

August 15, 2000

To: SVIA Executive Committee

From: Gina Mitchell

Re: Action Items from August 14th Conference Call

Listed below is a brief summary of Monday's Executive Committee call.

The following individuals participated in the call: Bill Gardner, Wayne Gates, Jim McKay, John Milberg, Gina Mitchell, Tami Pearse, and Al Turco. Kim McCarrel, Jim McDevitt and Karen Watson were unable to join the call.

Asset Allocation Models:

Shlomo Benartzi as a consultant. The Executive Committee approved hiring Shlomo Benartzi as a consultant on asset allocation models. Shlomo would provide in quick order: an assessment of the model makers' treatment of stable value funds and make recommendations on how to ensure model makers' accurately portray stable value in the models. Three model makers were targeted: Morningstar, S&P and Financial Engines. Wayne Gates was charged with overseeing Shlomo's use. Shlomo estimated that the project would run no more than \$25,000. His billing rate is \$400 per hour or \$5,000 per day when traveling.

Synthetic GICs:

Educational resource to the Department of Labor. The Government Relations Committee approved SVIA acting as an educational resource to the Department of Labor on synthetic GICs. The DOL requested SVIA's assistance on the issue after a very successful briefing in June on stable value and asset allocation models. The DOL is reviewing a request for a class exemption for synthetic GICs and has asked SVIA to bring together a buyer's group to provide information on synthetics. The Executive Committee agreed with the Government Relations' recommendation and timetable (mid-September) for SVIA to serve as a resource to the Department of Labor.

National Forum:

SVIA's National Forum on October 10-12 is shaping up. The second brochure that provides more program details including all confirmed speakers was distributed to the membership on Monday. In addition to the program, both Financial Engines and mPower will host breakfast roundtables to discuss in more detail how they treat stable value. The breakfast roundtables will be held on Wednesday and Thursday prior to the start of the conference (7 to 8:30 a.m.).