



# Press Release

## For Immediate Release

May 18, 2005

### **Amalgamated Bank: Recoup Executive Bonuses Based on Misreported Results Dynegy Should Adopt an “Earn it or Return it” Policy, say Investors**

New York, NY— Shareholders will cast their votes tomorrow on a proposal by Amalgamated Bank’s LongView Funds at the annual meeting of Dynegy Inc. (NYSE: DYN). The measure asks the company to adopt a policy that, in the event of financial restatement, the board will (1) review executive bonuses that were awarded for meeting performance targets and (2) recoup any awards that were unearned.

"If executives are paid bonus money they don't deserve, the money should go back to the company," said Amalgamated Bank's legal counsel Con Hitchcock.

LongView submitted the proposal following Dynegy's disclosure of accounting errors leading to an overstatement by \$322 million in net income from 1999 through 2001. During that time, top executives, including former CEO Charles Watson, were awarded millions of dollars based on the inflated results.

Following the submission of the LongView proposal, Dynegy adopted a policy to “review performance-based compensation of our senior executives following a restatement.” The company did not agree to language requiring that funds be returned.

"Dynegy has not explicitly endorsed the principle of this proposal, beyond stating that the board will review bonuses connected with financial restatements and 'take appropriate action' on a case-by-case basis," said Hitchcock. "The problem is that what's appropriate may be in the eye of the beholder."

“Returning ill-gotten gains to the company should not be an option,” said Julie Gozan, Corporate Governance Specialist for Amalgamated Bank. “We believe the board has an obligation to claw-back unearned bonuses.” The LongView Funds hold 128,425 shares of Dynegy common stock.

The “earn it or return it” shareholder proposal made headlines in 2004 when introduced by the LongView Funds at Computer Associates.

Founded in 1923, Amalgamated Bank invests workers’ retirement savings through its LongView Funds. With \$10 billion in assets under management, LongView works to enhance shareholder value through corporate governance reforms at portfolio companies. The Bank is available online at [www.AmalgamatedBank.com](http://www.AmalgamatedBank.com).

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