

KASRA

May 2006

Email: news@e-kasra.com



Retiree News

Dear Fellow Retiree:

There have been several developments of interest since you received the March issue of the newsletter.

The Bankruptcy Court held a hearing on April 17th to resolve objections by the Pension Benefit Guarantee Corporation (PBGC), the Hourly Retirees' VEBA and the Salaried Retirees' Committee. The objections were to a motion by the company to preclude the PBGC, the Hourly Retirees' VEBA and the Salaried Retirees' VEBA from entering into any agreement to sell, transfer or exchange all or any portion of their claims or rights to distributions under the company's Joint Plan of Reorganization (POR) without the prior approval of the Bankruptcy Court, including their rights to receive shares of common stock in the reorganized Kaiser Aluminum Corporation (KAC). You may recall that the Salaried Retirees' VEBA is entitled to receive 1,940,100 shares, or 9.7%, of the common stock in KAC upon the effective date of the POR. While certain limitations on the sale, transfer or exchange of KAC stock had been agreed to and provided for in the POR following its effective date, no such limitations had been agreed to or provided for during the period prior to the effective date of the POR. The PBGC, the Hourly Retirees' VEBA and the Retirees' Committee opposed the company's efforts to unilaterally impose terms and conditions that had not been agreed to in the various settlement agreements with the company. The matter was settled among the parties under a Protocol approved by the Bankruptcy Court. The Protocol will allow the Salaried Retirees' VEBA to sell and transfer up to 33% (640,233 shares) of its interest in KAC prior to the effective date of the POR, should the Trustees of the Salaried Retirees' VEBA elect to do so.

The company's reorganization proceedings

are continuing. The Bankruptcy Court Order confirming the POR is now before the Federal District Court for approval at a hearing scheduled for May 11th. Carriers insuring the company's asbestos and silica tort claim liabilities continue to oppose confirmation of the POR and it is unclear how long it might take to finally resolve the matter. If the Federal District Court overrules the insurance carriers' objections to the POR as the Bankruptcy Court did earlier, the insurance carriers may still appeal that decision to the United States Court of Appeals for the Third Circuit. We will continue to inform you of developments as they occur.

With respect to the Salaried Retirees' VEBA, you may be interested in the following. As of the 2005 enrollment deadline, 3,819 individuals were eligible to participate in the VEBA Plan and a total of 2,376 had enrolled. Benefits paid during 2005 amounted to \$502,926. Another \$250,769 in claims that were pending but not paid prior to year-end 2005, were paid in January. Participants enrolled in the VEBA Plan prior to the 2005 enrollment deadline have until December 31, 2006 to claim their benefits to the extent that they have not already done so. Net assets available for benefits (cash, investments and interest receivable) as of December 31, 2005 under the VEBA Plan amounted to \$5,491,215. An audit of the 2005 financial statements for the VEBA Plan is underway as is the preparation of various filings that need to be made with governmental agencies. When those activities are complete, expected by mid-year, the Trustees of the Salaried Retirees' VEBA will be mailing an annual report together with a copy of the audited financial statements to salaried retirees. About the same time, the Trustees of the Salaried Retirees' VEBA expect to mail enrollment forms to all eligible individuals who have not yet enrolled and to send out information and materials on the 2006 benefit program.

-continued on back page, col 1

What's Going On



Spring gardeners - take heed from surviving spouse **Helen Gibelyou** of Tacoma, WA. Helen's lack of a green thumb last summer produced just two cherries on the tree. Helen promptly ate the cherries, un-

derrripe, to avoid sharing the sparse bounty with the birds. Guilt set in, so to make herself feel better, Helen tied store bought cherries on the tree for the birds to enjoy. Perhaps she could get a few hints from Ravenswood retiree **Dar Ekstrom** of Polson, MT, who says he enjoys raising cherries for his friends. Refractories retiree **William Miller** (Harborside, ME) does woodworking and home refinishing, while coping with the discomfort of arthritis. Now that tax season is over, self employed tax preparer **Richard Williams Sr.** of Spokane Valley, WA, can go on the road. He sits on the boards of Goodwill Industries, Planned Parenthood and Spokane Substance Abuse, among others. **Arnold Schlottmann** (Chalmette, LA) lists genealogy research as his hobby.

Congratulations to KACC public relations honcho **Bob Irelan** of Rancho Murieta, CA for receiving the Lifetime Achievement Award from the Sacramento Public Relations Association. Bob teaches a public relations class at UC Davis Extension. He and wife Barbara traveled to Maui, Palm Springs, CA, and Orlando, FL. Kaiser Agricultural Chemicals exec, **Frank Wooten**, (Savannah, GA) became the first recipient of the Good Scout Award, in recognition of his public service to the Coastal Empire and to scouting.



Don Woodward (Oakbrook, IL) last year revisited Australia, some 30 years after Kaiser sent him there. Kaiser International exec **Tom Singer** of Appleton, NY, travels twice yearly to their condo in Puerto Escondido, Oaxaca in Mexico. Tom is a trustee of both the Nature Conservancy and the Niagara Area Foundation. Traveling KASRA members: **Betty Fyock Lynch** (Otis Orchards, WA) visited Rome, Paris, Phoenix. Fabricated Products retiree **Fred Peightal** (Bermuda Dunes, CA) went to St. Martin, Virgin Islands, and also to Jackson Hole, WY, for his son's wedding.

Kaiser Refractories retiree **Sonny Humphrey** (Richmond, KY) went to Cumberland, MD, for his wife's 72nd family reunion. Kaiser Chemicals retiree **Tom Smith** of Colorado Springs, CO, spent two weeks in Europe. **Albert LeBlanc** (Baton Rouge, LA) traveled to Germany, Austria and Italy last year and this year's plans include a trip to Brazil and the Amazon River. **L.D. Crowder** (Atlanta, GA) enjoyed attending his 60th high school reunion in Rushville, IN.



Sherman Extrusions retiree **Bill Ridinger** of Denison, TX, traveled last summer to Virginia, Washington, DC, Nashville, TN, St. Louis, MO and Erie, PA. **Anne White** (Williamston, NC) took short trips to Chester, VA, Virginia Beach, VA, and to Wilmington, Nags Head and Charlotte, all in NC.

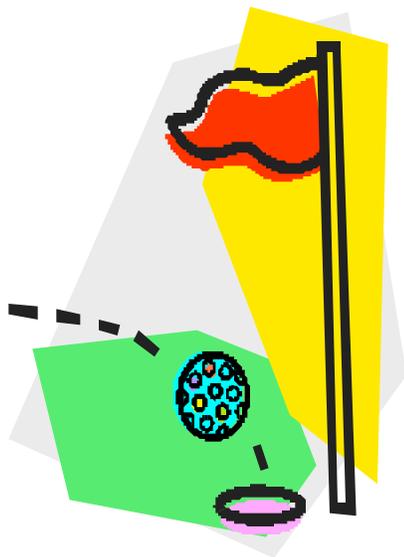
Cleveland Owen of Scottsboro, AL, spent a couple weeks in Orlando, FL, visited family in Tennessee and attended his 5th Marine Div reunion in Philadelphia, PA. **Thomas Pitzer** (Trentwood, WA) spent 4 weeks last year in Scandinavia and three weeks in Italy this year. **Tony Procanik** of Monarch Beach, CA, and his wife enjoyed a fantastic trip to China that included sightseeing in Shanghai, Beijing, Guilin and Xian with an added bonus of three days in Tibet. **Bob Stephens** (Spokane, WA) cruised the tip of South America,



On the Move: From Downingtown, PA, to Merritt, NC, Ravenswood retiree **Tom Eynon** enjoys boating from his new waterfront home. After 44 years of living in Los Gatos, CA, Beverly and **Dick Breuer**

are happily ensconced in their Del Webb Sun City Lincoln Hills home in Lincoln, CA. After 50 years of living in the home they built, **Norm Grabstein** and his wife moved to a brand new condo in San Francisco, CA. Post Hurricane Katrina, **Bolyn (Bo) Wolf** has settled into a home in Prairieville, LA. **Bernice Francis Ferdinand** has temporarily settled in Vero Beach, FL, following Katrina, and asks for our prayers as she ponders a permanent location. **John Dwyer** and wife Ann moved to a Villages community in San Jose, CA, after 41 years in the same house where they raised five children.

After 50 years of playing golf, **Bill Jordan** of Atlanta, GA, recorded his first hole-in-one. A priceless experience, Bill reports, and one most golfers never get to cherish in their lifetime. Holy Toledo! Toledo retiree **Brent Harrah** of Sylvania, OH, not only shot his age, 75, but also had a hole-in-one during the same round.



George Binczewski of Moraga, CA, returned from an extended stay in China, where he made presentations at Tsinghua University and the Non-Ferrous Research Institute in Beijing. George visited various

aluminum facilities in different provinces. He says China has 130 reduction plants, many of which will be closed and replaced by large, state-of-the-art operations.

Lavonne Ginty of Clearlake Oaks, CA, grows orchids and other tropical flowers. Lavonne also teaches duplicate bridge, and is a Silver Life Master.

Ruthann Critchfield (Saratoga, CA) plays tournament bridge with friends in other cities on the internet and also against online robots, which she says are hard to beat. The Bronze



Life Master encourages other bridge players at any skill level to try web-based bridge, where one can also win master points. **Barney Cutchen** (Spanish Fort, AL) is hooked on books, mostly history and genealogy tomes, and also enjoys photography, especially if the subject is his great granddaughter. At 85 years young, **W.D. Collier** is a gentleman farmer who owns a 100-acre hay farm in Jesup, GA. Speaking of youth, **Edward Brown, Jr.** of Savannah, GA, is now 92. This month, **Charlotte Thorestad** of Tacoma, WA, turns 91.

Happy Anniversary. Jayne and **John Schnittker** of Alamo, CA, celebrated their 50th anniversary last year with a family luau and a trip to Hawaii from their three sons and families. Virginia and **George Probst**



of Mandeville, LA, celebrated their 60th anniversary last year on a Caribbean cruise and came home to a family reunion, complete with a New Orleans Jazz Band. Mr. & Mrs. **Edwin Frank** of Metairie, LA, celebrated their 50th anniversary by taking the whole family on an Alaskan cruise. Mr. & Mrs. **Mike McGroarty** of Pinehurst, NC, celebrated their 50th at Sunset Beach with all 29 family members for a week of partying. Congratulations to all you love birds.

Jed's letter - continued from page 1

Reminder: You must be enrolled in the VEBA Plan in order to claim any reimbursement benefits. If you are eligible to enroll in the VEBA Plan but did not do so in 2005, you must enroll before the end of 2006 in order to claim any benefit that may be declared for 2006. If you enrolled in 2005, you do not need to re-enroll.

The company contributed a total of \$5,900,000 to the Salaried Retirees' VEBA prior to year-end 2005, thus fully satisfying its initial cash contribution obligation of \$5,220,000 under the Settlement Agreement. The Settlement Agreement provides, however, for the company to continue to make cash advances to the Salaried Retirees' VEBA in an amount equal to \$300,000 for each full month that the company remains in reorganization proceedings. Contributions now total \$7,100,000 through April of this year. The excess of these advances over the company's initial cash contribution obligation (now amounting to \$1,880,000) is to be applied as a credit against any profit sharing contributions to which the Salaried Retirees' VEBA may become entitled after KAC's POR becomes effective. The company reimbursed the Salaried Retirees' VEBA for a portion of its administrative expenses incurred in 2004 and 2005 in the total amount of \$108,750. Under the Settlement Agreement, the company is obligated to reimburse the Salaried Retirees' VEBA for up to one-half of its administrative expenses, but not more than \$36,250 in such expenses, for 2006 and each subsequent year.

The VEBA is losing one of its founding Trustees but gaining a talented replacement. Jim Hobby, who along with Dave Perry and Doug Allen, has served as a Trustee since the inception of the Salaried Retirees' VEBA, asked to step down at the end of March this year in order to reduce the number of his commitments. Jim will, however, continue to serve as a member of the Retirees' Committee until the company's reorganization proceedings have been concluded. Joining Dave and Doug on the Board of Trustees of the Salaried Retirees' VEBA is Art Donaldson. Our heartfelt thanks to Jim for his dedicated service and to Art, who has been a valued KASRA board member, for his willingness to assume the responsibilities of a Trustee of the Salaried Retirees' VEBA.

I'll conclude with another reminder: The most timely and cost-effective way of communicating with our family of retirees is by e-mail. If you use e-mail but have not provided us with your e-mail address, please do so. If you are already receiving the newsletter via e-mail, you don't need to do anything except let us know when and if that e-mail address changes. Of course, if you do not have access to e-mail, we will continue to mail the newsletter to you.

We appreciate your continued interest and support.

Sincerely,



Jed Daniel
President

In Memoriam

R. Clayton Bateman - Sherman, TX

Rodney O. Beaudette - Ankeny, IA

Ed A. Friley - Baton Rouge, LA

Robert S. Ginn - Las Vegas, NV

Anna L. Gosnell - Newark, OH

E. Roger Mullins - Sherman, TX

William "Bill" Pettinger - San Leandro, CA

Thomas A. Robinson - Oxnard, CA

Harry T. Roll - Brookings, OR

Clement "Clem" Simard - Goldendale, WA

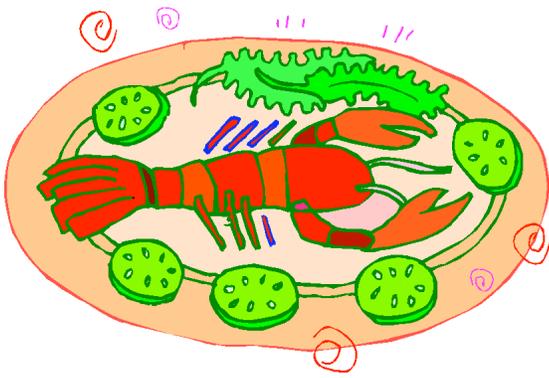
Gene W. Wilberg - Ballwin, MO

Richard A. Wood, Jr. - Meraux, LA

Send KASRA Your News

Write us your news, travels, stories, KASRA obituaries. Send a note to Mark Murray, Editor, KASRA News, 2471 San Miguel Drive, Walnut Creek, CA 94596 or email mamwmipr@aol.com.

Telephone: 925-932-6050



The Lunch Bunch

May 11 Mead
11:30 a.m. Lunch at Cathay Inn on North Division St. Contact Phil Marksbury at pjmarksb@comcast.net. (Mead meets 2nd Thursday of each month)

May 16 Newark
11 a.m. at Stacy's Hometown Buffet in Heath, Ohio. Contact Bob Abel (740) 323-2268 or email rpabel@alltel.net (Newark meets 3rd Tuesday of every other month)

May 17 Erie
Lunch at 1:00 p.m., Lake Shore Country Club. Call Tim Healy at (814) 474-3536 fax (814) 474-2700 thealy@velocity.net. (Erie meets 3rd Wednesday of each month)

May 18 Trentwood
11:00 a.m. at Valley Eagles, 16810 E. Sprague, Veradale. Topic: Rich Williams - IRS & Income Tax. Contact T. J. Summerson (509) 448-1228 or email tsummerson@aol.com. (Trentwood meets 3rd Thursday of each month)

June 6 Bristol
11:45 a.m., The Wharf Restaurant. Call Carol Cook (401) 253-4251 or John Carre at (401) 247-2199

June 1 Baton Rouge
Lunch at noon at Mansur's 5720 Corporate Blvd. Call Bob Lister (225) 272-2886 or Bob Eisenbach (225) 926-1334 bobeisenbach@cox.net (Baton Rouge meets 1st Thursday of each month)

June 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. (Meetings held the 1st Monday of each month)

June 7 Tacoma
Noon, Tacoma Elks Lodge, 1965 South Union. Contact Bob Mohr at (253) 820-6569 or bobjanetmohr@comcast.net. (Next meeting Dec. 6)

June 14 Chalmette
11:30 a.m. Doors open for Luncheon at Bealer's, Slidell, 348 Robert Blvd. (Restaurant 985-649-1805). All KASRA retirees and spouses invited.. Call Sherman Faught at (Cell 985- 290-8617). Or email Chuck Schimmel at schimcol@aol.com

Oct 2 Bay Area K.A.R.L.A.
11 a.m. Elks Club, 1475 Creekside Dr., Walnut Creek. Guest: Michael Beritzoff, Port of Oakland. Call Al Matthews at (925) 930-8243.

TBA Ravenswood
Call Dave Whitman (304) 273-5548 or email dwhitman@wirefire.com

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

