

June 5, 2013

TO: All Participants of the San Diego Electrical Pension Trust

FROM: Board of Trustees

RE: Plan Changes/Summary of Material Modifications

Please be aware of the following Amendments to become applicable as of the specified dates:

“Pre-retirement Survivorship Benefits”

Effective January 1, 2013, Pre-retirement Survivorship benefits are payable to the surviving spouse of a deceased participant who had not commenced receiving retirement benefits from the Plan provided the participant had qualified for early retirement benefits (age 55 with at least 10 vesting credits) and had been married for at least one year as of their date of death. However, if the deceased participant had yet to attain age 55, but had accrued at least 10 vesting credits, then the surviving spouse may elect to wait until the participant would have turned age 55 to receive a 100% survivorship benefit amount for the rest of the surviving spouse’s lifetime or the surviving spouse can elect to receive an immediate lifetime benefit which will be actuarially determined taking into account the ages of the participant and surviving spouse at the time said benefit payments were to commence. If the deceased participant had accrued between 5 and 10 vesting credits then a delayed effective date for the 100% survivorship benefit will be until the participant would have attained age 65.

The Plan has been clarified to provide that in either instance benefit payments to the Surviving Spouse shall become payable effective the later of the first day of the month following the filing of an application or the first day of the month after the date the deceased participant would have become eligible to receive an early or normal retirement benefit under the Plan.

NOTE: It is important to be aware that benefit payments for any type of retirement may never commence until the later of the first day of the month following the filing of an application or the first day of the month after the applicant becomes eligible to receive an early, normal or disability retirement benefit under the Plan. For disability retirement it is strongly recommended that an application be filed with all possible benefit sources (including Social Security and NEBF) as soon as a participant gives consideration to the fact they may not be able to sustain steady employment of any kind for at least 12 months as opposed to waiting until after filing for and receiving a determination from Social Security. This will then permit payment of benefits in accordance with the above criteria.

OVER

“Pro Rata Reciprocity”

There are two forms of reciprocity under the Pension Plan: National Reciprocity and Pro Rata Reciprocity.

National Reciprocity permits a participant working in the jurisdiction of another IBEW Local Union to transfer their hours and contributions back to this Plan so long as they are a member of Local Union 569 and have registered on the ERTS system to authorize for the transfer of their hours.

Pro Rata Reciprocity is established by an existing agreement between this Plan and another IBEW pension plan that permits recognizing the hours credited in both plans to establish vesting status in each plan on the premise all such hours were reported only to each plan. This is defined in the Plan as “Related Credit” and if these hours would have resulted in the participant satisfying the vesting requirement to qualify for a benefit payment then only the amount of benefit actually accrued in that plan would become payable provided the participant satisfied all requirements of that plan. A list of all plans signatory to a Pro Rata Reciprocal Agreement appears in the current Summary Plan Description with the exception of the most recent addition of the Eighth District Electrical Pension Plan.

The Plan has been amended to provide that for all participants in the Plan as of June 1, 2013 it will no longer be permissible to include Related Credit accrued on or after August 1, 2013 towards the calculation of an early retirement benefit to be payable under this Plan. However, all Related Credit earned prior to August 1, 2013 will continue to be recognized for calculation of an early retirement benefit. For participants whose initial hours in the plan were for work performed on or after June 1, 2013 there shall be no recognition of Related Credit in the calculation of an early retirement benefit.

Should there be any questions relative to any of the above information please contact the Trust Office (x-310).

IMPORTANT NOTICE

Reciprocity Authorization - To authorize for the transfer of pension hours back to the San Diego Electrical Pension Trust the participant must register on ERTS. This should be able to be accomplished at either IBEW Local Union Hall or their Trust Office. However, there is no requirement to send Pension and/or Health & Welfare hours back to an employee’s Home Fund.

Thank you.