



# Alaska Electrical Trust Funds

PENSION FUND – HEALTH AND WELFARE FUND – LEGAL FUND  
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## Notice of Benefit Improvements Adopted at the Pension Trustee Meeting on October 15, 2007

Dear Participant:

We are pleased to announce that the Trustees made benefit improvements to the Pension Plan at their October 2007 meeting.

### NON-RETIRED PARTICIPANTS

The Trustees authorized an increase in the accrual rate to 2.00% of the contributions made on behalf of participants who have not yet retired on and after November 1, 2007 for hours earned in 2007 and 2008. A participant who is in retired status on November 1, 2007, but who returns to covered employment in November 2007 or thereafter will also be entitled to accrue at 2.00% of contributions made on his or her behalf for 2007 and 2008. Future service benefits earned in 2009 and thereafter remain at 1.50% of contributions.

In addition, the Trustees restored age 58 as the normal retirement age for all benefits accrued under the Plan, regardless of the year in which the benefits are earned. Previously in 2003, an increase in the normal retirement age to age 60 was approved by the Trustees to help address the downturn in assets in 2000-2002. This change had been deferred to July 1, 2008 and was not yet effective with respect to any participant's accrued benefit.

### RETIRED PARTICIPANTS

Retirees, or their beneficiaries, who were entitled to receive a regular monthly benefit payment for November 2007 will receive a one-time additional monthly benefit payment in mid- December 2007. This additional benefit will be sent to the same destination as your regular monthly benefit.

Pursuant to federal tax regulations, retirees and beneficiaries will not be permitted to have the payment made to an individual retirement account (IRA). The federal income tax withholding elected by the retiree or beneficiary for regular payments will also apply to this additional benefit.

### POST-RETIREMENT SERVICE RULES FOR 2008

In general, you cannot retire or continue to receive retirement benefits if you are employed for more than 40 hours per month in Post-Retirement Service. From time to time, the Trustees have approved time-limited exceptions to this rule for certain types of employment to meet industry workforce needs. In 2008, retirees may continue receiving retirement benefits from the Plan while working for **up to five months in one or a combination** of the following classifications:

- **As an instructor** at the Alaska Joint Electrical Apprenticeship and Training Trust;
- **As a power lineman** for a signatory employer; or
- **As an estimator** for a signatory employer, provided the position is not subject to a collective bargaining agreement.

As described in your Summary Plan Description, and previous updates to the Summary Plan Description, and in the Plan document itself, in order to retire and receive retirement benefits under the Plan, you must "withdraw and completely refrain" from any Post-Retirement Service. You must be hired into one of the above classifications *after* an exception was initially effective for that classification, in order to qualify for one of the exceptions stated above. Additionally, the exception in 2008 only applies after six months have passed from the date that you first began receiving retirement income payments under the Plan.

A variety of facts and circumstances are taken into consideration when determining whether your situation qualifies as an exception to the Post-Retirement Service rules. For example, you must terminate employment without any arrangement to resume employment with a contributing employer, cash in all accrued leave and in all other respects pursue retired status under the Plan. In addition, there are procedures at the Local Union Offices to resume employment in a bargained position.

**EXAMPLE:**

An exception for work as a power lineman first became effective on January 1, 2005.\* In 2008, you may work under this exemption for 5 months. Your first hour in Post-Retirement Service as a power lineman in 2008 must be at least six months after the first date as of which you begin retirement income payments. Accordingly, if your retirement income payments began July 1, 2007 or earlier, you would be eligible under this exception as early as January 2008. If your retirement income payment first began on or after July 1, 2007, you would not be able to take advantage of the exceptions until six months after your initial retirement date.

\* In 2005 and 2006 you could work up to 9 months in this capacity while still receiving benefits. In 2007, you could work for up to 6 months.

If you have any questions about this letter or if you have general questions about the Plan, please contact the Administrative Office. Thank you.

Sincerely,



Gregory R. Stokes  
Administrator