

**Retirement Plan Investment Committee  
Phone Conference Meeting Minutes  
Wednesday, October 3, 2007, 11-12:00**

**Participants**

Committee Members: Michael Green, Chair; Larry Curtis, Larry Dann, Deb Janikowski, John Settle, Kip Sigetich, and Sherry Stahl.

Consultant: Howard Biggs, Arnerich Massena and Associates, Inc.

Other: Ernie Pressman, UO; John Craven; Denise Yunker, Rita Brown, OUS; Kate Lewis, General Manager, ING, and Tony Camp, ING Stable Value Fund.

**Contracting Issues Follow-up**

OUS is finalizing contracting with ING and Ms. Yunker has some new information, clarification, and questions for the Retirement Plan Investment Committee (Committee). Tony Camp is OUS's key contact on ING's stable value product and is in attendance to provide information and to answer questions.

During the Committee's June 15<sup>th</sup> phone conference, there was concern expressed about fees and withdrawal charges on the annuity product. On the fixed annuity product, the contract reads that if a person moves more than 15% of their assets in their stable value account to a competing investment (the money market fund or off the platform), there is a 4% withdrawal charge.

Mr. Settle, referencing #13 on the ING Disclosure Memorandum, noted that the statement, "...participants (may) remove up to 15% of their balance from ING's Stabilizer for transfer to another Plan vendor without a fee or restriction," refers to a declining balance situation where one can never actually exhaust their balance. Mr. Camp verified that this is correct, designed to disincent participants from leaving the fixed annuity contract and moving to another competing arena. The 4% surrender charge applies to money transferred in excess of the 15%. Mr. Camp added that when a participant turns 65, this surrender provision goes away and that person is free to surrender his/her money to another platform or wherever desired.

Mr. Camp further explained that the provision is trying to protect the remaining participants in the fixed annuity contract from lots of surrenders going out in a very short period of time, which could potentially lower the crediting rate.

Ms. Yunker stated that at the current time, the net yield on the crediting for this product was 5.35%, a good rate comparatively.

The Committee was comfortable with the provision as long as clear and adequate disclosure for participants was in place.

### **Future Meeting Date**

Ms. Yunker stated that Howard Biggs from Arnerich Massena was interested in presenting the funds performance review the first week of December, 2007, based on September 30 reporting.

Also, the Fidelity relationship manager for OUS, Shawn Crosgrave, wished to meet with the Committee.

It was determined that an in-person meeting would occur on December 3, 2007, in Corvallis.

The meeting was adjourned at approximately 12:00.