

# NORTHERN CALIFORNIA ELECTRICAL WORKERS PENSION TRUST

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December 22, 2008

To: Plan Participants  
San Francisco Electrical Workers Retirement Savings Plan

From: Board of Trustees

Re: Participant Investment Direction Information

Whether you will have adequate savings at retirement will depend in significant part on how much you choose to save and how you invest your savings. This document provides you information that will help you compare the investment options available to you under the SFEW Retirement Savings Plan. The Plan is intended to be a plan described in §404(c) of the Employee Retirement Income Security Act of 1974, which means that the Plan's fiduciaries (generally, the Board of Trustees) may be relieved of liability for any losses you incur that are the direct and necessary result of your investment instructions.

1. **General Rules.** If the value of your account exceeds \$5,000, and you have completed a short investment education course, you have the right under the Plan to self-direct the investment of your account. If you need more information on the investment education course, either check our website at [eisb.org](http://eisb.org) or contact the Plan Office at EISB, 720 Market Street, Suite 700, San Francisco, CA; tel. (415) 263-3670. If you now meet these conditions, and you do not now self-direct your account but wish to, see *Your Guide to Getting Started*, which explains how to access your account. The Plan Office can provide this guide to you if you do not have one.

2. **Investment Choices.** Investment choices offered under the Plan are listed on the attached page, along with historical performance and fee information. This notice and attached information will be updated for 2008 results early in 2009, and you may access them via the EISB website at [www.eisb.org](http://www.eisb.org). For all funds other than the default fund, you can find more information about each fund's strategies, risk, list of assets, turnover, more current fee and investment performance information, and its prospectus, by logging in via NetBenefits® @ [www.fidelity.com/atwork](http://www.fidelity.com/atwork) or by calling 866-84-UNION to speak to a Service Representative. Please note that a fund's past performance is not necessarily an indication of how the fund will perform in the future. You may also make changes to your investment elections for future contributions and/or exchange all or a portion of your existing balance into other options available under the Plan via NetBenefits® or by phone. We encourage you to review your investment mix and deferral percentage and update as appropriate.

3. **Default Fund.** If you do not exercise control over the investment of your account (or if you fail to complete the required investment education course), then the assets in your account will be invested in the default fund. The default fund is the Dodge & Cox Trustee-Directed Portfolio. The manager of the fund is Dodge & Cox, and

the fund invests approximately 60% to 65% of its assets in fixed income investments and approximately 35% to 40% in equity investments (stocks). The Trustees have determined that this fund is appropriate for the average Plan participant. Because your investment objectives may not be consistent with that of the average Plan participant, you may want to consider self-directing your account to one or more other fund options. Upon request, the Fund Office can provide you a financial statement for the default fund, a statement of the value of a unit in the fund, and a list of assets comprising the default fund's portfolio along with the value of those assets.

**4. Expenses Charged to Your Account.** Many types of fees are incurred to maintain the Plan, including recordkeeping and IRS compliance fees, fees for fund administration, audit and attorney fees, fund management fees, investment counseling fees for advising the Trustees, and fees to review qualified domestic relations orders when a participant's account must be allocated after a divorce. The amount of fees charged to your account each quarter is listed on your account statement. With several exceptions, all fees paid by the Plan are allocated to participant accounts on the basis of participant account balances. The exceptions are:

- Fees incurred to manage the investments of mutual funds are charged by the mutual fund itself and result in a reduced fund net asset value (or "NAV"). These fees are noted on page 2.
- The Dodge & Cox Balance Trustee Directed Portfolio (the default fund) is not a mutual fund, but charges investment management fees on a similar basis. That fee is noted on page 2.
- The Plan reserves the right to charge your account with any extraordinary fees paid by the Plan that relate principally to your account, such as unusual attorney fees incurred for a QDRO review.
- Your account may be charged a short-term trading fee if you transfer assets into, then out of, an investment fund within a short period of time. Those funds that impose a short-term trading fee are identified on page 2. (None of the funds impose any type of sales load or charge, redemption fee or similar fee.)

**5. Pass-Through Voting.** The Plan allows you to exercise voting, tender and similar shareholder rights for the mutual funds you hold in your account. Materials will be sent to your home address in sufficient time for you to exercise your shareholder rights. Pass-through voting is not provided under the default fund.

## Investment Alternatives

## SFEW Retirement Savings Plan

Funds as of January 1, 2009

Name/Type of Investment Option	Investment Style	Average Total Return as of 12/31/07			Benchmark Return as of 12/31/07			Total Ann. Operating Expenses <sup>1</sup>	Short-Term Trading Fee <sup>2</sup>
		1 Yr.	5 Yr.	10 Yr.	1 Yr.	5 Yr.	10 Yr.		
<b>Money Market Funds</b>									
Fidelity Retirement Money Market Portfolio (FRTXX)	Short Term (Active)	5.12	2.96	3.70	4.74	2.95	3.62	0.42%	No
<b>Bond Funds</b>									
Fidelity U.S. Bond Index Fund (FBIDX)	Income (Passive)	5.40	4.25	5.83	6.97	4.42	5.97	0.48%	No
<b>Balanced/Hybrid Funds</b>									
Dodge & Cox Balanced Fund (DODBX)	Balanced (Active)	1.73	11.72	9.85	6.22	9.51	6.26	0.53%	No
Dodge & Cox Trustee Directed Portfolio (Default Fund)	Balanced (Active)	3.90	8.30	8.00	6.90	6.70	5.83	0.20%	No
Fidelity Balanced Fund (FBALX)	Balanced (Active)	8.99	13.89	9.47	6.20	9.51	6.26	0.61%	No
<b>Stock Funds</b>									
Dodge & Cox Stock Fund (DODGX)	Large Cap Domestic Equity (Active)	0.14	15.41	11.43	5.49	12.83	5.91	0.52%	No
Spartan 500 Index Fund (FSMKX)	Large Cap Blend Domestic Equity (Passive)	5.43	12.72	5.78	5.49	12.83	5.91	0.10%	No
Fidelity Growth Company Fund (FDGRX)	Large Cap Growth Domestic Equity (Active)	19.89	18.77	9.65	11.40	12.42	3.83	0.94%	No
Spartan Extended Market Index Fund (FSEMX)	Mid-Cap Blend Domestic Equity (Active)	5.38	17.62	7.48	5.39	17.83	7.69	0.10%	90 days/0.75%
Fidelity Mid-Cap Stock Fund (FMCSX)	Mid-Cap Growth Domestic Equity (Active)	8.20	15.94	10.90	7.98	16.20	11.20	0.83%	30 days/0.75%
Fidelity Small Cap Stock Fund (FSLCX)	Small-Cap Blend Domestic Equity (Active)	7.70	16.80	n/a	-1.57	16.25	7.08	1.11%	90 days/2.00%
Dodge & Cox International Stock Fund (DODFX)	International Equity (Active)	11.71	27.00	n/a	11.17	21.59	8.66	0.65%	No
Fidelity Diversified International Fund (FDIVX)	International Equity (Active)	16.03	23.21	13.39	11.33	21.83	8.90	0.93%	30 days/1.00%
<b>Asset Allocation</b>									
Fidelity Freedom Income Fund (FFFX)	Lifecycle (Active)	4.83	5.23	5.23	5.80	5.80	5.38	0.49%	No
Fidelity Freedom 2000 Fund (FFFBX)	Lifecycle (Active)	5.32	5.95	5.82	5.83	6.31	5.70	0.51%	No
Fidelity Freedom 2005 Fund (FFVFX)	Lifecycle (Active)	7.27	n/a	n/a	6.53	n/a	n/a	0.64%	No
Fidelity Freedom 2010 Fund (FFFCX)	Lifecycle (Active)	7.43	9.36	7.14	6.53	9.54	6.70	0.65%	No
Fidelity Freedom 2015 Fund (FFVFX)	Lifecycle (Active)	7.82	n/a	n/a	6.67	n/a	n/a	0.67%	No
Fidelity Freedom 2020 Fund (FFFDX)	Lifecycle (Active)	8.54	12.30	7.56	6.62	12.47	6.89	0.72%	No
Fidelity Freedom 2025 Fund (FFTWX)	Lifecycle (Active)	8.64	n/a	n/a	6.62	n/a	n/a	0.73%	No
Fidelity Freedom 2030 Fund (FFFEX)	Lifecycle (Active)	9.27	13.75	7.55	6.53	13.88	6.76	0.76%	No
Fidelity Freedom 2035 Fund (FFTHX)	Lifecycle (Active)	9.27	n/a	n/a	6.52	n/a	n/a	0.77%	No
Fidelity Freedom 2040 Fund (FFFFX)	Lifecycle (Active)	9.31	14.59	n/a	6.39	14.76	n/a	0.78%	No
Fidelity Freedom 2045 Fund (FFFGX)	Lifecycle (Active)	9.50	n/a	n/a	6.51	n/a	n/a	0.78%	No
Fidelity Freedom 2050 Fund (FFFHX)	Lifecycle (Active)	9.77	n/a	n/a	6.48	n/a	n/a	0.80%	No

<sup>1</sup> Fees and expenses are only one of several factors that you should consider when making investment decisions.

<sup>2</sup> If you sell your shares after holding them for less than the stated number of days, the fund will deduct a short-term trading fee from your account equal to the percent indicated.