ALASKA
ELECTRICAL TRUST FUNDS

ALASKA ELECTRICAL RETIREMENT SAVINGS PLAN

Summary Plan Description

November 2023

ALASKA IBEW LOCAL 1547

NECA ALASKA CHAPTER

To All Participants:

We are pleased to provide you with this booklet describing the benefits of the Alaska Electrical Retirement Savings Plan of the Alaska Electrical Pension Fund (the Plan). This booklet includes Plan provisions through July 1, 2023. It summarizes how benefits are earned and paid. If you terminated active participation prior to July 1, 2023, the terms of the Plan that apply to you may be different.

Although the principal provisions of the Plan are described, not all details are covered. If there is any difference between this booklet and the official Plan document, the Plan document will govern. Copies of the Plan document may be obtained from the Administrative Office.

We urge you to become familiar with this booklet. Keep it with your other important papers so you may refer to it when you terminate employment or retire. You may contact the Administrative Office if you have questions about the Plan.

Only the Administrative Office is authorized by us to answer your questions about the Plan.

Sincerely,

Board of Trustees
Alaska Electrical Retirement Savings Plan

QUICK TIP

You can find the most frequently asked questions about the Retirement Savings Plan and all forms & documents on our website at **www.aetf.com**.

Need Assistance?

The Administrative Office can help answer your Retirement Savings Plan eligibility, claims or other questions.

Phone: (800) 478-1246 | Email: pension@aetf.com

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Your Benefit at a Glance

Participation

You are a participant if your employer makes contributions to this Plan on your behalf or if you make voluntary pre-tax or after-tax contributions to this Plan. Your employer must be obligated by a collective bargaining agreement or a special agreement to make employer contributions and/or permit voluntary contributions.

Contributions

EMPLOYER CONTRIBUTIONS

Each month, your employer will contribute an amount as required under the collective bargaining agreement or special agreement.

EMPLOYEE VOLUNTARY CONTRIBUTIONS

If your employer agrees, you may contribute up to 50% of your pay through voluntary payroll deductions in increments of 1%. These monies may be contributed as voluntary pre-tax (401(k)) and/or after-tax contributions.

ROLLOVER CONTRIBUTIONS

If you previously participated in another qualified plan, the distribution you received from that retirement plan may be transferred to this Plan as a rollover contribution.

Investment Choices

You choose how your account is invested by selecting one or more investment funds. Funds must be invested in increments of 1%, to a total of 100% of your account.

Vesting

You are always fully vested in your Plan Account.

Distribution of Your Account

Benefits are payable from your account following your retirement, termination of employment, or death.

Your voluntary pre-tax (401(k)) and/or after-tax contributions may be available for withdrawal during your working life if you meet certain conditions.

Payment Options

- Joint & 50% or 75% Survivor Annuity
- Life Annuity
- Lump Sum
- Partial Payment
- Annual Installments
- Minimum Required Distribution Option

Termination Benefits

If you do not work for a contributing employer for 45 days, you are considered to be terminated under the Plan and entitled to receive a distribution from your Account.

Retirement

You may retire on or after your 48th birthday provided you are terminated from employment with all contributing employers.

Death Benefits

BEFORE RETIREMENT

Your Account will be paid to your beneficiary as follows:

If you are married when you die, your surviving spouse must be paid at least 50% of your vested Account. The remainder may be paid to your other beneficiary(ies) of record, if any.

If you are single when you die, your Account will be paid to your beneficiary(ies) of record.

Your beneficiary may receive your Account in any payment form available under the Plan.

AFTER RETIREMENT

Your Account will be paid to your beneficiary. The form of payment depends on the payment option you elected at retirement.

Participation

Participation

You begin participating in the Plan as of the first day that your employer is required to contribute on your behalf according to

- A collective bargaining agreement with Local Union 1547 of the International Brotherhood of Electrical Workers, or any other labor organization, or
- A special agreement with the Trustees.

A waiting period of eligibility service may be required by the terms of the collective bargaining agreement or special agreement prior to your beginning Plan participation.

If you wish to find out if your employer contributes to the Plan or if your agreement permits voluntary pre-tax and/or after-tax contributions, contact the Administrative Office at (907) 276-1246 or toll-free at 1-(800) 478-1246 or by email at **pension@aetf.com**.

Contributions

Contributions

Your Plan Account is determined by:

- The accumulated contributions by contributing employers and by you;
- Investment earnings (or losses); and
- Your share of Plan administrative expenses.

The remainder of this section discusses contributions to your Account.

Employer Contributions

Each month, your employer will contribute an amount on your behalf determined by the terms of the collective bargaining or special agreement under which you worked during the preceding calendar month. Some agreements may not require employer contributions.

Employee Voluntary Contributions

If your employer has agreed to make payroll deductions, you may make voluntary contributions to the Plan up to a maximum of 50% of your pay. (NOTE: certain collective bargaining agreements and special agreements do not permit voluntary contributions.)

Employee voluntary contributions must be made in increments of 1%. Contributions may be made on either a pre-tax and/or an after-tax basis, depending upon what your collective bargaining agreement or special agreement allows. You must complete an election form and provide it to your employer to make voluntary contributions.

PRE-TAX CONTRIBUTIONS

Pre-tax contributions come directly from your paycheck before income taxes are deducted. These contributions are also sometimes called "401(k)" contributions. You don't pay any income taxes on your pre-tax contributions or on any money earned by your investments until you start making withdrawals.

AFTER-TAX CONTRIBUTIONS

After-tax contributions come directly from your paycheck after income taxes are deducted. You must pay federal income tax on them as though you actually received them in your take-home pay. Your contributions earn tax-deferred investment returns within the Plan. You don't pay any income taxes on your investments until you start making withdrawals.

Employee voluntary pre-tax and after-tax contributions will be made through regular payroll deductions by your employer. These amounts are forwarded to the Administrative Office at least once each month.

Any election regarding employee voluntary pre-tax or after-tax contributions must be in writing and filed with your employer. You may choose to make permitted voluntary contributions, to change the amount of your voluntary contributions, or to discontinue them totally. Your employer's payroll procedure determines when and how often you may change your elections. You can verify that your election has been processed by reviewing your paycheck, checking your Account balance on the John Hancock website and by reviewing the next quarterly statement of your Plan Account. Note: There may be a lag after your payroll date before the contribution is credited to your account while funds are sent to the Trust.

Contribution Limits

The Plan limits your Voluntary Employee Contributions to 50% of your compensation. Federal laws also provide contribution dollar limits.

Each year, voluntary pre-tax contributions to this Plan (any other plans) are subject to a dollar limit under federal tax law. In 2024, this limit is $23,000 if you are under age 50 at the end of 2024 and $30,500 if you are age 50 or older. Also, total contributions to this Plan (plus any contributions to certain other defined contribution plans in which you might participate) cannot exceed the maximum annual contribution amount as defined in federal tax law. In 2024, this limit is $69,000 if you are under age 50 at the end of 2024 and $76,500 if you are age 50 or older. These limits are indexed and expected to increase over time.

If your contributions exceed one or both limits, your voluntary employee contributions will be refunded first. If necessary, your employer contributions (and any earnings on those contributions) also will be forfeited to meet the applicable total contributions limit. The maximum contribution limit does not apply to any rollover contributions you may make to the Plan.

Federal law also imposes "nondiscrimination" tests on employee voluntary contributions. Contributions made by participants who are considered "highly compensated employees" under federal law may be limited and the Plan may be required to refund contributions (and earnings on those contributions) to the highly compensated employees in order to comply with the law. You will be notified if this occurs.

CONTRASTING THE RULES APPLYING TO PRE-TAX AND AFTER-TAX CONTRIBUTIONS

The table below summarizes some of the key differences between voluntary pre-tax and after-tax contributions.

	Pre-tax	After-tax
Plan Voluntary Contribution Limit	50% of your Compensation	
Federal Contribution Limits (2024*)	$23,000; $30,500 for age 50+	No specific dollar limit on after-tax, but total contributions to all defined contribution plans limited to $69,000; $76,500 for age 50+
Investment earnings	Tax-deferred until distributed by the Plan	
Income Taxes	Contributions reduce tax liability when made. Contributions and earnings are taxed at distribution. Federal, state and local income tax may apply. Penalty of 10% for distributions prior to age 59½ may apply	Contributions taxed when made. Withdrawal of contributions is tax free. Earnings are taxed at distribution. Federal, state and local income tax may apply. Penalty of 10% for distributions prior to age 59½ may apply
Access to money during covered employment	Your pre-tax savings are available while you are employed in work covered by the Plan if you meet the Plan's "hardship withdrawal" requirements	Your after-tax contributions are available while you are employed in work covered by the Plan
Withdrawals/ Distributions following covered employment	Default is annuity but Installments or lump sum of partial or all of account are permitted	Default is annuity but Installments or lump sum of partial or all of account are permitted
Required minimum distribution start date	In general, April 1 following year in which age 73	
Rollovers	Can be rolled over into another qualified retirement plan or a traditional or Roth IRA	Can be rolled over into another qualified retirement plan if the plan allows, or a traditional or Roth IRA
Payroll taxes	Your pre-tax contributions are subject to Social Security and Medicare taxes, so your Social Security benefits are not reduced	Your after-tax contributions are subject to Social Security and Medicare taxes in addition to income taxes, so your Social Security benefits are not reduced

** These limits are indexed under federal law and increase most years.*

Rollover Contributions

You may roll over certain distributions from other retirement plans into this Plan. To do so, you must be actively participating in the Plan and the contribution must be eligible for rollover under the Plan and federal law. Generally, this means that it is a lump sum distribution. The Plan accepts rollover contributions from the following:

- qualified retirement plans,
- annuity plans, and/or
- certain deferred compensation plans sponsored by governmental agencies.

The Plan does not accept rollover contributions from an individual retirement account (IRA).

Rollover contributions may include after-tax as well as pre-tax amounts but may not include amounts from a Roth 401(k) account.

You may request that a "direct rollover" be made by the trustee of your prior plan, and have this amount transferred directly to this Plan. Rollover checks should be made payable to Alaska Electrical Retirement Plan and sent to the Administrative Office for processing.

If you take a distribution from your prior plan it must be contributed to this Plan within 60 days of the date the check is issued to you.

In certain circumstances, the Fund will accept a direct trustee-to-trustee transfer of a defined contribution account maintained by a plan in which you formerly participated if: (1) your former plan authorizes such a transfer, (2) you voluntarily elect to transfer the account in your former plan after receipt of a notice advising you of the effect of the transfer, and (3) you provide documentation required by the Plan.

Please contact the Administrative Office for further information.

Reciprocal Contributions

If contributions are made to the Plan and Local 1547 is not your home local, employer contributions will be transferred to your home fund if you choose.

If IBEW Local 1547 is your home local and you work outside the jurisdiction of Local 1547 and contributions are made on your behalf to a related fund, you may request that those contributions be transferred to this Plan.

FOR RECIPROCITY UNDER THE ELECTRICAL INDUSTRY PENSION RECIPROCAL AGREEMENT, YOU MUST USE THE IBEW/NECA ELECTRONIC RECIPROCAL TRANSFER SYSTEM (ERTS) TO TRANSFER CONTRIBUTIONS BACK TO YOUR HOME FUND. YOU MAY REGISTER FOR ERTS IN PERSON (WITH PHOTO IDENTIFICATION) AT YOUR HOME LOCAL OR FUND, IBEW LOCAL 1547 OR THE ADMINISTRATIVE OFFICE.

Your Plan Account

Your Plan Account

An Account will be set up in your name when you become a participant. Each month, this Account will be credited with employer contributions made on your behalf, and as applicable your, employee voluntary pre-tax and after-tax contributions, and rollover contributions. Each type of contribution is accounted for separately.

Earnings, Expenses and Fees

Your Account is valued daily, each day on which the New York Stock Exchange is in operation and is credited with investment gains (or losses) based upon the investment funds that you have chosen, net of the investment manager fees associated with those investments.

Your Account is charged a share of the Plan's administrative and recordkeeping expenses, as determined periodically by the Board of Trustees. These fees are assessed daily, but reflected on your Account statement at the end of each calendar quarter.

The Plan also passes through some charges for services you choose.

Employee Statement

Information about your Plan Account is available from the Plan's website twenty-four hours a day, 365 days a year. In addition, each quarter, you'll receive a written statement showing the amount added to your Account during the prior quarter and the value of your account(s) at quarter-end. You can opt out of receiving a paper statement and choose to receive your quarterly statement via email by visiting the Plan website.

You should carefully review your statement to verify that all contributions and withdrawals you have made are reflected accurately. Keep in mind that contributions you made in one month are transferred by your employer not later than the 15th day of the next calendar month.

QUICK TIP

You can access your account information by creating a login and password on the John Hancock website.

In addition to reviewing your account details, you get access to a learning center, financial planning tools and other resources.

Visit **myplan.johnhancock.com** and click Register Now to set up your online account for the first time.

If you have trouble logging in, you can contact a John Hancock service representative at (833) 388-6466 Mon – Fri, 8:00 AM to 10:00 PM ET.

Investment Choices

The Board of Trustees is responsible for choosing a menu of investment funds that provides you with sufficient choice to plan what is best for you and your retirement. It is up to each Participant as to how or when to invest their retirement savings. It is your responsibility and your decision.

You may invest your account(s) in one investment fund or you may divide it (them) among any combination of investment funds in increments of 1%. You also may make separate investment elections for your existing account balances and any future Plan contributions. Changes to your investment fund(s) may be made at any time, subject to any restrictions specific to the investment fund(s).

Information about the investment funds available under the Plan can be obtained from the Plan's Recordkeeper and is posted on the Plan's website. It describes how to make investment elections.

Default Investment Account. If you do not make any investment elections, your Account will automatically be invested in one of the default funds (life cycle-style funds selected by the Trustees) based upon your age. If the Plan's Recordkeeper does not have a record of your birth date at the time the contributions are received by the Plan, your contributions will be invested in the most conservative of these default life cycle-style funds. Once the Plan's Recordkeeper receives a record of your birth date, your contributions will be invested in the appropriate life-cycle fund based on your age.

The Trustees do not guarantee fund performance. Funds may be added or deleted by the Trustees from time to time.

ERISA Section 404(c)

The Trustees intend that the menu of investment funds complies with Section 404(c) of ERISA, as amended, and Title 29 of the Code of Federal Regulations, Section 2550.404c 1. This is accomplished by assuring that you have a range of investment options, required information about those options and a reasonable opportunity to exercise your right to direct which investment funds you want to invest in. The fiduciaries of the Plan may be relieved of liability for any losses that are the direct and necessary result of investment elections you make.

You may review the following information on the Plan's website or obtain the following by contacting the Plan's Recordkeeper:

- An investment fund's annual operating expenses. These are the investment management fees charged by the investment fund manager. They are expressed as a percentage of net assets and deducted before the investment return is credited to your account;
- Prospectuses, financial statements and reports, and other information provided by investment fund managers;
- A list of Plan assets in an investment fund's portfolio, the value of each asset (or portion of the portfolio that it constitutes), and — if any Plan assets are insurance company or bank fixed-rate investment contracts — the issuer name, maturity date, and return rate;
- The value of shares/units in the investment funds and their past and current investment performance determined on a reasonable and consistent basis; and/or
- The value of shares/units in an investment fund in which you are invested.

Vesting

Vesting

You are always 100% vested in your Account.

Prior to January 1, 1995, the Plan had a vesting schedule for employer contributions. If you participated prior to January 1, 1995, and have not completed an hour of service since then, you should contact the Administrative Office to determine whether or not you were fully vested at the time your participation ended.

Distribution of Accounts

Distribution of Accounts

If you are no longer employed by a covered employer, you can take a distribution of your Account when you terminate employment or reach retirement. In any event, your Account will be paid upon your death to your beneficiary.

Under certain circumstances, your own employee voluntary contributions may be distributed to you while you are still employed. You may elect to withdraw from your voluntary after-tax contribution account up to twice per year. You may also elect to withdraw from your voluntary pre-tax contribution account if you are eligible under the Plan's hardship distribution rules.

You must complete a written application in order to take a distribution from the Plan.

Regardless of whether or not you are still working, your payments must begin by your "required beginning date" which is April 1 of the calendar year following the year in which you reach the age noted below:

Born on or After:	And Before:	The required beginning date is April 1 of the calendar year following the year you reach age:
July 1, 1949	January 1, 1951	72
January 1, 1951	N/A	73

Generally, distributions are subject to federal income taxes and may be subject to state income taxes as well. Additionally, if you take a distribution before you reach retirement, you may be subject to an early withdrawal excise tax under federal tax law. If you do not begin benefit payments by the required beginning date established by federal tax law, a federal excise tax may apply to your benefit payments. For these reasons, it may be prudent to contact a tax advisor before taking a distribution from your Account.

Distributions While You Are Employed

WITHDRAWING VOLUNTARY AFTER-TAX CONTRIBUTIONS

Up to twice a year, you may elect to withdraw all or part of your employee voluntary contribution account, even if you are still employed. Withdrawals of under $200 are not permitted.

Although your voluntary after-tax contributions have already been taxed, earnings on these voluntary contributions are taxable upon withdrawal.

Voluntary after-tax contributions made before January 1, 1987 may be withdrawn without withdrawing the earnings attributable to those contributions. Voluntary after-tax contributions made after December 31, 1986 must be withdrawn in the same proportion with respect to contributions and related earnings.

HARDSHIP WITHDRAWALS OF PRE-TAX CONTRIBUTIONS

Once each rolling twelve-month period, you may withdraw all or a portion of your voluntary pre-tax contribution account under certain circumstances that are considered to be a financial hardship. Hardship withdrawals are only allowed for the following specific reasons:

- Medical expenses described in section 213(d) of the Internal Revenue Code for you, your spouse or dependents;
- Costs directly related to the purchase of your principal residence;
- Payment of tuition and related educational fees, and room and board expenses for the next twelve months of post-secondary education for yourself, your spouse, children, or dependents;
- Payment to prevent the eviction from your principal residence or foreclosure on the mortgage of your principal residence;
- Payment for burial or funeral expenses for your parent, spouse, children, or dependents;
- Expenses for the repair of damage to your principal residence; or
- Expenses and losses (including loss of income you incur on account of a disaster declared by the Federal Emergency Management Agency (FEMA), provided either your principal residence or principal place of employment was located in the area designated by FEMA for individual assistance with respect to the disaster.

You must provide documentation to the Administrative Office to prove your hardship and certify that you have no financial resources to meet the hardship.

Post-Employment Distributions

TERMINATION BENEFITS

Prior to your 48th birthday, if you have no Hours of Service for 45 consecutive days, you are eligible to take a distribution based on termination of your employment. “Hours of Service” includes hours in covered or non-covered employment with a contributing Employer.

RETIREMENT BENEFITS

If your employment terminates and you no longer work for a contributing Employer in covered or non-covered employment after your 48th birthday, your Account is available to be distributed in the form of payment you elect on your application. You must separate from employment with all contributing employers in order to take a distribution.

DEATH BENEFITS

If you die after your benefit payments have begun, the form of payment you elected determines what benefit is payable to your beneficiary(ies) upon your death.

If you die before your benefit payments have begun, your Account will be paid to your beneficiary(ies) of record.

- If you are married, your surviving spouse is automatically the beneficiary for half of the Account. The other half of your Account may be paid to the beneficiary(ies) that you designate, which may or may not be your spouse.
- If you are not married, your entire Account will be paid to the beneficiary(ies) you designate.

Once your spouse or beneficiary notifies the Administrative Office of your death, the Administrative Office will determine whether he or she is eligible for a benefit. If eligible, your beneficiary will be sent an application to complete and return.

A spouse beneficiary may elect any of the forms of payment outlined in “Forms of Payment.” Payment must begin before the later of December 31 of the calendar year immediately following the calendar year in which you would have attained 73 or the calendar year containing the first anniversary of your death. If your surviving spouse dies before his or her death benefit begins, payment will be made to your contingent beneficiary(ies) by no later than the December 31st following the year containing the first anniversary of your spouse’s death.

A non-spouse beneficiary may elect any of the forms of payment outlined in “Forms of Payment.” Payment must begin by no later than December 31st of the year containing the first anniversary of your death.

A beneficiary may elect to receive his or her benefits as a direct rollover provided they do not elect an annuity or installments lasting more than 10 years.

Forms of Payment

Forms of Payment

The Plan provides several different forms of payment from which to choose at your termination of employment, retirement or (for your beneficiary) after your death. Subject to the small account payout rule, these payment forms include:

- Joint & 50%, 75% Survivor Annuity;
- Life Annuity;
- Lump Sum;
- Partial Payment;
- Annual Installments; or
- Minimum Required Distribution Option.

If you are married, your spouse must consent for you to elect a form of payment other than the Joint & 50% Survivor Annuity, as described in the "Applying for Benefits" section.

Benefits (other than a distribution of your voluntary after-tax contributions) are subject to federal income taxes (and may also be subject to state income taxes), as described in the "Taxation of Distributions" section.

Partial distributions will be taken proportionately from the investment funds in which they are invested.

Cash Payment and/or Direct Rollover. You may direct the Administrative Office to pay all or part of your distribution directly to you. In this event, you will receive your benefit payment directly to your bank account via an ACH deposit, or as a check payable to you.

If your payment qualifies as an "eligible rollover distribution" you may alternatively direct the Administrative Office to pay all or part of distributions directly to an IRA, Roth IRA, or another employer's retirement plan (if the employer's plan accepts such contributions.) This is called a direct rollover. Lump sum payments are eligible rollover distributions, as are certain installment payment options. Annuity payments and installment payments lasting 10 or more years are not eligible to be rolled over. If you elect a direct rollover, it can only be paid to a single IRA, Roth IRA, or other employer plan.

If your Account is $5,000 or less at the time you request a distribution ($7,000 or less beginning January 1, 2024), the only form of benefit available to you will be a Lump Sum. Your rollover contributions to the Plan, if any, will not apply when determining whether your Account exceeds the threshold.

Joint & Survivor Annuity

If you are married, your benefits will be paid as a Joint & 50% Survivor Annuity unless you elect another form of payment. You may also elect a Joint & 75% Survivor Annuity with your spouse, or any other form of payment.

Under this form of payment, your Account will be liquidated to purchase an annuity contract that provides you with monthly payments for you and your spouse for life. If you die before your spouse, your spouse receives monthly payments for his or her life equal to half the amount you were receiving. (This may include a former spouse if a qualified domestic relations order is in effect that requires your former spouse to be treated as your spouse for this purpose, as described in the "Domestic Relations Orders" section.)

The amount of monthly payments you receive depends on the value of your accounts, your age, and your spouse's age.

Life Annuity

If you are not married, the vested amount in your account will be paid as a life annuity unless you elect otherwise. Under the life annuity option, your accounts will be used to purchase an annuity contract that provides you with monthly payments for life. No benefit will be paid after you die.

The amount of monthly payments you receive depends on the value of your accounts and your age.

Lump Sum

Under the lump sum form of payment, your vested benefit is distributed in a single cash payment. No further payments will be made from the Plan. Occasionally investment earnings or contributions are posted after a Lump Sum is issued resulting in a residual payment.

Partial Payment

You may choose to receive a partial distribution from your Account and defer receipt of your remaining account balance. The partial distribution must total at least $1,000 before taxes. Please note that you may make only one partial distribution from your employer contribution account each calendar year.

You may later elect to receive the remainder of your account under any form of payment offered under the Plan. You must begin receiving at least the minimum required distribution beginning no later than April 1 following the calendar year in which you reach the Plan's required beginning age. This age is 73 for those not already required to have begun payments under federal rules.

Annual Installments

Under the installment form of payment, you may elect to receive your vested benefit in equal annual installments over a period of either five or ten years. (The balance of your accounts is paid on the final installment.) Please note that because your accounts remain invested while you are being paid, the amount you ultimately receive will depend on the gains (or losses) from your investment elections.

You may not elect installments over a period of years that exceeds your life expectancy at the time that payments begin. If you die before your accounts are completely distributed, the balance will be paid in a single lump sum to your spouse or other beneficiary(ies).

Minimum Required Distribution Option

Under the minimum required distribution option, you may elect to receive an annual distribution in any amount at least equal to the minimum required distribution for such calendar year, as determined in accordance with Internal Revenue Code Section 401(a)(9) and its regulations. If you reach age 72 after December 31, 2022, your first payment must be made by April 1st of the year following the year you reach age 73. This is called your "required beginning date." Thereafter, you must take at least the minimum amount each year by December 31. (Because the law permits you to delay the first distribution year's payment to April 1 of the following year, you would receive two "minimum distribution" payments in that first calendar year.)

You may elect in any given year to receive a larger installment or to receive the entire remaining account balance in a single lump sum.

Taxation of Distributions

Taxation of Distributions

This section provides a brief description of taxation rules. You should consult a tax advisor if you have any further questions.

Generally, all or a portion of the distribution you take from the Plan is subject to federal income taxes and may also be subject to state income taxes. The only exception is a distribution of your after-tax contributions (although any earnings on those amounts is taxable income when received). An added excise tax may apply if you take a payment too early or too late. You will receive a summary of the tax rules that apply to retirement plan distributions when you apply to take a distribution. Please refer to this Special Tax Notice that is provided with your distribution application for more information.

Federal tax law imposes different withholding requirements depending upon the nature of the payment. A minimum of 20% in federal taxes is required to be withheld if your benefit is more than $200 and is paid in one of the following forms:

- Lump Sum;
- Annual Installments payable for fewer than 10 years;
- Partial Payment; or
- The cash portion of a Cash/Annuity payment.

You may elect to have additional amounts withheld, but you cannot elect to have less than 20% withheld from these types of distributions. No taxes will be withheld if you elect a direct rollover. If you select a direct rollover to a Roth IRA, you may elect federal withholding. Contact the Administrative Office for details.

Federal income tax withholding is optional on annuity payments. However, if you do not otherwise instruct the Plan, income taxes will be withheld. You must complete IRS Form W-4P or W-4R to indicate how much you want withheld in federal income taxes.

Additionally, state income taxes may apply to your distribution amount. You may indicate state of residency and election on your distribution application. Some states have a statutory minimum required withholding for distributions; therefore, state tax must be withheld even if you elect not to have state tax withholding.

In addition to federal and state income taxes, in certain circumstances an additional 10% penalty may apply to the taxable portion of your payment unless the distribution is made after you attain age 59½. This includes amounts taken as hardship distributions. If you do not begin payments by April 1 of the calendar year following the date you reach age 73 (72, if you were born or after July 1, 1949 and before 1951), you also may incur excise taxes of up to 25% of the amount that should have been paid out to you.

A tax form (1099-R) stating the taxable amount of your Plan distribution will be mailed to you following the close of the year. You will need to save that form for filing your taxes.

Applying for a Distribution

Applying for a Distribution

If you want to take a distribution from your Account, you should go to the Alaska Electrical Trust Funds website or contact the Administrative Office to obtain a Distribution Form.

The Distribution Form will include a written explanation of the forms of payment under the Plan and a Special Tax Notice. Based on this information, you may elect the form of payment that best suits your personal circumstances. You will have the right to consider your election (and to make or change your election) for at least 30 days before the date payment begins, unless you waive the 30-day period.

If you are married, you must have your spouse's consent to elect a form of payment other than the Joint & 50% Survivor Annuity if your Account is $5,000 or more ($7,000 or more beginning January 1, 2024). Your spouse's consent must be witnessed by a notary public or Plan representative. Payments will begin after the Administrative Office receives your application for benefits, or a later time that you specify when your application is submitted. This time cannot be more than 180 days after the date of your written election. Since it takes time for the Administrative Office to process your application, there will be a short waiting period before you receive your first payment.

If, in the opinion of the Trustees, you are legally, physically, or mentally incapable of receiving payment under this Plan, the Trustees may direct your payment to some other person, persons, or institution. Such payment will discharge the Plan of all obligations relating to your Account.

If you have not chosen a form of payment when you attain your required beginning date (generally, April 1 of the calendar year after the calendar year in which you attain age 73), you will receive an annual payment equal to the law's minimum required amount.

Required Documents

The Trustees require specific original documents or certified copies to substantiate birth date, marital status, and other information as a condition of benefit payment.

You must provide proof of your birth date as a condition of benefit payment. If you elected a joint & survivor annuity, you must also provide proof of your joint annuitant's birth date. Acceptable original or certified documents for proof of birth date are as follows:

- Birth certificate issued by a government entity **–or–**
- If not available **any two** of the following:
  - Passport
  - Naturalization papers
  - U.S. Census Report that is at least 10 years old
  - Life insurance policies that are at least 10 years old
  - US state-issued ID or driver's license
  - Recorded marriage certificate issued by a government entity
  - Early school records

- Affidavit of birth issued by a government entity
- Social Security information
- U.S. Armed Forces release

You also must provide proof of your marital status as a condition of benefit payment. Photocopies of the acceptable original or certified documents are as follows:

- Most recent recorded marriage certificate issued by a government entity; and
- Complete divorce decrees, including findings of fact and the property settlement agreement, if applicable.

If a portion of your benefit is payable to an alternate payee, you must provide a certified Qualified Domestic Relations Order as a condition of benefit payment. Please review the “Domestic Relations Order” section.

Designation of a Beneficiary

You designate a beneficiary by completing an enrollment form and submitting it to the Administrative Office. You should keep your beneficiary designation current at all times. You may revoke your designation of a beneficiary at any time before your benefit payments begin by filing a new enrollment form with the Administrative Office.

If you are married, your spouse is automatically your beneficiary unless you elect otherwise. Also, your spouse must be designated for at least 50% of your benefit. In addition to living persons, the Plan permits you to designate a trust as your beneficiary, provided that you may not name a trust as a joint annuitant. If you designate a trust as your beneficiary, you must complete an Addendum for Trust Beneficiary form to be filed along with your new enrollment form.

If you have not designated a beneficiary, the Trustees will assume that your survivors, in the following priority, are your beneficiaries:

- Your surviving spouse;
- The person(s) designated in writing as your beneficiary under the Alaska Electrical Pension Plan;
- The person(s) designated in writing as your beneficiary under the Alaska Electrical Health and Welfare Fund;
- Your child(ren) share and share alike;
- Your parent(s) or survivors of them (e.g. their children);
- The beneficiary(ies) named in your Last Will and Testament, if the Will has been admitted into probate within 90 days; or
- Legal representative of your estate.

No benefit will be paid if your Will has not been admitted to probate within 90 days after you die, and no legal representative has been appointed.

Domestic Relations Orders

Domestic Relations Orders

A domestic relations order may direct that all or part of your vested benefit be paid to another person, provided the order is qualified.

A qualified domestic relations order (QDRO) is a judgment, decree or order (including approval of a property settlement agreement) which provides child support, alimony payments, or marital property rights to a spouse, former spouse, child, or other dependent of a participant. It must be made pursuant to a state's domestic relations law (including community property laws). It must also meet certain requirements set forth in both ERISA, as amended, and the Internal Revenue Code.

A qualified domestic relations order creates rights for a person known as an "alternate payee." The alternate payee must be your spouse, former spouse, child, or other dependent. The alternate payee may become entitled to all or part of your vested benefits under the Plan. In addition, the order may grant to a former spouse the rights normally provided to a surviving spouse under the Plan. This may preclude a subsequent spouse from having full spousal rights. Distributions to an alternate payee can be made in any form consistent with the qualified domestic relations order that is available under the Plan except a joint and survivor annuity with the alternate payee's new spouse. If the order so provides, distribution to the alternate payee can also be made in a lump sum payable immediately after the order has been approved.

If the Administrative Office receives a divorce decree, findings of fact, property settlement agreement, qualified domestic relations order or any document that may affect your interest in the Plan, you will be notified. Upon request, the Administrative Office will provide a copy of the Plan's established procedures, which outline the requirements for an order to be qualified, a summary plan description and a sample QDRO which may aid you and your advisors in preparing a domestic relations order.

If Your Claim is Denied

If Your Claim is Denied

If your (or your beneficiary's) claim to retirement benefits is denied or partially denied, the Administrative Office will notify you in writing and will give you an opportunity to appeal the decision. A claim occurs only when you or your beneficiary either makes an application for a benefit or disputes a determination by the Trustees of the amount of any benefit or the resolution of any matter affecting a benefit under the Plan. The time periods for responding to any type of claim may be extended during periods when you have been requested to supply the Trustees with additional information. If the Trustees request additional information from you (or your beneficiary), you will have at least 45 days to respond to the request. The deadline is extended during your response time period.

A benefit denial contains the following information:

1. The reason for the denial.
2. Reference to the Plan provision(s) relied on.
3. Description of any additional material needed for the claim, with an explanation of why it is necessary.
4. An explanation of the Plan's appeal procedures, including applicable time limits.

The denial will be mailed to the Claimant at the last known address.

Appealing Your Claim

If the Administrative Office denies your claim for benefits, you will receive written notification of this denial (or partial denial) within 90 days after your claim is filed, unless specific circumstances require an extension. You will be notified if the Administrative Office requires an extension to review your claim. However, under no circumstance will this additional time extend beyond 180 days after your claim was originally filed.

Claimants will have 60 days from the date of denial to appeal an adverse benefit determination. An appeal shall be submitted by you (Participant or Beneficiary, as applicable) or an authorized representative in writing. It shall be submitted to the proper address for the Administrative Office. An appeal shall identify the benefit determination involved, set forth the reasons for the appeal and provide any information you believe is pertinent. Appeals will be accepted from an authorized representative only if accompanied by a written statement signed by you that identifies the representative and authorizes him or her to seek benefits for you.

The failure to file a claim appeal within 60 days will bar any claim for benefits or for other relief from the Plan.

APPEAL PROCEDURES

The procedures specified below are the exclusive procedures available to you if you are dissatisfied with an eligibility determination, benefit award or are otherwise adversely affected by an action of the Plan. These procedures must be exhausted before you may file suit under ERISA.

INFORMATION TO BE PROVIDED UPON REQUEST

You, and/or your authorized representative, may upon request have reasonable access free of charge to all documents relevant to the claim for benefits. Relevant documents include information relied upon, submitted, considered or generated in making the benefit determination.

CONDUCT OF HEARINGS BY THE APPEALS COMMITTEE

An appeal will be presented to the Plan's Appeals Committee at its next quarterly meeting. If an appeal is received fewer than 30 days before the next quarterly meeting, consideration of the appeal may be postponed (if necessary) until the second quarterly meeting following receipt of the appeal.

The Appeals Committee shall consist of at least one employer Trustee and one labor organization Trustee. The Appeals Committee will review the administrative file, which will consist of all documents relevant to the claim. It will also review all additional information submitted by you or on your behalf. The review will be independent of the initial denial and by decisionmakers who were not involved in the original determination.

You or your representative will be allowed to appear before the Appeals Committee and present any evidence or witnesses. If you elect to appear before the Appeals Committee, a copy of the administrative file will be mailed to you. If you do not elect to appear, the hearing will be determined based on the administrative file and the comments of any witnesses consulted.

If you appear at the hearing (or if the Appeals Committee otherwise determines that such a record is appropriate) a stenographic record shall be made of any testimony provided. The Appeals Committee may in its discretion set conditions upon the conduct of the hearing, the testimony or attendance of any individual or address other procedural matters which may occur during a specific hearing.

ISSUANCE OF A DECISION

The Appeals Committee will provide you written notification of its decision within five business days. Where appropriate, the Appeals Committee may issue a more detailed explanation of the reasons for its decision within 30 days of the hearing. The decision will set out the specific reasons for an adverse decision, reference the plan procedure involved, inform you that all information relevant to the individual's claim is available upon request and free of charge, notify you of your rights under ERISA, identify any internal rule or guideline relied on (or reference that it is available free of charge).

If a decision cannot be reached at the initial meeting at which an appeal is heard, the Appeals Committee may defer a decision on an appeal until the next quarterly scheduled appeals meeting as long as that written notice is provided to you.

JUDICIAL REVIEW OF DENIED CLAIMS

The Fund provides for no voluntary alternative dispute resolution procedures. If you remain dissatisfied after the issuance of the Trustees' decision on appeal, you may bring a civil action under ERISA. Any civil action must be brought no later than 180 days after the date of issuance of the Trustees' decision on an appeal. The question on review will be whether, in the particular instance, the Trustees:

- were in error upon an issue of law;
- acted arbitrarily or capriciously in the exercise of their discretion; or
- whether their findings of fact were supported by substantial evidence.

RIGHT TO SUE

A lawsuit to obtain benefits will be deemed untimely if it is filed before:

- You have appealed the denial of your claim to the Board of Trustees;
- The Board of Trustees has issued a decision on appeal; or
- You have exhausted the Plan's appeals processes for every issue you deem relevant.

The ERISA statement of rights provides additional information on legal action you can take if you feel your right to a benefit has been improperly denied.

Plan Administration Disclosure Information

Plan Administration Disclosure Information

Official Plan Name: The official name of this Plan is the Alaska Electrical Retirement Savings Plan of the Alaska Electrical Pension Fund.

Type of Plan: The Plan is a defined contribution profit-sharing plan qualified under Section 401(a) of the Internal Revenue Code.

Plan Identification Numbers: The Employer Identification Number (EIN) assigned to the Plan by the Internal Revenue Service is 92-6005171. The Plan number assigned to the Plan in accordance with U.S. Department of Labor instructions is 002.

Board of Trustees/Plan Administrator: This Plan is maintained and administered by a joint labor-management Board of Trustees. The Trustees serve as the Plan Administrator. The contact information of the Administrative Office is:

Alaska Electrical Retirement Savings Plan
of the Alaska Electrical Pension Fund
701 E Tudor, Suite 200
Anchorage, AK 99503

Telephone: (907) 276-1246
Toll-free: (800) 478-1246
Fax: (907) 278-7576

Website: www.aetf.com

Plan Recordkeeper: The contact information for the Plan recordkeeper, John Hancock Retirement Plan Services, LLC, is:

Telephone: (800) 294-3575

Website: mylife.jhrps.com

Plan Documents: This booklet provides a summary of the major provisions of the Plan. If the Plan document and this booklet are inconsistent, the Plan document will govern.

Copies of the Plan document and any other materials pertaining to the Plan are available for review, without charge. If you wish to see any of these documents, please contact the Administrative Office. Upon written request, copies of these documents will be provided. However, the Trustees may make a reasonable charge for the copies; the Administrative Office upon request will notify you of the charge for specific documents so you can find out the cost before ordering. The Administrative Office will also make documents available for review at certain worksites and union halls upon request.

The members of the Board of Trustees are:

MANAGEMENT TRUSTEES

Larry Bell
Alaska Chapter, NECA
712 West 36th Avenue
Anchorage, AK 99503

Lael Fullford
Fullford Electric Inc
303 E Van Horn Road
Fairbanks, AK 99701

Jesse Hale
Alcan Electric
PO Box 91499
Anchorage, AK 99509

Sherri Highers
Chugach Electric
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Brea Schmidt
Alaska Communications Systems
600 Telephone Avenue
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James Zehnder
Northern Powerline Constructors
301 W Northern Lights Blvd,
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LABOR TRUSTEES

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317 Stedman
Ketchikan, AK 99901

Doug Tansy
IBEW LU No.1547
3333 Denali Street, Suite 200
Anchorage, AK 99503

Jesse Young
IBEW LU No.1547
813 W 12th Street
Juneau, AK 99801

Plan Administration and Funding: The Board of Trustees administers the Plan in accordance with the Plan documents. Plan assets are invested in accordance with participant elections as described in the investment materials, including the prospectuses for each investment option (available on the Plan website and from the Plan Recordkeeper). If a participant doesn't designate an investment, their Account is invested in a default fund, known as the qualified default investment alternative (QDIA). As of the date this SPD is being issued, the QDIA is the Plan's target date fund, based on the participant's age.

The Plan is funded by employer contributions determined in the collective bargaining agreements between your employer and the union, or in accordance with special agreements between your employer and the Trustees. These agreements may also provide for voluntary pre-tax or after-tax contributions by participants.

Collective Bargaining Agreement: The Plan is maintained under collective bargaining agreements between the Alaska Chapter, National Electrical Contractors Association, certain municipal and Rural Electrical Association utilities and other contributing employers, and the International Brotherhood of Electrical Workers Local 1547. If you wish to examine or obtain a copy of the collective bargaining agreements, contact the Administrative Office.

Legal Process: The agent for service of legal process is the Board of Trustees, or any member of the Board of Trustees.

Assignment of Benefit: Federal law protects your pension benefits from assignment and transfer to others. This does not apply to the assignment or transfer of benefits to an alternate payee by way of a qualified domestic relations order as described in the "Domestic Relations Orders" section.

Plan Year: The plan year begins January 1 and ends December 31.

Plan Records: Fiscal records are kept on a plan year basis.

Contributing Employers and Labor Organizations: A complete list of employers and labor organizations sponsoring the Plan is available on the website or may be obtained through examination at the Administrative Office. The Administrative Office will also, upon the written request of a participant or beneficiary, advise whether or not a particular employer or labor organization is a Plan sponsor, and, if so, will provide the address of the employer or labor organization.

Amendment/Termination of Plan: The Board of Trustees has the authority to change, modify, amend, or terminate the Plan at any time. The Plan will also terminate upon the expiration of all collective bargaining agreements and special agreements requiring contributions to the Trust under the terms of the Plan. If the Plan terminates, all accounts will be adjusted to reflect Plan earnings (or losses) and expenses. Account balances will be distributed as cash or annuity contracts, as determined by the Trustees.

Uniformed Service: Federal law gives you certain rights if you voluntarily or involuntarily leave your employer to serve in any of the United States uniformed military services (including the Coast Guard) for active duty or for training. To qualify for these rights, both of the following must apply to you:

- You must give your employer advance written or verbal notice of your upcoming leave for military service; and
- You must return to work within certain time periods, depending on the length of your military service as follows:
  - **Service of 1-30 days:** One day (at least 8 hours between the end of the service and the first hour back on the job).
  - **Service of 31-180 days:** 14 days
  - **Service of 181 days or more:** 90 days
- Within 30 days of your return, you must provide to the Administrative Office DD form 214 – Certification of Release or Discharge from Active Duty.
- You must be honorably discharged from active duty to take advantage of the Plan terms applicable to uniformed service.

If you meet these requirements, following your return from military service your Account will be credited with any employer contributions you would have earned during your leave. In addition, you may make up your employee voluntary pre-tax and/or after-tax contributions for that period. Your employee voluntary contributions must be made up within the lesser of three times the length of your absence or five years.

If you die or become disabled while performing qualified military service, you will become entitled to employer contributions for the period of the qualified military leave as if you had resumed employment in accordance with your rights under federal law on the day preceding death or disability and you terminated employment on the actual date of death or disability.

For more information about reemployment rights for veterans, please contact the Administrative Office.

Pension Benefit Guaranty Corporation: Because this Plan is a defined contribution plan, the benefits it provides are not insured by the Pension Benefit Guaranty Corporation under Title IV of ERISA, as amended.

Your Rights Under ERISA

ALASKA ELECTRICAL TRUST FUNDS

Your Rights Under ERISA

As a participant in the Alaska Electrical Retirement Savings Plan of the Alaska Electrical Pension Fund, you are entitled to certain rights and protections under ERISA, as amended. ERISA provides that all Plan participants will be entitled to:

Receive Information About Plan Benefits

- You may examine, without charge, at the Administrative Office and at other specified locations, such as work sites and union halls, all documents governing the Plan, including insurance contracts and collective bargaining or special agreements, if any, and a copy of the latest annual report (Form 5500) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.
- You may obtain, upon written request to the Trustees, copies of documents governing operation of the Plan, including insurance contracts and collective bargaining or special agreements, if any, copies of the latest annual report (Form 5500) and an updated Summary Plan Description. The Trustees may make a reasonable charge for copies.
- You may receive a summary of the Plan's financial report. The Trustees are required by law to furnish each participant with a copy of this summary annual report.
- You may obtain a statement telling you the value of your vested account(s) in the Plan. This statement must be requested in writing and is not required to be given more than once every 12 months. The Plan must provide this statement free of charge.

Prudent Actions By Plan Fiduciaries

In addition to creating rights for Plan participants, ERISA imposes duties on the people who operate the Plan. The people responsible for exercising discretion in the administration and operation of the Plan are called fiduciaries. These individuals or entities have an obligation to administer the Plan prudently and to act in the interest of the Plan participants and beneficiaries. No one, including your employer, your union, or any other person, may fire you or otherwise discriminate against you to prevent you from receiving benefits or exercising your rights under ERISA.

Enforce Your Rights

If you believe your ERISA rights have been violated, you may file suit.

Improper denial of benefits: If your claim for a benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge and to appeal any denial, all within certain time schedules. If your claim is denied, you will receive a written explanation of the reasons for the denial. After you exhaust the Plan's claim appeal procedure, you may file suit in state or federal court. In addition, if you disagree with the Plan's decision or lack thereof concerning the qualified status of a domestic relations order, you may file suit in federal court.

Failure to provide materials: If you request a copy of Plan documents or the latest annual report from the Plan and do not receive them within 30 days, you may file suit in federal court. In such a case, the court may require the Trustees to provide the materials and pay you up to $110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Trustees.

Misuse of Plan funds: If it should happen that Plan fiduciaries misuse the Plan's money or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in federal court.

The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

Assistance With Your Questions

If you have any questions about the Plan, contact the Administrative Office. If you have any questions about this statement, your rights under ERISA, or you need assistance in obtaining documents from the Administrative Office, contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or contact the Division of Technical Assistance and Inquiries of the Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue NW, Washington, DC 20210. You also may obtain certain publications about your rights and responsibilities under ERISA by calling the publication hotline of the Employee Benefits Security Administration at (866) 444-3272 or online at https://www.dol.gov/agencies/ebsa/.

Alaska Electrical Trust Funds
701 E. Tudor Suite 200
Anchorage, Alaska 99503

Eligibility, claims or other questions?

Call **(800) 478-1246** or email the Administrative Office at **pension@aetf.com**.