

February 21, 2017

To: SVIA Board of Directors

Re: Action Items from February 7th Meeting

From: Gina Mitchell SVIA

The SVIA Board of Directors held a call on February 7th and the following board members were in attendance.

Board Members Attending:

LeAnn Bickel, Invesco Advisers
Cindy Cristello, New York Life Investment Management
Joe Fazzino, UTC
Sue Graef, Vanguard
Robert Madore, T. Rowe Price
Gina Mitchell, SVIA
Steve Kolocotronis, Fidelity
Thomas Schuster, MetLife
Russell Smith, Aetna
Keith Watson, Textron

SVIA Staff Attending:

Zach Gieske, SVIA

Board Members Unable to Attend:

Bradie Barr, Transamerica
Nick Gage, Galliard Capital Management
Brett Gorman, PIMCO
Gary Ward, Prudential Financial

SVIA's Board of Directors addressed two issues during the call. They were a request to use SVIA data in litigation as well as the upcoming election of six board seats and the impact of this turnover on the Board and its leadership.

SVIA Data Request. Gina Mitchell informed the Board that SVIA received a request from a member firm for market to book ratios and crediting rate data from 2008 onward to be used in a stable value lawsuit. The data would be subject to a protective order should the Board give its permission. She reminded the Board that use of SVIA's data outside of the membership required the express permission of the Board.

Mitchell noted that the Board had considered requests for data three times previously regarding lawsuits. Twice before the SVIA had received a third-party subpoena, which the Association was compelled to answer. Additionally, once before a member firm who was a defendant in a lawsuit had made this request. In all three instances, SVIA data was subject to a protective order, which treats the data as highly confidential and restricted to its use among the parties in the lawsuit. Only one of the three instances required the Board to give permission to use the data since two of the instances were

from a third-party subpoena. The Board did give the SVIA defendant permission to use SVIA data subject to a protective order.

The Board discussed this issue and reached two conclusions. First, that all SVIA data requests should be subject to the same rigorous review and consideration by the Board. Second, that the Board needed more information to opine on this request. The Board tasked Mitchell to reach out to find out the context that the information would be used, which was done. However, the requester decided to use information that was in the public domain from SVIA's first response to the CFTC-SEC RFI on September 26, 2011. The relevant pages (15-20 on "Stable Value Contracts are a Cost-Effective, Low-Risk Method for Reducing the Volatility and Risk of Stable Value Funds Without Contributing to Systemic Risk") are attached for your information.

Upcoming Elections and Transitions. Gina Mitchell noted that the terms of six board members will be expiring at the end of this year. They include Steve Kolocotronis whose first term as Chairman expires at the end of this year. Susan Graef and Brett Gorman have both completed two terms and are unable to run for a third term at the end of this year. LeAnn Bickel and Robert Madore are both able to run for re-election and are running for a second term. Joe Fazzino, who is a plan sponsor, is also up for election and has decided he will not run for a third term.

Due to their significant contributions to Association initiatives, the Board elected Steve Kolocotronis as Chairman for two more years (2018-2019) as well as Susan Graef and Brett Gorman as ex-officio members. Graef and Gorman will continue as non-voting ex-officio members following the expiration of their terms. As ex-officio, non-voting members they can serve only three more years in this capacity.

Lastly, the size of the Board is limited to a minimum of 12 and a maximum of 22 seats. SVIA's current Board of Directors has 14 seats including the SVIA President. Adding three ex-officio seats beginning in 2018, will raise the Board size to 17. This means six seats will be open for election this fall: five service firm seats and one plan sponsor.

Attachment: September 26, 2011 CFTC-SEC Submission pages 15-20