

SUMMARY ANNUAL REPORT
FOR CHAPMAN UNIVERSITY HEALTH WELFARE PLAN

This is a summary of the annual report of the Chapman University Health Welfare Plan, EIN 95-1643992, Plan No. 501, for the period January 1, 2003 through December 31, 2003. The annual report has been filed with the Employee Benefits Security Administration, U.S. Department of Labor, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

Chapman University has committed itself to pay medical, dental and vision claims incurred under the terms of the plan.

Insurance Information

The plan has contracts with Kaiser Permanente, Delta Dental Plan of California, Standard Insurance Company, Teachers Insurance and Annuity Association, Vision Service Plan, Private Medical-Care, Inc., Transamerica Occidental Life, PacifiCare Behavioral Health, GE Casualty Insurance Company and California Physicians Insurance Service to pay life, medical, dental, vision, temporary disability, pre-paid legal and long-term disability claims incurred under the terms of the plan. The total premiums paid for the plan year ending December 31, 2003 were \$5,406,622.

Because they are so called "experience-rated" contracts, the premium costs are affected by, among other things, the number and size of claims. Of the total insurance premiums paid for the plan year ending December 31, 2003, the premiums paid under such "experience-rated" contracts were \$860,750 and the total of all benefit claims paid under these experience-rated contracts during the plan year was \$836,493.

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. insurance information, including sales commissions paid by insurance carriers.

To obtain a copy of the full annual report, or any part thereof, write or call Chapman University, One University Drive, Orange, CA 92866, (714) 997-6943.

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.

You also have the legally protected right to examine the annual report at the main office of the plan (Chapman University, One University Drive, Orange, CA 92866) and at the 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 N1513, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210.