
Sheet Metal Workers' Local 265

Fringe Benefit Funds

205 Alexandra Way, Carol Stream, IL 60188-2080

Telephone: (630) 668-7260

FAX: (630) 668-7338

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, 2001 to June 30, 2002. 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 \$4,334,800. These expenses included \$783,446 in administrative expenses and \$3,551,354 in benefits paid to participants and beneficiaries. A total of 2,700 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 \$126,226,944 as of June 30, 2002, compared to \$127,367,935 as of July 1, 2001. During the plan year the plan experienced a decrease in net assets of \$1,140,991. This decrease 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 \$3,193,809 which included employer contributions of \$8,785,268, a gain of \$516,958 from the sale of assets and losses from investments of \$6,108,417.

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

SUMMARY ANNUAL REPORT ATTACHMENT

ADMINISTRATIVE EXPENSES

YEAR ENDED JUNE 30, 2002

EXPENSE CLASSIFICATION

ACCOUNTING AND AUDIT EXPENSE	\$	17,592
COMPLIANCE AUDITS		18,373
COMPUTER PROGRAMMING AND MAINTENANCE		10,774
CONSULTING AND ACTUARIAL		41,466
DEPRECIATION		17,451
DUES AND SUBSCRIPTIONS		1,500
INSURANCE-GENERAL		24,790
INSURANCE-PBGC		6,731
LEGAL EXPENSE		65,993
SEMINARS, CONFERENCES, AND MEETINGS		1,377
OFFICE AND PRINTING		32,350
POSTAGE		3,608
RENT AND UTILITIES		14,040
SALARIES, PAYROLL TAXES AND FRINGE BENEFITS		86,855
TELEPHONE		1,727
		<hr/>
SUBTOTAL	\$	344,627
INVESTMENT MANAGEMENT FEES		<hr/> 438,819
TOTAL	\$	<hr/> <hr/> 783,446