

**SUMMARY ANNUAL REPORT FOR THE
UNIVERSITY OF PENNSYLVANIA BASIC PLAN**

This is a summary of the annual report of The University of Pennsylvania Basic Plan (Plan No. 028) sponsored by the University of Pennsylvania, EIN: 23-1352685, for the period January 1, 2007 through December 31, 2007. This annual report have been filed with the Employee Benefits Security Administration, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

You are receiving this report because you are eligible to participate in The University of Pennsylvania Basic Plan, The University of Pennsylvania Matching Plan (Plan No. 001), and/or the Supplemental Retirement Annuity Plan of The University of Pennsylvania (Plan No. 002). Consequently, portions of this summary may refer to a plan in which you are not currently participating.

Basic Financial Statement: The University of Pennsylvania Basic Plan

Benefits under the plan are provided through allocated insurance contracts and a trust fund. Plan expenses were \$8,302,131. These expenses included \$0.00 in administrative expenses, \$4,356,995 in benefits paid to participants and beneficiaries, \$3,939,651 in premiums paid for the provision of benefits under individual policies and other expenses of \$5,485. A total of 17,886 persons were participants in or beneficiaries of the plan at the end of the plan year.

The value of plan assets, after subtracting liabilities of the plan, was \$221,552,914 as of December 31, 2007, compared to \$181,291,290 as of January 1, 2007. During the plan year the plan experienced an increase in its net assets of \$40,261,624. 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 plan year and the value of assets at the beginning of the plan year or the cost of assets acquired during the plan year. The plan had total income of \$48,563,755, including employer contributions of \$33,474,203, employee rollover contributions of \$830,819 and earnings from investments of \$14,258,733.

The Plan has contracts with TIAA-CREF which allocate funds toward individual policies. The total premiums paid for the plan year ending December 31, 2007 were \$3,939,651.

The University of Pennsylvania Matching Plan and Supplemental Retirement Annuity Plan of The University of Pennsylvania

These Plans have contracts with the providers TIAA-CREF and Vanguard which allocate funds toward group deferred annuities and mutual funds. Participants who have accounts with these providers deal directly with them when making transactions in their respective accounts. These providers render financial reports directly to the plan participants.

Your Rights to Additional Information

Under ERISA, you have the right to receive a copy of the full annual report, or any part thereof, upon request. The items listed below are included in that report for the University of Pennsylvania Basic Plan:

1. Financial information;
2. Assets held for investment;
3. Insurance information; and

4. Information regarding pooled separate accounts in which the plan participates.

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 for the University of Pennsylvania Basic Plan. 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.