

October 27, 1998

Washington, DC

The meeting of the Board of Directors of the Stable Value Investment Association was called to order at 8:35 a.m. on October 27, 1998.

Board members in attendance: Jim Curry, Vic Gallo, Bill Gardner, Cindy Hargadon, Kelli Hueler, Dan Libby, Kim McCarrel, David McNiff, John Milberg, Hal Morley, Jeff Norris, Tom Obsitnik, Tammi Pearse, Klaus Shigley, Al Turco, Judy Wilson, David Wray and Mike Wyatt.

Board members not in attendance: Rudy Gernet and Robert Krebs.

Others in attendance at the meeting were: Blair Childs (Strategic Advocacy Group), Tom Hartlage (Diversified Financial Products), Barbara McLean (ING) and Ken Walker (T. Rowe Price).

John Milberg formally introduced Gina Mitchell as President of the Association and a Director. Lead in discussion by its Chair and President, the Board followed its published agenda and agreed on the action items as set forth in the November 6, 1998 memo sent by Gina Mitchell (attached).

Al Turco and Victor Gallo reported on the Association's June 22, 1998 meeting with the Department of Labor.

Having the Association file a class exemption provides an opportunity to advance its support for 404(c) type participant disclosure and for maintaining product diversity in the marketplace. To go forward, members need to be briefed on the Association effort and be afforded an opportunity to join an Issuer Group or a Buyer Advisory Group. A breakout session is scheduled at the National Forum to provide the briefing and to solicit member feedback. The Board asked to receive a summary from the feedback session. Assuming positive feedback and sufficient member interest to staff an Issuer Group and a Buyer Advisory Group, the Government Relations Committee was authorized to proceed with the project.

Lisa Cole and Cindy Hargadon were thanked for their many contributions to the Association. Lisa and Ingrid Hayes were recognized for their diligent efforts during the period the President's office was vacant.

Hal Morley was recognized to address the issue of nomination of Directors of the Association. Hal recommended that:

The criteria and process for nomination be more particularly defined by the Board and published.

The process for nomination should be expansive to include nominations directly from members (i.e., "from the floor").

Underlying Hal's recommendations was the thought that a diverse Board ought to include activists and seasoned practitioners alike. The Board will update its by-laws to better articulate the nomination and election process.

The Board minutes from June 4, 1998 were approved upon a motion duly made and seconded.

The meeting was adjourned at approximately 11:45 a.m.

Respectfully submitted,

Alfred A. Turco,

Secretary