

## Introduction/History

For more than 80 years, TIAA-CREF has been helping people in the education community plan for their retirement. As one of the world's largest retirement systems (*Pensions and Investments*, 10/13/03), TIAA-CREF is a major financial services organization with more than \$300 billion in assets under management as of June 30, 2004. We currently serve 2.9 million participants at more than 15,000 institutions (as of June 30, 2004) in public and private schools, teaching hospitals, colleges, and universities nationwide. TIAA-CREF currently employs 6,000 people across the country.

## Company Ratings

TIAA has received the highest possible ratings for its claims-paying ability from all four of the insurance industry's leading independent rating agencies: A++ (Superior) from A.M. Best Company, Aaa from Moody's Investors Service, AAA from Standard & Poor's, and AAA from Fitch. (These ratings do not apply to CREF, the TIAA Real Estate Account or mutual funds.)

## Plan Highlights

With some of the lowest fees in the insurance and mutual fund industries,<sup>1</sup> TIAA-CREF also does not impose sales loads, transfer charges, or maintenance fees. For over 25 years, TIAA-CREF is proud to have been a retirement provider of the Louisiana State University System 403(b) Plan providing high-quality products and superior services to participants in the System. We offer access to one-on-one review sessions with a noncommissioned consultant, as well as 24-hour access to the Automated Telephone Service (ATS) and Web Center, [www.tiaa-cref.org](http://www.tiaa-cref.org). Numerous income options and loans are also available.

## Investment Funds by Asset Class

TIAA-CREF offers an array of allocation options including a guaranteed annuity, a guaranteed fixed account (guarantees subject to TIAA's claims-paying ability), variable annuity accounts, and mutual funds<sup>2</sup> through TIAA-CREF Investment Solutions<sup>SM</sup>. These accounts are designed and carefully managed by TIAA-CREF to meet the unique objectives of retirement planning while providing the flexibility to serve the needs of both conservative and growth-oriented participants. TIAA-CREF offers accounts in all five of the

major asset classes (Guaranteed, Money Market, Fixed Income, Real Estate and Equities) and offers the following allocation options through Investment Solutions:

### GUARANTEED

- TIAA Traditional Annuity Account

### MONEY MARKET

- CREF Money Market Annuity Account<sup>3</sup>

### FIXED INCOME – BONDS

- CREF Bond Market Annuity Account<sup>4</sup>
- CREF Inflation-Linked Bond Annuity Account<sup>4</sup>

### BALANCED

- CREF Social Choice Annuity Account<sup>5</sup>

### INTERNATIONAL

- International Equity Fund<sup>6</sup>

### SMALL-CAPITALIZATION (CAP) BLEND

- Small-Cap Equity Fund<sup>7</sup>

### MID-CAP VALUE

- Mid-Cap Value Fund<sup>7, 8</sup>

### MID-CAP GROWTH

- Mid-Cap Growth Fund<sup>7, 9</sup>

### LARGE-CAP BLEND

- CREF Stock Annuity Account<sup>6</sup>
- CREF Global Equities Annuity Account<sup>6</sup>
- CREF Equity Index Annuity Account<sup>10</sup>
- Growth & Income Fund<sup>9</sup>
- S&P 500 Index Fund<sup>10</sup>
- Social Choice Equity Fund<sup>5</sup>

### LARGE-CAP VALUE

- Large-Cap Value Fund<sup>8</sup>

### LARGE-CAP GROWTH

- CREF Growth Annuity Account<sup>9</sup>

### REAL ESTATE

- TIAA Real Estate Annuity Account<sup>11</sup>
- Real Estate Securities Fund<sup>12</sup>

<sup>1</sup> Charting Tool Report Peer Group [February 2004] based on Morningstar expense competitors categories.

<sup>2</sup> Available through the Retirement Class of shares of TIAA-CREF Institutional Mutual Funds distributed by Teachers Personal Investors Services, Inc., Teachers Personal Investors Services, Inc., principal underwriter.

<sup>3</sup> An investment in the account is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other U.S. government agency.

<sup>4</sup> Fixed-income investments are subject to a number of risks, including credit risk, current income risk, and interest rate risk. Note that interest rate increases can cause bond prices to decline.

<sup>5</sup> Because its social criteria exclude some investments, the fund may not be able to take advantage of the same opportunities or market trends as funds that do not use such criteria.

<sup>6</sup> Investing in foreign securities presents certain unique risks not associated with domestic investments such as currency fluctuation and political and economic changes.

<sup>7</sup> Small- and mid-cap stocks may have limited marketability and may be subject to more abrupt or erratic market movements than large-cap stocks.

<sup>8</sup> The fund is subject to style risk in that value investing may fall out of favor with investors.

<sup>9</sup> Due to their relative high valuations, growth stocks are typically more volatile than value stocks.

<sup>10</sup> Although this fund attempts to closely track the investment performance of its benchmark index, it does not duplicate the composition of this index. In addition, the fund's performance, unlike that of its index, is affected by investment and other operating expenses. There is no guarantee that the performance of the fund will match that of its index for any period of time.

<sup>11</sup> Real estate has various risks, including fluctuations in underlying property values, higher expenses or lower income than expected, and potential environmental problems and liabilities.

<sup>12</sup> The Real Estate Securities Fund is not diversified by sector; and this concentration can lead to greater price volatility. The real estate industry is subject to various risks, including fluctuations in underlying property values, higher expenses or lower income than expected, and potential environmental problems and liabilities.

## Fees

TIAA-CREF does not employ commissioned sales agents or brokers so expenses are kept at the lowest possible level. In fact, TIAA-CREF's expenses are among the lowest in the insurance and mutual fund industries. There are no expense or sales charges on contributions to the TIAA Traditional Annuity.

There are no sales loads or redemption expenses associated with the TIAA Real Estate or CREF accounts. All expenses are deducted from investment earnings each year before rates of return are credited to participants' CREF and TIAA Real Estate Accounts.

## Service Options

TIAA-CREF is dedicated to providing the most superior service possible.

- Individual Consultants are available to conduct personalized one-on-one review sessions via our toll-free number **800-842-2888 weekdays from 8:00 A.M. to 10:00 P.M. ET, or Saturdays from 9:00 A.M. to 6:00 P.M. ET.** Participants can schedule an appointment to meet with a consultant by logging on to [www.tiaa-cref.org/moc](http://www.tiaa-cref.org/moc), or by calling the Dallas Office at 800-842-2006.
- An array of educational publications including *Advance*, a quarterly magazine, keeps you up to date on developments affecting your retirement savings.
- Our Web Center, [www.tiaa-cref.org](http://www.tiaa-cref.org), and our Automated Telephone Service (ATS), **800-842-2252**, allows you to access your accounts 24 hours a day. You may also order booklets and forms online.
- In-depth information about retirement income, beneficiary, and tax withholding options, including illustrations of potential benefits is readily available.

## Allocation & Transfer Flexibility

**Allocating your contributions** – You can allocate your premiums among any of the fixed and variable accounts, as well as the mutual funds, in any way you choose.

**Transferring accumulations** – You can transfer accumulations among the variable annuity and mutual fund accounts and to TIAA Traditional Annuity at any time.

## Fund Transfer Information

Participants in the 403(b) Plan can transfer funds between their TIAA-CREF accounts, or from outside accounts, at no charge. For transfers from the TIAA Traditional Account, there is a \$10,000 minimum (or entire amount in account, whichever is less) made over a 10-year period. Transfers made under TIAA-CREF Investment Solutions<sup>SM</sup> can be made at any time by calling **800-842-2252**, or by visiting [www.tiaa-cref.org](http://www.tiaa-cref.org).

## Payout Options

There are no charges for withdrawals from the TIAA Real Estate or CREF accounts. However, there is a 2.5% surrender charge for lump-sum withdrawals from TIAA Traditional (there is no charge for withdrawals from TIAA Traditional in any form other than lump sum\*). Payout options offered by TIAA-CREF can be used individually or combined to fit your retirement needs.

- Cash withdrawals \*
- Systematic withdrawals \*
- Interest-only payments
- Minimum distribution
- Fixed-period payments
- One-life annuity (0-, 10-, 15-, or 20-year terms)
- Two-life annuities (0-, 10-, 15-, or 20-year terms)

## Accessing Account Information

Participants can access their account information by calling **800-842-2252**, or by visiting [www.tiaa-cref.org](http://www.tiaa-cref.org). Quarterly statements that show all account activity are also provided.

## Enrolling in TIAA-CREF

To enroll with TIAA-CREF, simply go to your local Human Resources office or call 800 842-2888 to obtain an enrollment kit, salary reduction agreement, and the necessary prospectuses. Then complete both the enrollment application and salary reduction form and return them to your Human Resources department. It's that easy – so don't delay!

If you have questions, you can:

- write to: TIAA-CREF  
730 Third Avenue  
New York, NY 10017
- or call: 800 842-2888
- or visit: [www.tiaa-cref.org](http://www.tiaa-cref.org)

\* This option is available under the TIAA Traditional GRA within 120 days of termination of employment only. Mutual Funds and variable annuities are subject to market risks. TIAA-CREF Individual & Institutional Services, LLC, and Teachers Personal Investor Services, Inc. distribute securities products.

You should consider the investment objectives, risks, charges, and expenses carefully before investing. Please call 877-518-9161 for a prospectus that contains this and other information. Please read the prospectus carefully before investing.