

SUMMARY ANNUAL REPORT FOR UNIVERSITY OF PENNSYLVANIA RETIREE HEALTH PLAN

This is a summary of the annual report of the University of Pennsylvania Retiree Health Plan (Plan No. 530), sponsored by The Trustees of the University of Pennsylvania, EIN 23-1352685 for the period that began on January 1, 2007 and ended on December 31, 2007. The annual report has been filed with the Employee Benefits Security Administration as required under the Employee Retirement Income Security Act of 1974 (ERISA). Please note that not all employees are eligible to participate in the Plan. Please consult your Plan materials for specific eligibility information.

Retiree benefits were provided through a combination of self-insured payments from the University's general assets, payments from a trust fund established to fund retiree benefits, and insurance contracts with third party insurance companies.

Medical And Prescription Drug Benefits

Insurance Information

The Plan has contracts with Aetna/U.S. Healthcare and Subsidiaries, Keystone Health Plan East and Amerihealth to pay medical claims incurred under the terms of the contracts. The total premiums paid for the plan year ending December 31, 2007 were \$370,513.

Basic Financial Information

The value of Plan assets, after subtracting liabilities of the Plan, was \$185,518,678 as of December 31, 2007, compared to \$155,496,422 as of January 1, 2007. During the plan year the Plan experienced an increase in its net assets of \$30,022,256. This increase includes net unrealized appreciation 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 assets at the beginning of the year or the cost of assets acquired during the year. The Plan had total income of \$43,225,874 including employee contributions of \$2,261,711, employer contributions of \$27,522,341 and earnings from investments of \$13,441,822.

Plan expenses were \$12,602,390. These expenses included \$1,406,915 in administrative expenses and \$11,195,475 in benefits paid to participants and beneficiaries.

Life Insurance Benefits

The Plan has a contract with Aetna Life Insurance Company to pay life insurance claims incurred under the terms of the contract. The total premiums paid under this contract for the plan year ending December 31, 2007 were \$230,715.

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. Financial information and information on payments to service providers;
2. Assets held for investment; and
5. Insurance information.

To obtain a copy of the full annual report, or any part thereof, write or call the office of the Plan Administrator, c/o Joanne M. Blythe, Retirement Manager, University of Pennsylvania, 3401 Walnut Street, Suite 527A, Philadelphia, PA 19104-6228, (215) 898-9947. The charge to cover copying costs will be \$5.00 for the full annual report or 25 cents 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 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 under ERISA to examine the annual reports in the offices of the Employer at the address for the Plan Administrator, 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 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, D.C. 20210.