

INTERNATIONAL UNION OF OPERATING ENGINEERS WELFARE PLAN
OF EASTERN PENNSYLVANIA AND DELAWARE

**SUMMARY ANNUAL REPORT FOR PERIOD
JANUARY 1, 2007 TO DECEMBER 31, 2007**

TO: ALL PLAN PARTICIPANTS

FROM: THE TRUSTEES

This is a summary of the Annual Report for the International Union of Operating Engineers Welfare Fund of Eastern Pennsylvania and Delaware, Employee Identification Number 23-1402245 Plan No. 501, for the period January 1, 2007 to December 31, 2007. This Annual Report has been filed with the Employee Benefits Security Administration, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

BENEFIT INFORMATION

The Plan has contracts with insurance and other health care provider companies to provide certain benefits. These companies along with the premiums paid for the year ended December 31, 2007 and the benefit provided are as follows:

<u>Company</u>	<u>Premiums</u>	<u>Benefit</u>
Fidelio Insurance Company	\$ 3,281,187	Dental
HM Life Insurance Company	552,953	Stop Loss Insurance
Aetna Inc.	57,556	Prepaid Comprehensive
Keystone Health Plan East	41,071	Prepaid Comprehensive
	<u>\$ 3,932,767</u>	

The Plan also provides for certain self-insured hospitalization, vision, prescription, medical/surgical, hospital, major medical claims, mental health and drug dependency and managed care incurred under the terms of the plan. The total self-insured benefits paid for the year ended December 31, 2007 were \$42,300,118.

BASIC FINANCIAL STATEMENTS

The value of plan assets, after subtracting liabilities of the plan, was \$46,379,358 as of December 31, 2007 compared to \$32,359,146 as of December 31, 2006. During the plan year, the plan experienced an increase in its net assets of \$14,020,212. 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. During the plan year, the plan had total income of \$63,948,662, including employer contributions of \$55,104,098, participant contributions of \$5,562,065, Medicare Part D subsidy of \$1,062,270, realized gains of \$99,384 from the sale of assets, earnings from investments of \$2,115,545 and other income of \$5,300.

Plan expenses were \$49,928,450. These expenses included \$48,286,660 in insurance premiums and other benefits paid to or for participants and their beneficiaries and \$1,641,790 in administrative expenses. A total of 5,523 were participants in or beneficiaries of the plan at the end of the plan year.

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 and information on payments to service providers.
- Insurance information including sales commissions paid by insurance carriers.
- Assets held for investment.
- Transactions in excess of 5% of plan assets.

To obtain a copy of the full annual report, or any part thereof, write or call the office of the Fund Administrator, who can be reached at the International Union of Operating Engineers Welfare Fund of Eastern Pennsylvania and Delaware, 1375 Virginia Drive, Suite 102, Fort Washington, PA 19034, (215) 542-8211. The charge to cover copying costs is \$.25 per page.

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 the 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, whose address is set forth above, 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: Public Disclosure Room N 1513, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, NW, Washington, D.C. 20210.