

October 18, 1999

Washington, D.C.

The meeting of the Board of Directors of The Stable Value Investment Association was called to order at 8:40 a.m. on October 12, 1999.

Board members in attendance: Bill Gardner, Vic Gallo, Rudy Gernet, Kelli Hueler, Robert Krebs, Eric Kirsch, Dan Libby, Kim McCarrel, Jim McDevitt, Jim McKay, John Milberg, Gina Mitchell, Tom Obsitnik, Tami Pearse, Klaus Shigley, Al Turco, Karen Watson, David Wray and Mike Wyatt.

Board members not in attendance: Jeff Norris, Jim Curry.

John Milberg opened the meeting with an update on the election of new members to the Board of Directors. There was positive feedback from the Board about the membership nomination process and the large number of qualified service firm candidates the process produced. Many Board members also recognized potential logistical issues in presenting the membership with many quality choices for merely three open seats. As a result, an ad hoc working committee, consisting of Gina Mitchell, Tami Pearse and Al Turco, was appointed by the Board to consider the process for nominations to be employed in the future. The sense of the Board is that the ideal process will remain open, generate multiple candidates for open seats and be fair and manageable to both candidates and voting members. The ad hoc working committee will report to the full Board at the January meeting.

Next, John Milberg and Gina Mitchell led a quick review of the content and logistics of the opening session of the National Forum. SVIA officers and committee chair will present the SVIA Action Plan, with interactive membership participation through e-forum technology. Polling of Association members on the merits of proposed initiatives will be instantly tabulated and shared with the membership.

Tami Pearse provided a report on Membership and Dues. Calendar year dues objectives will be exceeded. Membership opportunities lie primarily within the plan sponsor community. Tami outlined a multi-year plan to increase the number of plan sponsor members.

Al Turco gave a report on the Government Relations Committee. During 1999, the development of a Prohibited Transaction Exemption for Synthetic GIC Contracts was the primary focus of the Committee. The sense of the Board was that the Committee should support the progress of the Exemption request, now being pursued by a Working Group of Association members. Government Relations initiatives for 2000 will be framed by the Association's strategic plan.

The Association Mission statement was briefly reviewed by Al Turco, John Milberg and Gina Mitchell, in the context of proposed Association goals for 2000. The consensus of the Board is that the Association mission should be reviewed on a regular basis. The Board directed Gina to include an examination of the Association mission as a standing item for its January meeting. The proposed Association goals for 2000 were briefly reviewed. These items will be presented to the membership and results of the e-forum interactive process will be reported to the Board for discussion at its January meeting.

Jim McDevitt and Gina Mitchell presented a review of the budget. The Association is currently in a net gain position and is projecting a year-end surplus in the \$150,000.00 to \$200,000.00 range. Gina discussed a proposal to add a Communications Coordinator to SVIA staff. After a review of the proposal, the Board approved the new position.

Klaus Shigley and Dan Libby gave a report on the work of the Performance Measurement Task Force. The number of contributing members has increased to 22. The work of the members and the varied points of view will be presented at a concurrent session at the National Forum.

Kim McCarrel gave a report on the Asset Allocation Task Force. Board members agreed that the Association must remain active in working with the models being used in the market. Bill Gardner, Kelli Hueler and Klaus Shigley will continue to pursue the service providers to close the “data gap” present in the existing models.

Kim McCarrel provided a report on the Communication and Education Committee and its three active sub-committees, web site development, Stable Times publication and the Media Response Team.

John Milberg reported that he, Ken Walker and Wendy Cupps constituted the remaining working group on Global Stable Value Opportunities. The three person working group intends to report generally on opportunities in the U.K. and Japan, by year-end.

Before the meeting adjourned, Mr. Gardner took the floor to thank John Milberg for his leadership of the Association as Board Chair and for his long standing service to the Board. John was thanked by the entire Board for his guidance during the period when the Association was taking hold in Washington and for recruiting Gina Mitchell as Association President.

Outgoing Directors, Kelli Hueler and Al Turco were next recognized for their service to the Board. Al, at the direction of the Board will remain as Secretary to the Association.

Upon motion duly made and seconded, the meeting was adjourned at approximately 11:15 a.m.

Respectfully submitted,

Alfred A. Turco,

Secretary