

Participant Choice: Working with an independent advisor

For participants at OSU/A&M

How can participants get advice on their retirement accumulations?

TIAA-CREF offers several ways for participants to receive advice and guidance directly from our representatives or through our website at no additional cost. At the same time, TIAA-CREF recognizes the importance of independent financial advisors and the value they bring to participants who may choose to or are already working with their own advisor. For this reason, TIAA-CREF offers the Participant Choice option that plan sponsors can add to their retirement plan to allow participants to receive advice from local independent advisors. These independent advisors are not affiliated with TIAA-CREF. They are acting as a fiduciary on your behalf and as such have a legal obligation to put your interests ahead of their own.

What is the Participant Choice option?

OSU/A&M has made it easier for you to access independent advice by adding TIAA-CREF's Participant Choice option to your retirement plan. With this service, participants have the choice to work with any independent Securities and Exchange Commission (SEC) or state-registered investment advisor that:

- ✓ Is in good standing with the regulatory authorities
- ✓ Has established an operational relationship with TIAA-CREF

Under the Participant Choice model, if your advisor meets the above criteria, you can pay their investment advisory fees directly out of your retirement accumulations.

How much does the Participant Choice option cost?

The fees charged for investment advisory services will vary from advisor to advisor. However, OSU/A&M has set the maximum investment advisory fee that can be paid to an advisor at 1.25% annually. If you choose to work with an independent advisor, TIAA-CREF and OSU/A&M both suggest you look for an advisor with fees below the cap to avoid the potential for rejected fees because of market fluctuation.

How do I go about working with an advisor?

If you have decided to not use the advice and guidance services available through TIAA-CREF, you will want to find the right advisor for your situation and that will require you to do some due diligence by interviewing prospective advisors. A good place to start is asking any potential advisor the following five questions before you hire them:

1. Are you a fiduciary?
2. How much does your service cost and how are you paid?
3. What is your educational background and experience?
4. Have you ever been disciplined by a regulatory body?
5. Are you properly insured?

What is a Registered Investment Advisor?

Registered Investment Advisor (RIA) is an individual or firm who has registered with the Securities and Exchange Commission (SEC) or state regulatory agency(ies) for the purpose of providing financial advisory services for others. A Registered Investment Advisor is held to a high standard as a fiduciary to their clients and is generally compensated on a fee basis, such as a percentage of assets.



Financial Services

Working with an independent advisor

Whether you are hiring a new advisor or continuing to use the one you already have, you will need to provide them with the appropriate authorization to manage your TIAA-CREF retirement account. If your advisor is already working with us, they can help you with this process. If they are not set up with us yet, you should have them contact TIAA-CREF's Advisor Services team at **888-842-0318** to initiate the process. Once properly set up, your advisor will be able to manage your account and you will be able to pay their investment advisory fees directly out of your OSU/A&M retirement accumulations held at TIAA-CREF.

What is a fiduciary?

An RIA held to a Fiduciary Standard occupies a position of special trust and confidence when working with a client. As a fiduciary, the RIA is required to act with undivided loyalty to the client. This includes disclosure of how the RIA is to be compensated and any corresponding conflicts of interest.

Are these independent advisors affiliated with TIAA-CREF?

No. Neither TIAA-CREF nor OSU/A&M will recommend advisors to participants. We strongly recommend you conduct your own due diligence before hiring an advisor.

How could a participant benefit from access to independent advice?

Greater choice and flexibility in how you receive advice

Everyone's financial situation is different and changes over time, so your need for advice may change as well. With access to independent RIAs you can find the best advisor for your situation. Of course, always keeping in mind that you can work directly with TIAA-CREF or use our web based tools through your online access if that meets your advice needs.

Independent Registered Investment Advisors are fiduciaries

RIAs have a legal obligation to put your interests first and are paid directly by you and not for selling products, so you can be assured that their advice is unbiased and in your best interest.

Complex and more holistic investment advice

Whether it is considering your tax situation, retirement and estate planning needs, or any other aspect of your financial life, RIAs generally provide advice that is more holistic in nature by taking your entire financial life into consideration. As your financial situation becomes more complex, you may find this more holistic view more beneficial.

Access to professional advice that you may not otherwise be able to afford

For many individuals their employer-sponsored retirement plan is their largest asset and they may not have other the financial resources to pay for professional advice. Since your retirement plan offers access to independent advisors, you can pay your advisor's fees directly from your retirement accumulations. Since your plan views the fees of independent advisor as bona fide fees of the retirement plan, they are paid with pretaxed dollars, effectively reducing the overall cost of the advice by your marginal tax bracket.

Independent Advisors are not employees or agents of Teachers Insurance and Annuity Association of America (TIAA), College Retirement Equities Fund (CREF) or any of their respective affiliates or subsidiaries. TIAA-CREF acts as recordkeeper for institutional plans and is not a fiduciary to any plan or its respective participants. TIAA-CREF is not making a recommendation or acting as a fiduciary when plan sponsors or participants select an Advisor, nor is it responsible for the investment advice and other services provided by any Advisor.

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

Plan sponsors and participants should do their own due diligence before hiring an Advisor or any other financial professional. The U.S. Securities and Exchange Commission offers publications such as "Investment Advisers: What You Need to Know Before Choosing One" and "Protect Your Money: Check Out Brokers and Investment Advisers" to assist investors.

TIAA-CREF shall have no liability or responsibility for any losses arising out of or relating to a plan sponsor or participant's decision to engage an Advisor.

TIAA-CREF products may be subject to market and other risk factors. See the applicable product literature, or visit tiaa-cref.org for details.

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