

Summary Annual Report for the University of Southern California Support Staff Retirement Plan

This is a summary of the Annual report for the University of Southern California Support Staff Retirement Plan, Plan number 004, EIN 95-1642934, for the plan year January 1, 1997 to December 31, 1997. 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 by the University which contributes such amounts, determined on an actuarial basis, to provide the Plan with assets sufficient to meet the benefits to be paid to Plan participants arising from years of qualifying service. Contributions made by the University have been computed in accordance with the unit credit-cost actuarial method and include amortization of past service costs over a 30-year period. Plan expenses were \$2,001,739. These expenses included \$0.00 administrative expenses and \$1,949,339 in benefits paid to participants and beneficiaries. A total of 5,720 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 was \$63,012,171 as of December 31, 1997, compared to \$51,842,667 as of January 1, 1997. During the plan year the plan experienced an increase in plan assets of \$11,169,504. This increase includes 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 the assets at the beginning of the year or the cost of assets acquired during the year. The plan had total income of \$13,118,843 including employer contributions of \$3,086,532 and earnings from investments of \$10,032,311.

Your Rights to Additional Information

You have a right to receive a copy of the full annual report, or any part thereof, upon request. To obtain a copy of the full annual report, or any part thereof, write or call the Office of Benefits Administration, the plan administrator, STO #200, Los Angeles, CA 90089-1142; (213) 740-6027. The charge to cover copying costs will be \$5.00 for the full annual report or \$0.25 per page for any part thereof.

You also have a 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 to examine the annual report at the main office of the plan, # 200 Stonier Hall, University Park Campus, Los Angeles, CA., 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, N4677, Pension and Welfare Programs, Department of Labor, 200 Constitution Ave., N.W., Washington, D.C. 20216.