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**Sheet Metal Workers' Local 265**  
*Fringe Benefit Funds*  
205 Alexandra Way, Carol Stream, IL 60188-2080  
Telephone: (630) 668-7260      FAX: (630) 668-7338

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**Summary Annual Report for**  
**SHEET METAL WORKERS LOCAL 265**  
**PENSION FUND**

This is a summary of the annual report for SHEET METAL WORKERS LOCAL 265 PENSION FUND, EIN 36-6168611, Plan Number 001, for the period July 1, 2002 to June 30, 2003. The annual report has been filed with the Department of Labor, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

**Basic Financial Statement**

Benefits under the plan are provided through insurance and through a trust fund. Total plan expenses were \$4,740,710. These expenses included \$836,294 in administrative expenses and \$3,904,416 in benefits paid to participants and beneficiaries. A total of 2,772 persons were participants in or beneficiaries of the plan at the end of the plan year, although not all of these persons had yet earned the right to receive benefits.

The value of plan assets, after subtracting liabilities of the plan, was \$137,833,313 as of June 30, 2003, compared to \$126,226,944 as of July 1, 2002. During the plan year the plan experienced a change in net assets of \$11,606,369. This change includes unrealized appreciation and depreciation in the value of plan assets; that is, the difference between the value of the plan's assets at the end of the year and the value of the assets at the beginning of the year or the cost of assets acquired during the year. The plan had total income of \$16,347,079 which included employer contributions of \$9,351,579, losses from the sale of assets of (\$742,326) and earnings from investments of \$7,737,826.

**Minimum Funding Standards**

An actuary's statement shows that enough money was contributed to the plan to keep it funded in accordance with the minimum funding standards of ERISA.

**Your Rights To Additional Information**

You have the right to receive a copy of the full annual report, or any part thereof, on request. The items listed below are included in that report:

- An accountant's report
- Financial information on payments to service providers
- Assets held for investment
- Transactions in excess of 5% of plan assets
- Insurance information including sales commissions paid by insurance carriers
- Information regarding any common or collective trusts, pooled separate accounts, master trusts, or 103-12 investment entities in which the plan participates
- Actuarial information regarding the funding of the Plan.

To obtain a copy of the full annual report, or any part thereof, write or call the office of:

TRUSTEES OF THE SHEET METAL WORKERS  
LOCAL 265 PENSION FUND  
205 ALEXANDRA WAY  
CAROL STREAM IL 60188  
630-668-7260

The charge to cover copying costs will be \$7.50 for the full annual report, or \$0.25 per page for any part thereof.

You also have the right to receive from the plan administrator, on request and at no charge, a statement of the assets and liabilities of the plan and accompanying notes, or a statement of income and expenses of the plan and accompanying notes, or both. If you request a copy of the full annual report from the plan administrator, these two statements and accompanying notes will be included as part of that report. The charge to cover copying costs given above does not include a charge for copying these portions of the report because these portions are furnished without charge.

You also have the legally protected right to examine the annual report at the main office of the plan:

TRUSTEES OF THE SHEET METAL WORKERS  
LOCAL 265 PENSION FUND  
205 ALEXANDRA WAY  
CAROL STREAM IL 60188

and at the U.S. Department of Labor in Washington, DC, or to obtain a copy from the U.S. Department of Labor upon payment of copying costs. Requests to the Department should be addressed to:

Public Disclosure Room  
N5638  
Pension and Welfare Benefits Administration  
U.S. Department of Labor  
200 Constitution Avenue, N.W.  
Washington, DC 20210

SHEET METAL WORKERS LOCAL 265  
PENSION FUND

SUMMARY ANNUAL REPORT ATTACHMENT

ADMINISTRATIVE EXPENSES

YEAR ENDED JUNE 30, 2003

EXPENSE CLASSIFICATION

ACCOUNTING AND AUDIT EXPENSE	\$ 18,307
COMPLIANCE AUDITS	13,028
COMPUTER PROGRAMMING AND MAINTENANCE	10,731
CONSULTING AND ACTUARIAL	49,208
DEPRECIATION	17,692
DUES AND SUBSCRIPTIONS	750
INSURANCE-GENERAL	37,980
INSURANCE-PBGC	7,020
LEGAL EXPENSE	50,134
OCCUPANCY EXPENSE	15,371
OFFICE AND PRINTING	33,099
POSTAGE	2,581
SALARIES, PAYROLL TAXES AND FRINGE BENEFITS	128,172
SEMINARS, CONFERENCES, AND MEETINGS	5,605
TELEPHONE	2,478
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SUBTOTAL	392,156
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INVESTMENT MANAGEMENT FEES	444,138
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TOTAL	<u>\$836,294</u>