

**SUMMARY ANNUAL REPORT**

**ARIZONA SHEET METAL TRADE TRUST FUND**

**October 1, 2004 through September 30, 2005**

**NOTICIA: SI NECESITA ASISTENCIA PARA INTERPRETAR LA INFORMACION  
CONTENIDA EN ESTA REPORTE, FAVOR DE PONERSE EN CONTACTO CON  
LA OFICINA DE ADMINISTRACION AL NUMERO 602-249-3582.**

August 2006

### **Summary Annual Report for Arizona Sheet Metal Trade Trust Fund**

This is a summary of the annual report of the Arizona Sheet Metal Trade Trust Fund, Employer Identification Number 86-6025729, multiemployer plan for the plan year October 1, 2004 to September 30, 2005. The annual report has been filed with the Employee Benefits Security Administration, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

The Trust has committed itself to pay certain vision and dental care claims incurred under the terms of the plan.

### **Insurance Information**

The plan had a contract with Union Labor Life Insurance Company (ULLICO) to pay all life, accidental death and dismemberment, weekly disability and medical claims incurred under the terms of the plan. The total premiums paid for the period May 1, 2004 through April 30, 2005 were \$581,002.

Because they are so-called "experience-rated" contracts, the premium costs are affected by, among other things, the number and size of claims. Of the total insurance premiums paid for the period May 1, 2004 through April 30, 2005 with ULLICO, the premiums paid under such "experience rated" contracts were \$186,533 and the total of all benefit claims paid under the experience-rated contracts during the period was \$2,573,950.

### **Basic Financial Statement**

The value of plan assets, after subtracting liabilities of the plan, was \$2,263,653 as of September 30, 2005 compared to \$416,462 as of October 1, 2004. During the plan year, the plan experienced an increase in its net assets of \$1,847,191. This increase includes unrealized appreciation and depreciation in the value of plan assets; that is, the difference between the value of the plan 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. During the plan year, the plan had total income of \$5,335,492, including employer contributions of \$4,711,100 employee contributions of \$542,135, net losses of \$10,826 from the sale of assets and a gain from investments of \$93,083.

Plan expenses were \$3,488,301. These expenses included \$594,922 in administrative expenses and \$2,893,379 in benefits paid to participants and beneficiaries.

### **Additional Explanation**

The Fund had the weekly disability and medical benefits underwritten on a minimum premium basis with ULLICO. Therefore, the premium amount shown above represents only the basic premium for life and accidental death and dismemberment and a portion of the premium for the weekly disability and medical benefits. The major portion of the weekly disability and medical premium was deposited into a special investment account to pay claims. Any claims in excess of the specific amount were the responsibility of the carrier. Effective May 1, 2005 the Trust Fund's medical and vision benefits became self-funded with ULLICO providing the specific stop-loss coverage for medical. ULLICO will continue to provide the life, accidental death and dismemberment benefits.

Delta Dental Plan of Arizona continues to provide claims administration for the self-funded dental plan. During the period ending April 30, 2005, \$539,631 was paid in dental benefits for plan participants.

## 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:

1. an accountant's report;
2. financial information and information on payments to service providers;
3. assets held for investment;
4. Fiduciary information, including non-exempt transactions between the plan and parties-in-interest (that is, persons who have certain relationships with the plan);
5. transactions in excess of 5 percent of plan assets; and
6. insurance information including sales commissions paid by insurance carriers.

To obtain a copy of the full annual report, or any part thereof, write or call the office of Southwest Service Administrators, Inc., who is the plan administrator, located at 2400 West Dunlap Avenue, Suite 250, Phoenix, AZ 85021, 602-249-3582. The charge to cover copying costs will be 25¢ per page **plus** postage 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 the copying of 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 at 2400 West Dunlap Avenue, Suite 250, Phoenix, Arizona, and at the U.S. Department of Labor in Washington, D.C. or to obtain a copy from the U.S. Department of Labor upon payment of copying costs. Requests to the Department of Labor should be addressed to:

Pension Disclosure Room, N1513  
Employee Benefits Security Administration  
U.S. Department of Labor  
200 Constitution Avenue, N.W.  
Washington, D.C. 20210

August 2006

TO: Participants in the Arizona Sheet Metal Trade  
Health and Welfare Trust Fund

FROM: The Board of Trustees

RE: **Important Plan Information**

Dear Participant:

This is to inform you of federal legislation which affects your health care coverage.

**Women's Health and Cancer Rights Act of 1998**

Under the Women's Health and Cancer Rights Act of 1998, group health plans that provide medical and surgical benefits in connection with a mastectomy must provide benefits for certain reconstructive surgery. In the case of a participant or beneficiary who is receiving benefits in connection with a mastectomy, coverage will be provided in a manner determined in consultation with the attending physician and patient, for:

- All stages of reconstruction of the breast on which the mastectomy was performed;
- Surgery and reconstruction of the other breast to produce a symmetrical appearance; and
- Prosthesis and physical complications of mastectomy, including lymphedemas.

This coverage is subject to any plan copayments, referral requirements, annual deductibles and coinsurance provisions that may be applicable consistent with those established for other benefits under the plan. These provisions are generally described in the Plan's Summary Plan Description (SPD).

If you have any questions about whether your plan covers mastectomies or reconstructive surgery, please contact the Administrative Office at the number below.

**Privacy Notice**

The Health Insurance Portability and Accountability Act (HIPAA) of 1996 requires health plans to comply with privacy rules. These rules are intended to protect your personal health information (PHI) from being inappropriately disclosed. They also give you additional rights concerning your healthcare information.

The Trust Fund's HIPAA Privacy Notice explains how the group health plan and your employer handle your PHI.

You can request a copy of this Notice from the Administrative Office at 602-249-3582.

ARIZONA SHEET METAL TRADE TRUST FUND  
Administrative Office  
2500 West Dunlap Avenue  
Phoenix, AZ 85021-2811

RETURN SERVICE REQUESTED

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