

KASRA

March. 2004

Email: news@e-kasra.com



Retiree News

Dear Fellow Retiree:

By now, you should all know that, under arrangements approved by the Bankruptcy Court, Kaiser Aluminum will terminate salaried retiree medical and life insurance benefits as of midnight, May 31, 2004.

On behalf of The Official Committee of Salaried Retired Employees, I sent you a letter dated February 4, which had one attachment and an exhibit. The attachment is a letter (also dated February 4) from the Committee outlining the basis upon which the benefits are being terminated. The exhibit, labeled Exhibit "A", is the Kaiser Aluminum proposal upon which the Bankruptcy Court acted. If you have not already done so, read the February 4 letters carefully. This correspondence was e-mailed to retirees whose addresses are on the KASRA e-mail list and was mailed, first class, to all other retirees. If, for any reason, you have not received the February 4 letters and exhibit, please let us know as soon as possible, and we will re-send them to you.

All of us had hoped this day would never come. We regret very much that the company felt it had to break its promises to retirees in order to successfully emerge from bankruptcy.

The Official Retirees Committee worked for months to try to show the company other ways to meet its financial objectives. A number of meetings were held, and the Committee offered a number of suggestions. The outcome is not as desirable as we would have liked but under the circumstances, it's the best we could do.

The arrangements approved by the Bankruptcy Court provide for retiree benefit continuation through May 31. They also provide for certain prospective benefits to salaried and hourly retirees in the event that the company is successfully reorganized, returns to profitability, and operates successfully in the years to

come. A word of caution: Except for the value of retiree benefits through May 31, 2004, the prospective benefits to salaried and hourly retirees largely take the form of a priority distribution of any future cash profits and an ownership interest in the reorganized company and depend entirely on its success. The reorganized company has, however, agreed to offer certain COBRA benefit continuation coverage although the cost has not yet been determined and may be quite expensive. Further details will be furnished in a separate mailing once the company has put together its COBRA program.

The February 4 letters also provide some details on the Voluntary Employees' Beneficiary Association (VEBA) that could be created. Again, please read those communications carefully to develop an understanding of this possible option. We are currently exploring whether it is feasible to set up a VEBA with full medical benefits or one with prescription drug coverage only.

Over recent months, I have urged you to do your homework so that you would be better prepared if and when the company terminated retiree benefits. If you have not already done so, you need to do this research now!

If you are not currently on the KASRA e-mail list, we urge you to provide us your e-mail address. That way, you will get our communications without delay and, in the process, save on the mailing costs. I sincerely wish the recently announced company decision and its approval by the Bankruptcy Court were different. Some of your fellow retirees worked a lot of hours in an attempt to make it less painful. My heartfelt thank you goes out to each and every one of them. As always, we will keep you informed.

A handwritten signature in black ink, appearing to read "Jed Daniel".

Jed Daniel

PENSION BENEFIT GUARANTY CORPORATION (PBGC) WEBSITE FOR KAISER ALUMINUM PENSION PLAN

The Pension Benefit Guaranty Corporation (PBGC), which became trustee of the Kaiser Aluminum Salaried Employees Retirement Plan on December 29, 2003, has established a website for that plan.

The internet address for that site is:

<<www.pbgc.gov/plans/kaiser>>

For those of you who do not use e-mail, PBGC's address is:

Pension Benefit Guaranty Corporation

1200 K Street, NW

Washington, DC 20005-4026.

Telephones:

For general inquiries: 202/326-4000

For participant inquiries: 1-800/400-7242

For plan administration inquiries: 1-800/736-2444

For general legal inquiries: 202/326-4020

PBGC Hours of operation: 8 a.m. to 5 p.m. Eastern time, Monday-Friday

KAISER ALUMINUM TO SELL ITS MAJORITY INTEREST IN ALPART

Below please find an excerpt from a news release issued by the corporation on Jan. 21, 2004. The company said it expects to conclude this sale by the second quarter.

Kaiser Aluminum & Chemical Corporation has signed an agreement to sell its 65% interest in Alpart, a partnership that owns bauxite mining operations and an alumina refinery in Jamaica, to Glencore AG. Net cash proceeds are expected, at a minimum, to be in the range of \$160 million to \$170 million, subject to certain closing and post-closing adjustments.

The agreement also provides for Glencore to supply Kaiser with alumina of up to 200,000 metric tonnes in 2004 and up to 100,000 metric tonnes in 2005 at an agreed percentage of London Metal Exchange aluminum prices.

Kaiser expects that, at the minimum end of the expected range of proceeds, the transaction will result in a pre-tax book loss in the range of \$50 million.

**Annual Sour Mash Golf Tourney
Thursday
May 27th**

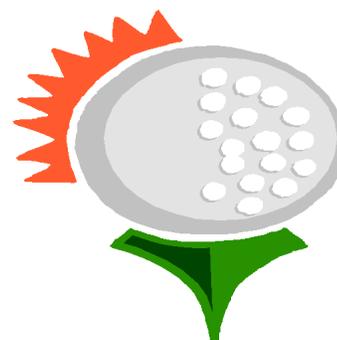


Place: Oakmoore Golf Club 3737 N. Wilson Way, Stockton, CA 95205

Time: 9:30 a.m. shotgun

Cost: \$60 per person includes 18 holes of golf, cart, meal and prizes

All Kaiser, KASRA, KARAF golfers and friends will have a unique opportunity to play on a course which is not open to the public except when rented by groups such as ours. We have the entire facility for the day, including the clubhouse. That means only our group will be allowed on the course. The course was built over 40 years ago, on 70 wooded acres. It plays to 6500 yards from two sets of tees on 9 holes, with a slope rating of 120. Oakmoore is listed in the NCGA bluebook (p.176). Players of all abilities are welcome and may select their playing partners. Most everyone will win a prize and go home happy. Please make checks for \$60 per person payable to David Geary and send to David Geary, 364 So. Overlook Drive, San Ramon, CA 94583. Questions? E-mail Steve Booth at sboothcal@juno.com or call (510) 654-1938.



What's Going On

She's probably still enjoying her birthday cake, because **Elizabeth Ballard** of Salt Lake City, UT, had to have a big enough one to hold 90 candles and feed 40 family members and friends at a blow-out celebration. Congratulations! And to **Clodus Burdell Buck** of Leon, WVA, who turned 71 in January. The woodworker says he's built a new ship. Clodus would like to hear from Ravenswood colleagues, so please do drop him a line at Rt. 3, Box 29, Leon, WVA 25123.



Happy Anniversaries: Ken & **Helen Knight** of Oakland, CA, celebrated their 59th Anniversary in November. They enjoy golf, walking, gardening, reading and crossword puzzles. Mrs. & **Mr. Edward E. Sylvester** of Bristol, R.I., were married 50 years last July and were honored at a party given by their son, Timothy.

Best of wishes go to **Robert Torrice** of Paradise, CA, who is now in Sun Bridge Convalescent Home. His wife, Eva, writes that he is receiving wonderful care from the health care workers and is engaged in lots of activities. The meals are delicious, too!

Ross Hambly of Piedmont, CA, left his job as Secretary of the Kaiser Aluminum Retirement Plans' Investment Committee at the end of his contract on December 31. He and his wife, Virginia, left that day for Miami and then it was on to Ecuador and the Galapagos Islands for a week. They then visited Lima, Cusco, the Valley of the Incas and Macchu Picchu in Peru. Their globetrotting continued to Paradise Island and Nassau in the Bahamas for nine days before returning home.

Condolences to former Cleveland EP Director **Harvey Stauffer** of Vero Beach, FL, on the death of his wife, Marion, in December. Our sympathy also goes to Permanente Metals retiree **James Jameson** of Aromas, CA, whose wife, Ruth, passed away in January.

Second Family

by Jim Doyle

Sometimes we are lucky
That's you and me
To be blessed
with a second family
There is nobody better
Than this Kaiser bunch
What a wonderful thing
To get here together
For this monthly lunch
We are blessed
To have such wonderful Kaiser friends
It is a wonderful thing
That we hope never ends
So may the Lord be with you
As you go down life's road
May he always be by your side
And help carry your load
We will always love all of you
We want you to know
May your Christmas be filled
With Love and Snow

The preceding poem was written by Trentwood retiree Jim Doyle, who read same at the holiday luncheon, here pictured.



Henry J. Kaiser Exhibit Opens in Oakland

An exhibition on the life of Henry J. Kaiser and his impact on the modern economic and cultural landscape of America and the world is on view at the Oakland Museum of California's history level special gallery through Aug. 29. "Henry J. Kaiser: Think Big" consists of three sections with titles from Kaiser's own often-quoted homespun slogans. The first section, "Together We Build," traces the budding entrepreneur's early construction projects, beginning with road-building ventures in British Columbia in the 1920s, and dam and bridge projects in the 1930s. The 1940s saw "Hurry Up Henry," the "can-do industrialist," plunging into ship building on a grand scale, and transforming such communities as Richmond and Oakland, practically overnight. "Dare to Dream" outlines Kaiser's quest to develop and market innovative products (ranging from household appliances to affordable automobiles) as the country make the transition to a peacetime economy. His role as the developer of master-planned residential communities is also highlighted. Perhaps Kaiser's most enduring legacy, the Kaiser Permanente Medical Care Program -- an early version of an HMO -- is explored in the section "An Idea for the Entire Country." It includes a state-of-the-art maternity ward room, complete with "nursery drawer," installed along side a new mother's hospital bed. He got his start as a photograph supplies salesman and came West at age 23, where he became involved in road building, taking on contracts up and down the West Coast. In the early years, say the files, his wife, Bess, and two sons sometimes accompanied him on the road-building projects. On a swing through Oakland early in 1921, the family took stock of beautiful Lake Merritt, and the city's strategic location for rail, road and ship transport. Kaiser decided to make Oakland home base for his growing operations. Described as a "stout, balding, moon-faced individual with a brain sizzling with innovative ideas," Kaiser stood 6 feet tall and weighed 240 pounds. Henry J. Kaiser's energetic tenure on earth came to an end in 1967, when he died at age 85. In the early 1980s, city leaders opted to honor the man who had chosen Oakland for his home and his business headquarters and who had contributed to the community in so many ways by renaming the Municipal Auditorium (built in 1915) on the south end of the lake the Henry J. Kaiser Convention Center,

following an extensive building retrofit and renovation. Now this public structure too serves as an enduring legacy to a true American visionary.

Annalee Allen - Oakland Tribune 2/15/04

For more information about the exhibit call the Oakland Museum at (510) 238-2200 or www.museumca.org

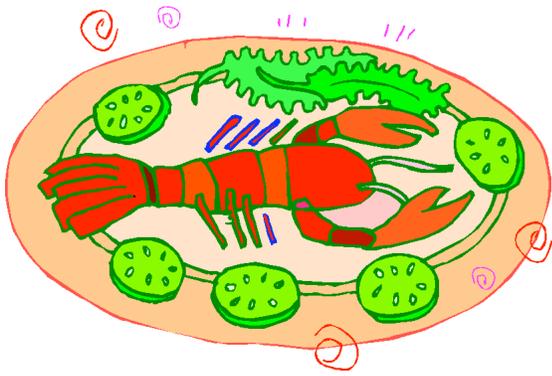
In Memoriam

Ruth W. Adams, San Diego, CA
Larry Baker, Middleport, OH (6/7/03)
Earl Bailey, Ripley, WV
Edward M. Benevides, Bristol, RI
G.R. "Jerry" Brieger, Bellevue, WA
Wood Everett, Greenback, TN
Guy Hersman, Evans, WV
Archie Jackson, Eldon, MO
Lloyd Johnson, Maringouin, LA
Ross King, New Haven, WVA
Josh Kirkland, Richmond Hill, GA
Garth Longtin, Minden, NV
Marion Mersh, Oakland, CA
Betty Myers, Ripley, WVA
Ronald Nunnery, Lawrenceburg, IN
Dorsey Paul, Coeur d'Alene, ID
Bruce Phinney, Issaquah, WA
Thomas Reed, Rochester, IN
Roger Shute, Waban, MA
Ed Streiffer, Moraga, CA
T. Suttle, Jackson, MS
Mary Ugrin, San Leandro, CA
Larry Wehrung, Pomeroy, OH

The **KASRA** Board of Directors extends its deepest sympathy to the families at the loss of their loved ones.

Send KASRA Your News

Our sources are depleted! Write us your news, travels, stories... humorous tales welcome. Send a note to Editor, KASRA News, 2471 San Miguel Drive, Walnut Creek, CA 94596 or email wmipr@aol.com. Okay to send jpeg photos, but please be sure to write KASRA News in subject line or they will not be opened.



The Lunch Bunch

March 1 Los Angeles (So. CA)

Noon at The Elephant Bar, 14303 E. Firestone Blvd., La Mirada. Norm Manger (310) 377-2135 email normmanger@cox.net

March 4 Baton Rouge

Lunch at noon at the Louisiana Culinary Institute, Es-sen Lane. Call Bob Lister (225) 272-2886.

March 11 Mead

Cathay Inn on North Division St, 11:30 a.m. Call Joe Fife (509) 466-9155 ajjfife@aol.com or Phil Marks-bury at pjmarksb@comcast.net

March 17 Erie

Luncheon meeting at 1:00 p.m., Lake Shore Country Club. Contact Tim Healy (814) 474-3536 or email thealy@leol.net

March 18 Trentwood

Luncheon at Spokane Valley Eagles. Discussion of pension issues, medical options. Call Bob Shogren (509)226-0837 or email robertmshogren@hotmail.com

March TBD Chalmette

A core group of twelve folks gathered as Chalmette's Lunch Bunch. They met on Feb 12 for the first time in Covington, LA, at the Picadilly Inn. Folks came from as far away as Biloxi, MS to gather with old friends, some of whom they had not seen for 20 years. For the next date, contact Sherman Faught (Slidell, LA) at (985) 641-6121.

March 23 Newark

11: 30 a.m. luncheon, Stacey's Hometown Inn. Guest speaker to discuss current issues. January's meeting

provided guest speakers from the Ohio Dept of Insur-
ance and was well attended despite inclement weather.
Call Bob Abel at (740) 323-2268 or email
rpabel@alltel.net

April 1 Baton Rouge

Lunch at noon at the Louisiana Culinary Institute, Es-
sen Lane. Call Bob Lister (225) 272-2886 or Bob
Eisenbach (225) 926-1334 bobeisenbach@cox.net

April 5 Bay Area K.A.R.L.A.

Luncheon, Elks Club, 1475 Creekside Dr., Walnut
Creek. Guest speaker: Michael Dobrin, curator,
Henry J. Kaiser Exhibit, Oakland Museum of CA.
Call Al Matthews (925) 930-8243.

April 5 Los Angeles (So. CA)

Noon at The Elephant Bar, 14303 E. Firestone Blvd.,
La Mirada. Norm Manger (310) 377-2135 email
normmanger@cox.net

April 15 Trentwood

Luncheon at Spokane Valley Eagles. Entertainment by
Strolling Strings, East Valley H.S. Call Bob Shogren
(509)226-0837 or email robertmshogren@hotmail.com

April 24 KAOS Louisiana

Dinner, Sherwood Forest Country Club. If you have
not received an invitation by April 10, please call
Terry Brouillette (225) 927-1681 to make a reserva-
tion.

Texas retirees have received mail notices of their next
meeting. For more information, please contact Cathy
Peterson Eaton at (972) 562-2352 or email
Cathypeaton1@comcast.net

