

Committee Decisions on Legacy Group Annuity Contracts (AIG)

In addition to the mutual fund platform that is available within the 403(b) Plan, participants using the AIG platform have also historically had access to annuity contract investment vehicles. Given the Committee's new oversight role and the structural and investment manager changes taking place, the following action items should be considered by the Committee, to implement in phases over time:

Step 1 – Close access to the annuity platform to new entrants

Step 2 – Stop allowing new contributions to the annuity platform

Step 3 – Eliminate the annuity contracts entirely and determine appropriate mapping strategy for any residual assets

Currently there are about 350 accounts using the legacy group annuity contracts, with total values of approximately \$20 million.

Why Take Steps Toward Elimination of Annuity Contract Platform?

Participant outcomes and decision-making will be improved by streamlining the investment menu in favor of the mutual fund investments. The mutual fund vehicles are also generally more cost-effective and easier to evaluate and benchmark performance, risk management and expenses.