

The Texas A&M University System
ORP/TDA Vendor Product and Fee Summary
October 2008

The following information is provided to assist employees in their evaluation and selection of Optional Retirement Program (ORP) and Tax-Deferred Account (TDA) Program vendors and products.

The fees stated below are reported by each vendor as part of our annual disclosure requirement. The fee that appears in each fee category is the highest fee the vendor charges for any authorized investment option that is part of that product line. Other investment options within that product line may have lower fees. Questions regarding products and/or product fees should be directed to the vendor.

The Texas A&M University System has no fiduciary responsibility for the financial stability of the ORP/TDA vendor or the market value of individual investments chosen by the participant. Additional information about the vendors and their products may be accessed through links to the vendors at the System Benefits Administration web site <http://www.tamus.edu/benefits/retirement/orptda.htm>.

Definitions:

A&M System Maximum Fee Standards: The maximum fees that may be charged by companies that are authorized to market their product(s) under the A&M System retirement programs. These standards were implemented by The Texas A&M University System effective March 1, 2001. These standards were updated on September 1, 2008.

Vendor Name: The name of the company that is authorized to market its products under the A&M System retirement programs.

Product Type: The type of product a vendor is authorized to market under the A&M System retirement programs.

Product Name: The name of the product offered by the vendor is shown beneath the Product Type in parenthesis.

Front-End Sales Load: The fees or commissions that the vendor charges the participant at the time the participant purchases fund shares. **Front-end sales load may not be charged on accounts established on or after September 1, 2008.**

Custodial Fee: Fees that are assessed by a mutual fund for administrative costs.

Asset Management Fee: Fees that are assessed for investment assistance, advice and counseling and are paid to the vendor (this does not include the two percent maximum investment advisory fee paid directly to a registered investment advisor as defined in Section 830.107 of the Government Code).

Surrender Charge: Fees or commissions incurred when a participant withdraws or transfers fund shares to another vendor. A surrender charge includes a back-end sales load, redemption charge, contingent deferred sales charge, or any other fee that is assessed when a participant accesses his/her funds. **Surrender charges may not be charged on accounts established on or after September 1, 2008.**

Non-Rolling Surrender Charge: A surrender charge that begins when the first deposit is made and expires after a specified contract anniversary period.

Example:

Contract Year	1	2	3	4	5	6	7
Surrender Charge	7%	6%	5%	4%	3%	2%	1%

During the first contract year, any withdrawal or transfer would be subject to a 7% surrender charge; any withdrawal or transfer during the second contract year would be subject to a 6% surrender charge, etc. After the seventh contract year, no surrender charge would be applicable.

Rolling Surrender Charge: A surrender charge that is based on withdrawal or transfer of funds after the specified period from the date of receipt of each deposit.

Example:

Deposit Year	1	2	3	4	5
Surrender Charge	5%	4%	3%	2%	1%

Rolling surrender charges are based on the length of time the deposit has been in the account. Therefore, a 5% surrender charge will apply to deposits in the account for less than 1 year, a 4% surrender charge will apply to deposits in the account for less than 2 years, etc. In this example, surrender charges will apply to any withdrawal or transfer from an account that has received deposits in the last 5 years. In order for a rolling surrender charge to no longer apply to any account deposits, a withdrawal or transfer could not be requested for 5 years after the date from the last deposit to the account.

Non-rolling and rolling surrender charges are not permitted in the ORP or TDA programs on accounts established after September 1, 2008.

Fund Expense Ratio: Fees that are deducted from fund assets before earnings are distributed to shareholders. Fund management fees include fees charged by the fund's investment advisor for managing the fund and selecting its portfolio of securities, fund administrative fees, investment fees, mortality and expense fees, 12b-1 fees, operating expenses, and other miscellaneous expenses.

Mortality and Expense Fee: A variable annuity fee included in certain annuity or insurance products which serves to compensate the insurance company for various risks it assumes under the annuity contract.

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The Texas A&M University System Maximum Fee Standards (updated 9/1/08)		Not permitted	Custodial Fee/Asset Mgmt. Fee 0.80%	Surrender Charges not permitted after 9/1/08		Mortality & Expense Fee 0.80%
Vendor Name	Product Type (Product Name)	Maximum Front-End Sales Load	Maximum Asset Mgmt Fee(AF)/ Custodial Fee (CF)	Surrender Charge	Maximum Fund Expense Ratio	Mortality & Expense Fee
AIG Retirement ORP & TDA (Roth option)	MF	None	None	None	1.67%	N/A
Metlife Resources ORP & TDA (Roth option)	MF (MFSP)	None	None	None	1.24%	N/A
	VA (Gold Track Select)	None	None	None		0.80%
Fidelity Investments ORP & TDA (Roth option)	MF (Multiple fund family provider)	None	None	None *Short term redemption fees may apply on certain funds to deter market timing	1.86%	N/A
ING Financial Services ORP & TDA (Roth option)	VA	None	None	None	2.26%	0.75%
	MF (Direct option)	None	None	None	0.95%	N/A
	MF (Advisor Option)	None	AF – 0.75%	None	2.45%	N/A
Lincoln Financial Group ORP & TDA (Roth option)	VA (Multi-Fund)	None	None	None	1.32%	0.75%
	MF – ORP/TDA (Alliance Program)	None	None	None	1.52%	N/A
RS Group ORP & TDA (Roth option)	MF (Open platform)	None	CF: Under \$50,000 = 0.50% \$50,000-\$100,000 = 0.40% \$100,000-\$250,000 = 0.25% \$250,000-\$500,000 = 0.20% Over \$500,000 = 0.15%	None 2% redemption fee on funds held < 30 days	2.49%	N/A
TIAA-CREF ORP & TDA (Roth option)	VA	None	None	None	0.84%	0.05%
	FA	None	None	None	None	N/A
	MF	None	None	N/A	0.85%	N/A

Key

AV=Account value
CF=Annual custodial fee
FA=Fixed annuity

MF=Mutual fund
ORP=Optional Retirement Program
AF=Asset Management Fee

TDA=Tax-Deferred Account
VA=Variable annuity