

Notice of Benefit Improvements **Adopted at the Pension Trustee Meeting on October 31, 2006**

Dear Participant:

We are pleased to announce that the Trustees made benefit improvements to the Pension Plan at their October 2006 meeting. However, with investment performance unpredictable, future improvements may not be as good as those recently provided. Thus, keep in mind that these benefit improvements are a one-time increase only and do not set a precedent for future increases.

NON-RETIRED PARTICIPANTS

The Trustees authorized benefit increases which apply to all participants who retire for the first time on or after December 1, 2006. Future service benefits earned from 2004 through 2006 are increased to 2.00% of the contributions made on your behalf. Future service benefits earned in 2007 and thereafter remain at 1.50%. An updated benefit statement reflecting these improvements will be mailed out promptly.

RETIRED PARTICIPANTS

Retirees, or their beneficiaries, who were entitled to receive a regular monthly benefit payment for November 2006 will receive a one-time additional monthly benefit payment in mid-December 2006. 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 2007

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 2007, retirees may continue receiving retirement benefits from the Plan while working for **up to six months in one or a combination of** the following classifications:

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

As described in your Summary Plan Description, a summary of material modifications from March 2005, 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.

There are some critical differences in these exceptions over the exceptions approved last year:

- The exception for employment in these classifications for 2007 is for six months, not nine months.
- The exception only applies in 2007 after six months have passed from the date as of which you first began receiving retirement income payments under the Plan.

EXAMPLE:

The exception for work as a power lineman first became effective on January 1, 2005. In 2005 and 2006 you could work up to 9 months in this capacity while still receiving benefits.

In 2007, to qualify for this exemption for six months, you must become re-employed as a power lineman on or after January 1, 2005 (the initial date any exception was provided for employment in this capacity). In addition, your first hour in Post-Retirement Service as a power lineman in 2007 must be at least six months after the first date as of which you began retirement income payments. Accordingly, if your retirement income payments began July 1, 2006 or earlier, you would be eligible under this exception as early as January 2007. If your retirement income payment first began after July 1, 2006, you would not be able to take advantage of the exceptions until six months after your initial retirement date.

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.

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