



Alaska Electrical Trust Funds

PENSION FUND – HEALTH AND WELFARE FUND – LEGAL FUND
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April 2010

To: Participants in the Alaska Electrical Workers Money Purchase Pension Plan

Re: Alaska Electrical Workers Money Purchase Pension Plan
Quarterly Fee Change Effective April 1, 2010

This notice provides information and background concerning an increase in the quarterly administrative fee charged against participant accounts under the Alaska Electrical Money Purchase Pension Plan (the Plan). The fee will change from \$7.50 per quarter to \$11.50 per quarter, effective April 1, 2010.

Background

Quarterly fees are accessed to fund Plan administrative expenses incurred by the Administrative Office and by certain outside service providers.

Quarterly fees are accumulated in a reserve account to be used to pay qualified Plan expenses. In the past, this reserve account had accumulated an excess of funds, and the quarterly fee was temporarily reduced in order to bring the reserve account to more appropriate levels. Now the quarterly fee will be returning to a level similar to what has been assessed in the past. This will bring fee assessment more in line with anticipated future expenses. The Trustees plan to increase the quarterly fee in two steps, with some of the increase effective on April 1, 2010, and the remainder of the increase effective on April 1, 2011.

The following provides a history of recent changes in the quarterly fee:

| | Per participant charge | Asset-based charge |
|------------------|------------------------|--------------------|
| Prior to 2007 | \$7.50 | 0.06% |
| 2007 | \$7.50 | 0.02% |
| 2008 | \$7.50 | No asset-based fee |
| 2009 (no change) | \$7.50 | No asset-based fee |
| 2010 | \$11.50 | No asset-based fee |

The Trustees have moved away from asset-based fees to bring the fee assessment more in line with the manner in which expenses are generated. The expenses covered by the quarterly fee are predominantly incurred on a per-head basis. The Trustees will continue to manage expenses in order to deliver services to the Plan in as efficient manner as possible without sacrificing the quality of those services. Should you have any questions about the quarterly fee, please contact the Administrative Office.

The enclosed Summary Plan Description (SPD) replaces prior versions which should be discarded. It is designed to be kept in your gray three-ring binder. If you do not have one, please contact our office.

Sincerely,

Gregory R. Stokes
Administrator