

SUMMARY ANNUAL REPORT FOR SHEET METAL WORKERS' HEALTH PLAN OF SOUTHERN CALIFORNIA, ARIZONA AND NEVADA

This is a summary of the annual report of the Sheet Metal Workers' Health Plan of Southern California, Arizona and Nevada, Employer Identification Number 95-6052259, a multiple - employer-collectively-bargained plan for the year ended December 31, 1999. The annual report has been filed with the Internal Revenue Service, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

The Joint Board of Trustees, Sheet Metal Workers' Health Plan of Southern California, Arizona and Nevada has substantially committed itself to pay certain medical, hospital and dental claims incurred under the terms of the plan. A total of 7,304 persons were participants of the Plan at the end of the plan year.

Insurance Information

The plan has contracts with the following companies to pay medical and other insurance portions of the respective claims incurred under the terms of the Plan: Prescription Drug Service West and Value RX Services for prescription drug benefits; United Concordia and Delta Dental for dental care benefits; California Vision Service for prepaid vision care, Kaiser Permanente, Pacificare, Secure Horizon, Health Plan of Nevada, Health Net and Hometown Health for medical claims.

Basic Financial Statement

The value of the Plan assets after subtracting liabilities of the Plan was \$47,553,507 as of December 31, 1999 compared to \$49,840,116 as of December 31, 1998. During the year the Plan experienced a decrease in its net assets of \$2,286,609. This decrease is the difference between the value of the Plan's assets as of December 31, 1999 and the value of the assets as of December 31, 1998 or the cost of assets acquired during the year. During the year, the Plan had total income of \$32,062,355 including employer contributions of \$24,828,081, self pay contributions of \$858,889, retiree contributions of \$3,334,299, earnings from investments of \$2,414,191, realized and unrealized gain on investments of \$606,537 and other income of \$20,358. Plan expenses were \$34,348,964. These expenses included \$2,728,379 of administrative expenses and \$31,620,585 in benefits paid to participants or beneficiaries.

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 marked below are included in that report:

- (a) an accountant's report;
- (b) assets held for investment;
- (c) transactions in excess of 5 % of plan assets; and
- (d) insurance information, including sales commissions paid to insurance carriers.

To obtain a copy of the full annual report, or any part thereof, write or call the administrative office of the Board of Trustees, Sheet Metal Workers' Health and Welfare Plan of Southern California, Arizona and Nevada, who are the Plan Administrators, 111 N. Sepulveda Blvd. #100, Manhattan Beach, CA 90266-6861, (310) 798-6572. The charge to cover copying costs will be the amount to reimburse the Trust not to exceed \$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 a 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 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 should be addressed to: Public Disclosure Room, N4677, Pension and Welfare Benefits Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20216.