065 (fax)

Supplemental Long-Term Disability Benefits Enrollment Vendor
<p>To reach a service associate or access the Interactive Voice Response System (IVR) regarding eligibility for, and enrolling in Supplemental Long-Term Disability Benefits under the Program, call the AT&T Benefits Center:</p> <p> 877-722-0020</p> <p> 847-883-0866 (international)</p> <p> 847-883-8217</p> <p> Monday through Friday from 7 a.m. to 7 p.m. Central time, except some holidays.</p> <p> The IVR is available 24 hours a day (except Sunday from 1 a.m. to noon Central time and periodically during the week for one hour between midnight and 5 a.m. for maintenance and updates).</p> <div style="border: 1px solid black; padding: 5px; margin-top: 10px;"> <p>IMPORTANT: To access the IVR or to speak to a service associate, you will need to provide the last four digits of your Social Security Number, your date of birth and your AT&T Benefits Center password.</p> </div>

For State Disability Insurance Claims

If your work location is in any of the following locations, you may be eligible to receive benefits under that state's statutory benefit program (SDI) in addition to this Program. Call the appropriate state agency.

New Jersey

New Jersey's statutory disability benefits are provided through the New Jersey Temporary Disability Benefits Trust Fund. Call the New Jersey Department of Labor Division of Temporary Disability Insurance (TDI).



609-292-7060

New York

New York's statutory disability benefits are provided through policies purchased from the Prudential Insurance Company.



800-842-1718

Rhode Island

Rhode Island's statutory disability benefits are provided through the Rhode Island Temporary Disability Insurance Program. Call the Temporary Disability Insurance Division, Rhode Island Department of Labor and Training.



401-462-8420

For Supplemental Long-Term Disability Benefit Claims and Appeals

Written claims and appeals must be sent to the carrier of the insurance policy under which the particular claimant is covered:

For claims occurring after Dec. 31, 2008:



Prudential Disability Management Services
P.O. Box 13480
Philadelphia, PA 19176

For claims occurring Jan. 1, 2004 through Dec. 31, 2008:



UNUM—The Benefits Center
P.O. Box 100158
Columbia, SC 29202-3158

INFORMATION CHANGES AND OTHER COMMON RESOURCES

It's important to keep your work and home addresses current. The majority of your benefits, payroll or similar information is sent to work or home. Please include any room, cubicle, apartment or suite number that will help make mail-routing more efficient.

Active Employee Address and Telephone Number Changes

For employees with access to the employee intranet:

Home and **work** address updates:

- Go to **insider.web.att.com**.
- Click on OneStop (**onestop.web.att.com**) and select eLink (eCORP) under Tools & Resources.
- Enter your AT&T user ID and password for the AT&T Global Logon. (If you do not know your password, please follow the instructions on the screen.)
- Once logged on, click OK.
- On the eCORP home page, click on Employee Services.
- **Note:** Please be sure the far right-hand scroll bar is all the way to the top.
- Select Personal Information.
- Select Maintain Addresses and Telephone Numbers.
- To update your home address, select "Edit" at the bottom of the Permanent Residence box, make any necessary changes, and click Save.
- To update your work address, select "Edit" at the bottom of the Cubicle/Office box, make any necessary changes, and click Save.

For employees without access to the employee intranet:

Contact your supervisor or eLink assistant.

Former Employees Home Address Changes

Call the Fidelity Service Center to change your address.

Telephone numbers and dialing instructions:

800-416-2363

888-343-0860 (hearing-impaired)

Dial your country's toll-free AT&T Direct access number, then enter **800-416-2363** (international)

Hours of operation:

Monday through Friday from 7:30 a.m. to 11 p.m. Central time.

You will need your Fidelity Service Center PIN and Social Security number/customer ID when you call to speak to a service associate.

IMPORTANT: The instructions are also for recipients of Long-Term Disability Benefits and employees on a Leave of Absence.

If you are not eligible to receive a pension or savings plan benefit, or have already received your entire pension and savings plan benefits in a lump sum and are not eligible for a retiree death benefit from your pension plan, call the AT&T Benefits Center at **877-722-0020** to update your home address.

AT&T Benefits Intranet and Internet Access

Your Money Matters section of OneStop (Active Employees only)

Go to the Your Money Matters section of OneStop at **onestop.web.att.com**.

Your Money Matters section of access.att.com (Active Employees from home)

Go to the Your Money Matters section of **access.att.com** (AT&T's secure Internet site) for benefits information at home.

Your Benefits section of access.att.com (Former Employees from home)

Go to the Your Benefits section of **access.att.com** (AT&T's secure Internet site) for benefits information at home.

APPENDIX A: PARTICIPATING COMPANIES AND APPLICABLE BARGAINING AGREEMENTS

	Participating Company Name and Acronym	Employee Group	Bargaining Unit
Population Abbreviation			
SBCSI - CWA District 1	AT&T Services, Inc. SBCSI	Bargained	AT&T East Core Contract - CWA District 1
SNEAM - CWA District 1	SNET America, Inc. SNEAM	Bargained No Employees as of Jan. 1, 2010.	AT&T East Core Contract - CWA District 1
SNET - CWA District 1	The Southern New England Telephone Company SNET	Bargained	AT&T East Core Contract - CWA District 1