

Welcome to AT&T



MOBILITY

AT&T New-Hire Benefits Guide

January 2014

We're pleased to have you with us and to introduce you to the benefits offerings available to you. A comprehensive, competitive benefits package that gives you flexibility and choices. Making decisions about your health, your finances and your home- and work-life needs is a vital element of your AT&T total rewards.

We are committed to providing the tools and information you need, when you need them, to help you understand your benefits options and make informed decisions.

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What you need to do

PREPARE ... AND TAKE ACTION

Carefully read your enclosed materials, or go to the AT&T Benefits Center website, resources.hewitt.com/att, to review your health and welfare benefits options. If you have questions about medical, dental, vision, life insurance or flexible spending account enrollment or contributions, contact the AT&T Benefits Center at 877-722-0020 to speak with a benefits representative.

REMEMBER

Don't forget that you have 31 days from your date of hire to enroll in your health care benefits. If you enroll during this window, unsubsidized* medical coverage and life insurance are effective as of your date of hire. Subsidized medical, dental and vision coverage is effective the first of the month in which you achieve six months of service. You will have an opportunity to enroll in subsidized medical, dental, and vision coverage close to your six-month anniversary for coverage effective the first of the month in which six months of service is attained.

*For **unsubsidized** coverage, you are responsible for paying 100 percent of the cost of coverage through monthly payroll deductions. For subsidized coverage, the company contributes toward the cost of coverage, and you pay the difference, if any, through monthly payroll deductions.

ELIGIBILITY INFORMATION:

Employment restrictions may apply. Certain bargained employee groups are not eligible for all of the plans and/or programs listed in this guide. Please read the "Eligibility" section on page 2 for more information.

Enrolling in your benefits online

To enroll in your benefits online, visit the AT&T Benefits Center website at resources.hewitt.com/att. Before enrolling, you must establish a specialized AT&T Benefits Center user ID and password.

1. Go to resources.hewitt.com/att.
2. Click on "Register as a New User."
3. Follow the instructions.

WHERE CAN I FIND DETAILED INFORMATION ABOUT MY PLANS?

Detailed information about your benefits plans can be found in your SPDs, SMMs and other plan documents.

They are located on your personalized home page at resources.hewitt.com/att. Under the “My Quick Links” section, click on Summary Plan Descriptions.

Enroll yourself and your eligible dependents in the benefits coverages and/or programs listed below (if you are eligible) by the date specified on your enrollment information.

- ▶ Medical
- ▶ Dental
- ▶ Vision
- ▶ CarePlus
- ▶ Flexible spending accounts (FSAs)
- ▶ Supplementary life insurance
- ▶ Dependent life insurance

Refer to your health plan SPDs or SMMs for a complete list of dependents eligible for coverage under your company benefits.

This booklet also contains information on a variety of other benefits you may be eligible for, including savings (401(k)) and pension.

Eligibility

Eligibility for participation in AT&T benefits plans and programs is based upon several factors, including your hire date, your bargaining contract and your employee status, among others. To determine the benefits plans and programs that you are eligible to participate in, you should refer to your summary plan descriptions (SPDs), summaries of material modifications (SMMs), prospectuses and/or plan documents.

DEPENDENT ELIGIBILITY VERIFICATION

Providing you and your eligible dependents with competitive health and welfare benefits is important to AT&T. Part of keeping our benefit plans healthy is to ensure that only eligible dependents — as defined by the AT&T benefit plans — have access to coverage. As a result, participants who enroll new dependents for coverage are required to provide documents to verify that their dependents meet the eligibility requirements.

Once you add your dependents to your account, the AT&T Benefits Center will mail you a dependent eligibility verification kit outlining the steps you need to take to establish that your dependents are eligible for AT&T benefits coverage. Coverage is contingent on your establishing the dependent's eligibility under the company's benefits plans.

COST OF COVERAGE

Some employee groups have specific waiting periods before benefits are subsidized by the company. For example, you will be eligible for subsidized medical coverage the first of the month in which you achieve six months of service. Refer to your SPDs for any timing associated with company-subsidized coverage, and what opportunities you have to enroll in coverage at full cost before then.

As an active employee, your monthly contributions, if any, are automatically paid with before-tax deductions from your paycheck unless you elect to pay your monthly contributions with after-tax deductions during your enrollment window. Be sure to review your benefits information and associated costs at the AT&T Benefits Center website when it's time for you to enroll.

GO ONLINE FOR MORE INFORMATION

As an AT&T employee, you have access to OneStop. This site serves as your resource for news and information related to your health, your finances and your home-and work-life issues. If you don't find what you're looking for in this guide, visit OneStop for more information.

From work, go to: onestop.web.att.com.

From home, go to: access.att.com.

The first time you visit the website, you will be asked to select the status and subsidiary that apply to you. If you have questions, contact your supervisor.

After you enroll

Once you've enrolled in your health and welfare benefits, it may take one or two weeks for your eligibility information to reach your benefits administrator. In the meantime, if you have questions about your enrollment, call the AT&T Benefits Center at 877-722-0020. If you or an eligible enrolled dependent has a medical emergency or needs medical attention before you receive your medical ID cards, contact the AT&T Benefits Center and speak to a benefits representative. If you enroll online, a confirmation statement will be sent to your secure participant mailbox on the AT&T Benefits Center website. If you enroll via the AT&T Benefits Center, your confirmation statement will be mailed to your home address on file within five to seven business days. If you enroll online, be sure to print the "Completed Successfully" page and keep it for your records. Review it carefully.

Your health

MEDICAL BENEFITS

The plan includes medical, surgical, prescription drug and mental health/substance abuse (MH/SA) benefits. For employees in Puerto Rico and Hawaii, you will have the option of enrolling in a Fully-insured Managed Care option. You are eligible for unsubsidized medical coverage on your date of hire if you enroll within 31 days of your hire date. You will have the opportunity to enroll in subsidized coverage near your six-month anniversary for coverage effective the first day of the month in which you achieve six months of service.

Medical program options at AT&T offer preventive care services, helping you identify small health issues before they become big concerns.

Fully-Insured Managed Care options Fully-Insured Managed Care options are offered to employees in Puerto Rico and Hawaii. They will be listed on your online Enrollment Worksheet (EWS) on the AT&T Benefits Center website. If you enroll in a Fully-insured Managed Care option, your medical, surgical, prescription drug and MH/SA benefits are generally provided through that alternative option.

If you have questions, call the provider's service center directly — not the AT&T Benefits Center. The telephone number will be provided on your online EWS. When you call, be prepared to give the benefits representative the reference number located in the Group ID field on your health plan comparison chart.

Be sure to tell the benefits representative that you are an AT&T participant. This helps the representative answer your specific questions.

DENTAL BENEFITS

Dental coverage helps pay for routine dental care, as well as many basic and major restorative services. Your options for dental coverage are listed on your online enrollment worksheet. Dental benefits are offered separately from your medical program options.

VISION BENEFITS

Vision coverage helps pay for eye exams, eyeglasses, contact lenses and frames. In addition, participants will have access to providers who perform laser vision-correction procedures at a discounted price. Vision benefits are offered separately from your medical program options.

CAREPLUS

CarePlus is a supplemental benefit program that helps cover the cost of certain medical treatments not usually covered by AT&T medical program options. You (and your eligible dependents) may enroll in CarePlus regardless of any other medical coverage you have.

Your Money Matters

It's your future, and Your Money Matters.

AT&T believes in promoting your financial wellness. That's why we developed the *Your Money Matters* program, to educate you on the resources and savings vehicles available to you as an AT&T employee:

PENSION PLAN

Not applicable to new hire employees in Puerto Rico

The AT&T company pension programs help provide retirement funds for your future. You do not make contributions because the plan is entirely funded by AT&T. If you are eligible to participate in an AT&T pension program, you will automatically begin participating in the applicable plan as of the date you are eligible.

SAVINGS PLAN

Eligible employees may immediately enroll in the AT&T Retirement Savings Plan (ARSP). This 401(k) plan allows you to save for retirement through payroll deductions and provides a generous Company match. **To maximize your Company match, you should consider contributing 6 percent of your salary as a basic contribution. The Company will match 80 percent of your basic contribution.** You can choose from a wide range of investment options, and you'll have the choice of contributing on a before- or after-tax basis (including after-tax Roth contributions).

If you do not actively enroll in the ARSP, you may be automatically enrolled into the plan after 60 days. A before-tax basic contribution of 3 percent of your salary will be deducted from your paycheck if you are automatically enrolled. During this 60-day period, you may stop the automatic enrollment and make your own enrollment decisions, or you may elect not to be enrolled.

BUILD YOUR RETIREMENT WITH FINANCIAL BENEFITS

Get in. First, it's time to get in. It's easy to participate! Once you enroll, contributions are automatically deducted from your paycheck, and you direct where they are invested for retirement.

Max out. Don't miss out on the full company match. If you're not maximizing your basic contribution (6 percent), you're missing out on your full match. Consider increasing the amount you save to avoid leaving free money on the table.

Make it work for you. Our savings plans offer a range of investment options to meet your unique needs. Make sure your contribution and investment decisions are right for you. Be sure to review your elections at least quarterly to ensure you stay on track.

Access your tools. To max out your basic contribution or make changes to your plan, go to netbenefits.com/att or call the Fidelity Service Center at 800-416-2363.

Consult the SPD/Prospectus before you join the plan.

Your home and work

FLEXIBLE SPENDING ACCOUNTS

Not applicable to employees in Puerto Rico.

Health care and dependent care flexible spending accounts (FSAs) are easy ways to reduce your taxes and increase your spendable income. A health care FSA allows you to set aside before-tax money to reimburse yourself for eligible out-of-pocket health care expenses. Health care expenses include deductibles, coinsurance or copayments, as well as prescription drugs, contact lenses, eyeglasses, and orthodontia. A dependent care FSA provides a similar opportunity to reimburse dependent care expenses, such as child care or elder care, incurred throughout the year.

Looking to put more take-home money in your pocket? Check out how AT&T's flexible spending account programs can help.

EMPLOYEE ASSISTANCE PROGRAM

This company-paid benefit provides you and your family with professional and confidential assessments, referrals, and short-term intervention to help with issues at home or at work. These can include, for example, alcohol and drug abuse, emotional difficulties and stress-related problems.

If balancing work, home and family gets to be too much, AT&T's EAP can connect you with the help and support you need.

SHORT-TERM AND LONG-TERM DISABILITY

Eligible employees who are absent from work as a result of illness or injury, may receive short-term disability (STD) and long-term disability (LTD) benefits as a continuing source of income. Coverage is effective after you have completed six months of service.

LIFE INSURANCE

Eligible AT&T employees are automatically covered for employer-paid basic life insurance and accidental death and dismemberment (AD&D) coverage. No enrollment is required. In addition, you may choose to purchase supplementary life and AD&D insurance for yourself and/or dependent life insurance for your spouse/legally recognized partner and children. The AT&T Benefits Center website provides you with the cost of supplementary and dependent life insurance.

Depending on the timing of your enrollment and/or the level of coverage sought, your requested coverage and coverage effective date may be subject to Evidence of Insurability requirements. Refer to your online Enrollment Worksheet or the AT&T Benefits Center website for details, or check your applicable SPD.

ADOPTION REIMBURSEMENT POLICY

This policy reimburses employees up to \$5,000 for certain costs associated with the legal adoption of a child, such as agency fees, legal and court fees and foreign-adoption fees.

LIFECARE

There are moments in life when we could all benefit from a little help from someone in the know. The experts at LifeCare provide free kits and educational materials, personalized referrals and an interactive website to assist with a number of areas:

- ▶ Child care and parenting
- ▶ Adult care and aging
- ▶ Education
- ▶ Health and wellness Financial and legal concerns
- ▶ Pet care
- ▶ Relocation
- ▶ Home improvement and more

In addition to providing expertise and assistance, LifeCare also includes a discount program for hundreds of brand-name products and services.

AT&T EMPLOYEE DISCOUNTS & OFFERS

OneStopShop

When it comes to spreading the word about AT&T products and services, our employees are our best ambassadors. Because of this, the company provides eligible participants with discounts on many of its popular offerings. To learn more about the discounts that may be available to you, go to the *Your Money Matters* section of OneStop or access.att.com, and select “Employee Discounts and Offers.”

Tuition aid

AT&T offers tuition aid to support eligible employees in their professional development. These funds can be used to help cover the cost of qualified expenses that have been approved by the company. For details on your eligibility, courses and institutions that are covered by the program and for guidelines to help ensure that you are meeting tuition aid deadlines, visit OneStop at onestop.web.att.com.

Voluntary benefits

In addition to your company-sponsored benefits, you’re eligible to participate in a group of voluntary benefits offered by Mercer PersonalPlans at group rates.

Offerings include:

- ▶ Auto and homeowners insurance
- ▶ Veterinary pet insurance
- ▶ Group legal services
- ▶ Cancer insurance
- ▶ Accident insurance
- ▶ Financial-planning services

Although most of these voluntary benefits are available throughout the year, enrollment for group legal services and financial planning services takes place each year in January.

The voluntary benefit offerings available through Mercer PersonalPlans are not AT&T-sponsored employee benefits plans nor are they subject to ERISA. Other than offering the opportunity to purchase these services through payroll deductions, AT&T has no connection with or control over these services. The availability of these services should not be considered an endorsement by AT&T.

Key Resources

TOOL	PURPOSE	WHERE YOU CAN FIND IT
New-Hire Letter	Instructs you on how and when to enroll in your health care, life insurance and flexible spending account plans and/or programs.	The letter is mailed to your home address.
Medical and Dental Plan Comparison Charts	List and compare the benefits offered under the medical and dental programs for which you are eligible and the associated costs.	Visit the AT&T Benefits Center website at resources.hewitt.com/att .
Benefits Updates	Provide timely information about your company-offered benefit plans and programs.	Visit the <i>Your Health Matters</i> section of OneStop or access.att.com and click "Your Benefits Updates."
Where to Go for More Info Website	Provides a one-stop reference for frequently called numbers, website addresses and other important contact information.	Visit the <i>Your Health Matters</i> section of OneStop or access.att.com and then click "Where to Go for More Info."
Summary Plan Descriptions, Summaries of Material Modifications and/or Prospectus Supplements	Provide detailed descriptions of how your benefits work and your rights as an eligible participant or beneficiary.	Log onto resources.hewitt.com/att . Under the "My Quick Links" section on the right-hand side of the home page, click "Summary Plan Descriptions."
Beneficiary Designation Form	Provides you with a form and instructions on how to designate the people, estate or trust that will receive the proceeds of your benefits programs in the event of your death.	To designate your beneficiary using Fidelity's online tool, visit netbenefits.com/att . From the home page, scroll down to the bottom right corner and click the "Update Your Beneficiaries" quick link under Employer News. To designate by paper form, contact the Fidelity Service Center at 800-416-2363 to request a form, Monday through Friday from 7:30 a.m. to 11 p.m. Central time.
COBRA Rights Notice	Explains your rights to temporary continuation of coverage in certain cases when you or your covered dependent(s) lose eligibility for health care coverage.	A copy is mailed to your home address.

TOOL	PURPOSE	WHERE YOU CAN FIND IT
Notice of Privacy Practices for Protected Health Information (PHI)	Explains how protected health information about you may be used and disclosed and your rights pertaining to this information.	A copy is available online. From the AT&T Benefits Center website (resources.hewitt.com/att) you can access the HIPAA notice by clicking on the Knowledge Center tab at the top of the page, then clicking “Resources and Tools” from the drop down menu, and finally, clicking “HIPAA Privacy Notice.”
Your Money Matters tSpace Community	A forum with great resources and information about the AT&T savings plans, pension plans and other financial topics.	tSpace is AT&T’s internal social media site with a wide variety of communities. The Your Money Matters tSpace community is a community that’s all about you — and your financial well-being. Follow these five simple steps to become a community member: <ol style="list-style-type: none"> 1. Go to the AT&T Insider home page. 2. Go to the “tSpace” at the top of the page and click on “Communities” under tSpace Features. 3. Click on “Log in” and enter your ATTUID and password. 4. Type “Your Money Matters” into the search box on the top right corner of the page. 5. Click on the Your Money Matters link to enter the community, then click “Join this Community” on the top right corner of the page.
Fidelity NetBenefits® calculators, including Take Home Pay and Contribution	Begin planning your retirement strategy by learning how much to set aside from each paycheck. Review your summary plan descriptions and summary(ies) of material modifications.	netbenefits.com/att If you have questions about your benefits, contact the Fidelity Service Center at 800-416-2363, Monday through Friday (excluding New York Stock Exchange holidays), between 7:30 a.m. and 11 p.m. Central time.
Pension education	If you are eligible, learn more about your AT&T pension benefit.	Visit the Pension Education Employee Resources section of the Your Money Matters page on OneStop.

This document was written to make it easier to read. So, sometimes it uses informal language, like “AT&T employees,” instead of precise legal terms. Also, this is only a summary, and your particular situation could be handled differently. More specific details about AT&T employee benefits, including eligibility rules, are in the summary plan descriptions (SPDs), summaries of material modifications (SMMs) or the plan documents. The plan documents always govern, and they are the final authority on the terms of AT&T employee benefits. AT&T reserves the right to terminate or amend any and all benefits plans at any time, for any reason, and AT&T employee participation in the plan is neither a contract nor a guarantee of future employment.