

**SUMMARY ANNUAL REPORT  
SHEET METAL WORKERS' NATIONAL PENSION FUND**

This is a summary of the annual report for the Sheet Metal Workers' National Pension Fund, EIN #52-6112463, for the period January 1, 2006 to December 31, 2006 (Plan Year). The annual report has been filed with the Employee Benefits Security Administration, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

Basic Financial Statement

Benefits under the Plan are provided by trust and insurance. Plan expenses were \$433,000,908. These expenses included \$22,512,636 in administrative expenses (see paragraph below titled "Additional Information on Administrative Expenses") and \$410,488,272 in benefits paid to participants and beneficiaries. A total of 136,109 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 \$3,169,904,268 as of December 31, 2006, compared with \$2,906,070,442 as of January 1, 2006. During the Plan Year the Plan experienced an increase in its net assets of \$263,833,826. This increase includes unrealized appreciation or 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 \$696,834,734, including employer contributions of \$315,960,589, gain of \$134,926,491 from the sale of assets, to earnings from investments of \$245,915,188 and other income of \$32,466.

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. The actuarial current value of assets equals 38.85% of accrued benefit liabilities.

Additional Information on the Funding Percentage

The funded percentage of 38.85% stated above is based upon the present value of benefits accrued at the start of the plan year (January 1, 2006) using a statutory interest rate range that is tied to average long-term bond yields. Depending on the interest rate used, the funded percentage can vary a lot. In determining Plan liabilities for the Annual Report an interest rate of 5.77% was used. You will also receive a separate notice from the Fund with a different funding percentage that uses a different interest rate. The National Pension Fund uses a long-term interest rate assumption that is higher than the 5.77% that federal law mandates for the Annual Report. Therefore, the Fund will report a higher funded percentage in other communications.

### Your Rights to Additional Information

You have a 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 (including assets held for investment);
2. transactions in excess of 5% of the Plan assets ;
3. insurance information;
4. actuarial information regarding the funding of the Plan;
5. financial information and information on payments to service providers; and
6. information regarding common collective trusts and pooled separate accounts.

To obtain a copy of the full annual report, or any part thereof, write to Kim Vaughn, Sheet Metal Workers' National Pension Fund, 601 N. Fairfax Street, Suite 500, Alexandria, VA 22314. There will be no charge *for participants* requesting a copy of the report.

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.

You also have the legally protected right to examine the annual report at the main office of the Plan, 601 North Fairfax Street, Suite 500, Alexandria, VA 22314, 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, Room N-1513, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W, Washington, DC 20210.

### Additional Explanation on Administrative Expenses

As reported above, the Fund incurred \$22,512,636 in expenses categorized as "administrative expenses" in the annual report. Note that the category "administrative expenses" on the annual report includes investment management and advisory expenses of approximately \$9.8 million. Investment expenses increase/decrease based on the amount of assets under management. It also includes about \$12.6 million in net administrative expenses, which covers a wide variety of expenses including: \$5.9 million to a contract administrator; \$777,770 in legal fees to address benefit claims, to collect delinquent contributions, and to meet other legal requirements; and insurance, personnel, accounting, actuarial and other necessary fees and expenses.