



Alaska Electrical Trust Funds

PENSION FUND – HEALTH AND WELFARE FUND – LEGAL FUND
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March 2011

To: All Participants of the Alaska Electrical Workers Money Purchase Pension Plan

Re: Quarterly Fee Change Effective April 1, 2011

Dear Participant:

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 MPP Plan). The fee will change from \$11.50 per quarter to \$15.50 per quarter, effective April 1, 2011.

Background

Quarterly fees are accessed to fund MPPP 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 MPP 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 assessments more in line with anticipated future expenses. As communicated last year, part of the increase was effective on April 1, 2010, and the remainder will be effective on April 1, 2011. The fee increase is not related to the recent change in recordkeepers from Prudential to Wells Fargo.

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

	<i>Per participant charge</i>	<i>Asset-based charge</i>
Pre 2006	\$12.00	0.10%
2006	\$7.50	0.06%
2007	\$7.50	0.02%
2008	\$7.50	None
2009 (no change)	\$7.50	None
2010	\$11.50	None
2011	\$15.50	None

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. Thank you.

Sincerely,

Gregory R. Stokes
Administrator