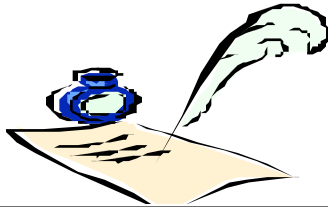


KASRA

Mar. 2005

Email: news@e-kasra.com



Retiree News

Dear Fellow Retiree:

This message will update a number of items I wrote about in the January newsletter.

First, a number of you have contacted the KASRA office or asked your regional KASRA contact for additional information about the Voluntary Employees' Beneficiary Association (VEBA). Each of the past three newsletters has provided status reports on the VEBA. In this letter, I'll review some of what has been stated previously and provide whatever update I can at this point.

The Kaiser Aluminum Salaried Retirees' VEBA Trust and Plan were established as of May 31, 2004. Under the amended terms of the January 29, 2004 settlement approved by the Bankruptcy Court, Kaiser made an initial advance payment of \$200,000 to the Trust and has made subsequent monthly payments of \$300,000. Including the amount due for February 2005, the Trust will have received \$2.9 million. These funds are being deposited in the Union Bank of California and are earning interest.

So long as the company remains in Chapter 11 reorganization, it is obliged to make advances of \$300,000 per month to the Trust up to a maximum initial contribution obligation of \$5,220,000. If the company emerges from bankruptcy prior to the time it has made advances totaling \$5,220,000, it is obligated to contribute the unpaid balance on emergence to the extent that it has the ability to do so. If the company emerges from bankruptcy, any further contributions will depend on the degree to which the company may be profitable and able to make the profit sharing contributions agreed to in the settlement. If the company emerges from bankruptcy, the VEBA will also be entitled to receive shares in the reorganized company in an amount still to be determined. The value

(cont. on page 4)

The Future Direction of KASRA

The initial objectives of KASRA were to form a well-funded organization that could provide a competent legal challenge should Kaiser elect to modify or terminate our retiree benefits, as well as keep the retirees informed of the changes in the company that might jeopardize our benefits. Since KASRA's inception, however, legal precedents have favored the employers rather than retirees, and of course, Kaiser filed for bankruptcy.

Although we have lost our company-provided benefits, KASRA has played a significant role in extending those benefits, has played a role in establishing the VEBA Trust, has provided retirees with information on alternative medical insurance programs and has played a very important role as the primary communication conduit for all salaried retirees.

As Kaiser Aluminum's role in our benefits decreases, many people are questioning the need for and/or function of KASRA. At the current time, the major areas of work for KASRA are: the VEBA Trust interface, monitoring/policing Kaiser on the few remaining benefits such as Bankruptcy COBRA, and providing continuing communication for salaried retirees through the newsletter and e-mail address lists.

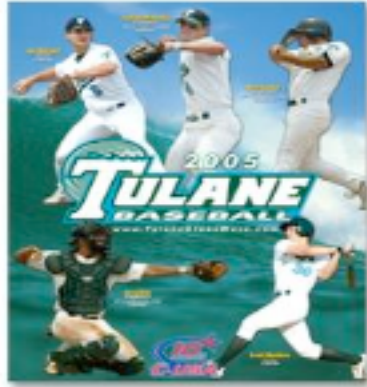
If you have further thoughts on the future direction and role of KASRA, please let us know through e-mail or letters to KASRA.

PLEASE SEND KASRA YOUR NEWS

Write us your news, travels, stories... humorous tales welcome. Electronic photos are accepted in jpeg files. Just be sure to note you are a KASRA retiree in the subject line, however, or they will not be opened. Write to KASRA News, 2471 San Miguel Dr., Walnut Creek, CA 94596 or wmipr@aol.com.

What's Going On

When he is not traveling from home to four states to visit kin that includes a brother, sister, ten grandchildren and six great grandchildren, Chalmette, LA, retiree and resident **R. Lee "Bob" Caldwell** is a supporter of Tulane University athletics, especially



its baseball program. **Marey Wofford** of Athens, GA, who professes eating as a hobby, visited Cozumel, Mexico last summer. Belpre, OH, retiree **Shelby J. Deem** of Myrtle Beach, SC, works at the Apache Family Campground. Valco retiree **Larry Edwards** (Royal Palm Beach, FL) and his wife visited Alaska last summer with fellow Valco colleagues **Ron Helton & Gary Pierce** and their wives.

Golf, golf and more golf... Ravenswood retiree **Paul Smith** says his move to Palmetto, FL, four years ago gives him plenty of opportunities to bask in the Florida sunshine and play golf. **John H. Voigt** (Westchester, PA) writes that spending ten days in Florida last winter was pure joy. Jack likes to play golf and do water aerobics. Bristol, RI, retiree **Richard (Dick) Possner** (Wellfleet, MA) does wood-working, art and volunteers with the American Legion. Dick has traveled most of the states. Gramercy, LA, retiree and resident **Kenneth Hymel** confesses he is a gambling man. Or, he enjoys the casinos at least. Vacations to Texas and Mexico with his wife also included his in-laws.

Permanente Foil retiree **H. Patrick Campbell** (Cazadero, CA) in the last couple years has enjoyed two river cruises - one through China, the other from Amsterdam to Budapest. Two weeks after right shoulder replacement surgery, **T.V. Montee** of Bogart, GA, was writing a note with his right hand, a legible note, I might add, to KASRA News. Ravenswood retiree and resident **Jim Shannon** and his wife Barb enjoyed a col-



lege alumni-sponsored historical cruise of the Baltic Sea. Sherman, TX, retiree **Bill Hughes** of Diamondhead, MS, spends time at his camp and enjoys fishing for a catch of crab, fish and shrimp.

Them bones. Gramercy retiree **Marion (Marty) P. Martinez** of Thibodaux, LA, has an interesting hobby. He designs and makes Cajun letter openers from alligator bones. **Jeanne Mary (Micki) Cabral** of Oakland, CA, volunteers at the St. Paul's Food Cop. On a six week trip to Australia last year, **Lionel (Taff) Davies** (Danville, CA) visited several former colleagues - **Rol Bertram** in Buderim as well as **Ivan Mauro** in Sydney.

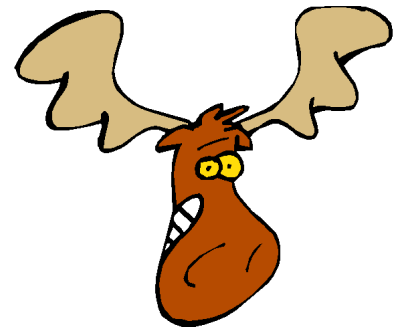
Gramercy retiree **Norman H. Martien, Jr.** of Denham Springs, LA, is a deacon in his Baptist church, and belongs to the American Legion and VFW. Belpre retiree **Reldon J. Barre** (Washington, WV) has a job in systems design with Mountain State Blue Cross. His travels have taken him to San Salvador, New Orleans and Ocean Isle Beach, NC.

Hmmm. What do you suppose **Women of the Moose** do? That's a group that Oakland retiree **Nancy Marino** (Magalia, CA) belongs to in nearby Paradise. She enjoys the mountains there, too.

Nancy would enjoy hearing from you by email at sfonandon@aol.com

Jim Falk (Anacortes, WA) wrote months before the SE Asia tsunami hit last December that he would be making a fifth trip to Indonesia in September 2004 for diving and underwater photography. She may not have been lucky at the slots in Nevada, but closer to home **Louise (Anna) Slusser** of Newport, WA, won a Toro riding lawnmower in a drawing at the local hardware store.

CFT retiree **Ward Eister** of San Jose, CA, spends the summers fishing, gardening and working on the house in Dryden, Ontario. Last summer's wet, cool weather significantly shortened the growing season by a month, forcing the retiree to live on just fish. Guess there are worse things than that, he mused. **Hilda DeMello** of Truckee, CA, spends the winter months in Mesquite, NV. She lives on a golf course there, but favors tennis instead. Meanwhile, **Gene Wilberg** (Ballwin, MO) spent his summer in Northern Wisconsin. His volunteer activities include working with grade school youngsters, widowers, and a group that trains guide dogs for the blind.



As she prepared last fall to attend her 50th high school class reunion, Mead retiree **Patsy Schroder** of Anchorage, AK, pondered: "How did we get from high school to Medicare so quickly?" Big ouch. A fellow golfer with a power cart ran into **Ursula Seifert** (Castro Valley, CA), breaking her right foot. Thankfully, Ursula was on the mend in three months, able to golf as well as enjoy a summer cruise to the Mediterranean from Vancouver Island. It's time for Major League Baseball. Last March, Mead retiree **Rob Matthew** (Spokane, WA) and his wife, Cris, took their first trip to Peoria, AZ, for the Seattle Mariners' spring training. He says they had such a blast that it's sure to be an annual event for them from now on. Halethorpe retiree **Francis Sherman** (Fairhope, AL) said a highlight of last year was attending the Masters Golf Tournament to watch Arnold Palmer's final round and Phil Mickelson's first major cup. He does not live near the beach, but surfing is his hobby, says **Charles (Chuck) Crockett** of Peoria, AZ. That is, Chuck surfs the internet. Sharing her love of crafting with her four granddaughters is Ravenswood retiree and resident **Sharon (Sherry) L. Miller**. Sherry says she and her husband love to drive around in their PT Cruiser. Trentwood retiree **Arthur Hoener** of Bayview, ID, is a member of American Legion Post 149 in nearby Athol. He enjoys fishing and traveling, of late to Nevada by car.



Cans for a cause. Last year, the camping club that **Gerald Rogers** (Grass Valley, CA) and his wife, Judy, belong to recycled enough aluminum cans to donate

\$2169 to the Ronald McDonald House in Sacramento. The Rogers also put two thousand miles



on their 35-foot motor home, traversing desert and snow. Chalmette retiree **Evelyn Schwab** (Slidell, LA) traveled last month to Lake Tahoe for her younger son's wedding. She visits other sons in Georgia and Florida, too. Oakland retiree **Rosemary Pimentel** (San Leandro, CA) is a stamp collector as

well as a collector of old movies on videotape. Our deep condolences to Rosemary for the loss of her husband, Carlos, last year. Surviving spouse **Leona Thies** (Spokane, WA) lost her husband four years ago. While life is lonely without him, she writes that her children, grandchildren and great grandchildren provide pleasure these days.

Ravenswood retiree **Ken Mikes** of Parkersburg, WV, enjoyed a summer vacation with the family in Puerto Rico last year. He likes to hunt, fish and do wood-working. Visiting the small town in Switzerland where her grandfather was born was the highlight of a trip to Europe for CFT retiree **Jerry Smith** of Crescent City, CA. Ravenswood retiree and resident **Lewis C. Parsons**

spent a few weeks in Florida before the hurricane chased him out. Then Lewis visited his daughter in Knoxville, TN, where the weather was no doubt milder. **Helene Hancock** of Kansas City, MO, sold her three-bedroom home



and moved into a one-bedroom apartment. She enjoys sewing and making quilts and volunteers at her church to visit the elderly.

Eugene J. Dudash (Columbiana, OH) enjoys coin collecting, gardening and tinkering in his workshop. Eugene saw beautiful scenery during a twelve day trip to Nova Scotia, Prince Edward Island and Cape Breton National Park. Portsmouth retiree **Richard Murray** returned to Fall River, MA, last fall, after living in Carlsbad, CA and Sedona, AZ.

Happy Anniversaries:

Lou and **Robert H. Stevens** of Columbia, MO, celebrated their 56th anniversary last July. Beverly and **Dick Breuer** of Los Gatos, CA, marked their 53rd year of marriage last year. Mr. and Mrs. **Charles E. Doran** of New Waverly, IN, were married 65 years ago in January. Grace and **Earl J. Tidd** of Otis Orchard, WA, celebrated their 61st anniversary with a party that included 69 children, grandchildren, great grandchildren and friends. Ken and **Helen Knight** of Oakland, CA, have been married for 60 years. Lou and **Robert H. Stevens** of Columbia, MO, celebrated their 56th anniversary last July.

(cont. - see insert)

Dear Fellow Retirees (cont. from page 1)

of those shares will depend entirely upon the company's future success, any dividends received, and/or any proceeds received from their sale.

A portion of the funds in the VEBA are devoted to setting up and operating the Trust. When the Trustees of the VEBA are satisfied that there are adequate funds in the VEBA for the payment of an initial benefit, each salaried retiree or surviving spouse will receive a Summary Plan Description and enrollment materials. The Trustees hope that this will occur sometime later this year.

Each of the approximately 4,500 salaried retirees/surviving spouses will have an equal-sized account or benefit, representing his/her share of the total amount that may be set aside by the Trustees for the payment of benefits at the time and from time to time thereafter. That account could be used by retirees/surviving spouses to provide limited reimbursement for health insurance premiums (excluding co-payments and deductibles) paid under a health care plan (including Medicare Part B premiums) for themselves and their eligible dependents.

It continues to be too early to determine either the amount or the timing of benefits that may be paid under the VEBA Plan. It may not be possible to do so until after Kaiser either successfully emerges from bankruptcy or fails to do so. In the meantime, work continues on setting up a benefit database for the VEBA, preparing a draft Summary Plan Description and draft enrollment materials, monitoring the company's reorganization efforts, participating in negotiations with the company and other creditors on the company's reorganization plan and, in particular, on those issues affecting the company's obligations to make contributions to the VEBA and the marketability and value of the shares to be received in the reorganized company.

We will continue to keep you informed.

Turning to other matters of interest . . .

As a result of negotiations between the company and the Official Retirees' Committee:

--The Committee withdrew its objection to the proposed inter-company settlement agreement after the company favorably resolved all of the Committee's concerns with respect to that agreement.

--By now, those retirees who elected COBRA coverage should have been informed by the company of new rates that are slightly lower than the increases initially computed for 2005. This modest downward revision resulted from a careful review by certain members of the Official Committee and KASRA of information received from the company and a calculation error that was duly called to the company's attention.

--The company has agreed to reimburse KASRA for the \$30,000 spent on behalf of the Official Committee some months ago to try to find suitable replacement medical benefits coverage for salaried retirees/surviving spouses. Initially, the company had refused this request for reimbursement.

The latest indication from the company is that it expects to emerge from bankruptcy sometime later this year. As stated in the January newsletter, the Official Committee will carefully review the company's Restructuring Plan for emerging from bankruptcy when it becomes available, with the intent of making sure there is nothing in it that would adversely impact our agreement with the company. The best way for you to stay current on the company's progress in its effort to reorganize is by logging onto its web site, www.kaiser.com.

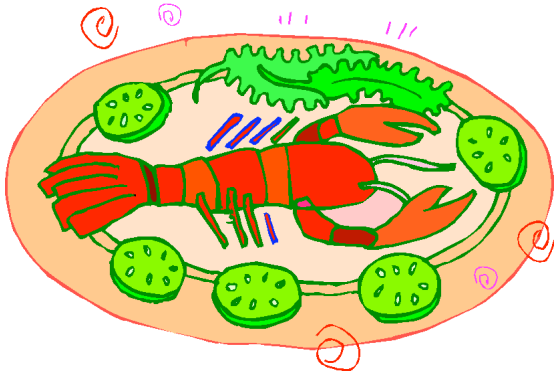
I want to repeat a point I made in the November newsletter. However angry or disappointed each of us is that the company failed to keep its promises with respect to retiree medical coverage, it is important to remember that it continues to be in our best interests for the company to emerge from bankruptcy and to succeed as a company. To the extent that it does – if, in fact, it does – the VEBA Trust may be among the future beneficiaries.

And, finally, I call your attention to the article opposite this letter on page one titled, "The Future Direction of KASRA." It invites you to submit – by e-mail or letter to KASRA -- any thoughts you may have on the future direction and role of KASRA.

Thanks for your continued interest and support.



Jed Daniel
President



The Lunch Bunch

March 3 Baton Rouge

Lunch at noon at Mansur's on Corporate Blvd. Call Bob Lister (225) 272-2886 or Bob Eisenbach (225) 926-1334 bobeisenbach@cox.net

March 7 Los Angeles (So. CA)

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

March 10 Mead

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

March 15 Newark

11:30 a.m. Luncheon, Stacey's Buffet, Heath. Call Bob Abel at (740) 323-2268 or rpabel@alltel.net

March 16 Erie

Lunch at 1 p.m., Lake Shore Country Club. Call Tim Healy at (814) 474-3536 fax (814) 474-2700 thealy@velocity.net

March 17 Trentwood

11:00 a.m. at Valley Eagles, 16810 E. Sprague, Verdale. Contact Steve Harvey at (509) 924 -1132 or email: s1harv3y@comcast.net.

April 4 Bay Area K.A.R.L.A.

11 a.m. Luncheon, Elks Club, 1475 Creekside Dr., Walnut Creek. Speaker: Macular degeneration and other eye diseases. Call Al Matthews at (925) 930-8243.

April 4 Los Angeles (So. CA)

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

April 6 Chalmette

1 p.m. Luncheon at Salvaggio's, Slidell on Highway 11 (Pontchartrain Drive). February's gathering brought together 60 retirees and spouses for a wonderful time. All KASRA retirees and spouses invited. Call Sherman Faught at (985) 641-6121.

April 14 Mead

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

April 23 KAOS Baton Rouge

6 p.m. Spring Dinner at Frank's on Airline Highway, Prairieville. Call Don Farrelly (225) 677-8359, dondofarr@etigers.net, Joe Angier (225) 768-7916, joe.jennifer@cox.net or Bob Eisenbach (225) 926-1334, bobeisenbach@cox.net

April 29 Belpre

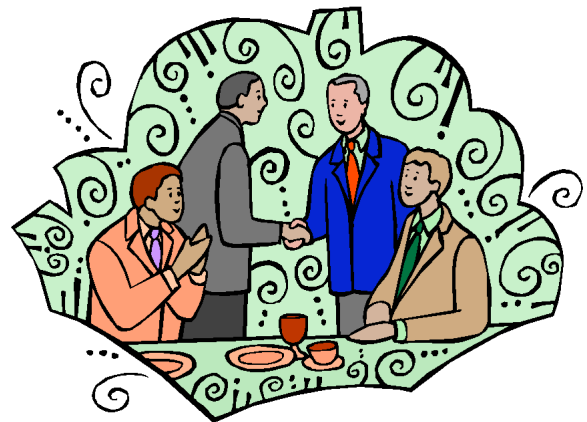
9:00 a.m. Breakfast at Shoney's, Garfield Ave. Parkersburg. Contact Betty Blair (304) 489-1337.

April TBD Ravenswood

For information, call Dave Whitman (304) 273-5548 or email dwhitman@wirefire.com

Texas

Please contact Cathy Peterson Eaton at (972) 562-2352 or email Cathypeaton1@comcast.net



What's Going On (cont from page 3)

Priscilla and **John Principe Jr.** of Pantego, TX, have enjoyed 58 years of marriage. Lisa and **Alan Matthews** of Walnut Creek, CA, celebrated their 55th anniversary last October with a trip to Ireland and a river cruise between Amsterdam and Vienna.

Congratulations to **Claude Burrough** of Granbury, TX, who remarried last October after being a widower for seven years.

Classic wheels. **Alan De Ross** of Wasco, IL, restores old cars and takes car club tours when he travels. Alan is President of De Ross Engineering Co., which designs and fabricates hardware for video scanning systems. There are other pleasures to enjoy besides golf, as **Hank Wittrock** (Santa Rosa, CA) knows. He enjoys Sonoma County's beautiful scenery, farms, fine restaurants, vineyards and being near the ocean.

John B. Connor of Savannah, GA, is a docent at the 8th Air Force Heritage Museum. The Ag Chem retiree also gives lectures to various civic organizations, presumably about the museum's treasures. Mead retiree **Gary Blair** of Surprise, AZ, is an officer in the Granite Falls Men's Club and volunteers with Jr. Golf activities.



It takes a village. We received word last year from **Diane Malinak** of Veradale, WA, who wrote before her husband, Trentwood retiree **William L. Malniak**, passed away in the fall, that their lives were being supported by so many other Kaiser retirees living in the community of Spokane Valley Good Samaritan Village: Sid and **Pam Yenter**, **Harry Lorentz** and his wife Eloise, and Charline and **Hank Hagew**. Bless you for sharing and our sincere condolences. Condolences as well go to Tulsa retiree **Edward J. Steadman** (Wagoner, OK) who lost his wife, Alda, to cancer in September, 2003.

On the move...**Maxcine Gibson** packed up 41 years of living in Smyrna, GA, and now lives in Marietta, GA. Her surgery last year to remove her spleen thankfully revealed benign tumors.

What a pretty filly. **Harry Ray** (Bensenville, IL) and his wife like to travel and go to county fairs. They especially enjoy watching horse shows which, Harry

says, they could happily do all day long, sitting down, of course. **Donald Duskey** of Texarkana, TX, vacationed in Ireland last year.

H. (Hebron) J. Ducote (Saratoga, CA) is working on his cabin at Lake Tahoe. He also is his wife's caregiver. **Robert A. Torrice** (Paradise, CA) is receiving great care at the Sun Bridge Convalescent Home, writes wife Eva. She joins him every day for group exercise and other activities and shares meals with her husband there.

In Memoriam

Donald A. Bender - Spokane, WA
Chester D. Bishop - Spokane, WA
R. Morris Coker - Spokane, WA
Cecil Dodson - San Jose, CA
James Doyle - Athol, ID
Merlin Herrmann - Spokane, WA
Frank L. Howard - Spokane, WA
Franklin Kaercher - Toledo, OH
William "Bill" E. Keese, Jr. - Metairie, LA
James C. Knowles - Colbert, WA
Joseph J. Kralovic - Edgewood, WA
Ralph J. Lightner - Naples, FL
William L. Malinak - Veradale, WA
Ewell E. (Mac) McDole - Lockeford, CA
Emile L. Mitchell - Punta Gorda, FL
John J. "Jimmy" Panks - Slidell, LA
Ward B. Saunders, Jr. - Oakland, CA
Leon A. Seeber - Edina, MN
Roy Soejima - Spokane, WA
Charles A. Somerville - Spokane, WA
Lee C. Zimmer - Spokane, WA

The **KASRA** Board of Directors expresses its deepest sympathy to families and loved ones.

KASRA is no longer receiving information from Kaiser Aluminum or EBDS regarding the deaths of salaried retirees. Often, when an obituary appears in the local newspaper, there may be an electronic version on the newspaper's website as well. Sometimes, the web site will include an electronic guest book where friends may send email messages of sympathy and condolences to the families. If you become aware of such notices, or know of the passing of a colleague, please send this information to Editor, KASRA News, 2471 San Miguel Drive, Walnut Creek, CA 94596 or email wmipr@aol.com.