

Sheet Metal Workers' Local 265

Fringe Benefit Funds

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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, 2004 to June 30, 2005. 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 \$5,937,494. These expenses included \$977,240 in administrative expenses and \$4,960,254 in benefits paid to participants and beneficiaries. A total of 2,975 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 \$177,609,187 as of June 30, 2005, compared to \$160,382,483 as of July 1, 2004. During the plan year the plan experienced an increase in net assets of \$17,226,704. This increase 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 \$23,164,198 which included employer contributions of \$11,167,004, gains from the sale of assets of \$715,644 and earnings from investments of \$11,281,550.

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
Room N-1513
Pension Benefits Security Administration
U.S. Department of Labor
200 Constitution Avenue, N.W.
Washington, DC 20210

ADMINISTRATIVE EXPENSES

YEAR ENDED JUNE 30, 2005

EXPENSE CLASSIFICATION

ACCOUNTING AND AUDIT EXPENSE	\$ 24,150
COMPLIANCE AUDITS	18,385
COMPUTER PROGRAMMING AND MAINTENANCE	19,235
CONSULTING AND ACTUARIAL	51,703
DEPRECIATION	7,655
DUES AND SUBSCRIPTIONS	1,775
INSURANCE-GENERAL	99,996
INSURANCE-PBGC	7,579
LEGAL EXPENSE	67,453
OCCUPANCY EXPENSE	16,230
OFFICE AND PRINTING	38,994
POSTAGE	3,551
SALARIES, PAYROLL TAXES AND FRINGE BENEFITS	112,045
SEMINARS, CONFERENCES, AND MEETINGS	9,429
TELEPHONE	<u>2,145</u>
 SUBTOTAL	 480,325
 INVESTMENT MANAGEMENT FEES	 <u>496,915</u>
 TOTAL	 <u>\$ 977,240</u>