



Press Release

For Immediate Release

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Investors Urge Prohibition of Speculative Trading in Company Stock by Insiders at Chesapeake Energy Corporation

Amalgamated Bank and Connecticut Retirement Plans and Trust Funds to Present Shareholder Proposal at Annual Meeting in the Wake of Significant Margin Calls

New York, NY— Shareholders will vote tomorrow on a new proposal urging Chesapeake Energy Corporation to adopt a policy that would prohibit senior executives and Board directors from engaging in derivative or speculative transactions involving company stock, engaging in hedging or monetization transactions with respect to company stock, and holding company stock in a margin account or otherwise pledging company stock as collateral for a loan. The proposal is co-sponsored by Amalgamated Bank's LongView Funds and the Connecticut Retirement Plans and Trust Funds.

"We want those responsible for overseeing and implementing company strategy to have a long-term vested interest in the company's shareholder value," stated Scott Zdrazil, First Vice President of Amalgamated Bank. "Speculative trading has the potential of misaligning insiders' interests from those of other shareholders. Moreover, since margin calls typically occur when a company stock is already under pressure, forced sales risk further depressing stock prices."

The impact of insider margin trading was dramatically demonstrated at Chesapeake Energy Corporation in October 2008, when margin calls forced Chair and CEO Aubrey McClendon to liquidate about 31 million shares, or virtually all of his 5.5% ownership stake in the company. The margin call resulted in the Chair and CEO temporarily holding shares below the required level of the company's stock ownership guidelines. The Compensation Committee subsequently granted the Chair and CEO a "special incentive award" including a \$75 million bonus in December 2008.

Recent research by Gradient Analytics found empirical evidence that hedging activities might be used opportunistically by company insiders. The research firm found that share prices declined approximately 22 percent in the twelve months following insiders entering into certain types of hedging instruments. Research also suggested that firms where insiders entered into speculative trading were more likely to face securities-related litigation and restating financial statements during the following twelve months.

"The current economic crisis has revealed time and time again that even CEOs are not immune to the wide fluctuations in the capital markets we have seen over the past few years," stated Connecticut State Treasurer Denise L. Nappier. "It is therefore even more critical for boards to ensure that management's interests are closely aligned with those of shareholders through compensation structures—including equity ownership policies and practices—that strongly link pay to both individual and company-wide performance."

RiskMetrics, the leading proxy advisory service, has recommended that investors vote in favor of the proposal.

Amalgamated Bank's LongView Funds and the Connecticut Retirement Plans and Trust Funds hold 341,779 shares and 375,205 shares, respectively, of Chesapeake Energy Corporation.



About Amalgamated Bank

Founded in 1923, Amalgamated Bank manages approximately \$11 billion in assets through its LongView Funds. The LongView Funds work to enhance shareholder value through corporate governance reforms at portfolio companies. Amalgamated Bank is available online at www.AmalgamatedBank.com.

About Connecticut Retirement Plans and Trust Funds

As principal fiduciary for \$23 billion Connecticut Retirement Plans and Trust Funds (CRPTF), which consists of six State pension plans and eight trust funds, Connecticut State Treasurer Denise L. Nappier is responsible for prudently managing the retirement funds for approximately 160,000 teachers, state, and municipal employees who are pension plan participants and beneficiaries. More information about the CRPTF can be found at www.state.ct.us/ott.

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