

April 20, 2000

To: Board of Directors

From: Gina Mitchell

Re: Action Items from April 20th Executive Committee Conference Call

The Executive Committee held a conference call on April 20 to consider retaining Reed Smith and discuss the action items from the April 9th Board of Directors' meeting.

Bill Gardner, Wayne Gates, Kim McCarrel, Jim McDevitt, Jim McKay, John Milberg and Al Turco participated in the call. Karen Watson and Tami Pearse were unable to participate.

The following is a brief summary of the call and any action items.

Reed Smith. The Executive Committee reviewed Reed Smith's proposal to provide counsel to establish SVIA as a resource to the Department of Labor on stable value investments by updating and explaining stable value funds.

Two specific issues were identified for potential work with Reed Smith: clarification of book value reporting for stable value products in Schedule H of Form 5500 and updating the DOL on the evolution of stable value funds.

The Executive Committee agreed to the two issues and retaining Reed Smith to act as a coach with the DOL on these two issues. Before work is started on a fee basis, the Executive Committee requested that a list of deliverables and time frames to proceed. The list of deliverables and time frames is expected the first week in May.

Asset Allocation Models. The Executive Committee explored the idea of hiring a consultant with insights on asset allocation models to "coach" SVIA on this important issue. The Executive Committee tasked Wayne Gates and Gina Mitchell to see if such an individual exists, if such an effort would increase the Association's effectiveness and report to the Executive Committee by the close of April.

June 14-15, 2000. The next Board of Directors' meeting will be held on June 14-15 at the Monarch Hotel in Washington, D.C. A \$225 room rate has been arranged with the Monarch Hotel for the June meeting.

An Executive Committee will be held the afternoon of Wednesday, May 14 from 3:30 to 5:30 p.m. A dinner will be held from 6:00 to 9:00 p.m. for all Board members also on Thursday. The Board will hold its business session from 9:00 to 3:30 on Thursday.