

SERFF Tracking Number: TCRE-126555182 State: Arkansas
 Filing Company: Teachers Insurance and Annuity Association of America State Tracking Number: 45253
 Company Tracking Number: T-MDO-REA-E1
 TOI: A06.11 Individual Annuities- Immediate Non-Variable and Variable Sub-TOI: A06.11.000 Annuities - Immediate Variable and Non-Variable
 Product Name: REA Transfer Endorsement
 Project Name/Number: 2010-02 REA Transfer Endorsement/T-MDO-REA-E1

Filing at a Glance

Company: Teachers Insurance and Annuity Association of America

Product Name: REA Transfer Endorsement SERFF Tr Num: TCRE-126555182 State: Arkansas
 TOI: A06.11 Individual Annuities- Immediate Non-Variable and Variable SERFF Status: Closed-Approved-Closed State Tr Num: 45253
 Sub-TOI: A06.11.000 Annuities - Immediate Variable and Non-Variable Co Tr Num: T-MDO-REA-E1 State Status: Approved-Closed
 Filing Type: Form Reviewer(s): Linda Bird
 Author: Susanne Lewis Disposition Date: 03/25/2010
 Date Submitted: 03/24/2010 Disposition Status: Approved-Closed
 Implementation Date Requested: On Approval Implementation Date:
 State Filing Description:

General Information

Project Name: 2010-02 REA Transfer Endorsement Status of Filing in Domicile: Authorized
 Project Number: T-MDO-REA-E1 Date Approved in Domicile: 03/17/2010
 Requested Filing Mode: Review & Approval Domicile Status Comments:
 Explanation for Combination/Other: Market Type: Individual
 Submission Type: New Submission Group Market Size:
 Overall Rate Impact: Group Market Type:
 Filing Status Changed: 03/25/2010 Explanation for Other Group Market Type:
 State Status Changed: 03/25/2010
 Deemer Date: Created By: Susanne Lewis
 Submitted By: Susanne Lewis Corresponding Filing Tracking Number:

We are submitting the attached form for approval. This form does not replace any previously submitted forms.

Thank you for discussing this filing with us prior to its submission. Our Associate General Counsel Alan Chapman had emailed Deputy Commissioner Dan Honey on March 20. Mr. Honey replied on March 23, and copied Linda Bird, that we should submit.

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The endorsement will amend all our MDO contracts that make the Real Estate Account available, both new and inforce, to limit participants from making certain transfers into the Real Estate Account (TIAA Separate Account VA-2) to the extent such participants would have an aggregate Account balance (accumulation) which exceeds a certain dollar threshold (\$150,000 will be the initial threshold).

As detailed below, such limitations will not apply to systematic withdrawals and transfers, automatic rebalancing activities, external transfers or premiums. Additional exceptions to the limitation will apply to participant transactions generated by a TIAA-CREF driven or approved modeling platform.

The contracts to be amended already reserve the right for TIAA to stop accepting all transfers and/or premiums into the Real Estate Account for an indefinite period of time. The endorsements filed herein provide for a more limited restriction than that which is currently reserved, which we believe will be more beneficial to the operation of the Real Estate Account and TIAA's participants.

The following provides additional background as to the need for the implementation of this restriction:

The Real Estate Account's stated objective and investment strategy call for acquiring and holding between 75% to 85% of its assets as core, stable, high quality, income-producing properties. High volume inflows into the Account can take time to deploy in a prudent manner which can add additional stress to the operation of the Account.

Significant net participant transfers out of the Account within a short period of time are problematic as well, given the Account provides participants the ability to redeem their units on demand. This activity places extreme stress on the Account by requiring high cash balances and creating pressure to find, in a very short time period, additional sources of cash to meet redemption requests.

During the economic crisis of 2008, the Account experienced unprecedented net participant transfers out of the Account which, in conjunction with asset value declines, contributed to its current reduced net asset value.

Furthermore, our internal analysis revealed that the significant majority of dollars transferred into the Account in the years immediately preceding the economic crisis, and out of the Account between early 2008 and mid 2009, stemmed from lump sum transfers made by less than 10% of the Account's participants. This transfer activity, while permissible under the terms of the Contracts, has made prudent cash management significantly more difficult, particularly given the Account's (and its participants') generally long-term investment horizon.

Although the Contracts reserve the right for TIAA to indefinitely stop accepting all transfers and/or premiums into the

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Account, we believe this approach currently is not in the best interest of the Account or its participants. To shut off all transfers and/or premiums into the Account would negatively impact all participants to curb the behavior of a relative few. However, without a more targeted solution to address the problem of large net flows in and out of the Account, TIAA must act in the best interest of Account participants and would be prepared to cease accepting premium and/or transfers into the Account, as permitted under the terms of the Contracts.

With these endorsements, TIAA proposes to amend the contracts to provide that an individual participant may not transfer funds into the Account, if, after giving effect to such transfer, such participant would have an aggregate Account balance, across all contracts in which such participant holds the Account, in excess of a stated dollar amount. TIAA proposes to establish this dollar amount at \$150,000, which, based on our analysis, is tailored to impact as few participants as possible in order to protect the Account's interests. By way of reference, as of August 31, 2009, less than ½ of 1% of all participants invested in the Account had balances exceeding \$150,000 and less than 1% of all participants had balances exceeding \$100,000.

There will be exceptions to this restriction as follows: (i) participants at all Account balance levels will be able to contribute to the Account through premium contributions and transfers from external carriers; (ii) participants with balances that exceed the threshold amount, at the time this limitation would become effective, will not be required to reduce their balance to a level at or below the threshold; (iii) most participants engaging in automatic rebalancing activities, advice-driven transfers and systematic transfers will be entitled to continue to do so, even if the resultant balance would exceed the threshold.

TIAA intends to review the threshold limit periodically (likely no more often than annually) to determine whether any adjustment is necessary, as deemed appropriate and in the best interests of the Account and its participants, but TIAA will not reduce the threshold below \$100,000. Participants would be given proper notification of any change in the threshold. TIAA would expect to provide at least two months' advance written notice to all participants of the details of the modification, and the effective date thereof.

We believe it is essential for TIAA to act now and propose the effective date of this modification to be as soon as practicable. A recent study conducted with a number of Account participants who transferred large sums in and out of the Account during the 2005 to 2008 period indicates that many intend to exercise their contractual rights to transfer potentially large sums back into the Account in the near future, based on a combination of market conditions for both real estate and non-real estate asset classes. As a result, we feel it is important to establish these safeguards sooner rather than later, particularly given TIAA's intent to provide sufficient notice to all participants of the effectiveness of this modification.

We have bracketed those elements that are being submitted as variable.

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Please note that a certification of readability is not included as the products that the endorsement will be attached to are securities subject to federal jurisdiction.

The paper forms will be pre-printed or laser emitted with identical language approved by the Department. We reserve the right to change the book-turn duplex printing, pagination, location of print lines and words, signature graphic, and the type of font (but not to a point size less than 10) of these forms without resubmitting for approval.

We plan to implement the form as soon as possible after we receive your approval. Please feel free to contact me if you have any questions. Thank you for your consideration of this submission.

Company and Contact

Filing Contact Information

Susanne Lewis, Senior Contract Forms slewis@tiaa-cref.org
 Specialist
 730 Third Avenue 800-842-2733 [Phone] 235317
 [Ext]
 (730/3/32) 212-916-5903 [FAX]
 New York, NY 10017

Filing Company Information

Teachers Insurance and Annuity Association of America CoCode: 69345 State of Domicile: New York
 730 Third Avenue Group Code: 1216 Company Type: L&H
 New York, NY 10017 Group Name: TIAA-CREF State ID Number:
 (212) 490-9000 ext. [Phone] FEIN Number: 13-1624203

Filing Fees

Fee Required? Yes
 Fee Amount: \$50.00
 Retaliatory? No
 Fee Explanation: 1 endorsement
 Per Company: No

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COMPANY	AMOUNT	DATE PROCESSED	TRANSACTION #
Teachers Insurance and Annuity Association of America	\$50.00	03/24/2010	35118291

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Correspondence Summary

Dispositions

Status	Created By	Created On	Date Submitted
Approved-Closed	Linda Bird	03/25/2010	03/25/2010

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Disposition

Disposition Date: 03/25/2010

Implementation Date:

Status: Approved-Closed

Comment:

Rate data does NOT apply to filing.

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Schedule	Schedule Item	Schedule Item Status	Public Access
Supporting Document	Flesch Certification		Yes
Supporting Document	Application		No
Supporting Document	Life & Annuity - Actuarial Memo		No
Supporting Document	Statement of Variability		Yes
Form	Endorsement to Your TIAA Annuity Contract		Yes

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Form Schedule

Lead Form Number: T-MDO-REA-E1

Schedule Item Status	Form Number	Form Type	Form Name	Action	Action Specific Data	Readability	Attachment
	T-MDO-REA-E1	Policy/Contract Certificate: Amendment, Insert Page, Endorsement or Rider	Endorsement to Your Initial Contract			0.000	T-MDO-REA-E1.pdf

**TEACHERS INSURANCE AND ANNUITY ASSOCIATION OF AMERICA
(TIAA)**

730 Third Avenue, New York, N.Y. 10017-3206
Telephone: [800-842-2733]

Endorsement to Your TIAA Annuity Contract

Effective Date: [Attached at issue / Specific Date]

This endorsement is part of your contract with TIAA. It adds a provision to your contract, as follows:

An **internal funding vehicle transfer** is the movement of accumulations among or between any of the following:

- i. your Traditional Annuity accumulation
- ii. your Real Estate Account accumulation
- iii. your Investment Account accumulation
- iv. your companion CREF certificate
- v. any other funding vehicle accumulation you may have which is administered by TIAA or CREF on the same record-keeping system as this contract.

However, an internal funding vehicle transfer does not include any of the following:

- Systematic withdrawals and transfers (SWATs)
- Automatic rebalances
- Any transaction arising from a TIAA sponsored advice product or service
- Transfer Payout Annuity (TPA) payments directed to the Real Estate Account.

You may not apply internal funding vehicle transfers to your Real Estate Account accumulation if after giving effect to such transfer the total value of your Real Estate Account accumulation under this contract and any other TIAA annuity contract or certificate issued to you would exceed a threshold amount of [\$150,000]. Any internal funding vehicle transfer which cannot be applied pursuant to this rule will be rejected in its entirety and we will communicate such rejection to you. If, as of the effective date of this endorsement, the total value of your Real Estate Account accumulation under this contract and any other TIAA annuity contract or certificate issued to you already exceeds the threshold amount, you will not be required to reduce such accumulation to a level at or below the threshold.

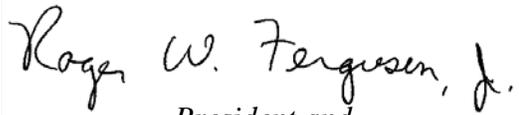
The Real Estate Account accumulation unit values used in applying this provision will be those calculated as of the valuation day preceding the day on which the proposed transfer is to be effective. For the purpose of this provision, the total value of your Real Estate Account accumulation will include the value of any pending internal funding vehicle transfers into your Real Estate Account accumulation under any TIAA annuity contracts or certificates issued to you.

TIAA reserves the right in the future to increase or decrease the threshold dollar amount associated with this provision. However, the threshold amount will never be less than \$100,000. If, as of the

Endorsement to Your TIAA Contract

effective date of such a change in the threshold amount, the total value of your Real Estate Account accumulation under this contract and any other TIAA annuity contract or certificate issued to you already exceeds the new threshold amount, you will not be required to reduce such accumulation to a level at or below the new threshold. TIAA also reserves the right in the future to include among the restricted transactions any of the categories currently excluded above or to include any categories of transactions associated with services that may be introduced in the future. Any such future changes will only affect transactions with effective dates on or after the effective date of such change. You will be given at least two months advance written notice of any such change.

Nothing in this endorsement shall be construed to limit TIAA's right to stop accepting premiums and/or internal transfers at any time.


*President and
Chief Executive Officer*

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Supporting Document Schedules

	Item Status:	Status Date:
Satisfied - Item: Flesch Certification		
Comments:		
Attachment: AR - T-MDO-REA-E1 - Compliance Certification.pdf		

	Item Status:	Status Date:
Bypassed - Item: Application		
Bypass Reason: Not applicable		
Comments:		

	Item Status:	Status Date:
Satisfied - Item: Statement of Variability		
Comments:		
Attachment: T-MDO-REA-E1 Statement of Variability.pdf		

STATE OF ARKANSAS

CERTIFICATIONS

You have our assurance that we are in compliance with the applicable sections of Ark. Code Ann. 23-79-138.

You also have our assurance that we provide the Life and Health Guaranty Association notice to each contract holder in compliance with the requirements of Regulation 49.

I hereby certify that I have reviewed the form listed below; and that, to the best of my knowledge, information, and belief the form listed below meets the provisions of the Arkansas Insurance Regulation 19 and all applicable requirements of the Arkansas State Insurance Department.

This is to certify that the form listed is exempt from the Flesch Reading Ease Score required in Arkansas pursuant to Section 23-80-204(b)(1).

Form: T-MDO-REA-E1



Peretz Perl, FSA, MAAA
Director and Actuary
March 23, 2010

Teachers Insurance and Annuity Association of America
Memorandum of Variability
Variable Material in the forms has been denoted by brackets
Date: March 10, 2010

Policy Form	Page	Bracketed Item	Range of Values
T-MDO-REA-E1	1	Telephone Number	Company telephone number as of issue date
	1	Effective Date	"Attached at issue" or a specified future effective date
	1	Threshold amount	Minimum is \$100,000 Maximum is \$1,000,000,000
	2	Signatures & Titles	Names of company officers as of issue date.