



Fund

**American Federation  
of Musicians &  
Employers' Pension Fund**

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## **SUMMARY ANNUAL REPORT**

### **FOR AMERICAN FEDERATION OF MUSICIANS & EMPLOYERS' PENSION FUND**

This is a summary of the annual report for the AMERICAN FEDERATION OF MUSICIANS & EMPLOYERS' PENSION FUND (the "Plan"), EIN 51-6120204, Plan No. 001, for the period April 1, 2005 through March 31, 2006 (the "Plan Year"). The annual report has been filed with the Internal Revenue Service, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

#### **Basic Financial Statement**

Benefits under the Plan are provided through a trust fund. Plan expenses for the Plan Year were \$105,638,187. These expenses included \$20,404,335<sup>(1)</sup> in administrative expenses and \$85,233,852 in benefits paid to participants and beneficiaries. A total of 46,347 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 \$1,904,907,936 as of March 31, 2006, compared to \$1,705,109,656 as of April 1, 2005. During the Plan Year the Plan experienced an increase in its net assets of \$199,798,280. 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 the assets acquired during the year. The Plan had total income of \$305,436,467 including employer contributions of \$48,869,306, gains of \$38,612,565 from the sale of assets and gains from investments of \$217,954,596.

#### **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:

1. An Accountant's report;
2. Assets held for investment;
3. Transactions in excess of 5% of the Plan assets;
4. Actuarial information regarding the funding of the Plan; and
5. Information regarding any common or collective trusts, pooled separate accounts, master trusts or 103-12 investment entities in which the Plan participates.

To obtain a copy of the full annual report, or any part thereof, write or call OFFICE OF THE EXECUTIVE DIRECTOR, AMERICAN FEDERATION OF MUSICIANS & EMPLOYERS' PENSION FUND, ONE PENN PLAZA, NEW YORK, NY 10119, (212) 284-1314.

The charge to cover copying costs will be \$2.80 for a full annual report, \$.10 per page for any part thereof.

You also have the right to receive from the Executive Director, 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 Executive Director, 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 ONE PENN PLAZA, SUITE 3115, NEW YORK, NY 10119 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, N-5638, Pension and Welfare Benefits Administration, U.S. Department of Labor, 200 Constitution Avenue NW, Washington, D.C. 20210.

Should you have questions concerning this Summary Annual Report, please call William Luebking at the Fund Office: (212) 284-1314.

<sup>(1)</sup>The \$20,404,335 consists of \$9,149,759 in investment related expenses and \$11,254,576 in other administrative costs.

**Highlights of 2006 Summary Annual Report for  
American Federation of Musicians and Employers' Pension Fund**

Every year, the Fund publishes a Summary Annual Report (SAR). The basic purpose of this report is to show you the financial condition of your Fund-how much we had at the start of the year, what we took in, what we spent, and how much we had at the end of the year.

The official 2006 Summary Annual Report (SAR) for the American Federation of Musicians and Employers' Pension Fund appears within this Newsletter. This statement simply provides easy-to-read highlights of the information contained in your 2006 SAR.

	<b>PLAN ASSETS AS OF APRIL 1, 2005</b>		\$1,705,109,656
<b>PLUS</b>	<b>2005/2006 PLAN INCOME</b>	+	\$ 305,436,467
	Employer Contributions.....\$ 48,869,306		
	Investment return on Plan assets..... \$ 217,954,596		
	Realized gains from the sale of plan assets.....\$ 38,612,565		
<b>MINUS</b>	<b>2005/2006 PLAN EXPENSES</b>	(-)	\$ 105,638,187
	Benefits paid out to participants and beneficiaries..... \$ 85,233,852		
	Administrative expenses (salary for Fund personnel, payroll taxes & rent, benefit check processing, depreciation, PBGC premiums and other insurance, legal, actuarial, accounting fees, and other administrative costs).....\$ 11,254,576		
	Investment advisory and bank custody fees..... \$ 9,149,759		
<b>EQUALS</b>	<b>PLAN ASSETS AS OF MARCH 31, 2006</b>	=	\$1,904,907,936

**HOW TOTAL PLAN ASSETS RELATE TO PLAN PARTICIPANTS**

The total number of participants in or beneficiaries of the Plan for the 2005-2006 plan year was 46,347. This includes:

1. participants who are vested\*,
2. participants who are not yet vested\*,
3. retirees, and
4. beneficiaries.

As required by the Employee Retirement Income Security Act of 1974 (ERISA), the Plan's actuary has certified that enough money was contributed during 2005/2006 to maintain the present level of benefits provided by the Plan.

This statement is intended only as a highlight of the information contained in the official Summary Annual Report. It is not intended to replace or modify the official Annual Report, Summary Annual Report or the information provided by those Reports. If there is a conflict between this statement and the Annual Report or Summary Annual Report, the information in those Reports shall prevail under all circumstances.

\* When you become vested, you have earned a non-forfeitable right to a pension from the Plan when you retire. In most cases, participants become vested in their benefits after five years of covered employment.