

KASRA



Retiree News

Dear Fellow Retiree:

In this message, I want to talk a bit about the open enrollment period for medical benefits, the company's recent announcement concerning pensions, and the planned closure of the San Ramon benefits office.

Open Enrollment Period

By now, you should have received a mailing from the company on the open enrollment period for medical benefits. The open enrollment period began on November 1 and extends through November 22. During this period, anyone who dropped Kaiser medical coverage this year may re-enroll. While the decision is yours to make, remember that this is your last chance to re-enroll in the company-provided medical benefits program if you are not currently enrolled in it.

Pension Plans

You have probably read or heard that the company intends to seek a meeting with the Pension Benefit Guaranty Corporation (PBGC) "to discuss alternative solutions to pension plan funding issues." The company said that "while it is not possible to say what actions will emerge from our analysis, we must explore options to reduce or mitigate the pension funding obligations. Those options may include extended amortization periods for payment of unfunded liabilities or the potential termination of our pension plans." We are including elsewhere in this issue a copy of the October 23 letter that Kaiser President and CEO Jack Hockema sent to active employees.

In response to media queries about the company's pension announcement, KASRA said it expects the company will work constructively with the PBGC and other interested parties in an effort to meet its vested benefit obligations to salaried retirees.

It is too early at this point to know what the company may ultimately propose with respect to future pension plan funding and related issues. Until such a proposal is finalized it is also too early to know what, if any, effect the proposal might have on vested pension benefits for those retirees who continue to receive regular pension payments.

San Ramon Office

The company has said it will begin closing down the San Ramon benefits office the first of the year and complete the process by the end of March. Functions such as retiree medical benefits will be contracted out to Employee Benefits Data Services of Pittsburgh, PA. Not being able to talk with the Kaiser benefits people whom we know and have grown used to talking with will be uncomfortable, at least initially. But, as with any change, I'm sure we'll find a way to adapt. We sincerely appreciate all the help the company's benefits people have provided over the years to retirees.

I know that these are very unsettling times. Be assured that we share your concerns, that we will continue to keep you informed, and that we will continue to monitor the company's proposals with regard to vested pension benefits as well as vested retiree medical benefits.

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

Jed Daniel
President

15th KASRA Retiree News ANNIVERSARY

This issue marks the 15th anniversary of KASRA's Retiree News. In that first issue in November 1987, then-president Dick Harrison said one of the major goals of the publication was "to keep us informed about matters that affect us as Kaiser Aluminum retirees."

Over the years, KASRA News has remained true to that goal and to the accompanying purpose of spreading the news about activities, accomplishments, and whereabouts of retirees. We will continue to do that.

You may also be interested to know that KASRA's membership is at a record high of more than 3,370 members.

Pension Communications

Following are:

(1) a letter from Kaiser Aluminum President and CEO Jack Hockema that was sent to active employees on October 23rd.

2) KASRA's response to media queries we received about a press release issued by the company on the same subject.

October 23, 2002

Dear KRP Participant:

When Kaiser Aluminum filed for Chapter 11 protection on February 12 of this year, we cited future pension funding obligations as one of several significant legacy liability issues that had to be addressed in order for Kaiser to restructure and emerge as a strong and viable company.

I recognize that this topic is of great concern to many employees and retirees, and I am writing to inform you of the current status of our analysis.

We have done extensive work with our independent actuaries and our advisors to project future contribution requirements of the pension plans and to analyze the company's ability to handle such funding requirements under a variety of scenarios.

While it is not possible to say what actions will emerge from our analysis, we must explore options to reduce or mitigate the pension funding obligations. Those options may include extended amortization periods for payment of unfunded liabilities or the potential termination of our pension plans, which could affect your level of benefits.

We intend to request a meeting with the Pension Benefit Guaranty Corporation (www.pbgc.gov) to discuss alternative solutions to the pension funding issue that would help facilitate Kaiser's emergence from bankruptcy. Additionally, Kaiser intends to meet with appropriate union representatives.

I want to emphasize that while we must deal with the pension funding issues, the company's operating posture and liquidity are sound. We have just under \$100 million of cash, we have no borrowings against our credit line, and we continue to have only a relatively modest amount of letters of credit outstanding.

We understand that this kind of pension plan review creates uncertainty, and we are admittedly trying to maintain a fine balance as we work through these difficult issues. On one hand, the company must focus on taking all of the necessary steps to emerge from bankruptcy and remain viable long into the future, and that's

what we are doing. On the other hand, we clearly need the talent and dedication of our employees to achieve that objective. Although the current pension plans may be subject to change, we expect to provide suitable compensation and benefits to retain and motivate employees.

Sincerely,

Jack A. Hockema
President and Chief Executive Officer

Kaiser Aluminum Salaried Retirees' Association Response to Inquiry

October 24, 2002

The company has indicated from the beginning that it intended to deal with "legacy costs," including unfunded pension liabilities, as a part of its reorganization plan. The press release indicates that these efforts are underway but underscores that they are still in the exploratory stage. Current financial market conditions have contributed in part to the pension liability problems of Kaiser and a number of other companies.

KASRA expects that the company will work constructively with the Pension Benefit Guaranty Corporation and other interested parties in an effort to meet its vested benefit obligations to retirees. KASRA will continue to monitor the company's proposals in regard to vested pension benefits as well as vested retiree medical benefits.

Benefits Check

If you have access to the internet, check out a free service offered by The National Council on Aging. It has designed a web site to help you determine whether there are free services and benefits that you are eligible for but may not know about. The web site is www.benefitscheck.org. You will need to fill out a questionnaire online. After your responses are calculated, you are presented with a list of benefits in your local area which you are eligible to receive.



Helpful Hint

Conserve energy while ironing! A piece of aluminum foil slipped between the ironing board and its cover will give off twice the heat of the iron's temperature setting.

What's Going On

Keeping active with daily long walks, weightlifting and swimming is **Catherine M. Bell** of Lodi, CA, who

also teaches piano to children. **Bill Pettinger** (San Leandro, CA) writes that he spends time choosing fish in the stock market rain barrel. **Mary T. Howell** of Shingletown, CA, enjoys porcelain painting, crocheting and gardening. Um, mmm, good. Those homegrown tomatoes are, by **Harold Fussell** of Baton Rouge, LA.



When his muscles and joints cooperate, **Chet Ferdun** gets exercise on the tennis court and golf course. Keeping busy at a summer home on a river in WA and a winter place in AZ is **Harold L. Totten** of Spokane, WA. Wonder if he ever runs into **Bill Fulks** of Liberty Lake, WA, who also winters in Yuma. **Kenneth W. Bailey** of San Lorenzo, CA, took a summer cruise to Alaska with his family. And spending time visiting her daughters in Indiana and attending a family reunion in Texas was **Johanna (Mrs. Lee) Denton** of Union City, CA.

John R. Schultz of Davenport, WA, says maintaining a 400 tree orchard of peaches, apricots, apples, prunes and pears is getting to be too much work. The former CFT'er wonders what happened to the Kaiser facility. It's the future home of Applied Biosciences, a biotech company. **M. I. (Moe) Eskins** of Murraysville, WV, also raises fruit trees, and then preserves the bounty by canning and freezing. **Seldon W. Angus** (Sandyville, WV) says his hobbies are golf and trying to keep up with 11 grandchildren. After living elsewhere



for 13 years, **Howard P. Ferreira** writes that he's glad to have moved back to Pleasanton, CA.

Ewell E. McDole of Danville, CA, does physical exercises in addition to gardening and irrigation work to keep his two arms busy. She made it through Air Force basic training and **Doug Mann** (Orinda, CA) was there for his granddaughter's graduation ceremony in San Antonio, TX. **M.L. Van Dreser** (Pleasanton, CA), who is President of the Rotary Club there, attended the Rotary International Convention in Barcelona, Spain. **Ann Jackson** of Fulton, MO, likes to crochet quilt pieces, read and write letters as well as play cards at the Senior Center.

Jack L. Harper (Columbia, MO) traveled earlier this year to Florida to see the St. Louis Cardinals spring training. We're Giants fans out here, Jack. During a thunderstorm, a 100-foot pine tree fell on the home of **Bill Cox** in Savannah, GA, and it will take at least 3

months to repair the damage. **Dar Ekstrom** (Polson MT) works as a substitute teacher in the local school district and maintains a small cherry orchard as a hobby. Retiring again, this time from Gonzaga University, is Trentwood retiree **DuWayne Watts** of Spokane, WA.

Walk a mall, walk the deck. **William F. Goins** (Hayden, ID) and fellow "Silverlake Striders" mall walkers (62 folks) went on a cruise together to Alaska. Glad to be walking with the help of a cane is **James B. Kershaw** (Baton Rouge, LA) whose right leg underwent major surgery. **Gedale (Dale) Davis** of Spokane, WA, enjoys duck hunting in Montana and fishing in Alaska.

Shirley B. King (Garden City, GA) is the executive assistant to the g.m. of the DeSoto Hilton in Savannah. Fishing and golfing are what **Howard (Dutch) Stouffer** of Leetonia, OK, does for fun while **Samuel Brady** of Erie, PA, likes to fish, hunt and spend time at the hunting camp. When he's not tending cattle at the ranch he owns, **Harold E. Smith** (Thompson, MO) plays a lot of golf.



Volunteering at the local library twice a week is **Betty L. Gordon** of Sun City, AZ, who was elected treasurer of the Sun Cities Scots Club. **Ann (Mrs. Ron) White** of Williamston, NC, traveled last winter to visit her son and his family in Italy and see that beautiful country. Is it soft shell crab season? Perhaps **William Zappie** of Baltimore, MD, whose hobbies are fishing and crabbing in the Chesapeake Bay may know. **Paul L. Smith** (New Martinsville, WV) and wife Ida spend a lot of time at their other home in Bradenton, FL.

Hit the Jackpot! **David Lazarz** of Colorado City, CO, went to Las Vegas and came home a winner. He collects tools for a hobby, but do they collect dust? That's **Ray Freeman** of Golden Valley, AZ. Happy 86th Birthday to **C.S. Kopcsak** of Dewey, AZ, who has been calling bingo at Prescott Valley's Elks Lodge for 20 years. He can trace the family history through genealogy, a hobby that **Arnold Schlottmann** of Carriere, MS, lists.

Gordon Goble (Gallipolis, OH) has four restored vintage Fords - a 1929 roadster, 1930 coupe, 1930 town car and a 1931 two-door. Gordon says he hopes to own enough to have his own car show one day. Meanwhile, **Bill Nadwornick** (Greenacres, WA) likes to spend his time on the ham radio. Call him sometime at K7CTS, or the missus at K7MRJ. **Thomas Pitzer** of Spokane, WA, just concluded a yearlong term as the interim Director of the Graduate School of International Management at Whitworth College, where he now teaches one course a year. **Gary Blair** of Surprise, AZ,

not only enjoys exploring Arizona and playing golf, he's involved with junior golf activities.

As a judge of elections, **Joseph Tssario** of Erie, PA, must find this time of year awfully busy. He collects chickens, bulls and antique cars, an interesting combination of hobbies, I might add.



Most mornings in Bristol, RI, you'll find **Joe Darling** getting off his sailboat, the Cloud Nine, to enjoy a cup of coffee and watch "the girls" walk by. Looking's okay, Joe, won't get ya into trouble. **Bo Wolf** (New Orleans, LA) enjoys carving decoys and participated in the Louisiana Wildfowl Carvers' Guild Annual Festival. Cruisin' on the Caribbean were **Russell Nies** and his wife Sylvia of Baltimore, MD.

Double Dates: Barbara and **Bob March** of Mexico, MO, were visited by Sue and **Dan Kloss** of Columbiana, OH. The two couples then went to Branson, MO, for entertainment and fishing. Since he golfs three days a week, it's no surprise that **Bill Sydow** (Whittier, CA) is thinking about making his Sun City home in Palm Desert, CA, his permanent residence. **Larry J. Swick** of Jackson, TN, volunteers for Habitat for Humanity, helping the needy build a home of their own.

He's a flying instructor, but you won't find **Leroy F. Avers** of Acworth, GA, in the air. That's because he teaches folks how to fly radio control model planes. Strike! **Dean A. Gressley** of Huntington, IN, enjoys bowling and gardening. Taking aim: **Frank Gerlach** of Harborcreek, PA, enjoys archery when he's not captaining a charter fishing boat on Lake Erie every summer.

Bob Jeansonne of Baton Rouge, LA, had a great summer reunion in Florida with family members ranging in age from 3 to 74.

Pulling up stakes: **Bob Kitchen** of Keswick, VA, and his wife moved there from Walnut Creek, CA, last year to be closer to daughters and families. In the spirit of adventure, Bob writes, sometimes you just "got to do it"! **Charles "Chuck" Crockett** of Peoria, AZ, and his wife Juanita moved from Oakland, CA, for the same reason. Chuck says 8 of the 14 grand kids are close by.

Rowe Huggins of Hot Springs, AK, is working to get a record deal for a young country artist. **Jack Coleman** of Ho-Ho-Kus, NJ, took a 16-day river cruise from Vienna to Amsterdam. **David Culpepper** of Gallipolis, OH, likes to vacation at Virginia Beach. **Louis Herrmann** of Severna Park, MD, enjoys travelling and seeing the world.

Some gardening, camping, fishing, reading and going shopping with his wife are what's keeping **Charles**

Doron of New Waverly, IN, busy and enjoying life at 85. Sailing the Florida Keys aboard his 36-foot yacht, the Sea Ray, kept **Ed Grund** of Apollo Beach, FL, happy this spring.

What's for dinner, honey? **John O. Calais, Jr** of Otis Orchards, WA, knows the answer because he likes to cook. **Malcolm Reed** of Laguna Woods, CA, attended the annual U.S. Navy Pilots Squadron (VPB 119) Reunion in San Francisco.

Sully Hightower (La Jolla, CA) likes to buy, remodel and sell homes. He's working on home number 7 now. **Joe Voss** (Palm City, FL) and his son are just about finished building a 3000-square-foot cabin in Northern GA. **Bill Wood** (Avon Park, FL) and his wife visited six states during a 4100-mile road trip to see family and friends. **Juanita M. Johnson** of Spokane, WA, is on the sub committee for Libraries, Arts & Culture for the new city of Spokane Valley.

Wedding Anniversaries: **Mr. & Mrs. J. Dewey Greigore** of Chalmette, LA, celebrated their 53rd; **Mr. & Mrs. Edward McCready** of Ocoee, FL, celebrated No. 54; **Mr & Mrs. Jerry Sealy** (Plano, TX), celebrated their 45th. Happy Anniversary, love birds!

In Memoriam

Joseph Campiere, Chalmette, LA
Ralph Comeaux, Plaquemine, LA
Samuel Crawford, Niceville, FL
William Falk, Chattaroy, WA
Frank Farrah, Jr., Mexico, MO
Frank A.(Al) Gougler, Colton, CA
Phyllis Gunn, Spokane, WA
Robert E. Hayes, Edison, GA
Floyd A. Hixon, Beverly Hills, MI
Charles Johnson, Point Pleasant, WV
Robert McLaughlin, Denham Springs, LA
Louis Meier, Newark, OH
Warren Mills, New Orleans, LA
Dolores Palmer, Anaheim, CA
James Phillips, Point Pleasant, WV
Rose Ramsey, Arabi, LA
Albert Stone, Milton, WA
Harold Walden, Olympia, WA
John Walters, Spokane, WA

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

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What's Going On, continued

Smooth jazz. **Doris Madden** (Oakland, CA) went to the Umbria, Italy Jazz Festival with the S.F. Jazz Group and enjoyed great music, food and travel. You might see Doris ushering for the S.F. Opera, the Berkeley Repertory Theater and S.F. Jazz, among other venues. Ravenswood retirees **Gary & Pat Straight McNeely** (Ravenswood, WV) like to spend winters RV'ing in Myrtle Beach, SC, and Ocala, FL. Fat and sassy are the catfish in the pond that **Billy M. Stubbs** (Magee, MS) tends. So are the cattle that he feeds with the hay he cuts and bales himself. Wonder what kind of fish **Yetta Hubbell** (Lecanto, FL) keeps in her back yard water garden.

Bill Zook (Toledo, OH) plays a lot of golf with Kaiser alum **Ernie Schorsch** and an occasional round with **Brent Harrah**. Back in 1953, **Robert E. Stefanov** (Millwood, WV) was in fighter squadron VF 191 Carrier Air Group 19 aboard the U.S.S. Oriskany CVA 34. He attended the Aircraft Carrier Reunion of said ship in Tunica, MS. **Rudy Duranti** (Wilmington, NC) says his job is loafing. Trade jobs, Rudy? **O'Neal W. Rogers** of Diamondhead, MS, likes travelling to Helen, GA and Fort Walton Beach, FL.

Dennis O. Seymour (San Diego, CA) says serving as wine chairman of the Rancho Bernardo Social Club is his true calling. See, there are 200 members in six wine appreciation groups to oversee. Tough job, but somebody's got to do it. **Roni Adkins** of Erie, PA, earlier this year spent three weeks in Australia and last month went to Africa. The upcoming holiday season will be a busy time for **George Austin** of Colbert, WA. That's because one of George's hobbies is tending a tree farm. Timbrrr..... **Kathryn Bush Amico** of Hauma, LA, went to the Bush family reunion in Laurel, MS, but didn't see the President there, even though he's kin.

John H. "Jack" Voigt of West Chester, PA, writes that he is struggling with Parkinsons disease but is determined to push ahead. We're pulling for you, too, Jack. **John H. Alderson** of Ravenswood, WV, loves to attend his granddaughter's school events, ball games and band competitions. Whew, I need a nap. Sweet 16. **Donald E. Waldie** of Point Pleasant, WV, started a family tradition of taking his grand children to Europe for their 16th birthday. He began with two grandsons two years ago and took two granddaughters this year. There are still two more left to go in about 3 years. Hey, I'm (was) sixteen. Staying closer to home, **Carl Newberry** of Williamstown, WV, vacations in Arizona every year.

Clifton L. King (Spokane, WA) bursts with pride writing about his grandchildren - two in college (one of them a baseball player) and two in high school. A 21-day trip through England, Ireland & Scotland is still providing warm memories for **Joe Moore** of Sun City, AZ. Don't touch anything, dad. That's what **William**

"Bill" O. Anderson, Jr. of Somerset, MA, hears when he's working as a go-fer for son Steve, a sandblasting contractor. Swing your partner: **Van Allain** (Meraux, LA) likes to square dance with his wife Jennielee and keep the rose garden in great condition.

Lights, Camera, Action : **Bill Reeve** of Troutdale, OR, is a camera operator for the Mt. Hood Community College TV station. **Dick Strabley** (Barrington, RI) and his wife Betty spent two weeks in Ireland last summer, while **William Keese** (Metairie, LA) revisited all the places in Europe that he saw during active duty in WWII. Putting miles on those wheels: **Don Dewar** of Spokane, WA, drove the Trans Canada Highway from Victoria B.C. to Sydney N.S. Also visiting Canada was **Bob Webe** of Brentwood, CA, who spent two weeks in Banff, Lake Louise and Jasper.

Doug Brisbin of Apple Valley, CA, a Hammie (KG6F1Z), is restoring a 1967 Harley Davidson 3 wheel metermaid motorcyle. Meanwhile, his old Honda 750 motorcyle is a lot of fun for the great grand kids riding atop **Harry N. May's** son and grandson in Fairway, KS.

And the child shall lead: **Kenneth Hymel** of Lutchter, LA, writes that his 14-year old grandson is teaching him how to play golf. **Andy Anderson** of Zachary, LA, traveled by motor home to Washington D.C., New York, Boston and Bar Harbor, ME. **Jim Whaley** (Coeur d'Alene, ID) spent 5 weeks RV'ing in the Yukon, driving to the Arctic Circle. Fished and caught 120-lb halibut, several 25+lb king salmon and sockeye salmon.

On the Mend: **Harry Wenberg** of Saratoga, CA, had hip replacement surgery. **William F. Miller** of Harborside, ME, enjoys woodworking and refinishing a cottage. That's in the summer. Come winter, you can find him in Florida visiting old friends. **Stanley R. King** (Wake Forest NC) does fire, smoke and water restoration work for his community.

Relocation: **Ernest "Lew" Johnson** and wife Evelyn moved from Millwood, WV, to Ripley, WV; **Earl Hazan** (Barrington, RI) moving to Palm Desert, CA.

Bluebird, bluebird, through my window. **Lum Bourne** (Westerville, OH) keeps busy monitoring 327 bluebird boxes once a week in the spring. By August, they counted 845 bluebirds and 623 tree swallows fledglings. Fresh-baked Bread: **Robert C. Newsom** of Baton Rouge, LA, writes that his son owns Whole Grain Bread Co. in Lafayette, CA. Eat more bread, he says!

Wrong number: **Subbiah Sankaran** of Sparks, NV, has 4 grandchildren, not 24 as previously reported. Finally, we received a load of news items from you all this summer. We fit as many items as possible in this issue. So if you didn't see your name this time, look for it next issue. And keep those items coming! We love hearing your news.