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<First Name Last Name>  
<Address 1>  
<Address 2>  
<City, State, Zip>

Dear <First Name Last Name>:

As you know, the Arizona Board of Regents (ABOR) recently made changes to the Arizona University System (AZUS) Optional Retirement Plan (ORP). We are sending you this letter to ensure you are aware of these changes and to provide information for next steps.

### What changes are being made?

- TIAA-CREF and Fidelity will be the only remaining vendors for the Optional Retirement Plan (ORP). VALIC will no longer be an ORP vendor.
- The amount you can transfer from your Retirement Plan to your Self-Directed Brokerage Account has increased from 50% to 100%.

### What's staying the same?

The basic design of the retirement plan will not change. Eligibility requirements, the vesting schedule and other aspects of the ORP plan's design will remain the same.

Also, the following funds will remain on the existing investment menu:

Fund/Account Name	Ticker Symbol
CREF Stock Account Variable Annuity	N/A
CREF Money Market Account Variable Annuity	N/A
TIAA Traditional Guaranteed Annuity*	N/A
Wells Fargo Galliard Stable Return	N/A
TIAA-CREF Lifecycle 2010 Fund – Premier	TCTPX
TIAA-CREF Lifecycle 2015 Fund – Premier	TCFPX
TIAA-CREF Lifecycle 2020 Fund – Premier	TCWPIX
TIAA-CREF Lifecycle 2025 Fund – Premier	TCQPX
TIAA-CREF Lifecycle 2030 Fund – Premier	TCHPX
TIAA-CREF Lifecycle 2035 Fund – Premier	TCYPX

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Fund/Account Name	Ticker Symbol
TIAA-CREF Lifecycle 2040 Fund – Premier	TCZPX
TIAA-CREF Lifecycle 2045 Fund – Premier	TTFPX
TIAA-CREF Lifecycle 2050 Fund – Premier	TCLPX
TIAA-CREF Lifecycle Retirement Income Fund – Premier	TPILX
American Funds EuroPacific Growth Fund R5	RERFX
American Funds Fundamental Investors R6	RFNGX
Eaton Vance Atlanta SMID Cap Fund	EISMX
PIMCO Total Return Fund	PTTRX
Principal Diversified Real Asset Fund	PDRDX
T. Rowe Price Growth Stock Fund	PRGFX
Vanguard Institutional Index Fund	VINIX
Vanguard Prime Money Market Fund	VMRXX
Vanguard Windsor II Fund	VWNFX

### What are the next steps?

- Review your current **allocations** and consider the investment options that will be restricted to new contributions effective September 16 , 2011. If you do not take action, your contribution allocation will be changed according to the enclosed chart.
- Review your portfolio **assets** and consider the investment options that will be eliminated effective December 13, 2011. If you do not take action, your portfolio assets will be changed according to the enclosed chart.
- Please note that active and contributing participants will be automatically enrolled into a new Retirement Choice annuity contract that brings some additional flexibility to the ORP. Your existing allocations and beneficiaries will automatically carry over and your existing portfolio balances will not be affected by this new contract. You will receive a Welcome Kit with more details about the new contract.

### Why TIAA-CREF Is a Smart Choice

We'd also like to remind you why TIAA-CREF is a smart choice for your assets. We are the financial services organization that serves 3.7 million of your colleagues in the academic, medical, cultural and research fields. When it comes to investing for retirement, we offer you a powerful combination of competitive performance, a wide range of investment options, and personalized investment advice available at no additional cost to you. We believe these advantages, along with our long history of serving the higher education community, can help you pursue your retirement savings goals.

## **Have Questions About the Plan Enhancements? TIAA-CREF Can Help.**


*Please note that no action is required by you to effect this change.* Since your plan is introducing a new investment menu, now is a good time to review your current investment strategy and update your beneficiary information. If you have additional questions about the plan changes, TIAA-CREF is happy to help. Call us at **800 842-2252**, Monday through Friday, 5 a.m. to 7 p.m. and Saturday, 6 a.m. to 3 p.m. (PT) to speak with a TIAA-CREF consultant. When you call, you can request an advice session for a personalized review of your portfolio.

If you would like to meet with one of our consultants on campus or in the Phoenix office, please call **800 732-8353** to schedule an appointment.

If you'd like to change your allocation instructions for future contributions, or transfer some or all of your funds to other investments offered under the plan, simply log in to the secure section of our website at **[www.tiaa-cref.org/azus](http://www.tiaa-cref.org/azus)** by entering your user ID and password. You can also review prospectus information on the new funds being added and to get more details.

As always, the Arizona Board of Regents and TIAA-CREF are committed to making it easy for you to save for the future. We look forward to helping you seek your retirement savings goals — now and in the years to come.

Sincerely,



William Hurley  
Managing Consultant, TIAA-CREF

\* Any guarantees under annuities issued by TIAA are subject to TIAA's claims-paying ability. TIAA Traditional is a guaranteed insurance contract and not an investment for Federal Securities Law purposes.

**Investment, insurance and annuity products are not FDIC insured, are not bank guaranteed, are not deposits, are not insured by any federal government agency, are not a condition to any banking service or activity and may lose value.**

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**You should consider the investment objectives, risks, charges and expenses carefully before investing. Please call 877 518-9161 or go to [www.tiaa-cref.org/azus](http://www.tiaa-cref.org/azus) for a current prospectus that contains this and other information. Please read the prospectus carefully before investing.**

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## The investment options below will close to new contributions and transfers-in effective September 16, 2011.

If you currently make contributions to any of the annuity accounts or mutual funds listed under the “Current Account/Fund” column in the chart below and do not redirect those contributions to another investment option before September 16, 2011, they will be automatically redirected to the designated replacement fund shown in the “New Fund” column. You may transfer assets held in the closing accounts/funds to one of the new investment options until December 13, 2011. Assets remaining in the closing funds on that date will be transferred to the designated replacement fund (New Fund) as shown in the chart below.

Future contributions to the seven annuity accounts, denoted with an asterisk (\*), will be redirected to the replacement fund in the right-hand column. However, existing balances in these accounts will not be transferred. If you have an existing balance in an annuity account denoted with an asterisk, that balance will not be affected.

Current Account/Fund	Ticker Symbol	New Fund	Ticker Symbol
TIAA Real Estate Account Variable Annuity*	N/A	Age-Appropriate TIAA-CREF Lifecycle Fund	N/A
CREF Social Choice Account Variable Annuity*	N/A	Age-Appropriate TIAA-CREF Lifecycle Fund	N/A
CREF Bond Market Account Variable Annuity*	N/A	Age-Appropriate TIAA-CREF Lifecycle Fund	N/A
CREF Global Equities Variable Annuity*	N/A	Age-Appropriate TIAA-CREF Lifecycle Fund	N/A
CREF Growth Account Variable Annuity*	N/A	Age-Appropriate TIAA-CREF Lifecycle Fund	N/A
CREF Equity Index Account Variable Annuity*	N/A	Age-Appropriate TIAA-CREF Lifecycle Fund	N/A
CREF Inflation-Linked Bond Account Variable Annuity*	N/A	Age-Appropriate TIAA-CREF Lifecycle Fund	N/A
TIAA-CREF Managed Allocation Fund – Retirement	TITRX	Age-Appropriate TIAA-CREF Lifecycle Fund	N/A
T. Rowe Price Capital Appreciation Fund	PRWCX	Age-Appropriate TIAA-CREF Lifecycle Fund	N/A
TIAA-CREF International Equity Fund – Premier	TREPX	American Funds EuroPacific Growth Fund R5	RERFX
TIAA-CREF International Equity Index Fund – Premier	TRIPX	American Funds EuroPacific Growth Fund R5	RERFX
American Funds Cap World Growth and Income Fund	RWIFX	50% Vanguard Institutional Index 50% American Funds EuroPacific Growth Fund R5	VINIX RERFX
TIAA-CREF Equity Index Fund – Premier	TCEPX	80% Vanguard Institutional Index 20% Eaton Vance Atlanta SMID Cap Fund	VINIX EISMX
Royce Premier Fund	RPFIX	Eaton Vance Atlanta SMID Cap Fund	EISMX
Vanguard Small Cap Growth Index Fund	VISGX	Eaton Vance Atlanta SMID Cap Fund	EISMX
Vanguard Selected Value Fund	VASVX	Eaton Vance Atlanta SMID Cap Fund	EISMX
Vanguard Strategic Equity Fund	VSEQX	Eaton Vance Atlanta SMID Cap Fund	EISMX
Vanguard Explorer Fund Admiral	VEXRX	Eaton Vance Atlanta SMID Cap Fund	EISMX
Legg Mason Capital Management Opportunity Trust I	LMNOX	Eaton Vance Atlanta SMID Cap Fund	EISMX
Lord Abbett Small-Cap Blend Fund	LSBYX	Eaton Vance Atlanta SMID Cap Fund	EISMX
TIAA-CREF Small-Cap Blend Index Fund – Retirement	TRBIX	Eaton Vance Atlanta SMID Cap Fund	EISMX
TIAA-CREF Mid-Cap Growth Fund – Premier	TRGPX	Eaton Vance Atlanta SMID Cap Fund	EISMX
TIAA-CREF Mid-Cap Value Fund – Premier	TRVPX	Eaton Vance Atlanta SMID Cap Fund	EISMX
TIAA-CREF Small-Cap Equity Fund – Premier	TSRPX	Eaton Vance Atlanta SMID Cap Fund	EISMX
Nuveen Mid Cap Growth Opportunity I	FISGX	Eaton Vance Atlanta SMID Cap Fund	EISMX
Goldman Sachs Growth Opportunities	GGOIX	Eaton Vance Atlanta SMID Cap Fund	EISMX

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Current Account/Fund	Ticker Symbol	New Fund	Ticker Symbol
Keeley Small Cap Value Fund Class I	KSCIX	Eaton Vance Atlanta SMID Cap Fund	EISMX
Royce Opportunity Fund	ROFIX	Eaton Vance Atlanta SMID Cap Fund	EISMX
Legg Mason ClearBridge Small Cap Value I Fund	SMCYX	Eaton Vance Atlanta SMID Cap Fund	EISMX
TIAA-CREF Bond Fund – Premier	TIDPX	PIMCO Total Return	PTTRX
TIAA-CREF High-Yield Fund – Premier	TIHPX	PIMCO Total Return	PTTRX
TIAA-CREF Bond Plus Fund – Premier	TBPPX	PIMCO Total Return	PTTRX
Western Asset Core Plus	WACPX	PIMCO Total Return	PTTRX
Goldman Sachs Government Income Fund	GSOIX	PIMCO Total Return	PTTRX
TIAA-CREF Real Estate Securities Fund – Premier	TRRPX	Principal Diversified Real Asset	PDRDX
TIAA-CREF Inflation-Linked Bond Fund – Premier	TIKPX	Principal Diversified Real Asset	PDRDX
Vanguard 500 Index Fund Signal	VIFSX	Vanguard Institutional Index Fund	VINIX
TIAA-CREF S&P 500 Index Fund – Retirement	TRSPX	Vanguard Institutional Index Fund	VINIX
SSgA S&P 500 Index Fund	SVSPX	Vanguard Institutional Index Fund	VINIX
TIAA-CREF Money Market Fund – Premier	TPPXX	Vanguard Prime Money Market	VMRXX
TIAA-CREF Short-Term Bond Fund – Premier	TSTPX	Wells Fargo Stable Value for the 401(a) ORP and Vanguard Prime Money Market for the 403(b) ORP	N/A VMRXX
Legg Mason Capital Management Value Trust, Inc. I	LMNVX	American Funds Fundamental Investors R6	RFNGX
American Funds Fundamental Investors Fund R5	RFNFX	American Funds Fundamental Investors R6	RFNGX
Goldman Sachs Large Cap Value Fund	GSLIX	Vanguard Windsor II Fund	VWNFX
TIAA-CREF Growth & Income Fund – Premier	TRPGX	American Funds Fundamental Investors R6	RFNGX
TIAA-CREF Large-Cap Growth Index Fund – Retirement	TRIRX	T. Rowe Price Growth Stock Fund	PRGFX
TIAA-CREF Large-Cap Value Index Fund – Retirement	TRCVX	Vanguard Windsor II Fund	VWNFX
TIAA-CREF Social Choice Equity Fund – Premier	TRPSX	American Funds Fundamental Investors R6	RFNGX
TIAA-CREF Large-Cap Value Fund – Premier	TRCPX	Vanguard Windsor II Fund	VWNFX
TIAA-CREF Large-Cap Growth Fund – Premier	TILPX	T. Rowe Price Growth Stock Fund	PRGFX
Neuberger Berman Socially Responsible Fund	NBSRX	American Funds Fundamental Investors R6	RFNGX

Investment products may be subject to market and other risk factors. See the applicable product literature, or visit [www.tiaa-cref.org/azus](http://www.tiaa-cref.org/azus) for details.

Investment, insurance and annuity products are not FDIC insured, are not bank guaranteed, are not deposits, are not insured by any federal government agency, are not a condition to any banking service or activity, and may lose value.

***You should consider the investment objectives, risks, charges and expenses carefully before investing. Please call 877 518-9161 or log on to [www.tiaa-cref.org/azus](http://www.tiaa-cref.org/azus) for a prospectus that contains this and other information. Please read the prospectus carefully before investing.***

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## A Guide to the TIAA-CREF Self-Directed Brokerage Account: An option available through your retirement plan

### Arizona University System Optional Retirement Plan

TIAA-CREF is proud to partner with Arizona University System to enhance the retirement plan investment choices available to you. If you haven't already done so, you have the opportunity to open a TIAA-CREF Brokerage Services Account within your Arizona University System 403(b) and 401(a) Optional Retirement Plan at any time. This will allow you to build and manage a portfolio by allocating your retirement savings contributions into a variety of investment choices beyond the core investments offered in your plan. (This brokerage services account is separate from any TIAA-CREF brokerage account opened on an individual basis.) Take some time to read through the information in this guide for an overview of the TIAA-CREF Brokerage Services Account.

#### Greater Flexibility

Once you have added the Self-Directed Brokerage feature to your existing retirement account(s) in the Retirement Plan, you can transfer up to 100% of your accumulations to your brokerage account and back again, with certain restrictions, as well as schedule automated investment transactions.

#### A Wide Range of Mutual Fund Choices

You can choose from more than 5,000 no-transaction-fee mutual funds and exchange-traded funds (ETFs) on the brokerage platform. Please keep in mind, as with CREF's variable annuity accounts, mutual fund returns are not guaranteed, and you assume all risks associated with investing in them. You can view the list of fund families by going to the dedicated website at [www.tiaa-cref.org/brokerage](http://www.tiaa-cref.org/brokerage).

#### Control and Convenience

Once the brokerage account is established, you can place orders to buy, sell or transfer fund shares, by going to [www.tiaa-cref.org/brokerage](http://www.tiaa-cref.org/brokerage). You can also use TIAA-CREF's Automated Telephone Service (ATS) by calling **800 842-2252**, 24 hours a day, seven days a week.

#### Dedicated Customer Service

If you prefer, you can process your transactions with a TIAA-CREF Consultant by calling **800 927-3059**, Monday to Friday, 5 a.m. to 4 p.m. (PT). The TIAA-CREF Consultants are also available at this telephone number to answer your questions regarding the TIAA-CREF Brokerage Services Account.

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# Frequent Questions and Answers About The TIAA-CREF Self-Directed Brokerage Account



## How do I set up an account with TIAA-CREF Brokerage Services?

It is easy to establish a TIAA-CREF Brokerage Services Account within the Arizona University System Optional Retirement Plans. Here are the steps to follow to make your initial transfer to the brokerage services account:

### If you *have not* registered for online access to your Arizona University System account:

1. Log on to [www.tiaa-cref.org/azus](http://www.tiaa-cref.org/azus).
2. Once on that page, click on the hyperlink **Access My Account**, which appears just under the photo. You will be brought to the **Log In For Online Access** page where you will be asked to type in your user ID and password. Go to the box on the right side of the page (Register for Online Access) and click on the word **Participants**. It will lead you to the **Register for Online Access** page.
3. Once you are registered follow the steps shown below.

### If you *have* registered for online access to your Arizona University System account:

1. Log on to your retirement account via secure access at [www.tiaa-cref.org/azus](http://www.tiaa-cref.org/azus). Once you have logged into your account, you will be brought to your **Account's Home Page**. Click on the hyperlink **Transfer Money Between My Accounts**, which is found on the right side of the page under the **Allocation of Total Retirement Savings** section.
2. In Section 1, select the account or fund to transfer current assets from and the dollar amount or percentage that you are transferring. **Important Note:** The minimum initial transfer amount is \$500. If you choose a percentage, make sure that the percentage equals \$500 or more.
3. In Section 2, select the account or fund to transfer the assets to. You will find TIAA-CREF Self-Directed Brokerage Account at the bottom of the list of accounts or funds under the word Other. Enter the dollar amount or percentage that you are transferring to the brokerage account. **Important Note:** The minimum initial transfer amount is \$500.
4. Click on the **Submit** tab.
5. Once you have submitted your request, you will be prompted to the Agreement and Signatures page. Once you click on the tab **I Agree**, you will be taken to the brokerage account application to complete and submit.

**Note:** It will take 48 to 72 hours for TIAA-CREF to establish the brokerage account. This initial transfer will automatically take place once the account is open. Subsequent investments, which must be at least \$100, made prior to 4:00 p.m. (ET) will be in your brokerage account the following morning.

## When can I begin trading?

A welcome letter including your brokerage account number and online login information will be mailed to your address of record once your account is open and funded. To begin trading, you will be required to set up a user ID and password for the brokerage account that is separate from the TIAA-CREF secure access website for your retirement plan information.

## What mutual funds are available from TIAA-CREF Brokerage Services?

You can find the full list of available funds in the **Fund Finder** at [www.tiaa-cref.org/brokerage](http://www.tiaa-cref.org/brokerage). (This feature is accessible once you open an account and establish a login to the brokerage services website.)

## How do I exchange money among the funds in my self-directed brokerage account?

You can initiate trades online at [www.tiaa-cref.org/brokerage](http://www.tiaa-cref.org/brokerage); by using the Automated Telephone Service, **800 842-2252**; or by calling a TIAA-CREF Consultant at **800 927-3059**. Trades placed prior to 4:00 p.m. (ET) will be executed that day.

## How do I move the money back to other investment options available through the Arizona University System Optional Retirement Plan from my brokerage account?

You must have the amount you wish to move available in your TIAA-CREF Brokerage Services Money Market fund. A transfer out of the brokerage account and back to another account or fund available through the Arizona University System Optional Retirement Plan cannot be initiated online. Call **800 927-3059** for more information and to have a TIAA-CREF Consultant initiate your transfer. It will take 48 to 72 hours for TIAA-CREF to process this transfer.

## Can I direct retirement plan contributions directly to the brokerage account?

No. Your retirement plan contributions cannot be directed to the brokerage account. You must initiate a transfer of funds online, via the automated telephone system, or by speaking directly with a TIAA-CREF Consultant. The minimum transfer amount is \$100.

## Will I receive confirmations of my trades?

Trade confirmations are automatically sent to your address of record on the day after you place your mutual fund trade. No confirmations are generated on automated investment plan transactions, but you can view your entire transaction history in the secure portion of the brokerage website at [www.tiaa-cref.org/brokerage](http://www.tiaa-cref.org/brokerage) or on your quarterly statement.

## How can I take a distribution or withdrawal from the self-directed brokerage account?

You cannot receive a distribution or a withdrawal from the self-directed brokerage account. To receive distributions or withdrawals from the funds in your brokerage account, you first must transfer the amount back to another investment option available through the Arizona University System Optional Retirement Plan. Then you may take distributions or withdrawals according to the retirement plan provisions.

A transfer out of the brokerage account and to another account or fund available through the Arizona University System Optional Retirement Plan cannot be initiated online. Call **800 927-3059** for more information and to have a TIAA-CREF Consultant initiate your transfer. The transfer back to the plan from the brokerage account takes 48 to 72 hours.

## Are there any fees associated with my self-directed brokerage account?

The annual maintenance fee of \$40.00 is being waived for Arizona University System Optional Retirement Plan participants. There are other standard fees in addition to the annual maintenance fee where applicable. Visit the brokerage services website at [www.tiaa-cref.org/brokerage](http://www.tiaa-cref.org/brokerage) for more information. Remember, you must establish a separate brokerage account for each existing retirement account for which you wish to utilize this investment option.

*Certain securities may not be suitable for all investors. Securities are subject to investment risk, including possible loss of the principal amount invested.*