

SERFF Tracking Number: TCRE-126555265 State: Arkansas  
 Filing Company: Teachers Insurance and Annuity Association of America State Tracking Number: 45252  
 Company Tracking Number: T-GDA-REA-E1  
 TOI: A02.1G Group Annuities - Deferred Non-Variable and Variable Sub-TOI: A02.1G.002 Flexible Premium  
 Product Name: REA Transfer Endorsement  
 Project Name/Number: 2010-02 REA Transfer Endorsement/T-Gxxx-REA-E1

## Filing at a Glance

Company: Teachers Insurance and Annuity Association of America

Product Name: REA Transfer Endorsement	SERFF Tr Num: TCRE-126555265	State: Arkansas
TOI: A02.1G Group Annuities - Deferred Non-Variable and Variable	SERFF Status: Closed-Approved-Closed	State Tr Num: 45252
Sub-TOI: A02.1G.002 Flexible Premium	Co Tr Num: T-GDA-REA-E1	State Status: Approved-Closed
Filing Type: Form	Author: Susanne Lewis	Reviewer(s): Linda Bird
	Date Submitted: 03/24/2010	Disposition Date: 03/25/2010
		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-Gxxx-REA-E1	Date Approved in Domicile: 03/17/2010
Requested Filing Mode: Review & Approval	Domicile Status Comments:
Explanation for Combination/Other:	Market Type: Group
Submission Type: New Submission	Group Market Size: Small and Large
Overall Rate Impact:	Group Market Type: Employer
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 forms for approval. These forms do 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.

The endorsements will amend our group deferred annuity contracts and certificates that make the Real Estate Account

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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 group contracts and certificates to which the endorsements will be attached are Group Retirement Annuity Certificates, Group Supplemental Retirement Annuity Certificates, Keogh Group Retirement Annuity Certificates, Retirement Choice Annuity Certificates, Retirement Choice Plus Annuity Certificates, Retirement Choice Annuity Contracts, Retirement Choice Plus Annuity Contracts, and Group Annuity Contracts.

The contracts and certificates 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

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

With these endorsements, TIAA proposes to amend the contracts and certificates 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

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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.

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 these forms 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  
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## Filing Fees

Fee Required? Yes



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America  
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Variable and Variable  
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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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<b>Schedule</b>	<b>Schedule Item</b>	<b>Schedule Item Status</b>	<b>Public Access</b>
<b>Supporting Document</b>	Flesch Certification		Yes
<b>Supporting Document</b>	Application		No
<b>Supporting Document</b>	Life & Annuity - Actuarial Memo		No
<b>Supporting Document</b>	Statements of Variability		Yes
<b>Form</b>	Endorsement to Your TIAA Deferred Annuity Certificate		Yes
<b>Form</b>	Endorsement to Your TIAA Deferred Annuity Contract		Yes

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## Form Schedule

### Lead Form Number: T-GDA-REA-E1

Schedule Item Status	Form Number	Form Type	Form Name	Action	Action Specific Data	Readability	Attachment
	T-GDA-REA-E1	Certificate Amendmen t, Insert Page, Endorseme nt or Rider	Endorsement to Your Initial TIAA Deferred Annuity Certificate			0.000	T-GDA-REA-E1.pdf
	T-GCNT-REA-E1	Policy/Cont ract/Fratern al Certificate: Amendmen t, Insert Page, Endorseme nt or Rider	Endorsement to Your Initial TIAA Deferred Annuity Contract			0.000	T-GCNT-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 Deferred Annuity Certificate**

Effective Date: [Attached at issue / Specific Date]

This endorsement is part of your certificate with TIAA. It adds a provision to your certificate, 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 certificate.

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 certificate 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 certificate 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.

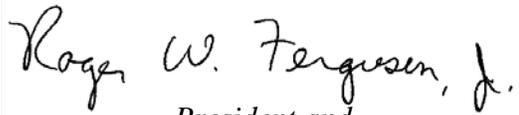
The Real Estate Account accumulation unit values used in applying this provision will be those calculated as of the valuation day preceding the day on which the proposed transfer is to be effective. For the purpose of this provision, the total value of your Real Estate Account accumulation will include 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 Certificate

effective date of such a change in the threshold amount, the total value of your Real Estate Account accumulation under this certificate 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*

**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 Deferred 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. the Traditional Annuity accumulation held on behalf of an employee
- ii. the Real Estate Account accumulation held on behalf of an employee
- iii. the Investment Account accumulation held on behalf of an employee
- iv. the CREF accumulation held on behalf of an employee in a companion CREF certificate
- v. any other funding vehicle accumulation held on behalf of an employee 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.

Internal funding vehicle transfers may not be applied to the Real Estate Account accumulation held on behalf of an employee if after giving effect to such transfer the total value of the Real Estate Account accumulation held on behalf of the employee under this contract and any other TIAA annuity contract or certificate 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 the employee. If, as of the effective date of this endorsement, the total value of the Real Estate Account accumulation held on behalf of an employee under this contract and any other TIAA annuity contract or certificate already exceeds the threshold amount, the employee will not be required to reduce such accumulation to a level at or below the threshold.

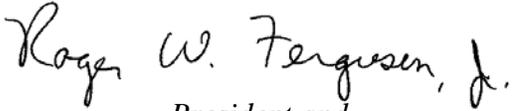
The Real Estate Account accumulation unit values used in applying this provision will be those calculated as of the valuation day preceding the day on which the proposed transfer is to be effective. For the purpose of this provision, the total value of the Real Estate Account accumulation held on behalf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

## Endorsement to Your TIAA Contract

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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 effective date of such a change in the threshold amount, the total value of the Real Estate Account accumulation held on behalf of an employee under this contract and any other TIAA annuity contract or certificate already exceeds the new threshold amount, the employee 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.

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*Roger W. Ferguson, Jr.*  
*President and*  
*Chief Executive Officer*

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## Supporting Document Schedules

	<b>Item Status:</b>	<b>Status Date:</b>
<b>Satisfied - Item:</b> Flesch Certification		
<b>Comments:</b>		
<b>Attachment:</b>		
AR - T-GDA-REA-E1 - Compliance Certification.pdf		

	<b>Item Status:</b>	<b>Status Date:</b>
<b>Bypassed - Item:</b> Application		
<b>Bypass Reason:</b> Not applicable		
<b>Comments:</b>		

	<b>Item Status:</b>	<b>Status Date:</b>
<b>Satisfied - Item:</b> Statements of Variability		
<b>Comments:</b>		
<b>Attachments:</b>		
T-GDA-REA-E1 Statement of Variability.pdf		
T-GCNT-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 forms listed below; and that, to the best of my knowledge, information, and belief the forms 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 forms listed are exempt from the Flesch Reading Ease Score required in Arkansas pursuant to Section 23-80-204(b)(1).

Form: T-GDA-REA-E1  
T-GCNT-REA-E1



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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-GDA-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.

**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
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