

# SMM/Prospectus Supplement & Blackout Notice



IMPORTANT BENEFITS INFORMATION

## AT&T Retirement Savings Plan AT&T Savings & Security Plan

Summary of Material Modifications  
and  
Important Notice Concerning Your Rights  
("Blackout Notice")  
for the consolidation of your retirement savings account  
balance into the AT&T Retirement Savings Plan

This is a summary of material modifications (SMM)/prospectus supplement for the AT&T Retirement Savings Plan (the "ARSP") and the AT&T Savings and Security Plan (the "ASSP") (collectively, the "Plans"), and should be used with the respective summary plan description (SPD)/prospectus, each dated August 2017, relating to the Plans.

Please keep this document for future reference.

**IMPORTANT:** This document constitutes part of a Prospectus covering securities that have been registered under the Securities Act of 1933.

**DISTRIBUTION:** Distributed to all active and former employees under the bargaining units identified herein, who are currently participating in the ASSP who will become eligible to participate in the ARSP effective January 1, 2018.

NIN: 78-42261

## IMPORTANT INFORMATION

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This summary of material modifications (SMM)/prospectus supplement was written for easy readability, so it may contain generalizations and informal terms rather than precise legal terms. Also, this SMM/prospectus supplement only summarizes benefits; individual situations may vary. In all cases, the official Plan documents govern and are the final authority on the terms of the ARSP and the ASSP (collectively, the "Plans"). If there are any discrepancies between the information in this SMM/prospectus supplement and the Plans, the Plan documents will control. AT&T Inc. reserves the right to terminate or amend any and all of its employee benefits plans or programs, at any time for any reason. Participation in the Plans is neither a contract nor a guarantee of future employment.

### **What Is This Document?**

This is an SMM/prospectus supplement for the summary plan description (SPD)/prospectus relating to each of the ARSP and the ASSP. Also contained in this document is important information on your rights during the movement of your account balance in the ASSP into the ARSP. The movement of your balance will result in a temporary limitation of your ability to initiate or complete certain account transactions, referred to as a "blackout" in the event such limitation persists for more than three consecutive business days. The section "Important Notice Concerning Your Rights Under the ASSP and the ARSP (Blackout Notice)" describes these restrictions.

### **What Action Do I Need to Take?**

You should carefully review this SMM/prospectus supplement & blackout notice, as well as your SPDs and any subsequently issued SMMs/prospectus supplements applicable to you, so that you can understand the details of your benefits and applicable restrictions during a blackout period, and take any required action.

### **Why Did I Receive This Document?**

This SMM/prospectus supplement provides an overview of how your existing account balance in the ASSP will transfer to the ARSP in connection with the commencement of your eligibility to participate in the ARSP beginning January 1, 2018.

### **How Do I Use This Document?**

You should review this SMM/prospectus supplement and your SPDs in their entirety so that you can understand the details of your Plans. Keep this SMM with your SPDs and all other SMMs for future reference. They are your primary resource for questions about your benefits. Be sure to read the section "Important Notice Concerning Your Rights Under the ASSP and the ARSP (Blackout Notice)" so you can understand the restrictions in place during the movement of your account balance.

### **Questions?**

For additional explanation of the Plans, please see the most current respective SPD/prospectus, or contact the Fidelity Service Center. See the "For More Information" section for more information.

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## CONSOLIDATION OF ACCOUNT BALANCES TO ARSP

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In accordance with your most recent bargaining contract, you will become eligible to participate in the ARSP effective January 1, 2018. To facilitate your ability to manage your account balance going forward, your balance in the ASSP (if any) will be transferred into one consolidated account under the ARSP. This SMM/prospectus supplement contains important details about the transfer of your account balance in the ASSP into one account under the ARSP.

## AFFECTED BARGAINING UNITS

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Effective January 1, 2018, the “Eligible Employee” sections of the ARSP SPD and ASSP SPD are amended to reflect that Bargaining Unit Employees covered by one of the following collective bargaining agreements and hired or rehired prior to August 9, 2009, will cease to be eligible for the ASSP and will become eligible for the ARSP:

- AT&T East Core Contract – CWA District 1;
- AT&T Midwest Contract – IBEW System Council T-3;
- AT&T West Core Contract – CWA District 9;
- SBC Global Services, Inc. – IBEW Local 21 (*Appendix D* to the AT&T Midwest Contract – IBEW System Council T-3);
- SBC Global Services, Inc. – IBEW Local 58 (*Appendix E* to the AT&T Midwest Contract – IBEW System Council T-3);
- SBC Global Services, Inc. – IBEW Local 134 (*Appendix F* to the AT&T Midwest Contract – IBEW System Council T-3); and
- SBC Global Services, Inc. – IBEW Local 494 (*Appendix G* to the AT&T Midwest Contract – IBEW System Council T-3)

Attachment 1 and Attachment 2 to this SMM/prospectus supplement contain the applicable amended “Eligible Employee” provisions for each of ARSP and ASSP, respectively, in their entirety.

Additionally, if you are a former employee who participated in one of the bargaining units listed above and you have a balance in the ASSP, such balance will be transferred to the ARSP and you will become eligible to participate in the ARSP effective January 1, 2018.

## KEY DATES

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### Key Events & Deadlines to Remember

Key Date	Event
December 22 – December 26, 2017	From 4:00 p.m. Eastern time on December 22, 2017, through approximately 8:30 a.m. Eastern time on December 26, 2017, <b>you will not have access to make any deferral or investment election changes to your ASSP or ARSP accounts.</b>
January 5, 2018	Starting at 4:00 p.m. Eastern time on January 5, 2018, you will <b>no longer have access to process any transactions under your ASSP account.</b>
January 5 – January 8, 2018	From 4:00 p.m. Eastern time on January 5, 2018, through approximately 12:00 noon Eastern time on January 8, 2018, <b>you will not have access to make any transactions under your ARSP account.</b>

## IMPORTANT INFORMATION

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### Account Balance Transfer to the ARSP Begins

Your entire savings account balance under the ASSP, including outstanding loans, will be transferred to the ARSP beginning at approximately 4:00 p.m. Eastern time on January 5, 2018. The following paragraphs describe certain restrictions to your savings plan accounts in connection with this transfer.

From 4:00 p.m. Eastern time on December 22, 2017, until approximately 8:30 a.m. Eastern time on December 26, 2017, you will not be able to make changes to your **deferral and/or investment elections** under the Plans. Starting at approximately 8:30 a.m. Eastern time on December 26, 2017, you will be able to make investment election changes in your ASSP account. At this time, you also will have access to your new ARSP account for purposes of changing your deferral amount and/or your investment elections under the ARSP.

To **initiate a loan or distribution** from the ASSP prior to the balance transfer, your request must be processed by 4:00 p.m. Eastern time on January 5, 2018. Requests processed after that date will be delayed until the transfer of your account balance to the ARSP.

Similarly, **transactions requiring paper documentation** must be processed, with such documents in good order, by 4:00 p.m. Eastern time on January 5, 2018. Requests processed after that date will be delayed until the transfer of your account balance to the ARSP.

You will be able to make **exchanges (transfers between funds)** within your ASSP account until 4:00 p.m. Eastern time on January 5, 2018. On Friday, January 5, 2018, at 4:00 p.m. Eastern time, your account balance under the ASSP will be transferred to the ARSP, as further described in the "Account Balances Automatically Transfer" section below.

From 4:00 p.m. Eastern time on January 5, 2018, until the process of consolidating your account under the ARSP is completed at approximately 12:00 noon Eastern time on January 8, 2018, **you**

will **not** be able to process any loans, withdrawals, distributions, exchanges, or any other financial transactions under your accounts in **either** of the Plans (ARSP, ASSP).

### **Transfer to the ARSP Completed**

We expect your consolidated account balance in the ARSP to be open and available for all transactions by **12:00 noon Eastern time on January 8, 2018**. You will then be able to initiate loans, withdrawals, distributions, investment exchanges, and other financial transaction requests with respect to the balance under your newly consolidated ARSP account.

**IMPORTANT:** You will **not** be able to process financial transactions in your accounts under the ARSP and/or the ASSP between 4:00 p.m. Eastern time on January 5, 2018, and approximately 12:00 noon Eastern time on January 8, 2018. See the "Important Notice Concerning Your Rights under the ASSP and the ARSP (Blackout Notice)" section for more information.

## **YOUR SAVINGS PLAN BENEFIT UNDER THE ARSP**

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Following the transfer and/or consolidation of your savings plan benefit accounts under the ARSP, your account will be subject to the provisions of the ARSP. You should review the SPD/prospectus for the ARSP, dated August 2017, as well as any subsequent SMMs applicable to you, to ensure that you understand the benefits, rights, and features applicable to your transferred balance.

### **Deferral Percentage under the ARSP**

If you are a **dollar-banded participant** under the ASSP, your deferral election will be converted to a percent-based election and will transfer automatically to the ARSP. Specifically, your percentage rate will be determined by your Weekly Contribution (Basic & Supplemental) under the ASSP as of December 22, 2017, divided by your weekly Basic Rate of Pay. This number will be rounded to the nearest whole percent using conventional rounding rules. The first 6 percent will be your Basic Contribution rate in the ARSP. Anything over 6 percent will be your Supplemental Contribution rate in the ARSP.

If you are a **percent-based participant** under the ASSP, the deferral election you have on record in the ASSP as of December 22, 2017, will be transferred automatically to the ARSP.

All affected active employees will be able to change your deferral election for future deferrals under the ARSP beginning December 26, 2017.

### **No Automatic Enrollment**

If you are an active employee but you are not currently participating in the ASSP (i.e., a \$0 or 0 percent deferral election), you will **not** be automatically enrolled in the ARSP upon the transfer and/or consolidation of your account. You will, however, be eligible to participate in the ARSP and may change your deferral election to a non-zero percentage at any time beginning December 26, 2017.

### **Loans and Loan Re-amortization**

Outstanding loans under the ASSP will transfer to the ARSP. If you are an active employee, your loan repayments may need to be re-amortized based on your current pay frequency to reflect the remaining repayment amount against the remaining term of the loan. Repayments will occur every pay period through automatic payroll deductions as soon as possible following the transfer.

Under the ARSP, you may have up to three outstanding loans at a time, one of which may be for your principal residence with a term of up to ten years. Only active employees may request new loans. See the “Loans” section of your ARSP SPD for additional information.

## Compensation

Under the ARSP, you may contribute up to 6 percent of your Compensation as Basic Contributions, and an additional 44 percent of your Compensation as Supplemental Contributions. The definition of eligible Compensation under the ARSP may differ from the definition applicable to you under the ASSP. You should review your ARSP SPD for the details of eligible Compensation under this plan.

## Dividends

In the ARSP, you may elect to have dividends from the AT&T Shares Fund reinvested in the AT&T Shares Fund or paid to you from the Dividend Fund Account. **If you have made an election under the ASSP with respect to the treatment of dividends, such election will not carry over to your consolidated account under the ARSP.** Your existing election (if any) under the ARSP will apply to the treatment of dividends within your entire account; or, if you do not make an election, your dividends will automatically be reinvested in the AT&T Shares Fund. Refer to the “Dividend Fund Account (DFA)” section of your ARSP SPD for more information.

## Investment Options

The ARSP has a distinct set of investment options from those available under the ASSP. Your account balance in the ASSP will automatically transfer to the ARSP and will be invested based on the fund mapping charts appearing in the “Account Balances Automatically Transfer” section below.

If you have a preexisting ARSP account that was established prior to this transfer (for example, due to movements between different bargaining groups throughout your career), **any amounts currently held in such account under the ARSP will not be affected by this fund mapping. Such amounts will remain invested pursuant to your existing investment directions** unless and until you affirmatively choose to change those directions.

You will be able change your investment elections, either by making an exchange or by rebalancing your account, following the transfer and/or consolidation of your savings plan benefit account into the ARSP. Refer to the “Changing Your Investments” section of your ARSP SPD for an explanation of the exchange and rebalance methods for changing your existing account balance.

The following chart summarizes investment options offered in the ARSP. **Refer to your ARSP SPD for investment fund descriptions and fee disclosure information.**

Type of Fund	Name	Characteristics
Age-Based	<ul style="list-style-type: none"> <li>AT&amp;T Age-Based Asset Allocation Funds (based on retirement years 2005 through 2060 in 5 year increments, plus a Retirement Fund)</li> </ul>	<p>These are actively managed asset allocation pools, and each pool may include both actively and passively managed assets. The funds seek to provide a well-diversified, institutional approach to investing for retirement. You select the fund(s) that best matches your retirement strategy. Each fund adopts a more conservative asset allocation mix as it approaches its target retirement year and for a period of years thereafter.</p>

Type of Fund	Name	Characteristics
Index	<ul style="list-style-type: none"> <li>• Large Cap U.S. Stock Index Fund</li> <li>• Small and Mid-Sized U.S. Stock Index Fund</li> <li>• Total U.S. Stock Market Index Fund</li> <li>• International Stock Index Fund</li> </ul>	The index funds in this group provide broadly diversified portfolios of small-, mid-, large-capitalization U.S. equities or international equities. These funds seek to match the rates of return realized by a widely accepted market index represented by each asset category.
Custom	<ul style="list-style-type: none"> <li>• AT&amp;T Stable Value Fund</li> <li>• AT&amp;T Total Return Bond Fund</li> <li>• AT&amp;T U.S. Stock Fund</li> <li>• AT&amp;T International Stock Fund</li> </ul>	The AT&T custom funds in this group provide broadly diversified portfolios of stable value, fixed income, U.S. equities, or international equities. Each fund consists of multiple manager portfolios, which may be actively or passively managed at institutional rates. The allocation to active and passive investment managers is subject to change at any time without further notification. These options seek to exceed the rates of return realized by a widely accepted market index represented by each asset category.
Employer Stock	<ul style="list-style-type: none"> <li>• AT&amp;T Shares Fund</li> </ul>	This is not a diversified fund. The fund invests in AT&T Shares exclusively, except for cash or other short-term investments necessary to facilitate participant transactions, and the performance is directly tied to the performance of AT&T Shares. Since the fund is a single non-diversified investment, it is riskier than diversified investment funds.

### Fidelity BrokerageLink®

In addition to the designated investment funds described in the previous table and offered under the ARSP, you also will have the opportunity to invest your consolidated balance under the ARSP through the Fidelity BrokerageLink®. You actively manage your BrokerageLink® account and decide how it is invested by selecting among the investments available under this option. Refer to the "Fidelity BrokerageLink®" section of your ARSP SPD for additional details on the BrokerageLink® option.

## ACCOUNT BALANCES AUTOMATICALLY TRANSFER

### ASSP to ARSP Fund Mapping

Investment elections in the ASSP as of 4:00 p.m. Eastern time on December 22, 2017, and account balances in the ASSP as of 4:00 p.m. Eastern time on January 5, 2018, will transfer to the ARSP based on the chart below.

Remember: you will be able to access the Fidelity NetBenefits website to make future contribution and investment election changes under the ARSP beginning December 26, 2017. You can also make exchanges (transfers between funds) under the ASSP until January 5, 2018.



<b>Existing investment elections and balances from these ASSP funds...</b>	<b>...will AUTOMATICALLY be transferred to these ARSP funds</b>
Bond Fund	AT&T Age-Based Asset Allocation Fund (based on Date of Birth)
Global Equity Fund	75% Total U.S. Stock Market Index Fund 25% International Stock Index Fund
Interest Income Fund	AT&T Stable Value Fund
International Stock Fund	International Stock Index Fund
Large Cap Stock Fund	Large Cap U.S. Stock Index Fund
Mid and Small Cap Stock Fund	Small and Mid-Sized U.S. Stock Index Fund
AT&T Shares Fund	AT&T Shares Fund
Dividend Fund Account	Dividend Fund Account

### **AT&T Age-Based Asset Allocation Funds**

The table below shows how participant investments transition to the AT&T Age-Based Asset Allocation Funds. The funds are based on the participant's age (date of birth) and assumed retirement at age 65.

<b>AT&amp;T Age-Based Asset Allocation Fund</b>		
<b>Date of Birth Range</b>	<b>AT&amp;T Age-Based Asset Allocation Fund</b>	<b>Age 65 Retirement Date Range</b>
1939 and earlier	AT&T Age-Based Asset Allocation Retirement Fund	2004 and earlier
1940 – 1944	AT&T Age-Based Asset Allocation Fund 2005	2005 – 2009
1945 – 1949	AT&T Age-Based Asset Allocation Fund 2010	2010 – 2014
1950 – 1954	AT&T Age-Based Asset Allocation Fund 2015	2015 – 2019
1955 – 1959	AT&T Age-Based Asset Allocation Fund 2020	2020 – 2024
1960 – 1964	AT&T Age-Based Asset Allocation Fund 2025	2025 – 2029
1965 – 1969	AT&T Age-Based Asset Allocation Fund 2030	2030 – 2034
1970 – 1974	AT&T Age-Based Asset Allocation Fund 2035	2035 – 2039
1975 – 1979	AT&T Age-Based Asset Allocation Fund 2040	2040 – 2044
1980 – 1984	AT&T Age-Based Asset Allocation Fund 2045	2045 – 2049
1985 – 1989	AT&T Age-Based Asset Allocation Fund 2050	2050 – 2054
1990 – 1994	AT&T Age-Based Asset Allocation Fund 2055	2055 – 2059
1995 and later	AT&T Age-Based Asset Allocation Fund 2060	2060 and later

## UPDATING YOUR BENEFICIARY DESIGNATION

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The ARSP allows you to designate a beneficiary with respect to your account.

**If you made an online or paper beneficiary designation under the ASSP, it will not transfer to the ARSP when your balance is consolidated.** Following the transfer, your beneficiary designation under the ARSP, if any, will apply to your combined benefit amount.

You should consider reviewing your existing beneficiary designation(s) and confirming that your election under the ARSP is in proper order. You can access and update your beneficiary election form in the ARSP online via [netbenefits.com/att](https://netbenefits.com/att) or by calling the Fidelity Service Center. Refer to the ARSP SPD to learn how benefits will be distributed if you do not complete a beneficiary form or if you do not have a valid beneficiary designation in effect for the ARSP.

Important Notice Appears on Next Page

## IMPORTANT NOTICE CONCERNING YOUR RIGHTS UNDER THE ASSP AND THE ARSP (BLACKOUT NOTICE)

This notice is to inform you that your account under the ASSP will be transferred to the ARSP beginning at approximately 4:00 p.m. Eastern time on January 5, 2018. If you have an existing account under the ARSP (for example, due to prior movements between bargaining groups), your balance under the ASSP will be consolidated with your existing ARSP account.

As a result, your ability to make certain transactions relating to your savings plan account (under the ASSP or the ARSP) will be temporarily restricted. From 4:00 p.m. Eastern time on December 22, 2017, until approximately 8:30 a.m. Eastern time on December 26, 2017, you will temporarily be unable to:

- Change your deferral election under the ASSP or the ARSP; or
- Make a change to future investment directions under the ASSP or the ARSP.

From 4:00 p.m. Eastern time on January 5, 2018, until approximately 12:00 noon Eastern time on January 8, 2018, you will temporarily be unable to access your accounts for any transactions, including but not limited to:

- Obtaining a loan from either Plan;
- Making an investment exchange under either Plan; or
- Obtain a withdrawal or distribution from your Plan accounts, if applicable.

The period during which you will be unable to exercise these rights is referred to in this notice as a “restricted period”; if such restricted period persists for longer than three consecutive business days, it is called a “blackout period.” Whether or not you are planning retirement in the near future, we encourage you to carefully consider how this restricted period may affect your retirement planning, as well as your overall financial plan.

**The initial restricted period is expected to begin at 4:00 p.m. Eastern time on December 22, 2017, and is expected to end at approximately 8:30 a.m. Eastern time on December 26, 2017. A subsequent restricted period is expected to begin at 4:00 p.m. Eastern time on January 5, 2018, and is expected to end at approximately 12:00 noon Eastern time on January 8, 2018.** Following the second restricted period, your account balance in the ASSP will have been transferred to the ARSP, and you will cease to participate in the ASSP.

The following chart summarizes the applicable dates within the restricted period during which your ability to conduct certain types of financial transactions with respect to your savings plan accounts in the ARSP and the ASSP is expected to be restricted:

Restricted Period	Account Transactions Affected
4:00 p.m. Eastern time on December 22, 2017 – 8:30 a.m. Eastern time on December 26, 2017	Deferral election changes
	Future investment direction changes

Additional Chart Appears on Next Page

Restricted Period	Account Transactions Affected
4:00 p.m. Eastern time on January 5, 2018 – 12:00 noon Eastern time on January 8, 2018	Initiating an exchange
	Initiating a withdrawal or distribution
	Initiating a new loan

You can determine whether the restricted period has started or ended by contacting the Fidelity Service Center by calling **800-416-2363**. See the “For Your Information” section for additional details.

You should also carefully and completely read the SMM/prospectus supplement in the pages preceding this notice to ensure you understand your account balance transfer to and consolidation under the ARSP and the dates on which certain transactions will be temporarily unavailable.

### What Is a Blackout Period and How Will It Affect You?

A “blackout period” is a period of more than three consecutive business days during which the otherwise available rights of a plan participant or beneficiary to direct or diversify plan account balances or to obtain loans or distributions from the plan is temporarily suspended, limited, or restricted. *Although we do not expect either restricted period to extend for three or more consecutive business days, the following information relating to blackout periods is provided for your consideration.*

In the event of a blackout period, you would be unable to direct or diversify the retirement funds held in your individual accounts. It is very important that you review and consider the appropriateness of your current investments in light of your inability to direct or diversify those investments during a blackout period. For your long-term retirement security, you should give careful consideration to the importance of a well-balanced and diversified investment portfolio, taking into account all your assets, income, and investments. You should be aware that there is a risk to holding substantial portions of retirement funds in the securities of any one company, as individual securities tend to have wider price swings up and down, in short periods of time, relative to investments in diversified investment options. Stocks that have wide price swings might have a large loss during a blackout period, and you would not be able to direct the sale of such stocks from the accounts during a blackout period.

## FOR MORE INFORMATION

If you have any questions about your benefit or the information provided in this SMM/prospectus supplement & blackout notice, please contact the Fidelity Service Center.

Who	How to Contact
<b>Fidelity Service Center</b>	<b>800-416-2363</b> Monday through Friday from 8:30 a.m. to midnight Eastern time.



AT&T Inc.  
and Participating Companies

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Forwarding Service Requested  
NIN: 78-42261