

March 30, 2006

TO: All Participants of the San Diego Electrical Pension Trust
FROM: Ken Stuart, Administrative Manager
RE: Summary of Material Modifications

Over recent months the following Plan changes have been implemented by the Board of Trustees:

1. If a Retiree works in an electrical wholesale supply house whose sole business is electrical supplies (as opposed to a hardware store or Home Depot type business) the portion of the Retiree's monthly benefit amount which was accrued on or after January 1, 2006 will be suspended for each month of such employment.

In other words, if a Retiree's gross accrued benefit amount included benefits earned on or after January 1, 2006, and they went to work for a wholesale electrical supply house, then for each month of such employment the portion of their monthly benefit amount earned on or after January 1, 2006 would be suspended, but the portion earned prior to January 1, 2006 would still be payable by the Plan. If a Retiree's entire monthly benefit amount was accrued after January 1, 2006 then their whole monthly benefit amount would be suspended in this example.

2. In accordance with an IRS Revenue Procedure the provisions of the Plan delaying Early Retirement benefits until age 65 or deeming a participant ineligible for Early Retirement benefits until age 65 due to work in non-covered employment may only apply to accrued benefits earned on or after January 1, 1989. This determination becomes effective June 1, 2004 and may permit participants whose application for early retirement was denied due to their having worked in non-covered employment, and whose retirement benefit was otherwise delayed until they were age 65, to have their applications and/or effective date of benefit payment entitlement reviewed for possible reconsideration or corrective action. Any participant who believes they may fall into this classification should contact the Trust Office (x-310).
3. In accordance with applicable regulations, where there is any mandatory lump-sum benefit to be paid in excess of \$1,000, but less than \$5,000, and the beneficiary does not elect to have this amount rolled-over into an eligible retirement plan specified by the participant, the Trustees will make payment on their behalf to an IRA designated by the Board of Trustees.

Should there be any questions please contact the Trust Office at x-310.

Thank you.