

Prepared for the Office of the State Treasurer

August 25, 2021

This Proposal describes the products and services available to you as an AIG Retirement Services client.

The information contained in this proposal expires 180 days from the date of this proposal. Please direct any requests for extensions to this time frame to the Vice President of Business Case Development at tom.goodwin@aig.com.

Securities and investment advisory services offered through VALIC Financial Advisors, Inc. ("VFA"), member FINRA, SIPC and an SEC-registered investment advisor. VFA registered representatives offer securities and other products under retirement plans and IRAs, and to clients outside of such arrangements.

Annuities issued by The Variable Annuity Life Insurance Company ("VALIC"). Variable annuities distributed by its affiliate, AIG Capital Services, Inc. ("ACS"), member FINRA. VALIC, VFA and ACS are members of American International Group, Inc. ("AIG").

AIG Retirement Services represents AIG member companies -The Variable Annuity Life Insurance Company ("VALIC") and its subsidiaries VALIC Financial Advisors, Inc. ("VFA") and VALIC Retirement Services Company ("VRSCO"). All are members of American International Group, Inc. ("AIG").

AIG Retirement Services is not undertaking to provide impartial investment advice or to give advice in a fiduciary capacity. If you choose AIG Retirement Services and would like assistance with the selection and monitoring of investments, we can provide you with a list of investment alternatives that is based on criteria that you provide. AIG Retirement Services will disclose, in detail, any financial interests that we may have in any of the identified investment alternatives.

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Office of the State Treasurer

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August 24, 2021

John Meyer, Director of Contributions and Plan Management
Office of the State Treasurer
820 Silver Lake Boulevard, Suite 100
Dover, DE 19904

SENT VIA DATABASE UPLOAD TO <https://treasurer-delaware.bonfirehub.com/portal/>

Re: AIG Retirement Services' Response to TRE-CPM-21101-Deferred Compensation Plan Recordkeeping and Administrative Services

Dear Mr. Meyer:

In partnership with the Office of the State Treasury (OST), AIG Retirement Services (VALIC) is excited about the opportunity to further deepen our commitment to you and the servicing of your retirement plan.

Our long history together has resulted in a deep understanding of your employee's needs and helped us develop a response to your RFP that will be beneficial to all plan participants, employees, and OST. We designed our response with the clear goal of helping you build and manage a retirement plan that motivates all of your employees to save for one of *their* biggest goals—a more secure financial future. We believe that with our commitment to a robust on-site education model paired with “user friendly” technology, will drastically increase participation across your plans. Most importantly, we are excited to share new technology like our full-service model that will engage all your plan participants (including retirees) to help achieve their retirement goals. Below are some highlights of our value proposition:

Powerful Technology Paired with Trusted Dedicated Financial Professionals

To successfully engage all your employees, it's critical to offer help and support however they prefer—whether that's digitally, in person or a combination of both.

- **FutureFIT®**—our innovative customized online employee experience—inspires your employees to stay engaged and on track to achieve the future they envision. It uses behavioral science principles, streamlined navigation and relatable content to motivate employees to take action. It includes engaging design built for today's mobile mindset, and smart technology focused on helping employees build future monthly income.

Supported by today's leading retirement planning tools and technology, our trusted financial professionals deliver the personal touch many employees need to take action:

- **Available** – We are committed to at least six financial professionals that will be dedicated to your plan to meet your employees anytime and anywhere.
- **Local** – Our financial professionals are not only a part of AIG Retirement Services, but they are also a part of your community.
- **Experienced** – With an average of 20 years' experience, our financial professionals have the experience and knowledge to help those who help others prepare for their financial futures.

Retirement Manager 403(b) Compliance Aggregator

We have a proud history of having our Retirement Manager 403(b) compliance aggregator program used in your plan in the past and we are excited to share with you what is new that makes Retirement Manager better than ever. In order to meet the unique administrative and compliance needs of plan sponsors, VALIC Retirement Service Company introduced Retirement Manager in 2003. Retirement Manager is a contractual, vendor neutral, program developed to help ensure compliance among all vendors. To date, Retirement Manager administers over 850 retirement plans.

Retirement Managers comprehensive program solutions allow an aggregated view of the participant's account, including defined contribution plans in a multi-vendor environment, pension plans, and other personal accounts. This service will also help increase the consolidation of your frozen 403(b) plan assets into the exclusive plan.

A More Personal Experience

Finances are personal. That's why we focus on individual needs and preferences when engaging your employees. As a pioneer in retirement planning at the worksite, AIG Retirement Services stands ready to offer your employees more. We look holistically at each and every employee's unique needs to provide assistance in their planning goals. By pairing "high-tech" with "high-touch," we provide your employees access to valuable education, advice, and guidance however and whenever they prefer.

- Retirement readiness letters, personalized monthly retirement income projections
- Personal retirement notifications
- Custom employee messaging
- Personalized videos

Custom Target Date Models

AIG Retirement Services is proposing a fresh take on your investment menu and one that will allow OST to provide a private labeled customized target date family. This exciting feature will allow improved allocations aligned to your participants needs and at the same time provide participants with substantial savings with lower costs. As part of these custom target models, we would suggest the addition of including additional investment options provided by American Funds. AIG Retirement Services has been recordkeeping custom asset allocation models since 2008. The asset allocation for each model is determined by the Office of the State Treasurer or its selected investment management firm or consultant. The models can be set to re-balance monthly, quarterly, semi-annually, or annually. They are made up of the plan's underlying investment options or can also include non-core investments and will be titled as the Office of the State Treasurer chooses. Participants can choose a certain model, or our recordkeeping system can also automatically default participants to the appropriate model based on year of birth.

AIG Retirement Services' only business is helping those who serve others plan for the retirement of their dreams. We strongly feel that by partnering together we can help you take this outstanding plan to new levels of success.

AIG Retirement Services confirms our ability to satisfy the vendor minimum eligibility requirements set forth in Section IV.

Our proposal contains confidential business information that is being submitted in a separate, sealed envelope in accordance with the procedures described in B. Submission of Proposals, 8. Confidentiality of Documents.

I hope the enclosed information is responsive to your request and provides you with the information you need. Should you have any questions regarding this proposal, please contact me at the email address or telephone number above.

Sincerely,

A handwritten signature in black ink, appearing to be 'D. Goldstein', followed by a horizontal line.

Don Goldstein
Vice President, Business Development
AIG Retirement Services

ATTACHMENT 1: Vendor Questionnaire

CONTRACT NUMBER: TRE-CPM-21101-DEFERRED COMPENSATION PLAN RECORDKEEPING AND ADMINISTRATIVE SERVICES

I. Vendor History and Depth of Public Defined Contribution Plan Experience

- 1. Briefly provide an overview of your company and the history of the organization. Provide the number of years' experience your company has in providing administrative services for defined contribution plans.**

AIG Retirement Services is part of AIG Life & Retirement.

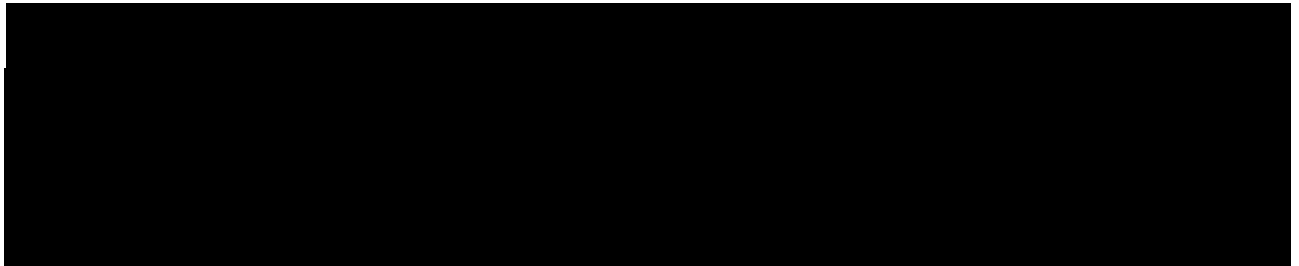
Some Quick Facts on AIG Life & Retirement:

- 60+ years of retirement expertise
- In 1964, AIG Retirement Services was the first retirement solutions provider in the United States to enroll a public school district in a 403(b) retirement program
- Began working with the Office of the State Treasurer in 1996
- Implemented Retirement Manager 403(b) Compliance program for the Office of the State Treasurer in 2009
- 3 million participants*
- \$356 billion in retirement assets*
- DALBAR 2021 Annuity Service Award (15th Consecutive Year)
- #1 Ranked for Behavior Centricity for the Participant Experience
- #2 Ranked Best-in-class Participant Website (Overall)
- 2020 #1 Ranking for Variable Annuity Investor Statement (19th Consecutive Year)
- PLANSPONSOR - Rated by our clients: 29 Best-in-Class Awards for plan sponsor and participant services – 2020
- Industry Pioneer in Retirement Planning Services

AIG Retirement Services stands out as one of the most experienced and largest defined contribution plan providers in the industry, with our first defined contribution plan in 1964. Our retirement plan services include plan education, investments, recordkeeping, and administration to a variety of markets. Our key markets include elementary and secondary education institutions, higher education institutions, hospital, and non-profit healthcare organizations, governmental entities, and other non-profit organizations. AIG Retirement Services currently provides tax-qualified retirement plan services to more than 18,500 organizations representing approximately 1.9 million participants.

**Assets Under Management/Administration (as of 03/31/21) excludes Retail Mutual Funds and the Life Insurance business. In addition, Institutional Markets comprises the national value of stable value wrap contracts only, excluding the portion included in total insurance reserves.*

2. Indicate the number of, and total assets within, public 457(b), 403(b), and 401(a) plans that you currently service broken down by the following number of participants:



3. What are your client retention statistics for each of the last three years? What is the historic average duration of client relationships for the company? For those clients who discontinued services, what percentage left due to issues pertaining to services provided by the company?

- **Client Retention:** 99.47%
- **Historic Average:** 23.5 Years
- **Discontinued Services:** <1%

4. Describe any parent/subsidiary/affiliate relationships. Are you currently participating in any alliances or joint marketing efforts? If so, describe in detail. List all subcontractors proposed to be used to provide any of your services, and fully describe the nature of the services to be provided and the subcontractor's experience and expertise.

Each of AIG Retirement Services' organizations will bring its own unique measure of expertise to the service of Office of the State Treasurer's (OST) retirement program:

- VALIC Retirement Services Company (VRSCO) provides retirement plan recordkeeping, administrative and compliance services to group mutual fund retirement plans for our group mutual fund business.
- The Variable Annuity Life Insurance Company (VALIC) underwrites, issues and guarantees annuity products and policies. Annuities are issued by Triable Annuity Life Insurance Company (VALIC), Houston, TX. Variable annuities are distributed by its affiliate, AIG Capital Services, Inc. (ACS), member FINRA.
- VALIC Financial Advisors, Inc. (VFA) is a registered broker/dealer and investment adviser that supports our retirement plans and plan participants as well as individuals outside of retirement plans seeking to achieve their retirement and financial goals. Securities and investment advisory services offered through VALIC Financial Advisors, Inc. (VFA), member FINRA, SIPC and an SEC-registered investment adviser.

Together with AIG Federal Savings Bank (AIG FSB), we will provide a comprehensive package of investment options and retirement plan services to OST. At AIG Retirement Services, we are committed to helping our clients improve financial wellness, enhance retirement outcomes and see brighter futures.

On occasion, AIG Retirement Services will participate in arrangements regarding sponsorships of conferences and benefits fairs. Additionally, we may also support fundraising and marketing events associated with current or potential plan sponsors or clients, trade associations, affiliations, unions, third-party administrators, and/or other third-party entities.

In some instances, AIG Retirement Services has engaged a third party to help endorse, promote, market, publicize, solicit (i.e. find) or introduce our services or products to the following audiences:

- Current or potential plan sponsors or clients
- Trade associations
- Affiliations
- Unions
- Third-party administrators, and/or
- Other third-party entities

It's important to note that such events and activities are subject to a policy that requires reviews and approvals with the goal of ensuring our participation is compliant with applicable laws and regulations and to help mitigate any potential conflicts of interest. The reviews/approvals currently occur at senior levels, and depending on the nature of the proposed arrangement, may require legal and compliance approval. Additionally, the existence of such activities is disclosed within product prospectuses and VALIC Financial Advisors' Form ADV. We are happy to discuss further with the OST should there be any questions.

AIG Retirement Services also provides several services through alliances/joint marketing efforts with experts from the industry including:

- EVERFI, this award-winning and interactive education experience covers a broad range of financial literacy subjects and is creatively designed to deliver an engaging digital experience through our FutureFIT University financial wellness service.
- Co-branded platforms with Savi, a social impact technology firm, to help non-profit and public service workers take control of their student loans.

5. Are there any pending agreements or any active or contemplated negotiations or intentions to merge or sell your company or any portion thereof or to acquire another company? If yes, please explain.

On October 26, 2020, AIG announced its intention to pursue a separation of AIG's Life & Retirement business from AIG. Any separation transaction will be subject to the satisfaction of various conditions and approvals, including, but not limited to, approval by the Board, receipt of insurance and other required regulatory approvals, and satisfaction of any applicable requirements of the Securities and Exchange Commission. The form that a separation transaction may take or the specific terms or timing thereof, or that a separation will in fact occur, is not known at this time. For updates to this information, please refer to American International Group, Inc. Form 8-K filings at www.sec.gov.

6. Has your company or any individuals been involved in litigation, regulatory or other investigations in the last five years or are there any pending litigation, regulatory or other investigations arising out of your performance or participation in servicing a client or delivering services similar to those outlined in the Scope of Services in this RFP? If so, please fully describe, including an explanation of the resolution of the matter, whether formally or by settlement. Exclude routine interpleader actions, garnishments and similar routine matters involving participants and beneficiaries that do not reflect on your performance of your contract.

The companies that comprise AIG Retirement Services, specifically The Variable Annuity Life Insurance Company ("VALIC") and its subsidiary companies VALIC Financial Advisors, Inc. ("VFA") and VALIC Retirement Services Company ("VRSCO") (collectively, "AIG Retirement Services") are from time to time involved in a variety of litigation or other contested matters related to their retirement plan services

businesses. There are currently no pending matters that are likely to have a material adverse effect on AIG Retirement Services' financial position, results of operations or cash flows, and any pending matters are non-material to AIG Retirement Services' ability to provide their products and services.

One litigation matter potentially related to our retirement services business was recently resolved in the company's favor. In a lawsuit filed in the Circuit Court of Kanawha County, West Virginia (No. 09-C-2014) in November 2009 by the West Virginia Investment Management Board and The West Virginia Consolidated Public Retirement Board (the "WV Boards"), the WV Boards argued that they were contractually entitled in 2008 to the immediate and complete withdrawal of funds invested in an annuity product issued by VALIC. In 2016, the parties stipulated to resolve the matter through final and non-appealable arbitration before an arbitration panel composed of three West Virginia Business Court judges. The panel issued a decision in VALIC's favor on April 28, 2017 awarding no recovery to the WV Boards. Thereafter, consistent with the arbitration decision, the West Virginia Business Court dismissed the claims of the WV Boards against VALIC. In May 2017, notwithstanding the parties' stipulation that the arbitral decision would be final and non-appealable, the WV Boards appealed the arbitration decision to the West Virginia Supreme Court of Appeals. On June 5, 2018, the West Virginia Supreme Court unanimously affirmed the April 28, 2017 arbitration decision in VALIC's favor. The WV Boards' motion for reconsideration was denied on November 14, 2018, and no further appeal was taken.

Another litigation matter potentially related to our retirement services business was filed by D.L. Markham, DDS, MSD, Inc. 401(K) Plan and D.L. Markham, DDS, MSD, Inc., as plan administrator on January 4, 2021 against VALIC, VFA, and VRSCO (in the United States District Court for the Eastern District of California, No. 2:21-cv-00007-TLN-KJN). The lawsuit alleges that VALIC violated ERISA by charging the plaintiffs a surrender fee upon the plaintiffs' termination of their contract with VALIC. The lawsuit further seeks to certify a class action against VALIC made up of ERISA-covered plan administrators and plans for which VALIC had discretion to impose a surrender charge and which have paid VALIC any fees since January 4, 2018. VALIC, VFA, and VRSCO deny violating ERISA, deny that the plaintiffs are entitled to damages, and deny that a class action is appropriate or permissible under the law.

All closed litigation matters have been resolved on terms satisfactory and non-material to AIG Retirement Services' ability to provide their products and services.

With regard to regulatory matters, AIG Retirement Services is subject to periodic and ongoing investigations, examinations and information requests from various regulatory agencies, including the U.S. Securities and Exchange Commission ("SEC"), the Financial Industry Regulatory Authority ("FINRA"), the Department of Labor, the Internal Revenue Service, and all 50 states' insurance and securities departments. It is AIG Retirement Services' practice not to comment on the status of any ongoing examinations, investigations, or information requests beyond what is stated in public filings, including in the quarterly and annual securities filings of our corporate parent American International Group, Inc.

VFA entered into a consent order in January 2021 with FINRA which alleged that VFA failed to establish a surveillance and corrective action system regarding variable annuity exchanges and transactions. FINRA further alleged that VFA failed to timely report written customer complaints between June 2017 and March 2018. VFA agreed to pay a \$350,000 fine.

On July 28, 2020, the SEC entered two separate settled administrative orders against VFA, an SEC-registered broker-dealer (and FINRA member), investment adviser and insurance agency, making findings, imposing cease and desist orders and censures in which the company neither admitted nor denied the SEC's findings. The first order, as to which VFA agreed to pay \$19.9M in disgorgement, interest, and penalties, found that VFA failed to disclose certain conflicts of interest in connection with

its mutual fund share class selection practices in its retail Managed Investment Program for IRAs and after-tax accounts and its receipt of 12b-1 fees, revenue sharing opportunities, and avoided transaction costs. The second order, as to which VFA agreed to pay \$20M in penalties, found that VFA failed to disclose cash payments and employees it provided to a for-profit company owned by the Florida teachers' union that referred clients to VFA.

In June 2019, VFA entered into a consent order with the Hawaii Securities Enforcement Branch pursuant to which it paid a fine in the amount of \$10,000. The consent order stated that VFA failed to supervise a registered representative who had submitted a transaction without proper customer authorization.

As to VALIC, in November 2017, the company entered into a settlement agreement with the Minnesota Department of Commerce wherein VALIC was fined approximately \$177,000 in connection with unclaimed property procedures.

In April 2017, VALIC entered into a consent judgment with the State of Indiana wherein VALIC was fined \$75,000 in connection with a privacy breach that was disclosed in 2013/2014 to regulators and impacted customers. Scope of Vendor Operations and Ability to Meet Full Range of Requested Services

Data Security

- 1. Describe your company's data security team. Indicate the size, roles and responsibilities of personnel.**

AIG's centralized information security program has approximately 170 information security professionals globally and led by AIG's Chief Information Security Officer.

- 2. Describe the system protocols in place to ensure the integrity and security of records, data, and information and to prevent data theft. Has there ever been an instance where any of your systems were compromised? If so, how was client communication handled? How does your company define a data breach? What is your corporate policy in notifying clients and participants if a data breach has occurred? What services, if any, are offered to clients and participants in the event of a data breach or potential data breach?**

AIG maintains an Information Security program to protect the confidentiality, integrity and availability of its information technology assets. To achieve this objective, Information Security adopted a centralized security model and established the following organizational structure:

- Security Architecture & Strategy - develops business-aligned security architecture and information security strategy
- Defense & Protection - defends AIG assets and information from threats wherever they may exist
- Detection & Response - detects, responds to and contains security incidents
- Assessment & Effectiveness - continuously assesses AIG's environment to identify and mitigate security weaknesses

AIG's Information Security program is guided by a suite of policies and standards and regularly evaluated through various risk assessments. AIG also provides information security awareness training to all employees who have access to information resources on an annual basis.

AIG Retirement Services has not had a system compromise of OST's data.

AIG defines data breach as a malicious information security incident that resulted in the leak or theft of Sensitive Personal Information or Intellectual Property (IP).

A comprehensive Incident Response Plan has been implemented across all AIG companies and includes cybersecurity. Processes are developed, implemented and managed for an incident response plan to handle and escalate information security incidents and events. AIG Retirement Services specifically has a formal incident response program to address security incidents. The program includes a Computer Incident Response Team (CIRT) that is responsible for mitigating security incidents. The team includes members of AIG Retirement Services' Information Security staff, who are trained on incident handling procedures. Potential occurrences are promptly addressed to protect customer accounts and prevent identity theft. All investigations are tracked and responded to according to established service level requirements as part of a comprehensive incident response process. Communications with external parties is handled by our Relationship Management team, timing and specifics are dependent upon contractual agreements in place and as needed to ensure expected business continuity.

Please refer to the attached Account Responsibility Protection.

- 3. Describe your company's system back-up, security, and disaster recovery procedures. Are files archived and stored at an off-site location? If so, where is the location? Have procedures been tested? When did you last perform a full-scaled disaster recovery test? If you are not using backup, what do you use? If using a hot or warm site, provide the disaster recovery and business continuity plans. How is that controlled?**

AIG employs an Information Security Governance group that coordinates and develops logical and physical Information Security Policies, Standards and Procedures for AIG and AIG Retirement Services. This team is dedicated to the maintenance and enhancement of the recordkeeping and security software system. They are certified security professionals within AIG Retirement Services that are utilized to ensure representation from the business groups involved or impacted by new requirements.

Security procedures around our recordkeeping system is established at the plan, facility and function levels, in addition to terminal and operator security. Dedicated communication lines are used to provide access to the system, and access to the computer room and remote system consoles is limited. Only individuals who are assigned processing capabilities can access participant accounts. The system has field editing functionality to prevent data input errors, and only designated authorized personnel have access to those fields. Furthermore, access to production information files, programs and Job Control Language (JCL) instructions is restricted to authorized individuals and invalid access attempts are identified. Emergency and other temporary access to the operating system, production information files and programs are monitored and controlled.

AIG and AIG Retirement Services have invested heavily in business continuity planning. We run all data systems and applications in a hardened data center, with a full redundancy at another location (Fort Worth, TX and Livingston, NJ). In the event of a disaster, technical recovery teams will facilitate recovery at the alternate (backup) site. Critical data is replicated from the Fort Worth data center to the Livingston facility on a daily basis. In the event of a disaster at the Fort Worth data center, technical recovery teams would restore the infrastructure, databases and applications to the most current recovery point as dictated by business requirements. Upon completion of the recovery process, the AIG Retirement Services network would be rerouted to the Livingston facility and would resume business critical operations. AIG Retirement Services has a dedicated team of business continuity coordinators that work with each department to develop a detailed continuity plan for each area. Those plans are documented in a separate system and reviewed and approved at various levels of management. Plans are reviewed and recertified at least annually, or whenever business processes are changed.

AIG tests its process four times a year, and every business is required to conduct an annual tabletop exercise of a simulated business continuity event to test the processes. Results from these exercises

are reviewed and an “after-action” session is held to address any potential improvements. For each geographic location and business, AIG maintains an “Incident Management Team” made of management from all critical business functions. This is the team that will manage any BCP incident. There are built-in back-ups and redundancies to ensure each critical business function is represented, even if some team members are unavailable. These teams would make decisions about implementing our BCP response, closing facilities, and re-directing our workforce as needed. AIG has also invested in an alert system that allows us to message employees through both corporate and personal contact information (voice, email and text). We can use this system to notify employees about key developments as well as poll employees to ensure that they are safe and to determine their ability to work.

AIG Retirement Services uses a multi-layered approach to Business Continuity planning. In addition to the data center redundancy noted above, the home office sites (Houston and Amarillo TX) are equipped with generators so that they can continue to operate if safe to do so. Our employees are all equipped to work remotely, so they can operate from home or another location should the home office become unusable. AIG Retirement Services also currently contracts with a third-party vendor for workgroup recovery in the event the home offices become unusable. Business users would be relocated to the nearest workgroup recovery site or to another appropriate location. Operations would continue at the workgroup recovery site until the damaged facility was repaired or a suitable alternate facility was acquired. The third-party vendor location containing adequate space for our business users is in Grand Prairie, Texas.

AIG Retirement Services has had ample opportunity to test its plans under real-life conditions. From the wide-spread flooding that impacted Houston in 2017 as part of Hurricane Harvey, to the more recent deep-freeze winter storm in February of 2021 which left large swaths of TX without power for days, or the ongoing home office closures as the result of the pandemic, AIG Retirement Services has been able to maintain operations and meet client needs as a result of our thoughtful and detailed business continuity planning.

Archived Files:

AIG Retirement Services maintains all history on participants for all time. Plan and participant data is kept on the base recordkeeping system for a period of seven years; however, historical information through 1996 is kept in our data warehouse and can also be retrieved immediately. Records pre-dating 1996 can be obtained from our offsite storage location within two business days.

- 4. How does the company use independent, third-party testing and benchmarking to ensure compliance with security protocols? Describe how and the frequency of which third-party security audits are conducted. How does the company assess potential risk associated with vendors and subcontractors? How does the company ensure security of data handled by subcontractors?**

AIG's Information Security Program is reasonably designed and regularly assessed in an effort to maintain compliance with applicable laws and regulations. Additionally, the Information Security Program uses guidance from industry best practices, including the National Institute of Standards and Technology Cybersecurity Framework and the International Organization for Standardization 27002 standard.

An external party has assessed the current operating model and maturity of AIG's Information Security Program, including capabilities across the six cybersecurity layers as per AIG's information security framework. The assessment also included a tool configuration and Cloud security reviews. The maturity model recommendations are incorporated into the Information Security Strategy providing AIG's CISO and Information Security Office team with measurable current and future-state targets to achieve program maturity while focusing on risk management, modernization, resilience, and unification.

Furthermore, AIG engages a reputable and well-known global vendor to conduct a penetration test on all internet facing IP addresses and high-risk applications annually. The latest engagement was in Q4 2020 and covered the current operating model. AIG regularly conducts internal and external penetration tests to verify the validity and capability of our security tools and capabilities – any issues found are immediately patched and retested. AIG also routinely scans our own security tools for vulnerabilities and other known/unknown defects and take proactive action to get those patched to avoid any security breaches or data compromise situations. AIG ensures that any/all components of its security stack is not end of life and is fully supported by the respective vendors. AIG also has a threat intel platform where threat data from private and public sources for malware, vulnerabilities, zero day attacks and other malicious activities is made available to the security engineering and operations teams so that appropriate actions to patch vulnerabilities can be taken to reduce enterprise security risk.

Across AIG, including AIG Retirement Services, a third-party assessment program is in place. A Standard Information Gathering (SIG) tool is used to assess our third parties' security environment and compliance with/against our benchmark for adequate/acceptable policies and security practices.

- A category-based risk assessment tool is utilized for new and existing third parties
- Third party's control environment is reviewed and findings such as inadequacies are communicated to AIG Retirement Services
- Third Party Assessment team helps to assess what the findings are tied to (such as physical security, authentication or other) and provides remediation recommendations
- AIG business unit decides whether to accept risk and move forward to conduct business with external party.

Assessment depth and re-review cycle depends on risk level (criticality) 1-3-5 years.

AIG provides guidance and continued support to global team members in need IT Vendor Management services. Support includes but is not limited to internal online training courses, direct contact with sourcing and vendor assessment staff, periodic notifications of assessment refreshes.

5. Will any participant data be sent offshore? Will any work be conducted by subcontractors or divisions of the company that are domiciled outside the United States? If yes, please describe the nature of the services provided and how your company ensures security of the data.

No. All data related to participant transactions is housed onshore and does not leave AIG Retirement Services control/servers. AIG Retirement Services utilizes contractor resources to provide certain services such as processing specific, non-client facing transactions. These third-party resources are located in Manila, Philippines and managed through a contractual arrangement with applicable service level agreements to insure timely and accurate processing in line with the service level commitments we have with our plan sponsors. Oversight of this business processing outsourcing arrangement is centralized at AIG with participation/input of AIG Retirement Services senior leadership and carried out through a stringent vendor governance program which allows for evaluation and monitoring of our third parties' security environment.

6. What security features are in place to ensure only the correct participant is given personal information? Describe your Personal Identification Number (PIN) generation capabilities (for new participants) and on-going PIN administration capabilities. Does your website have multi-factor authentication? Does your website have self-provisioning for maintaining multi-factor authentication?

Data is secured within AIG Retirement Services' system by PINs, passwords, audit trails, and confirmation statements sent to participants. Participants must use a secure user id and password that they set to access their account online. If using the Voice Response System (VRS), they must also use

their account number and secure PIN.

Once a participant has an account established on our recordkeeping system, they will have access to their account via aigrs.com through a user-created ID and user-created password. A participant must provide key information about themselves, which is then matched to our recordkeeping system, and set up “challenge” questions to complete their access profile. The “challenge” questions can be used if a password is forgotten and by the Client Care Center as an enhanced method of caller identification.

Additionally, for plan participants that are using our online enrollment tools, they have the option of completing this access registration during their plan enrollment. If they choose to complete the access registration, they can then immediately begin utilizing our online educational content and exploring the site. They will not be able to complete any online transactions until their account is established on our recordkeeping system.

Participants that have established their website Security profile will use the first six characters of that password as the PIN for accessing the Voice Response System. This password/PIN can be updated at any time through aigrs.com, and a confirmation letter is sent notifying the participant of the Password/PIN change. For security reasons, this letter does not contain the PIN.

Our participant website contains/requires a multi-factor authentication process. Upon setting up their account, participants will be prompted to verify their identity using an email address, phone number and security questions. With each login, participants will be asked to verify their identity through use of verification codes sent to the email and phone number on file with our system. Our website has a self-provisioning feature for maintaining multi-factor authentication.

Implementation Strategy (Non-Incumbents only)

- 1. Provide a draft implementation plan that is customized to the State that illustrates your firm’s ability to implement this RFP’s Scope of Services over the five-month period ending March 1, 2022. The plan should include key milestones and other necessary steps in the process. Describe your strategy for implementation and the rationale behind your proposed plan. Please Add as TAB L in your response.**

Please refer to the Draft Implementation Plan in Tab I and L.

- 2. In your experience, what do you see as the major areas of operational and compliance risk in implementing this plan? Please describe how you would assist OST to ensure a smooth implementation for both employers, participants, and the OST staff. Please incorporate the use of a third-party administrator and compliance services as well as information sharing agreements for the State’s legacy 403(b) vendors.**

The major areas of risk involve not receiving the necessary data from the current provider to deliver future plan administration and participant services. We address this during implementation by documenting the required data and testing data files prior to going live.

AIG Retirement Services requires a minimal time and resource commitment from OST personnel during all phases of our relationship including enrollment, conversion and ongoing operations. However, we request assistance from the OST to establish effective communication channels. It will be necessary for our representatives to meet with OST’s staff to discuss how, when and where to contact employees. In addition, we would like assistance with arranging facilities for group meetings and to coordinate our attendance at employee benefit fairs.

VRSCO Retirement Manager will act as your multi-vendor administrator for compliance services across the Office of the State Treasurer's legacy 403(b) vendors. Retirement Manager does not anticipate any operational and compliance risk implementing this plan based on the OST's previous use of this program.

- 3. Identify comparable plan conversions in which you have been involved. How many conversions and implementations has your company conducted during the past five years involving 5,000 participants or more? Describe any transitions been from the incumbent provider. In your experience, what are the typical causes of delays during the conversion process? Provide solutions as to how you would overcome or minimize any delays?**

AIG Retirement Services has conducted comparable conversions for many plan sponsors, some more recent include:

- The Arc New York
- Care New England
- Salvation Army
- PGA of America
- Water Reclamation District of Greater Chicago

In the past five years AIG Retirement Services has conducted four conversions involving 5,000 or more participants.

Within the past two years, AIG Retirement Services has transitioned seven plans from the OST's incumbent provider. AIG Retirement Services' experience with the successful transitions of plans from the Office of the State Treasurer's current recordkeeper, leaves us feeling confident in our ability to provide a positive conversion experience for the Office of the State Treasurer's retirement plans.

In our experience, one of the primary causes of delays during the conversion process are errors in the conversion files received from the prior recordkeeper. AIG Retirement Services' experience with the successful conversion of plans from your plan's prior recordkeeper, and testing the data files will minimize any potential delays. AIG Retirement Services considers the following items to be critical success factors in the implementation and conversion of a Plan:

- Early notification of termination of services provided to outside vendors no longer active in the plan (AIG Retirement Services can provide sample letters for your use, if desired)
- A timely and well-organized implementation meeting that includes representatives from AIG Retirement Services and the plan sponsor (AIG Retirement Services can provide the agenda and coordinate the meeting)
- Periodic conference calls between AIG Retirement Services and the plan sponsor to monitor the process (AIG Retirement Services will establish a call-in phone number and coordinate the calls)
- Lead times of 12 weeks prior to the conversion of data or 8 weeks prior to the live date of a new plan (AIG Retirement Services will develop an implementation timeline and project plan to meet the specified "live" date)
- Executed Service and Trust/Custodial Agreements and Plan Documents 30 days prior to the live date (AIG Retirement Services will provide the necessary documents in an appropriate timeframe)
- Timely execution of conversion and accurate remittance testing 30 days prior to the live date (The AIG Retirement Services project plan will be designed to accomplish this and AIG Retirement Services will work proactively with the appropriate staff from your end as questions arise)

VRSCO also has experience working side-by-side with VOYA through its Retirement Manager plan administration and vendor aggregation program. Retirement Manager serves as the central location for loan and hardship withdrawal approvals, 402(g) limit monitoring, and universal availability compliance. VRSCO has been successful in gathering electronic data from VOYA, and all the other providers identified on the legacy vendors list, and maintaining the data within Retirement Manager.

4. Describe how you would propose to communicate the implementation to participants. What communication strategies have you used to onboard clients similar to OST? What methods of communication have worked well and where have you seen issues arise? Please include sample materials as an attachment with your proposal.

We view transition as the time to engage employees in their benefits plan. We utilize a proactive, targeted, and multi-channel approach to ensure we reach your employees with the education and action plan best suited to their needs and provide the support to help them achieve their desired outcomes.

Well before the “go live date,” our implementation team and communications consultant will sit down with you and map out the implementation process from start to finish. This strategy allows us to align our transition timelines with your stated goals and helps ensure we provide participants the information they need to during the transition.

We will work with you to develop a custom transition communication plan based on your employees’ needs, preferred communication channels, and best practice methodologies to ensure we drive high levels of engagement and action. Christina Murray, Director, Communications Consultant will act as an extension of your benefits office to partner with you to develop and execute a successful plan. With her 20 years of experience, she will work with you to incorporate goal-based message delivered through key communication channels into the transition plan, then keep the momentum going into the ongoing communication and education strategy. A critical part of the targeted transition communications strategy will be a multi-touch strategy with easy to understand print and web experiences and seamless integration with the financial professionals – onsite, virtually, or over the phone to make sure each employee has the support they need to ensure their plan is in place and on track.

This strategy will include:

- Custom materials developed in your unique benefits brand to drive engagement and brand recognition
- Announcement communications that help set the stage for the enhancements
- Transition guide (printed and online) that consolidates everything they need to know into one document with education about all the enhancements to the plan and step-by-step instructions regarding the actions they should take and how we can help
- Robust educational material on the enhancements via print and email, transition microsite, live webinars, on-demand videos, and in-person workshops
- One-on-one support, tools, and planning to determine the best individual plan for each person – in person, over the phone, via WebEx
- Local “help desks” during the transition where financial professionals can help them enroll in their new enhancements on the spot or provide education around the changes
- Custom transition IQ quiz with questions related to the new enhancements to drive engagement and action with short and fun questions
- Ongoing reminder communications to encourage action and follow-up on key enhancements and important account management post transition
- Proactive multi-channel communications including prints, email and outbound calling post transition for those that didn’t take action and/or need support or education on consolidating their assets/ best options for their goals

- Targeted onboarding communications focused on engaging them with their plan, making sure important information is up to date, connecting with a financial professional

Please refer to the attached Sample Transition Communication Materials.

5. Describe your experience with accepting and recordkeeping historical data (e.g. annual participant balances, rates of return) from former Vendors on your system. Describe the level of historical data you typically retain from a former Vendor during a transition and how this data is archived.

The foundation of any transition is the data. AIG Retirement Services' Implementation team is overseen by a Director and Managing Consultants who are highly experienced in complex retirement plan conversions and implementations. We execute a robust quality assurance program that utilizes both an automated process and manual verification to ensure the integrity of the conversion data at the time of the transition. Our processes include multiple rounds of testing to validate and ensure the accuracy of the data we are receiving from the prior vendor, TPA, or Plan Sponsor. Our quality assurance methodology uses advanced techniques, which includes control total validations and reconciliation of the mapped or translated data back to the raw baseline data. This proven method allows for a seamless transition process, where AIG Retirement Services does the heavy lifting. We also utilize the same methodology when reviewing and testing the payroll data to look for any anomalies in comparison to the vendor data. We will review your current process for remitting payroll contributions and validate the data across the services we are providing. If the data is consistent with what we need, we will not require any additional modifications to your existing payroll remittance process, again demonstrating our commitment to a seamless transition process. Not only is the success and management of the transition an integral component of how we evaluate overall performance and execution, but it also allows us to look for opportunities to make your existing processes more efficient by absorbing some of your administration burdens, thus creating capacity across your resources.

To ensure the integrity of the historical data at the time of the implementation, AIG Retirement Services' implementation team employs a quality assurance program that utilizes both an automated process and manual verification. Our processes include full testing of conversion data to ensure the accuracy of the information and performing quality assurance for all data records.

Retirement Manager has an 18 year history working with vendors to obtain the required participant data to service our compliance service for loans and distributions. Based on our recent history of servicing Office of the State Treasurer from June 2009 – January 2016, Retirement Manager continues to have a relationship with each of the Office of the State Treasurer's legacy vendors in receiving participant data.

The type of historical data stored in Retirement Manager includes:

- Employee Name
- SSN
- Employee ID
- Address, City, State and Zip
- Date of birth
- Date of Hire
- Plan account balances
- Loan and distribution transactions processed

The data is housed in Retirement Manager and can be retrieved via reports on demand by the State.

- 6. Will there be a blackout period? If so, for how long? Are there any risks or challenges in reconciling data for the plans during the transition process? Assume complete data is received from the prior Vendor in good order. Fully describe all components and restrictions of the blackout period. Indicate a minimum and maximum number of days.**

Yes. There will be a temporary freeze on distributions and transfers between investment options while AIG Retirement Services accepts and/or re-registers assets and final balances. In our extensive conversion experience, we have developed well-tested procedures that keep the blackout period to a minimum not to exceed five business days. In most cases, earnings and other plan functions will continue during the transition period.

The transaction freeze is critical to an effective conversion because it gives the previous recordkeeper the opportunity to process all pending participant requests prior to the conversion. It also allows AIG Retirement Services time to prepare the participant account set up data, to combine individual participant records from multiple providers, and to balance and reconcile the accounts. During this period, we will reconcile any account discrepancies and ensure that our participant account records are error-free.

- 7. Please agree that your firm, if selected as Vendor, will put “at risk” a stated dollar amount for meeting agreed-upon performance standards after receiving data in “good order.” Please review the sample performance standard grid in Attachment 7. In addition, please agree that your firm, if selected as Vendor, will put at risk 10% of its annual fees based on agreed upon performance standards. The satisfaction of each benchmark should be reported by the applicant on a quarterly basis for assessment by OST.**

AIG Retirement Services confirms we will put “at risk” a stated dollar amount for meeting agreed-upon performance standards after receiving data in “good order.”

AIG Retirement Services agrees we will put at risk 10% of its annual fees based on agreed upon performance standards.

- 8. The OST would also like the selected Vendor to commit to increasing the overall plan participation rate. Assuming you will be provided access to all eligible employees and the ability to distribute mass mailing and other communications, to what level of participation increase are you willing to commit? What amount of fees will you place at risk for failure to meet this standard?**

Operational and Systems Capabilities

- 1. Please describe the recordkeeping system your firm uses to administer defined contribution plans. How many years have you been using the system and how often are these systems upgraded? What was the date of the last major upgrade? What was the upgrade, and did it disrupt client services at any point? If so, how and what was learned to prevent a similar issue from occurring in the future?**

AIG Retirement Services' platform consists of a number of integrated systems with a mix of custom developed and industry leading 3rd party tools. This proven platform helps us deliver great experiences for participants and plan sponsors across a wide range of products and plan designs. We're continuously investing to leverage emerging technologies and meet fast changing digital expectations.

At the core of our platform is our proprietary recordkeeping system. Internally developed by AIG Retirement Services in 1985, our recordkeeping system is built on proven enterprise mainframe technologies that scale well to handle millions of participants and thousands of plans. Surrounding this reliable core is a number of API-connected systems and infrastructure that deliver digital experiences, integrate 3rd party best-of-breed partner solutions, automate operations and enable client engagement. The connected architecture supports real-time digital experiences, efficient daily transaction processing, sophisticated financial wellness tools and robust reporting and analytics. As we continue to invest, we're incorporating contemporary cloud and as-a-service infrastructure and software components to take advantage of seamless scaling, high redundancy and increased resiliency at an efficient cost.

Security, controls and operational monitoring are integrated throughout the platform, helping to protect data, ensure privacy and secure participant assets. All critical systems have robust disaster recovery designs that are regularly tested to ensure continuous operation. Systems are supported by AIG Retirement Services employees, augmented with expert partners, helping ensure round-the-clock operations.

We maintain and upgrade our proprietary software. AIG Retirement Services currently employs a team dedicated to the maintenance and enhancement of the recordkeeping software system. The recordkeeping system is maintained on an ongoing basis through a controlled library management process.

Updates are released to the production environment at specific times throughout the year according to a published release calendar with a general monthly frequency and no disruption of our regular services. However, in the event of a critical issue, procedures are in place to allow for an immediate move under controlled conditions.

- 2. Describe how your hardware and software environments are kept in compliance with laws, regulations, industry best practices, and new technologies.**

AIG Retirement Services employs a team of dedicated professionals who monitor both our systems and our clients' plans to ensure that they are in compliance with changing rules and regulations. Additionally, personnel from our law division are assigned to support the review of our systems as necessary to ensure continuing compliance. AIG Retirement Services legal and compliance personnel actively

participate in the design and testing of system enhancements required due to regulatory changes.

3. Will your system allow data transmissions for member defined benefit information to be incorporated into an annual statement and/or displayed on the participant website?

Yes. AIG Retirement Services will accept a data feed from the defined benefit plan provider and display the participant's accrued benefit on both the AIG Retirement Services internet site and on the quarterly participant statement along with their 403(b), 457(b) and 401(a) plans.

4. Explain how errors are handled through your recordkeeping system, including data transmission errors, for:

- **Enrollment**

We have a combination of automated and manual checks and audits to ensure that data has been entered correctly. If a payroll file is transmitted with format errors, the entire file will be rejected, and the plan sponsor will be notified. The plan sponsor has the option to correct the errors and resubmit the file for review, or they can reach out for technical assistance from an AIG Retirement Services payroll analyst.

AIG Retirement Services supports automatic enrollment for all employees in accordance with the plan provisions. There are two primary methods available:

1. The plan sponsor sends the first remittance to AIG Retirement Services and the participant account is set up using the detailed information on the remittance file. This method allows the plan sponsor to fully manage the enrollment provisions of the plan document as well as support an immediate start for remittances.
2. AIG Retirement Services receives an eligibility file at a specified time and frequency.

AIG Retirement Services provides a standard file layout for transmission of both employee indicative data and payroll information. Our standard format ensures that data is safely and quickly transmitted to AIG Retirement Services using our secured website.

- **Contributions**

If a contribution file is transmitted with format errors, the entire file will be rejected via an online interface. After receiving notification of the rejection, the plan sponsor has the option to correct the errors and resubmit the file for review, or they can reach out for technical assistance from an AIG Retirement Services payroll analyst. If individual contribution errors exist on the contribution file, an AIG Retirement Services payroll analyst or Account Manager will delay processing of the entire file and will contact the plan sponsor to resolve the errors.

Negative contributions are not considered error transactions; therefore, the contribution file will be immediately processed, assuming there is enough positive cash value in the participant account(s) to reconcile the negative contribution(s). In the event of a cash value shortage, an AIG Retirement Services payroll analyst will delay processing for the entire file and will contact the plan sponsor to resolve the funding shortage.

- **Withdrawals/Distributions (both over and under-payments)**

If errors occur during a distribution, generally, the transaction is reversed (funds replaced into the

account) and reprocessed using the correct data. If the funds have been mailed before the error is identified, a stop pay will be issued to recover the funds required for the correction process. If the check has been cashed:

Under-Payment

If the check cashed is determined to be an under-payment, AIG Retirement Services will issue an additional check for the remaining funds.

Over- Payment:

If a check was cashed and the amount is determined as an over-payment, then AIG Retirement Services will send a letter to the participant requesting the funding be paid back.

Process for Overpayment:

Produce and distribute up to three letters requesting repayment of overpayments

- 1st letter sent upon discovery of overpayment
- 2nd letter sent if repayment not received within 30 days
- 3rd letter sent if repayment not received within 60 days

- **Transfers**

Corrections to transfer of values (moving past assets) are reviewed prior to correction to validate what occurred. We are committed to correcting any errors that were deemed the responsibility AIG Retirement Services. In these cases, the participant's request is backdated to the original date or left as is, whichever the participant chooses, without the benefit of a calculation that will show best results.

- **Rollovers**

In the event an error related to a rollover is processed through the recordkeeping system, AIG Retirement Services makes the appropriate correction and ensures the participant's account is restored to the correct value as if the error never occurred. If we encounter an error with the data received from the prior recordkeeper, AIG Retirement Services works with that recordkeeper to get updated files with corrected data.

- **Allocation of Earnings**

Earnings are calculated and posted to the accounts systematically; therefore, errors are minimal to none. Should there be an issue related to the "effective date" of a particular transaction (which guides the earnings process), we will review these for policy, procedure, and regulatory compliance prior to making corrections. In some instances, the participant may be given the option of either correcting the error using the original effective date or leaving the account as-is. This decision is not based on actual calculations which provide the market results.

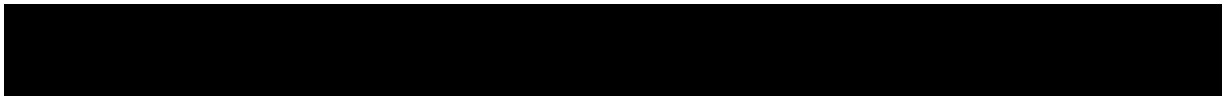
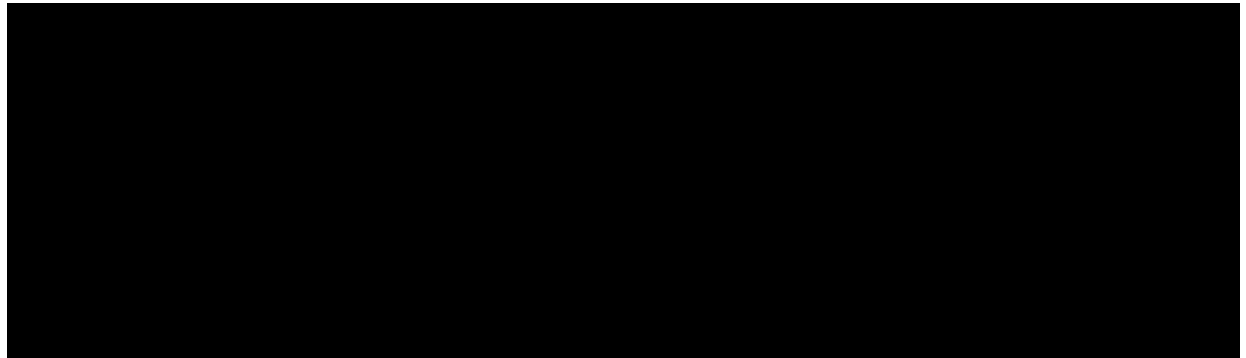
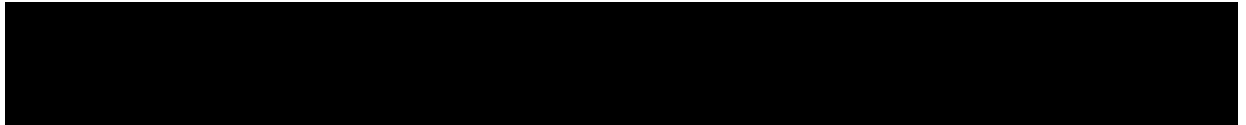
- **Tax Reporting**

Tax reporting corrections are made to our tax system as required for a specific correction type. Most tax feeds are systematic according to the transaction and plan type. Participants will receive updated tax forms.

5. Describe how your company will support the program audits as outlined in Appendix C and confirm that you are able to accommodate this.

AIG Retirement Services has reviewed Appendix C, and we confirm that we are able to accommodate. We can support the program audits with our current suite of online reporting that is readily available via SponsorFITSM. Additionally, AIG Retirement Services can work with you to develop ad hoc reporting should the Office of the State Treasurer need.

6. The OST would also like the selected Vendor to commit to increasing the overall plan participation mass mailing and other communications, to what level of participation increase are you willing to commit? What amount of fees will you place at risk for failure to meet this standard?



Client Service Team

1. Describe the service team assigned to OST's plans including the names, titles, and bios for each of the following team members. Provide the tenure, number of clients and number of plans for each and their experience working with public defined contribution plans.

- **Client Relationship Manager**



Anthony Durak, Vice President, Relationship Management

Anthony has been with AIG Retirement Services since 2016 as Vice President, Relationship Management. He holds his FINRA Series: 26 (Supervisory Principal); 63 (Uniform Securities Agent); and 6 (Investment Company and Variable Contracts Products Representative) licenses. He graduated with an MBA from Wagner College in NY and a Bachelor of Science degree in Business Management from Saint Peter's University in NJ.

In addition to Anthony Durak, Vice President, Relationship Management the Office of the State Treasurer will also have an Executive Sponsor assigned.

The Executive Sponsor is a member of our Senior Management Team and is available to be contacted by the client as well as the consultant to discuss high level matters and attends client review meetings.



Eric Levy, Executive Vice President

Eric serves as Executive Vice President, Retirement Services for AIG Life & Retirement. In his role, Mr. Levy is responsible for the development and execution of broad-based market-driven strategies, product management and development, investments, market management, market research and government affairs strategy for AIG Retirement Services. Mr. Levy serves as a Director of the VALIC Company Funds.

Mr. Levy graduated magna cum laude and Commonwealth Scholar from the University of Massachusetts at Amherst where he received a bachelor's degree in finance and earned a master's of business administration from Boston University Questrom School of Management. Mr. Levy is active in the community by having served on the boards of several community, non-profit organizations over the years, including having served as Chairman of the Board of Aviv centers for Living and is currently a board member of Rebuilding Together Houston.

- **Transition / Implementation Manager**



Charles Williams, Managing Consultant, Implementation

Charles is responsible for the overall management of the transition and implementation of your retirement plan. Charles and his implementation team will guide you through every step of the transition process, provide regular status updates and maintain a detailed project plan to ensure a seamless plan sponsor and participant transition experience. He has 18 years' experience in retirement plan implementation and plan operations. 8 of those year have been with AIG Retirement Services.

- **Day-to-day Account Executive**



Janet Campbell, Senior Account Manager

Janet is responsible for overseeing and providing strategic guidance and operational support to our Group Retirement clients. Account Managers work with various internal and external stakeholders and manage various complex and high priority projects in all phases. They are the primary resource for subject matter expertise on retirement plans and the plan sponsor operational processes. She has over 29 years' experience in the retirement plan industry. Janet obtained her Bachelor of Business Administration in Mathematics from University of St. Thomas and has completed the Retirement Plan Fundamentals Certificate.



- **Communications Specialist**

Christina Murray, Director, Communications Consultant

Christina is responsible for the development and implementation of the customized transition communication, as well as the long-term communication and education strategies for your employees. She is dedicated to ensuring these strategies align with your organizational philosophy and plan goals. Christina has 20 years of experience in financial services, and has been with AIG Retirement Services for 2.5 years.



- **Compliance Specialist**

Norman Holmberg, Compliance Consulting Manager

Norman joined AIG Retirement Services in 1989 and has 29 years of experience in the financial services industry with a focus on retirement plan compliance and regulations, plan design, non-discrimination testing and executive deferred compensation plans. He manages two teams Consultants. One team specializes in consulting on the compliance of retirement plans under ERISA and non-ERISA and the other team specializes in executive deferred compensation plans. He has earned the following industry accreditations: QKA and TGPC.

- **Field Education Representatives**

Andy Jerdal and Larry Perez, District Vice Presidents

Andy Jerdal and Larry Perez supervises the activities of our local service team. This includes employee education and enrollment activities both during conversion and on an ongoing basis. They will work with the OST on the design and modification of the communications and service plan.

In addition to the staff described above, AIG Retirement Services assigns a team of financial professionals to facilitate the support and service of the OST's retirement program.

- Greg Karanzalis
- Matt Armendinger
- Timothy Chesser
- Logan Grossman
- Suzanne Knoll

Client Service Assistants, Claudia Ramirez and Mike Branham

In addition, our financial professionals will partner with two, licensed Client Service Assistants to increase engagement among employees who are not on track for retirement. The Client Service Assistants are available via telephone from our Retirement Education Center and dedicated to the OST participants and will work to re-engage participants in your retirement plan by being a trusted source of plan information as well as providing education, access to resources and ensuring all important participant information is updated. By combining Client Service Assistants with our team of financial professionals, your participants will experience meaningful engagements that help them reach their retirement readiness goals. Both English and Spanish are spoken in the



II. Plan Sponsor Experience

Standard Reporting

- 1. Please indicate what reporting is available to OST on the participant and on a plan level. To what extent can these proposed reports be customized? Confirm your ability to provide ad-hoc reporting and describe the limitations, if any, of what OST can request. What is the process for developing customized report formats and delivery mechanisms customized to client requests? What are the timelines for generating and delivering reports by hard copy? By electronic delivery? Include your organization's average response time for a client to receive standard reports and special reports.**

AIG Retirement Services provides plan information and financial data on an annual basis or as requested by the Office of the State Treasurer. We will also conduct annual plan reviews with the Office of the State Treasurer to communicate plan-specific information from areas monitored during the past reporting period, if requested.

We provide a management summary of plan statistics during the annual review. This summary annual plan review is designed to assist the plan sponsor in determining employee use of the various benefits and investment options offered within the plan, as well as investment performance and consistency of investment allocation with the goals of the plan sponsor. Our comprehensive plan review includes the following components:

Participant Level Metrics

- Average Account and Loan Balances
- Investment Diversification
- Average account value, participation rate, loan usage, distribution and contribution activity by age demographics

Plan Level Activity

- Assets
- Participant counts
- Contribution, Transfer and Distribution
- Fund Usage
- Period over period trends

Investment review

- Market commentary and update
- Fund monitoring and performance

Legislative Update

- Quarterly update on relevant topics

SponsorFITSM enables plan sponsors to achieve their goals with advanced features including an enhanced reporting feature which offers a full suite of standard or custom reports to track progress and help drive decisions to improve plan and participant outcomes.

SponsorFIT provides around-the-clock information about the retirement program and allows plan sponsors to use one central location to perform multiple functions. The information tabs and transactional capabilities available includes standard reports are available real-time and have been

improved for overall ease of navigation. Custom (Ad hoc) reports are available per request. All reports can be printed or exported to common applications such as Microsoft Excel, Word or Adobe PDF. With our real-time reporting feature, plan sponsors can generate the following reports online, in less than a minute:

- Plan Summary Report – Transaction history from beginning to ending balance for each participant. Participant information includes money type and fund
- Plan Fund Summary Report – Listing of contributions and ending cash value by investment vehicle, including the number of participants who made contributions by fund as well as those with ending cash value by fund
- Fund Activity Report – Transaction history from beginning to ending balance for each fund held by the plan. The report is divided by location (subgroup)
- Contribution Report – Total contributions by payroll or process date for a specific time period
- Distributions Report – Detailed listing of distributions made by participants for a specific time period; hardship withdrawals can also be accessed.
- Unforeseen Emergency Withdrawal Report - Subset of the distribution report listing unforeseen emergency withdrawals
- Loan Summary Report – Participant information concerning loan status, interest rate, loan start date, loan maturity date, original loan amount, principal paid, ending loan balance
- Vesting Status Report – Listing of participants with vesting years of service and vesting percent
- Separation Report – Listing of participants separated from service with account balance
- Fund Demographics by Age – A comprehensive report that details the selected Group/Plan's investments. Each investment within the selected plan is dissected and categorized in summary by investment name, participant count, and investment totals by the ages of the plan participants. Ages categorized are less than 18, 18-29, 30-39, 40-49, 50-54, 55-59, and 60+. This report is based upon details from the Plan Summary Report and should be in sync with all applicable totals
- Fund Information – A summary of investment vehicle account transactions processed within the time specified with ticker symbols to identify each investment. Ticker symbols are only used for Mutual Funds and will not appear on the report for Annuity funds
- One Fund Balance – Report provides a list of participants that are only invested in one fund. Report includes the plan number, tax ID, last name, first name, vehicle code, vehicle name, current cash value and address in the system
- Participant Address File – Report shows participants' mailing address information that is on file
- Loan Originations – Listing of all participant loans that were opened in the specified time period
- Mutual Fund Forfeiture Transactions – Listing of the participants' forfeitures processed for the specified time period
- Required Minimum Distribution Report – Data on all eligible participants who have not set up their Required Minimum Distributions

Ad hoc reports can be downloaded or customized through the SponsorFIT plan sponsor website. These reports, which can be downloaded as Excel spreadsheets, allow plan sponsors to sort and manipulate data by a variety of elements, including plan and location. In addition, AIG Retirement Services can create custom plan sponsor reports if requested. Our systems are flexible, so they accommodate a variety of ad hoc requests and special needs.

AIG Retirement Services can work to develop an ad hoc report to meet the needs of Office of the State Treasurer to ensure that your employees are on track for their retirement.

Administrative and Compliance Support

1. **Will you be able to utilize the current file layouts in Appendix D being used by OST? Is there any information in the layouts that should change, or is there new data that should be incorporated in order to take advantage of the full range of your outsourcing services (e.g., file requirements)? Indicate how you plan to assist OST in establishing processes to assume administrative tasks and indicate areas where you will still require involvement from the plan sponsor.**

Yes, AIG Retirement Services can utilize the current file layouts; however, some AIG Retirement Services provided values may be required to ensure seamless processing and access to AIG Retirement Services tools and services. Please refer to the attached Payroll Data Flier.

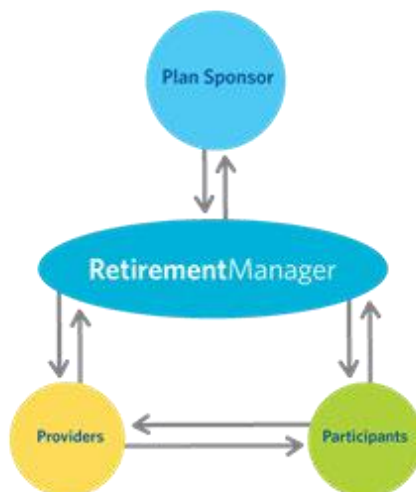
2. **Will you be able to provide a data aggregation service for the 403(b) Plan to monitor compliance with current plan provisions? Describe how you anticipate working with the frozen legacy Vendors to ensure compliance with requirements is achieved and how successful you have been in assisting other clients with similar situations. Confirm you can handle multiple file feeds from the State's legacy vendors. See Attachment 5.**

Yes, Retirement Manager confirms that data aggregation services can be provided for the Office of the State Treasurer's retirement plans.

Retirement Manager will partner with each of your legacy vendors to obtain the required participant data to perform the compliance service. Based on our long-standing relationship with each of your legacy vendors we do not anticipate any issues obtaining the required data via multiple file feeds.

Retirement Manager, to date, has over 350 unique institutions actively utilizing our multi-vendor compliance services.

Retirement Manager is a multi-vendor, multi-plan aggregator service providing cost-saving solutions to help plan sponsors simplify retirement plan administration through their existing websites. It provides loan and hardship disbursement compliance. This vendor-neutral service is designed to strengthen the plan sponsor's retirement program branding.



Retirement Manager provides plan participants with an aggregate cross-vendor view of their retirement savings and access to educational articles and financial planning tools. Cross-vendor disbursement compliance is provided for loans and hardship withdrawals in addition to a suite of online retirement plan administration reports.

Loan and Hardship Withdrawal Monitoring

Retirement Manager loan and hardship monitoring is based on an electronic feed from vendors. It provides the front end compliance tool needed to help coordinate plan compliance procedures across all vendors. Hardship withdrawal and participant loan activity is tracked across all eligible plan types and vendors. The current loan and hardship withdrawal data is submitted by the vendors via a file sent using a secure (sFTP) transmission.

When a participant wants to apply for a loan or hardship at the eligible plan vendor of their choice, they request a loan or hardship eligibility certificate from Retirement Manager as their first step. The eligibility certificate is then presented to the vendor approving the distribution. With loans and hardships, the employee relationship with the current vendor will not change. Loan and hardship requests are processed using administrative procedures for the current vendor.

Retirement Manager provides the plan sponsor with plan-level loan and hardship withdrawal reports to assist in the monitoring of participant loans and hardships against Internal Revenue Code (IRC) limits.

- 3. Can your system handle offering participants the option to choose between e-mail and mail delivery of mailings? How would you go about providing this service? What data would you need from OST to accommodate these options?**

Yes. Participants can elect to be notified through our electronic mail service. From our website, participants can choose to receive text notifications when their account statements, transaction confirmations and other related documents become available online. The participant would sign up for text and/or email alerts through aigrs.com. From there, we will send a verification code via text to the participant. Once the code is entered, we will confirm the information and the participant can select what information is sent electronically. We will need participant mailing and email addresses on an ongoing basis from OST.

- 4. What is your document retention policy for participant requests? (i.e. distribution requests, beneficiary designations, etc.)**

All documents are scanned and imaged into our automated work distribution (AWD) system maintained by AIG Retirement Services' Document Control Department. The hardcopies are maintained for 60 days and then shredded and disposed of securely. The electronic images are maintained for seven years then archived and maintained indefinitely so they can be accessed at any point in the future should the need arise.

- 5. Describe how you help administer the distribution of small account balances of terminated participants with assets between \$1,000 to \$5,000. Is there a cost to distribute the small accounts if directed by the Plans? What outside Individual Retirement Account providers can you partner with to accept these balances. Please indicate in the cost proposal if there are additional fees if OST wishes to partner with an IRA provider of their choice.**

AIG Retirement Services offers a process to manage automatic rollovers to IRAs; there is no cost to distribute small account balances. A plan sponsor has the option to select an automatic rollover IRA for mandatory cash-out distributions with Millennium Trust Company as custodian. The default investment option for this product Fixed-Interest Option (Policy Form GFUA-315) issued by the Variable Annuity

Life Insurance Company (VALIC), which is a group annuity product, amounts contributed and the fulfillment of any of the guarantees specified in the group annuity contract are insurance claims supported by the full faith and credit of The Variable Annuity Life Insurance Company (VALIC). AIG Retirement Services periodically resets the interest rate credited on contract balances, subject to a minimum rate specified in the group annuity contract. The Millennium Trust IRA has an annual fee of \$35 and an account distribution fee of \$25.

6. Describe how you monitor and communicate Required Minimum Distribution (“RMD”) requirements? Does your RMD process include automatic distribution of the minimum required amount if participants do not respond to your notifications, or do you require action by OST?

AIG Retirement Services’ recordkeeping system monitors and identifies those participants who may be required to begin receiving minimum distributions within the requisite deadlines. If client verification of payees is desired, AIG Retirement Services forwards a list to the client contact for verification purposes. AIG Retirement Services’ system calculates a minimum distribution amount based on the account balance at the end of the prior plan year by using the appropriate IRS tables and rates.

AIG Retirement Services sends notification letters regarding required minimum distributions to all participants who attained age 72 that month. Eligible participants receive a letter no later than September of the year in which the distribution is to be taken. Accompanying the letter is a Minimum Distribution form outlining the various payout options available to the participant and all applicable regulations. The letter also notifies the participant of the opportunity to delay the initial distribution until April of the following year, resulting in an additional payment being made in December of the following year. We request that the participant mails the form back to us no later than 60 days after the receipt of the notification mailed during the current year to ensure that the request is processed prior to December 31. Recalculation options for the participant and beneficiary are available in the system, as allowed by the plan document. The system ensures that distributions meet the pre- and post-death payment requirements of 401(a)(9), 403(b), and 457(d)(2)(B). Our financial professionals provide participants with the guidance they need in this area.

If the participant does not respond to the notice, a distribution is made on the account, based on the participant balance(s) held at AIG Retirement Services. The plan sponsor can outsource all life event processing items to AIG Retirement Services, and we will process those under our pre-approved transaction processing guidelines, assuming receipt of full participant demographic files with each remittance. There is no additional fee for this service.

7. Describe your process for handling stale-dated checks. Are you able to issue direct deposits or electronic funds transfer into an employee’s bank account in order to avoid the challenges with outstanding checks?

AIG Retirement Services actively monitors and attempts to reconcile uncashed distribution checks. If the issue is due to returned mail or a bad address, we will attempt to locate a more current address.

Because check amounts have been withdrawn from the active trust and transferred to a pending cash account, upon a transition, un-cashed checks typically remain the responsibility of the custodian that issued the checks. If the volume of un-cashed checks warrants, AIG Retirement Services will utilize Accurant in attempt to locate the participant.

In the event that a check is never cashed, a letter is sent to the payee of the check. It notifies them that the check was never cashed, and the funds are considered abandoned property. The payee can then choose to have the funds reissued or reinstated to the account. Reinstatement is only available for certain types of distributions.

Yes. Participants can receive distribution payments via electronic funds transfer directly to their bank account.

- 8. Are you able to track the IRC annual limits for participants who elect both pre-tax and after-tax Roth employee elective deferrals? Do you also have the ability to aggregate and track 457(b) 3-year catch up contributions? Describe your process in notifying the Plan Sponsor should a participant exceed the limit. Will your system require manual approval by OST prior to processing contributions? What steps do you take to prevent excess contributions?**

Yes, AIG Retirement Services can track the IRC annual limits for participants who elect both pre-tax and after-tax Roth employee elective deferrals and to aggregate and track 457(b) 3-year catch up contributions.

Our Contribution Limit Monitoring (CLM) system generates reports that are available to the plan sponsor that detail available catch-up amounts, based on expanded cap and age-based rules. These amounts are based on a participant's age, years of service and cumulative contributions. The 15-year catch-up allowance under 402(g)(7) will be calculated first, prior to determining any 414(c) age 50 catch-up allowance.

Our system will not require manual approval by OST prior to processing contributions.

Additionally, our proprietary Contribution Limit Monitoring system projections are calculated and provided to each financial professional in order to help participants maximize their contributions while preventing over contributions before the calendar year end. Our proprietary system stores information provided by the participant in order to calculate limits including amounts used toward the lifetime cap expansion available under 403(b) arrangements and age-based catch-up limits. Our financial professionals receive weekly updates from the system on both potential and actual excesses allowing them to help participants maximize their retirement contributions.

- 9. As part of your full suite of outsourcing services, do you distribute the universal availability notice for eligible participants in the 403(b) Plan? Are there any additional fees for this service?**

Yes. AIG Retirement Services creates all required notices electronically and provides them to the plan sponsor for distribution to participants. There is no additional fee. Additionally, we can facilitate the cost of mailings, if requested, and pass the cost back to the plan sponsor.

- 10. What notification will you provide OST when there are legislative or regulatory changes that could impact the plans? Will your organization provide OST specific updates on federal legislative changes? If yes, how frequently? Provide samples of any regulatory updates provided to clients. Describe in detail how your company ensures compliance with regulatory and legislative changes? Describe in detail how your company ensures that the recordkeeping system remains in compliance with all relevant regulations?**

Regulatory and Legislative Changes

AIG Retirement Services uses several methods to notify plan sponsors of legislative or regulatory changes that may affect their programs. First, our newsletter provides updates on such changes periodically. This publication is sent to plan sponsors, as well as all field offices and relationship managers. Second, our extensive network of local financial professionals, district vice presidents and relationship managers is available to discuss any pending or enacted legislation. Finally, AIG Retirement Services' website features articles and webcasts on the most current news, legislation and regulatory updates that may affect retirement programs.

AIG Retirement Services has dedicated a team of professionals to monitor our systems and our clients' plans to assist the plan sponsor with compliance with changing rules and regulations. Additionally, law division personnel support the system review process to ensure continued compliance. AIG Retirement Services also actively participates in design and testing of system enhancements made necessary by regulatory changes.

Because our plan administration professionals are highly trained in the intricacies of plan design and compliance, they can assist the plan sponsor with these issues.

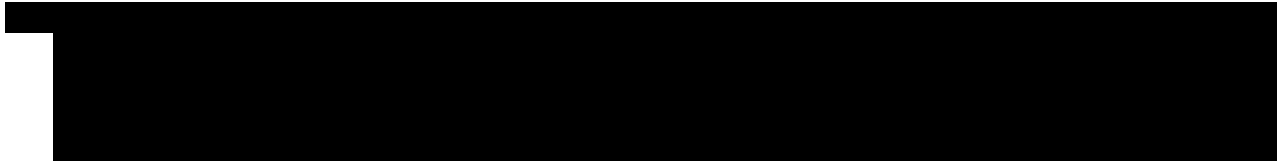
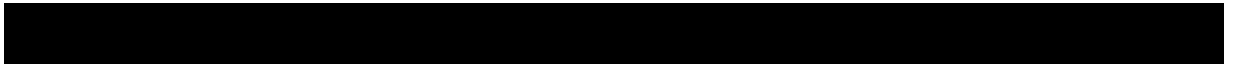
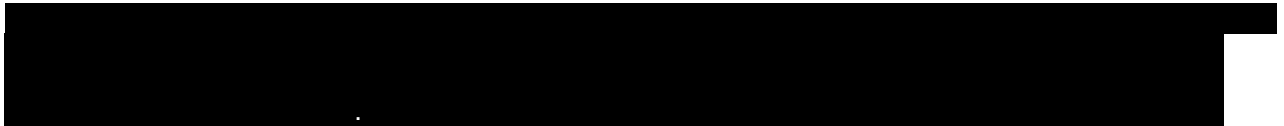
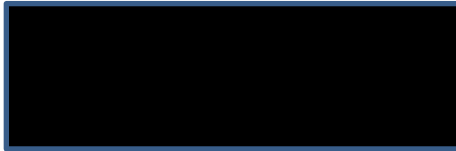
Plan Compliance

AIG Retirement Services has dedicated a team of professionals to monitor our systems and our clients' plans to make sure they remain in compliance with changing rules and regulations. Additionally, we assign law division personnel to support the system review process to ensure continued compliance. AIG Retirement Services also actively participates in design and testing of system enhancements made necessary by regulatory changes. AIG Retirement Services administers the plan document according to its terms and updates our plan documents to reflect legislative or regulatory changes, enabling AIG Retirement Services to monitor compliance and help the plan sponsor meet federal regulations with respect to its plan. We also perform periodic audits to verify that all necessary forms and authorizations are on file.

Please refer to the attached Sample Monthly Legislative and Regulatory Newsletters.

Online Systems

- 1. Describe the account services and transaction capabilities available through your participant website. What are routine maintenance periods for your website? Provide statistics for the last 12 months on down time other than routine system maintenance.**

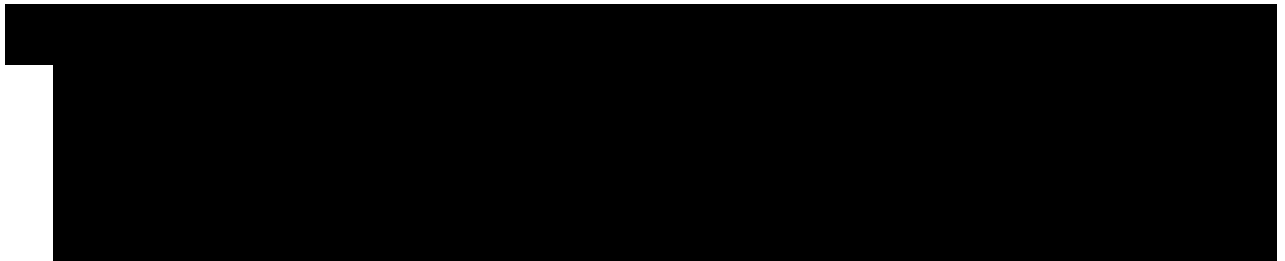
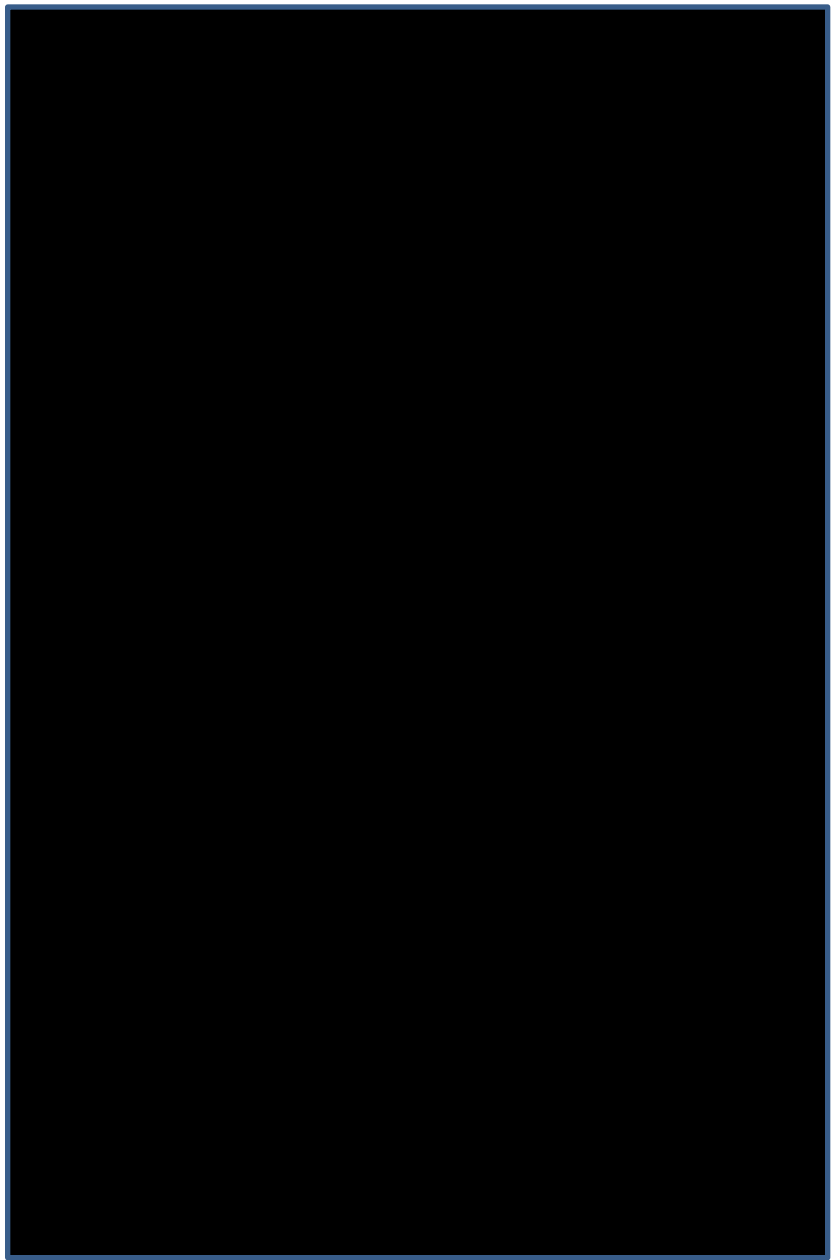




[REDACTED]

[REDACTED]

[REDACTED]



[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

2. What access is provided to OST via the website, i.e., transactional or informational services? What access is available to participating employers? Do you offer a participant view to the administrator? Describe any transactional capabilities for employers via the website.

[REDACTED]

[REDACTED]

[REDACTED]

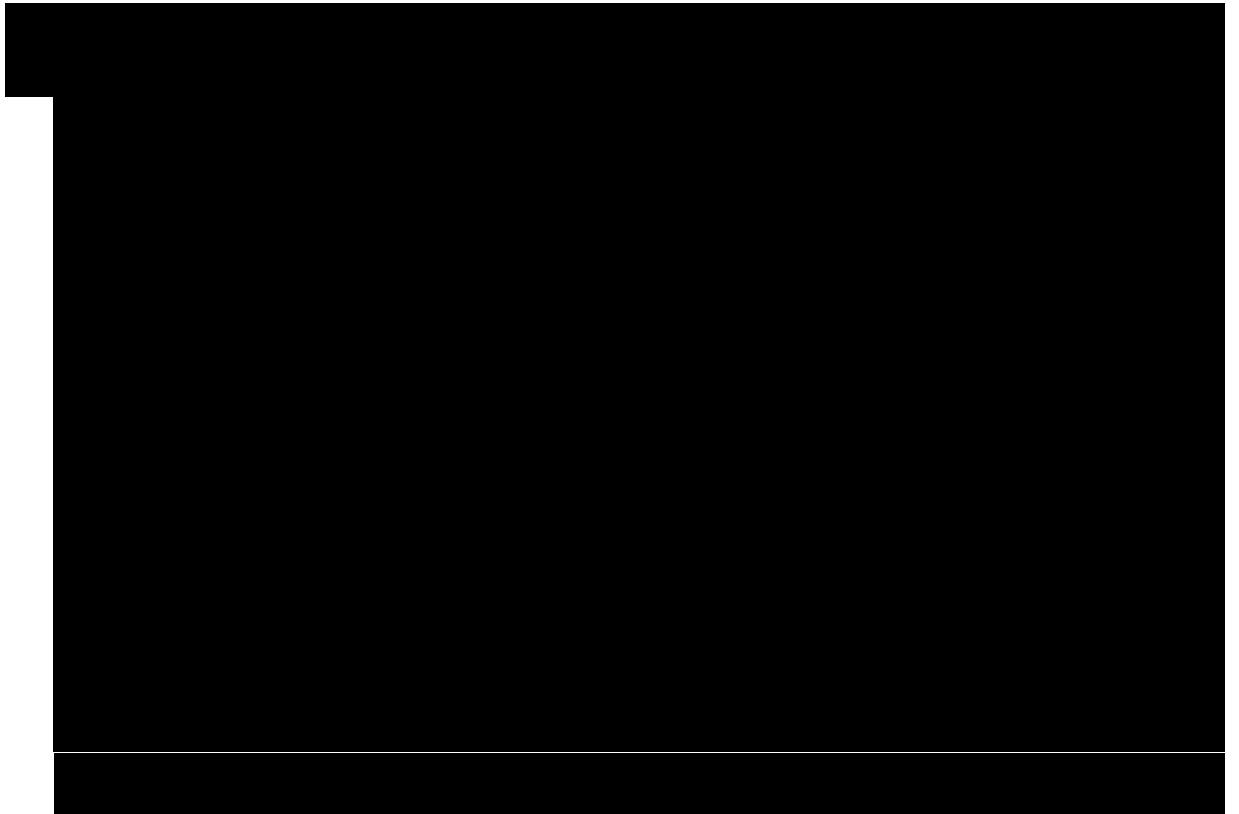
[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]



[REDACTED]

[REDACTED]

[REDACTED]

3. Are there any improvements to your Internet/web capabilities expected to occur in the next three years? If so, please describe.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Customer Service and Issue Resolution

- 1. Does your company conduct client specific surveys to measure satisfaction with its administrative services? If so, how frequently do these occur? Please provide the results of your most recently completed client survey. How does your company plan to measure and evaluate the satisfaction of participants, employers and OST? How does your company intend to report the results of such measurement to OST? Please provide your most recent “net promoter score” if available.**

Yes. AIG Retirement Services retains Chatham Partners, an independent third-party research firm specializing in the retirement industry, to conduct an annual plan sponsor satisfaction survey. Chatham's proprietary benchmarks evaluate how a firm ranks versus its peer group on a wide range of attributes.

We survey our plan sponsors annually, most recently in early 2021. Ratings from Strategic plan sponsors were very strong overall, including satisfaction with the quality of service, ease of doing business and value for the money. In fact, 82% of respondents rated us with the highest scores available in terms of Overall Satisfaction, which is well above the industry benchmark of 75%. We also saw impressive increases in areas such as Loyalty and Promotability. Satisfaction was particularly high with AIG Retirement Services personnel; relationship managers received “best in class” scores for industry knowledge, plan knowledge, responsiveness and problem resolution skills. Satisfaction with the guidance provided by VALIC Financial Advisors, Inc. was also highly rated, with most agreeing that the availability of guidance through the financial advisors is a valuable distinction of AIG Retirement Services offering compared to other providers.

Our survey results are shared with plan sponsors through annual reviews, newsletters and other direct communications.

AIG Retirement Services listens to our customers and puts their feedback at the heart of our improvement and innovation processes. We ask our customers for their feedback during their entire customer journey – from the time they enroll, through their interactions with our financial professionals and digital tools, and until the time they retire. AIG Retirement Services also believes that our customers' feedback is so important that our Customer Experience teams reach back out to customers if a customer raises an issue in their survey – in fact, we reach back out to customers within 24 hours in nearly 90% of instances.*

We ask for feedback from our customers across interaction channels, which currently include our Houston and Amarillo call centers, customer meetings with financial professionals, FutureFIT and SponsorFIT websites as well as education workshops taught by our financial professionals.

The effort we put into listening and acting on our customers' feedback has enabled us to increase our Net Promoter Scores** (“NPS”) over 20% from 56.4 in Q1 2019 to 68.1 in Q1 2021 at our call centers. Our current NPS ranks well above the industry benchmark for financial services of 47.7 for call centers.

We credit the improvement in NPS to our unique way of socializing and generating innovations based on customer feedback called Customer Experience Forums. Using proprietary algorithms, we categorize each customers' feedback by topic and deliver it to team most responsible for improving the process. The improvement project is a collaboration of technical specialists and operational professionals who use Design Thinking to redesign and innovate our customers' experience.

* Data on feedback response times from June 1, 2020 to May 31, 2021 for all AIGRS groups was 88% of alerts resolved within 24 hours.

** NPS data measured from March 1, 2019 through May 31, 2021 for our Contact Center for all AIGRS groups. NPS ranges from -100 to +100.”

- 2. How are participant grievances/complaints handled? Describe your process, including communication with the participant as well as how you collaborate with OST for remedy. What are your customer support capacities to respond to and troubleshoot participant technical difficulties?**

All complaints, compliments, or suggestions from participants or plan sponsors are documented in detail. Each complaint is assigned and tracked using an internal complaint tracking database. Items that cannot be resolved immediately or within 24 hours, are logged, tracked, and worked by age with an anticipated turnaround time of three business days.

All item resolutions require a description of the source of the complaint, method of resolution and if required, process/procedural change or corrective action taken to ensure its non-recurrence. AIG Retirement Services reviews and tracks all documentation to confirm that issues are resolved in a timely manner and to identify trends that may require process or procedural changes to improve our quality of service. Follow-up action is ensured by continuous review by management personnel.

We also measure and evaluate client satisfaction through internal reporting, client surveys and frequent meetings with the plan sponsor. The results of our measurements are reported during annual written reviews and throughout the year during periodic meetings with the plan sponsor. Potential action steps to ensure the non-recurrence of the problem or situation are also addressed at this time.

For participants that require technical support, our Client Service Professionals can assist participants with issues such as password resets and other technical difficulties navigating the participant website. Our team members will assist callers by walking through the issue and troubleshooting possible solutions.

III. Participant Communication & Education

Microsite and Website

- 1. Describe the vision behind your web design as well as the attributes of the site that may be customized for the program, such as layout, colors, images, and materials. Please note that OST expects the website to be fully branded to its Plan and flexible enough to be updated regularly. Confirm your ability to accommodate. How do you envision the relationship (navigations, functions, etc.) between OST's website and your website?**

A custom website provides you a centralized and personalized location to drive your employees to engage with your plan. Our customized employee website is designed to offer all employee's "user friendly technology" that encourages participant interaction. With your logo in the top hand corner of the site and plan details easily accessible, your employees will have streamlined access to information specific to your plan offerings. A custom website offers you the ability to post messages about plan enhancements, financial wellness and relevant financial education. Additionally, a custom website provides tracking and metrics reporting. We can track employee interactions with the site and measure impact of marketing and communication campaigns that encourage online engagement with your plan.

AIG Retirement Services multi-channel education and communication platforms allow for custom messaging in order to provide the best experience for employees. OST will have a dedicated website for its employees. The website can be customized based on employees' needs, plan design, and overall education. The website brand and messaging will be fully customized (including fonts, colors, images, content, and materials) based on the Office of the State Treasurer's brand in alignment with the strategic communication and education plan to drive connectivity and engagement.

The custom site is used to promote plan awareness, plan-specific messaging, and service team contacts, communication and education campaigns, plan enrollment and salary deferral changes, FutureFIT University financial wellness, alerts/updates and more. All employees have access to the website, regardless of their participation status.

In addition, we will create a custom plan transition web experience that highlights the plan enhancements, education and support, as well as enrollment information all based on Office of the State Treasurer's benefits branding and experience.

The FutureFIT University portal can also be customized to OST employees both on the branding as well as the content/education that is displayed to employees. This provides an end-to-end experience across all educational platforms.

The customized website will be promoted through the multi-channel communication strategy, which Christina Murray, Director, Communications Consultant, will partner with you to develop to ensure inclusion of communication channels your employees are familiar with as well as a seamless integration into your existing communication practices and channels.

2. What communication and investment materials are offered on the participant micro-site? Will these differ from materials available once a participant logs into his/her account?

The communication and investment materials offered on the participant micro-site will be customized based on the Office of the State Treasurer's employees' needs, plan design, and overall education. These materials will align with the determined communication and education goals and can include flyers, articles, interactive modules, quizzes, and calculators. The microsite is intended to drive connectivity and engagement to your employee benefits resources and the various communication channels. Employees will have access to the following education resources on the microsite, regardless of their participation status:

- Education Center – AIG Retirement Services provides extensive financial wellness planning tools, savings calculators and objective education for employees through our online Financial Education Center.
- Online workshops and workshops that can provide your employees with informative workshops covering the fundamental principles of financial wellness planning.
- Customized, comprehensive financial wellness plans and topical reports available on-line through the Financial Planning and Education center website or through your local financial professional team.

Material available once a participant logs into their account differs as our website provides a wide variety of transactional capabilities online for participants to utilize, including basic information such as:

- Account balances
- Statements
- Investment details
- Portfolio and personal performance
- Loan modeling and requests
- Message and Education centers

While the basic information and transactions are important, we believe that the microsite serves as a gateway to holistic financial education, planning and wellness for participants. We call this FutureFIT. FutureFIT is AIG Retirement Services' award winning* participant digital experience that uses behavioral science principles, streamlined navigation and relatable content to motivate employees

to take action. It stands for Freedom. Individually Tailored.

A smarter, more personalized approach is how FutureFIT helps participants prepare for their futures, one that is easier to relate to and encourages them to take action toward their goals.

Key features include:

- Engaging design built for today's mobile mindset
- Modular approach that is intuitive and actionable
- Smart technology that allows employees to focus on future monthly income and dynamic results
- Access anywhere – regardless of whether you are on a smartphone, tablet, or desktop

**Source: DALBAR #1 Behavior Centricity for the Participant Experience (Q4 2020), #2 Best-in-Class Participant Website Overall (Q4 2020)*

- 3. Describe how your website supports online enrollment. Identify and provide access to sample enrollment instructions prior to any log-in to the system or provide access that you propose to give to a new employee desiring to enroll online for the first time. If new participant data cannot be provided in advance of enrollment, describe your solution to allowing online participant enrollment without delay. Can you receive participant beneficiary designations via online data entry? Via paper form?**

Enrollment - Online, Paperless, Automated and Automatic Enrollment

AIG Retirement Services offers a quick and easy online enrollment process. Participants can Quick Enroll through multiple channels including a mobile app and web browsers (including PCs, tablets and smartphones).

Alternatively, participants take these easy steps to enroll via the participant website:

1. Provide some basic information about themselves
2. Select their contribution rate
3. Click "Enroll"

Upon enrollment, participants are automatically enrolled in the plan's default investment option but can modify investment elections and update beneficiaries at any time. Participants can also set up automatic increases to gradually invest more over time.

Additionally, AIG Retirement Services can provide automatic plan enrollment and automatic contribution increases at a predetermined rate according to the plan document. This encourages active participation in the plan, improving overall retirement readiness for your eligible employees.

If new participant data cannot be provided in advance of enrollment, AIG Retirement Services quick enrollment process, as described above, provides an easy solution.

AIG Retirement Services participants can designate beneficiaries online, provided that the plan has no spousal consent provision. If the plan does require spousal consent for beneficiary designations, participants can complete paper beneficiary forms which are stored electronically by AIG Retirement Services.

Please refer to the attached Sample Enrollment Guide.

4. Describe any other tools and services available to participants through the participant website such as calculators and financial modeling tools. Describe any other materials or technology you have available (smart phone apps, videos, etc.) that can be provided to engage and assist participants in enrolling in the plan and understanding their benefits.

Yes. AIG Retirement Services has many online tools available to assist individuals in planning for their future.

Educational Resources

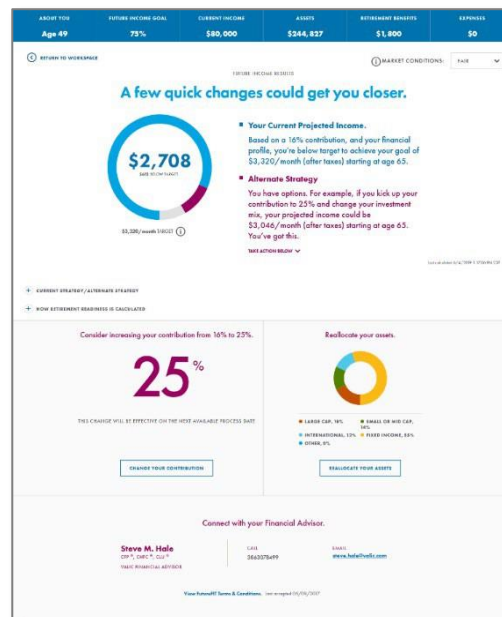
In order for participants to learn more about decisions that can positively impact their retirement outcomes, we provide access to five educational resources:

- **Education Center** - AIG Retirement Services provides extensive financial planning tools, savings calculators and objective education for employees through our online Financial Education Center at <https://www.aigrs.com/education-center>:
 - Financial planning courses on how to prepare for financial independence
 - Planning tools that help participants navigate the financial impact of various life events
 - Tools and calculators to identify areas of financial need
 - Quick reports for a customized analysis of participants' financial situations

The Financial Education Center also offers quick links to log on to AIG Retirement Services' participant website or register for workshops.

- **Gap Analysis Calculator (FutureFIT calculator) on Demand**

With a simple click, participants can see their future monthly income projections and suggestions on how to get on track by adjusting contributions and reallocating assets. The suggestions are written in easy to understand terms, and participants can immediately take action without leaving the page.



- **FutureFIT University** - Powered by EVERFI, FutureFIT University is a digital financial education

program designed to help your employees better manage their money. It turns complex financial principals into a series of quick, interactive and self-paced learning modules that can be accessed anytime from their phone, tablet or desktop computer. Your employees can build their own “playlists” of modules tailored to their unique interests. A few examples of modules are:

- Budgeting
- Building Emergency Savings
- Credit Scores & Reports
- Identity Protection
- Investments
- Retirement Planning

FutureFIT University can integrate seamlessly into your wellness program and pairs well with the in-person education available to your employees. Through data analytics, we can provide detailed insight into the modules that are most popular with your employees and then develop educational workshops addressing those topics.

FutureFIT University allows your organization to change the conversation about financial wellness by providing holistic financial education as a benefit to your employees.

- **Retirement Pathfinder®** from AIG Retirement Services is an online, interactive retirement income planning tool that can help you see your retirement plan like you’ve never seen it before. Its dynamic design can illustrate numerous retirement scenarios and can identify potential retirement pitfalls.

Using Retirement Pathfinder, you can:

- Define your future goals
- Optimize saving strategies to meet varying goals, adjusting your retirement date and more
- Create multiple dynamic plans to explore different scenarios
 - Such as educating your employees on if their pension and social security are enough

In just minutes, by entering a few details you can start generating the answers you need to determine where you stand and where you might need to make changes. This can provide clarity about your progress, choices for creating adequate retirement income and confidence in your plan.

Get real-time answers to your questions:

- Can I retire when I planned?
- How much monthly income will I need?
- Am I currently saving enough?
- Is it possible to guarantee my retirement income?
- How do I convert retirement savings into income?
- Will I outlive my retirement savings?
- What happens if I die prematurely?

Explore your guaranteed retirement income percentage (GRIP)

Retirement Pathfinder illustrates how your GRIP impacts your retirement income security. If

your GRIP is low, you may want to consider how challenges such as market decline or living longer than expected could impact your long-term retirement income strategy. If your GRIP is high, you have the assurance of knowing that a greater portion of your total annual expenses in retirement may be covered with income that's guaranteed.

Together with your financial professional, you can discuss and analyze the results you generated to make sure you are on track to meet your goals. Discover your path to a brighter future with Retirement Pathfinder.

In addition to the online tools outlined above, our financial professionals can provide participants asset allocation models designed to assist them with making appropriate investment choices for their needs and the needs of their families. This service uses a risk tolerance profile questionnaire to identify the participant's risk tolerance. Using this risk tolerance profile, as well as taking into consideration the participant's complete financial circumstances and the timeline until retirement factor, the program recommends a series of appropriately diversified portfolios, within a given level of acceptable risk.

- 5. Does your website offer an aggregation tool whereby data from other financial institutions can be integrated by providing password information for other Vendors? If so, can this data be included in financial modeling tools to allow participants to see their full retirement picture?**

Yes, aigrs.com has an account aggregation tool that allows participants to pull in outside assets. Outside account balances appear on the Workspace page.

As a key part of our participant online experience, the FutureFIT Calculator provides a gap analysis based off current savings rate and estimated retirement age to project monthly income that encourages immediate action. Participants can see their gap and make changes to improve it on the same page. The initial calculation used pre-existing data on the participant that can be adjusted to include outside income, spousal benefits, retirement age and more. The FutureFIT Calculator is a visual representation of future income that helps participants see their future and make changes to impact it. This smart technology is strewn throughout the site to help participants see the impact contribution changes will have on their paychecks or how modifying their investment mix will change their portfolio.

- 6. OST is interested in providing participants with a way to see their defined benefit ("DB") and all defined contribution ("DC") information together – side by side. How would you approach providing a single view of the information maintained by OST with the DC data maintained in your recordkeeping system? Describe your experience displaying side-by-side views (DB and DC) for other similar sized clients.**

We provide participants with a side-by-side view of defined benefit and defined contribution plan information on our participant website, participant statements, and retirement readiness letters, as long as this information is provided to us by the defined benefit service provider.

Call Center and Voice Response System

- 1. Where are your call centers located? What hours do the call centers operate? Do they offer investment guidance to participants? Will the call center be dedicated to the State's plans?**

AIG Retirement Services operates a national Client Care Center, with locations in Houston, Texas and Amarillo, Texas. Our centers are staffed with Client Service Professionals (CSPs) who provide effective, efficient and accurate responses to client requests and inquiries. Our CSPs use systems with intelligent call routing that integrates telephone and computer technologies to put the most current account information at their fingertips. Our CSPs are available to assist participants from 8:00 a.m. to 9:00 p.m.

Eastern Standard Time, Monday through Friday. Transactions and information available via a CSP include all of the Voice Response System (VRS) transactions plus the following:

- General account inquiries
- Personal rate of return
- Personal Identification Number (PIN) changes
- Name changes, address changes, Social Security number changes and beneficiary changes
- Assistance with inquiries, research and action, if necessary
- Literature/prospectus and form requests
- E-mail delivery requests
- Distribution requests

In the fast-paced world we live in, studies show us, employees will seek out retirement assistance from a variety of sources. Some will look to local financial professionals, while others will look for help on the internet or through newspapers, magazines or other periodicals. And now more and more people are looking for assistance with their retirement from licensed professionals over the phone. The Retirement Education Center was created to provide in-depth retirement education and guidance to your employees over a toll free phone line. We employ 112 licensed retirement specialists with IAR designations and all other state requirements to provide retirement education as well as to help your employees plan for their retirement goals. These specialists are available from 9:00 a.m. to 8:00 p.m. Eastern Standard Time, Monday through Friday and 10:00 a.m. to 4:00 p.m. Eastern Standard Time on Saturday.

The customer experience is paramount to how the Retirement Education Center operates. AIG Retirement Services wants your employees to be able to receive the assistance they need in as easy a way as possible. With that in mind the Retirement Education Center has been seamlessly integrated into AIG Retirement Services' Client Care Center so that your employees can dial one phone number to receive customer service from a client service representative or in-depth retirement education from our retirement specialists. We understand people are on the go and want to conduct business in a fast pace but still make smart choices along the way. Our retirement specialists will provide assistance to your employees around a range of services, including: retirement counseling, planning and analysis, investment and asset allocation assistance, investment advisory services through our Guided Portfolio Services (GPS) program, individual counseling on a variety of financial planning topics, including comprehensive financial planning, and annual participant account reviews.

The role of our Retirement Education Center was created to be a proactive communication resource for employers. If an employer wants to use AIG Retirement Services' targeted communication capabilities, our retirement specialists can supplement that written communication with targeted phone calls to a segmented group of employees. Employers see this as a way to encourage non-savers to save and low contributors to determine how much they should be saving for their retirement. Our goal is to empower by providing access to financial tools and assistance to help put them on the right track for their retirement.

Based on plan demographics, we estimate call volume to our Client Care Center and may route calls to a specific subset of Client Service Professionals (CSPs). Additionally, other CSPs are available to answer calls in the event of high volume, and all CSPs have full access to all account and plan information necessary to assist participants. AIG Retirement Services' Client Service Professionals CSPs receive training on your specific plan information including plan rules, special handling instructions and other features.

2. Provide statistics related to actual performance for the last three calendar years:

- **Number of calls received**
286,274
- **Percentage of calls answered**
99.4%
- **Average length of calls**
7:25 minutes
- **Average response time**
15 seconds
- **Percentage of calls requiring follow-up**
<1%
- **Call abort rate**
<1%

3. How do you ensure that your Phone Service Representatives are providing participants with accurate information regarding the plans and their provisions? Do you routinely audit your system to ensure provisions are captured accurately to avoid misinforming participants? Are all conversations recorded? If yes, can the Plan Sponsor monitor recordings? How long does your organization maintain recordings? Are you willing to periodically provide sample calls for review by OST?

To ensure the utmost quality in our accuracy and assistance, AIG Retirement Services has several methods by which to monitor activities and calls made to our Client Care Center. Calls are systematically recorded and archived according to date and time and are monitored at frequencies based on each Client Service Professional's (CSP's) skill level and prior performance appraisals.

Additionally, all of our operator-assisted transactions are documented and quality reviewed through our Automated Work Distribution (AWD) system. Our management personnel continuously review the AWD to ensure follow-up on all open transactions. They monitor a minimum of two calls per week, per CSP in order to maintain the required performance standards.

In order to maintain our high client service standards, AIG Retirement Services tracks a variety of data regarding incoming Voice Response System calls, including call count, time of day, functions used, and call length. We obtain statistics through various applications: Avaya CMS provides PBX-generated statistics and the interactive Voice Response System provides general use statistics. AIG Retirement Services uses these reports to determine the staffing requirements of the client service area, number of telephone lines needed, and participants' educational needs. We can provide these reports to plan sponsors on an ad hoc basis.

Our call center audio recordings are retained for seven years. Transcripts of these calls can be provided upon request.

4. Does your organization use the AT&T Language Line or an equivalent service to assist participants who speak a language other than English or Spanish? Do you offer services for the deaf or hard of hearing?

Yes.

AIG Retirement Services offers service assistance in more than 240 languages through Language Line Solutions in addition to maintaining a Spanish menu on our Voice Response System.

We offer the TDD/TYY line for callers who are hearing impaired. For the web, the site supports the JAWS reader for the vision impaired.

Support for Hearing Impairment

We offer our transaction participant website aigrs.com, an extensive array of printed materials, and a TTY (Text Telephone) line at (800) 248-2542. We also support Telecommunications Relay Service (TRS) calls.

Support for Visual Impairment

AIG Retirement Services offers face-to-face service with our financial professionals, assistance from our Client Service Representative through our toll-free Client Care Center, and an interactive Voice Response System. Additionally, aigrs.com is designed for use with the screen reader program Job Access With Speech (JAWS).

5. What security procedures do you use at your customer service center to authorize transactions that a member makes over the phone?

AIG Retirement Services utilizes industry-leading voice recognition technology in our client contact center. Once a participant has made an initial call, a voice imprint is taken and matched against other data (such as caller id and IP information) and validated against for future calls. In many cases, this can potentially eliminate the need for any further authentication after the initial call.

To provide the highest level of security and account validation, we encourage our plan sponsors to promote and endorse the establishment of an online account for all participants at plan inception. Once a participant has an account established on our recordkeeping system, they will have access to their account via aigrs.com through a user-created ID and user-created password. A participant must provide key information about themselves, which is then matched to our recordkeeping system, and set up their own "challenge" questions to complete their access profile. The "challenge" questions can be used if a password is forgotten and by the Client Care Center as an enhanced method of caller identification.

If none of the methods mentioned above are available for authentication, the CSP can validate a caller's identity using the following information: SSN or account number, date of birth, address of record plus know the details of the record itself (loans, frequency of contributions, beneficiaries, etc.).

The CSP can validate a caller's identity using the following information: SSN or account number, date of birth, address of record plus know the details of the record itself (loans, frequency of contributions, beneficiaries, etc.).

6. Will participants have access to a Voice Response System (“VRS”) that will allow them automated access to their account information and ability to make changes? Will you provide customization for the VRS? Is yes, briefly describe the level of customization available. What security procedures do you use to authorize transactions the participant makes using the VRS?

Yes. AIG Retirement Services provides our clients with convenient access to account information and transaction services 24 hours a day, seven days a week via our toll-free, automated Voice Response System (VRS). The VRS is available in English and Spanish and can be customized with your organization's name and with specific plan features, enabling participants to review account information and initiate inquiry and certain transaction requests. Participants can opt out of the VRS to speak to a highly trained Client Service Professional during normal business hours (8:00 a.m. to 9:00 p.m. Eastern Standard Time, Monday through Friday). Transactions and information available via the Voice Response System include:

- Account balance information
- Investment allocation information and changes
- Loan modeling
- Fund performance, fund value, and interest rate information
- Transfer of accumulated account values
- Change allocations of future contributions
- Amount and effective date of most recent contribution
- Review/delete pending requests

The VRS is fully integrated with our recordkeeping system; therefore, the information available to participants is current as of the close of business the preceding day. All information is updated nightly.

Participants using the Voice Response Unit are asked to authenticate their identity using the following information: SSN and PIN number. After three failed attempts to validate their information, the participant is routed to a Customer Service Professional.

Participant Communication & Education

1. Describe your firm’s philosophy and approach to servicing public 457(b), 401(a/k) and 403(b) plans and communicating and educating plan participants. How do you plan to design a communication and education program to target participants across the three counties, New Castle, Kent and Sussex? Confirm if you are able to provide a local office within the State of Delaware in support of the Plans? Specify the location and hours of operation. Confirm that the office will be staffed by the field representatives discussed above.

Our experience in working with OST helps us to understand the unique needs of the OST retirement program. AIG Retirement Services feels it is important to meet with your team to discuss program objectives and partner in the development of custom communication and educational materials. AIG Retirement Services will develop all communication for your plan, including educational materials using a variety of media, including print, electronic, plan education video, interpersonal communications, and more. Communication materials are customized to include OST specific plan features and investment options and at no additional cost.

Our approach is one of consultative partnership. In our experience, teamwork is the key to success - we will continue to support plan goals and work alongside Office of the State Treasurer to meet your unique communication needs. We also believe that the retirement plan communications should look and sound like OST. This will build the benefits brand across your employee base and improve brand recognition

and engagement across all your benefits.

We have a team of communication experts with years of industry experience building best practice and award-winning strategies to educate, engage, and drive outcomes. We will utilize these best practice strategies to develop a robust plan.

Our messages are simple to understand and easy to act upon. One of the things that keeps many people away from taking action is the complexity and confusion that often surrounds finances. We take the difficulty out of retirement planning and replace it with clear, easy to follow education.

Our resources are accessible. We provide both on-demand education and personal help when and how your employees need it.

AIG Retirement Services' Marketing and Communication Departments are staffed by some of the most creative and talented people in their fields. They are ready to help you achieve the objectives set forth by OST. From our immersive digital participant experience to one-on-one consultations for your employees, we are well equipped to meet your communication needs.

Our Marketing and Communications team have the expertise and industry background to be flexible in our messaging to participants. Below is a sample of the process for creating customized messaging: We first coordinate the OST message, design and delivery method that will be effective to reach the targeted audience.

- We will utilize best practice engagement strategies.
- Once that is determined, we provide samples of graphics and content that will be used.
- Once approved, AIG Retirement Services will distribute according to the agreed upon distribution methods, which may include printed materials and/or digital channels such as email, video, or social media.
- Finally, we provide feedback and confirmation of distribution to OST and provide metrics on effectiveness.

Local participant servicing is performed on-site at the various Office of the State Treasurer's locations and can service plan participants at our Delaware Office by appointment at the following address below:

Delaware Office

503 Carr Rd, Ste 300
Wilmington, DE 19809

9:00 a.m. to 5:00 p.m. Eastern Time, Monday through Friday.

These financial professionals are experienced in helping participants to understand and analyze the total retirement benefits available, including a holistic view of their Social Security benefits, how the pension plan impacts their goals and objective, as well as the positive impact of the deferred compensation plan and/or 403(b) plan on their future financial goals. Our financial professionals will offer a holistic approach to incorporate not only the pension plan and deferred compensation, but also taking into consideration each employees' retirement goals to establish a personalized plan for achieving the retirement of their dreams. We will guide your employees toward achieving their desired outcomes – not matter how big or small.

In addition, the financial professionals can meet with participants during their shifts (2nd shift, night shift and weekends) or after hours as needed. Our financial professionals are also available to make home appointments.

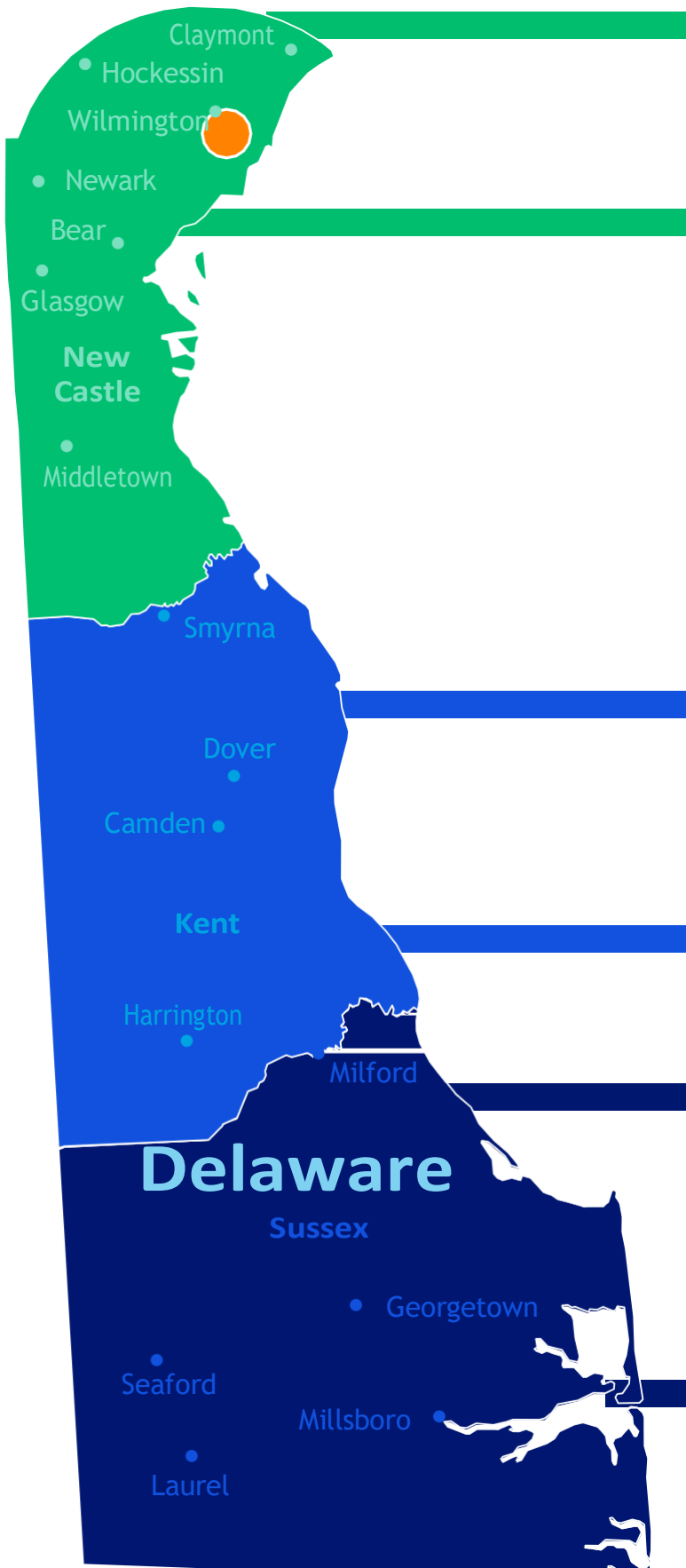
Scheduled meetings can be held on-site, at the local Delaware office or at a mutually agreed location or virtually via WebEx or FaceTime.

Participants can schedule times with a representative using our digital scheduling tools online, our staffed scheduling team, or by working with the representative directly.

Through our Workshop Management system, we can track participation in workshops and the individual counseling sessions. This data can easily be incorporated into an existing points-based accrual system to help drive participation in the incentive programs.

The partnership approach.

Participant service model.



Greg Karanzalis, CRPC
Lead financial professional
Chartered Retirement
Planning Counselor



Matt Armendinger
Retirement Plan Consultant

Financial professionals:

- Personal counseling sessions
- Educational financial seminars
- Computer-aided retirement planning tools
- Comprehensive financial planning



Timothy Chesser
Retirement Plan Consultant



Logan Grossman, CFP®
Certified Financial Planner

2 CSAs (Client Service Assistants)
Home office for virtual or phone consultations



Suzanne Knoll
Retirement Plan Consultant

2. How many field service representatives will provide services to OST? Will they be tenured employees of your firm? Describe the licensing and training each field service representative undertakes prior to working his/her position. How are these representatives compensated? Provide the compensation structure for these individuals. For how many clients will OST's representatives be responsible? Express the cost of each representative in terms of dollars and basis points and describe how you will ensure fees for one plan are not incurred by the others. Will the representatives have the ability to sell retail products outside of the engagement with the State?

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

3. Describe a typical one-on-one consultation you would offer a participant. How would your representatives respond to questions about the plans regarding the investment options, what information would be provided, and the approach that the representative would take toward making suggestions or giving advice? Describe how your representatives will ensure that inquiries are appropriately directed to another party if needed.

Our financial professionals will be utilizing our powerful investment advisory tool, Guided Portfolio Service (GPS), which offers investment advice to all participants – at no additional cost. The Portfolio Advisor option within GPS incorporates the participant's income and pension – as well as any outside assets participants may have. This program provides participants with specific, fund-level recommendations, as well as a contribution suggestion for them to act upon.

In addition, our financial professionals are available to provide an in-depth overview of the Office of the State Treasurer's deferred compensation program and 403(b) program rules and regulations, during one-on-one consultations with OST employees. This includes discussing the importance of beneficiary designations and how to best utilize the available financial wellness tools.

In addition our financial professionals also offering the following services to all OST employees:

- Retirement Plan Discussions – With our Retirement Pathfinder® online planning tool, participants can build a retirement plan with their financial professional. Pathfinder can model various scenarios to show growth under varying market conditions, the effect of increasing contributions and adjusting retirement date and more. Using a series of intelligent assumptions regarding inflation, income growth, savings growth, etc., Pathfinder identifies possible gaps between the projected income at retirement age and the required income in retirement. If a retirement income gap is identified, the program provides recommended solutions to bridge this gap.
- Financial Wellness Workshops – Our workshops cover a multitude of topics, including: Retirement Planning, Investment Planning, Cash Management, Financial Planning for Women and Asset Allocation Tips.
- Annual Account Reviews – These annual account reviews will encompass a review of the participant's account for the past year and include planning for the coming year. During the review, financial professionals will be available to discuss any issues that may not have been covered during the year.
- Managed Account Option – Offered through the Guided Portfolio Services® (GPS) Portfolio Manager program, participants can receive advice for the following topics: wealth forecasting, investment selection, asset allocation and ongoing discretionary asset management

VALIC Financial Advisors, Inc. (VFA) explicitly accepts fiduciary responsibility for the advice that is powered by Morningstar Investment Management, LLC and provided through our Guided Portfolio Services® (GPS) program. Our local financial professionals who work with GPS participants are appropriately licensed as Investment Advisor Representatives to talk with participants about the GPS advice and they perform the following services with the program:

- Work with participants while enrolling for GPS to make sure they get complete information about their total retirement portfolio, explaining why this is important for both getting an accurate picture of the participant's retirement readiness, and making sure the GPS investment advice and recommendations (i.e., contribution rate and retirement age) are meaningful
- When initial retirement readiness assessment, advice, and recommendations are generated, the financial professionals engage with participants to explain the outputs, and if applicable take

action to...

- Include additional information about outside retirement assets, pensions, etc. that the participant may have been reluctant to include during enrollment but now sees the impact of their omission as they are projected to have a sizable retirement income gap
 - Make any contribution increases recommended via GPS to close the projected retirement income gap
 - Revisit the participant's retirement goal – pushing out desired retirement age and/or adjusting desired retirement income – as applicable to their situation
- At least once per year, our financial professionals will reach out to their GPS participants and request a visit to go over their GPS retirement readiness assessment, advice, and recommendations
 - Review action steps that should be taken (e.g., adding information to GPS client profile, making the recommended contribution increases, etc.)
 - Help with updates to the participant's GPS client profile
 - Review the latest GPS investment policy statement which is regenerated once per year and help the participant take any recommended actions
- When a financial professional receives alerts about significant changes to a GPS participant's account (e.g., large transfer to the plan from an IRA or previous employer's plan), contact the participant about regenerating their advice to make sure those changes are considered in the retirement readiness assessment, advice, and recommendations

4. Can you provide onsite education to accommodate those employees who work evening and night shifts? Can you accommodate Spanish speaking employees and / or deaf and hard of hearing? Is there an additional charge for such accommodation? Do you have the ability to offer an online scheduling tool to enable participants to sign up for one-on-one meetings or group education sessions?

Yes. AIG Retirement Services provides personal, one-on-one consultations to Office of the State Treasurer's employees. Because we are committed to assisting your employees prepare for retirement, we provide personal service. Our local financial professionals are available to meet with your employees for enrollment, consultations, and retirement direction setting. In addition, we are available on-site for group meetings and individual counseling sessions, as often as desired by OST.

We believe that our service model furthers the goals of OST with regard to providing your employees with a secure financial future. Our education and support services are designed to increase participation, raise awareness and help your employees plan for the future.

A team of seven financial professionals, including two In-Plan Support Advisors, have been assigned to the OST. AIG Retirement Services employs many bilingual financial professionals in various locations across the United States. Three of the assigned financial professionals, including the District Vice President are Spanish speaking.

We offer the TDD/TYY line for callers who are hearing impaired. For the web, the site supports the JAWS reader for the vision impaired.

Support for Hearing Impairment

We offer our transaction participant website aigrs.com, an extensive array of printed materials, and a TTY (Text Telephone) line at (800) 248-2542. We also support Telecommunications Relay Service (TRS) calls.

Support for Visual Impairment

AIG Retirement Services offers face-to-face service with our financial professionals, assistance from

our Client Service Representative through our toll-free Client Care Center, and an interactive Voice Response System. Additionally, aigrs.com is designed for use with the screen reader program Job Access With Speech (JAWS).

Participants not able to attend a scheduled group education and enrollment session are able to schedule a time convenient with them to meet individually with our financial professionals. Additionally, personalized appointments can be planned during the employee's work shift (during the day or evening) or through a home visit to allow the employee's spouse or other financial decision-maker to be available and participate in the session.

For newly hired employees or those who become eligible for the plan subsequent to the initial enrollment period, AIG Retirement Services is committed to providing group enrollment sessions and one-on-one consultations as well. The local service team works with your staff to develop and coordinate a schedule of ongoing enrollment group sessions to accommodate new and newly eligible employees. These employees, however, still have the opportunity to schedule individual appointments directly with a financial professional for personalized service in the enrollment process. They may also opt to enroll electronically by logging onto valic.com or call (888) 569-7055 to speak with an enrollment specialist, toll-free.

Participants can register for workshops and/or in-person meetings with a financial professional through quick links on the participant website. Additionally, we currently offer online presentations that cover plan enrollment, financial wellness and a demonstration of our powerful financial planning tool, Retirement Pathfinder. Participants can enroll via emailed link. Following the presentation, participants can schedule a consultation with a financial professional via QR code.

5. Would your representatives be able to provide participants with an approach that considers an individual's entire financial portfolio, including factors such as outside investments, college savings, debts, other assets, and other benefits?

Yes. AIG Retirement Services is proud to offer Office of the State Treasurer Deferred Compensation plan participants and non-participants our in-depth financial wellness program. More than ever before it is important to properly educate OST employees on what to expect in their future years when preparing to retire and stay in the state of Delaware or relocate.

We believe better retirement outcomes start with financial wellness and planning for longevity—and there has never been a greater need than today. A recent AIG survey showed 25% of Americans say running out of money to live comfortably is among the top three worried behind health problems and being a burden on family (1). Additionally, more than half (53%) of employees report that they are stressed dealing with their financial situation and nearly half (47%) say their stress level related to financial issues has increased over the last 12 months (2). And it also carries into the workplace. More than 30% of workers reported that money concerns hindered their work and/or prevented them from doing their best work (3), except where employers offered financial wellness programs. According to research, those employees with access to financial wellness programs demonstrated more engagement at work. In fact, programs that combine financial education and one-on-one counseling have been found to help employees balance short-term finances with longer term goals, such as saving in an employer sponsored retirement plan (4).

From our perspective, financial wellness means helping individuals manage their finances today and empowering them to achieve their long-term goals. By partnering with you, we can deliver a robust financial wellness offering that can not only help your employees feel confident when making financial decisions but help them feel motivated to take action for their future. And if you have an existing wellness program in place, we can pair our program to yours to help closely tie the impact financial wellness can

have on overall wellness.

On the AIG Retirement Services custom website for Office of the State Treasurer's Deferred Compensation Plan we have created an easy to access financial wellness center just for your employees and their families. We recognize that each participant comes with a set of financial circumstances that are as individual and unique as they are. That's why we help individuals and their families create better financial futures for themselves through end-to-end financial education programs such as FutureFIT University, our award-winning and interactive education experience covering a broad range of financial literacy subjects. Creatively designed to deliver an engaging digital experience, powered by EVERFI, FutureFIT University leverages proven principles of behavioral science and data-based insights. It's also designed to appeal to the whole family. FutureFIT University offers education from grade school to college students.

Your custom financial wellness center will provide education on a broad range of topics with tools and calculators available for your employees to measure debt, calculate mortgages and more. Content is curated to each employees' preferences, providing information most relevant to them and their circumstances. Articles and educational content are provided from various news sources, such as Motley Fool, Forbes, Kiplinger and others to provide different perspectives for your employees to consider.

Our FutureFIT Calculator is another resource your employees can access to improve their financial wellness. Using employer and employee information, the FutureFIT Calculator can help spark moments of clarity and provide your employees with an action plan on how to get—and stay—on track for the future they envision. By offering recommended contribution amounts and asset allocation changes, your employees can take immediate action. These projections can also be mailed, both in-print or electronically, to participating and non-participating employees.

In addition, all employees have access to financial professionals who are qualified to provide broad financial guidance. They can be your partners in helping to motivate employees to take positive actions toward financial wellness, longevity planning and retirement readiness. Our financial professionals can provide education during workshops, webinars, individual counseling sessions, benefit fairs, and department meetings as often as needed. And we pair them with powerful technology, such as Retirement Pathfinder®. This interactive tool uses sophisticated models to analyze employees' current savings relative to their goals to build a personalized retirement plan. With Retirement Pathfinder, employees can see how different market conditions and savings strategies can alter their outlook.

Another impactful way to help build financial wellness is by motivating peer-to-peer engagement. FutureFIT Circles, a new way of talking about finances, are designed to bring employees together to speak openly about financial matters and share ideas on paying off debt, managing budget, saving for a house, with the goal to encourage higher savings rates, improved financial wellness and more control over their financial lives.

And we believe measuring the impact of our financial wellness program is paramount to transforming financial stress into financial success. We can partner with you to develop a custom employee survey to measure the financial concerns of your workforce and pair our program to better align with needs. After a defined amount of time, we can re-survey your employees to discover improved confidence scores and re-adjust our financial wellness materials to meet new needs of your growing workforce.

By delivering holistic engagement and educational offerings, we help employees improve their financial wellness and retirement readiness—making it possible for them to see brighter futures.

Student Loan Solutions

The amount of money Americans collectively owe in student loan debt is staggering—having recently reached \$1.6 trillion with expectations of doubling to \$3 trillion by 2025.¹ While the impact on individual finances is obvious, the effects can also extend into the workplace through decreased productivity and higher turnover. Not-for-profit employers looking to help solve the student loan debt problem for their employees need look no further than AIG Retirement Services.

With a deep understanding of the student loan crisis and a passion for building brighter financial futures, we have partnered with Savi—a social impact technology firm—to provide employees with an online student loan evaluation tool to determine eligibility for federal repayment and forgiveness programs.

Employees answer a few questions on Savi's secure website, and the software then determines the employee's repayment options, including whether they qualify for any loan forgiveness program and shows them their potential savings. It also helps them maintain eligibility in the program with annual reminders and with applying for full forgiveness at the end. Participants access the program by logging into their AIG Retirement Services account. It's a step-by-step digital process that guides student debtors.

In addition to our partnership with Savi, AIG Retirement Services is also looking to expand our Student Debt Solutions program to include:

- A certification program for our team of financial advisors that will enable them to better help employees understand the impact of college funding, including the complex student loan forgiveness process.
- A loan repayment platform for employers who want to help employees pay down their student debt.

At AIG Retirement Services, our passion is helping individuals achieve their retirement dreams. Understanding the long-term impact of the student loan debt crisis on individual finances, we've developed a workplace solution that helps your employees take control of their debt... and helps you become an employer of choice.

¹Income-Driven Repayment Plans for Student Loans: Budgetary Costs and Policy Options. Congressional Budget Office.

- 6. Describe how you would communicate with participants to explain the benefits of consolidating accounts from legacy vendors? Do you employ a team of educational specialists who could assist with the transition? Please also describe your plan to target participants each year of the contract to incentivize them to transfer assets to the new program, keeping in mind the surrender charges associated with many of the contracts. Provide an example of how you have worked with other organizations to assist in this manner and describe the success of your methods.**

Our experience has been that a multi-faceted approach works best when legacy vendor plan balances are participant directed to the new exclusive provider. First, our communication strategy will create educationally based materials regarding the potential benefits of directing legacy assets to the new platform. The communication will clearly articulate the low-cost fee structure, the best-in-class available mutual fund platform and available resources to assist participants in completing the necessary forms to facilitate the in-plan transfer of legacy plan assets.

Next, AIG Retirement Services will leverage our on-site, local financial professionals, as well as our Retirement Education Center, to work one-on-one with participants to educate them on the plan, the new investment options being offered and explain their consolidation opportunities. We feel that a one-on-one approach works best when existing plan balances are to transfer into AIG Retirement Services

at the request of the individual participant as opposed to a plan sponsor mapping scenario. The financial professional can work directly with the participants to educate them on the plan, the new investment options being offered and explain their transfer opportunities. They also work with participants to help them understand any possible fees and surrender charges that may be assessed by the current provider and consider the long-term impact of those potential charges compared with the cost savings of the new portfolio. Our financial professionals will assist participants in completing the necessary transfer paperwork; additionally, we will manage the transfer process by working directly with the Operations area of current provider to batch and track all transfer requests that are submitted. AIG Retirement Services frequently works in situations such as this which require individual transfer consent. We have fine-tuned the individual transfer process to help make it seamless to the plan sponsor and participants.

During the transition, we will utilize a multi-channel strategy to ensure that we engage and educate eligible, active, and inactive employees about the plan enhancements and what strategies are in their best interest to reach their goals. We will proactively reach out to employees to connect via phone, email, face-to-face, or virtually. We will utilize communication outreaches, targeted and personalized follow-ups, and in-person support hubs to expand our reach and drive higher engagement and actions.

Once we connect with the individuals our process for interacting with employees is as follows:

- An educational Investment Proposal Analysis (IPA) - a side by side comparison of their current account features and fees versus the new platform. Please refer to the attached Sample Investment Proposal Analysis.
- If an employee desires advice, we then move through our Retirement Pathfinder tool that allows us to gather the proper data and goals of an employee. This tool and process will show an employee, shoulder to shoulder, why we are making a recommendation.
- We close the process with a final recommendation version of the IPA showing that the recommendation to move the assets is in the best interest of the employee (fully meets the SEC Reg BI standards).

Please refer to the attached Sample Communication and Education Strategy.

7. What customization features do you provide for employee communication campaigns? Do you offer branding capabilities with your communication and education materials?

Understanding that Office of the State Treasurer retirement program is unique, AIG Retirement Services can customize the overall communication campaign to meet its needs. Our first step will be to meet with the plan sponsor's personnel to discuss program objectives and to develop a communication and education approach that will accommodate their requirements. Depending on preferences, we can provide communication/education materials using a variety of media, including print, electronic, interpersonal communications, and more. Communication materials can be customized to include only the plan sponsor's plans' features and investment options at no additional cost.

We can customize participant materials to meet the needs of OST, at no additional fee. Included with this RFP are our proposed campaign concepts to help motivate action toward saving and our recommended strategy for engagement. We know public sector employees are always putting other first. These two concepts help encourage them to put their future first, too. We believe helping employees see themselves as the center of their future can encourage them to feel empowered and take action. In addition, we believe the use of data to offer a more targeted approach to education is also necessary. We offer targeted messaging on our website, in our FutureFIT Retirement Readiness Statements, and through custom videos.

AIG Retirement Services will create a customized website for your participants. The website will be

branded with your logo and can include tailored images and messaging to fully engage your employees. You can use it to promote plan benefits and enhancements, custom marketing campaigns, link to internal newsletters and more. All employees will have access to the website, regardless of their participation status.

8. Can your organization provide a customizable and consolidated participant statement that will reflect the balances of all three plans, if applicable? Provide a sample attachment of what this statement will look like and describe the areas where OST has flexibility in design and content.

Yes. AIG Retirement Services' comprehensive participant statement summarizes account activity, as well as past and present account balances, and is mailed directly to the participant on a quarterly basis. Detailed information includes:

- Plan level personal rate of return
- Transactions occurring during the quarter, including contributions
- Investment activity including investment selections, beginning and ending balances, contributions, withdrawals, loans, transfers, and net change in value
- Meets all Pension Protection Act requirements

Participant statements can be customized with the name and/or the logo of the sponsor organization and include additional plan specific information and messaging. Should the plan sponsor decide that a more customized approach is desirable, AIG Retirement Services will work with the plan sponsor as necessary.

AIG Retirement Services will also accept a data feed from the defined benefit plan provider and display the participant's accrued benefit on both the AIG Retirement Services internet site and on the quarterly participant statement along with their deferred compensation plan.

Please refer to the attached Sample Participant Statement.

9. Do you provide, or are you able to provide, an annual benefits statement for each participant consolidating all assets in the Plans and including a proposed asset allocation mix, based on available data? Does this also include Social Security, defined benefit plan projections and outside plan investments? Could this statement also include a projected shortfall in the level of assets anticipated to be needed for retirement and the impact of increases to salary deferral contributions on this shortfall? Will this statement be available upon transition?

Yes. At AIG Retirement Services, we're proud to offer a smarter and more personalized way to help employees prepare for the future. One that's simpler, easier to relate to, and that encourages people to take control of their futures. We call it FutureFIT® and it stands for Freedom. Individually tailored. FutureFIT empowers employees to own their future and take action today for their tomorrow. FutureFIT provides savings guidance which can be accessed by logging into your account online at aigrs.com. This same information can be mailed annually in our FutureFIT Retirement Readiness Statement, providing an in-depth gap analysis delivered right to your employees' homes.

FutureFIT offers the following key elements to employees:

- A clear retirement strategy including expected retirement age, projected income, and potential risks
- A summary of their retirement income portfolio, including savings, investments, and pension benefits
- Education and communication that provides participants with a better understanding to make informed decisions about retirement

The FutureFIT Retirement Readiness Statement

An essential part to understanding total retirement readiness is being able to visualize where you are and where you need to be. Through the annual delivery of the FutureFIT Statement, each eligible employee receives detailed savings information, such as deferral rates and enrollment status, and a specific strategy – including recommended asset classes – to help reach their retirement goals. The FutureFIT Statement includes:

- A personalized gap analysis
- A summary of all known sources of retirement income
- Retirement income need based on projected income at retirement, Social Security benefits, other income sources, as applicable
- A suggested deferral rate to help them get on track to achieve recommended retirement income
- A suggested investment mix for their solution
- Individualized action plan

FutureFIT not only enhances the employees' understanding of retirement readiness, but also positively affects the plan's utilization by employees. The results have consistently included the following:

- Increased plan participation and plan enrollment
- Increased retirement income replacement ratios
- Increased retirement plan contributions
- Increased investment diversification

The FutureFIT Statement and online projections incorporate all employee information available to AIG Retirement Services through payroll files (e.g., date of birth, gender, state of residence, and contribution formulas such as employer match and profit share). Additionally, projections automatically take into account the value and allocations of all employees. However, both the FutureFIT Statement and the online projections still require certain information from participants, such as salary and contribution rate.

Yes. The Retirement Readiness statements can be available upon transition, provided receipt of all necessary data files.

Please refer to the attached Sample FutureFIT Retirement Readiness Statement.

10. Please describe your plan to work with OST to develop communications, tools and other resources that can be provided to employers to assist in their understanding of the plan and responsibilities. Please describe your experience working with other clients with multiple employers.

We take a personal approach to employee engagement and communication and will partner with you and your marketing teams to identify:

- Plan health goals and employee education needs
- Known best practices for communicating within your organization (ex: intranet site, employee newsletter, message board)
- Wellness program and opportunity for including a financial wellness component
- Employee resource groups, such as a young professional group

Once we have discussed in detail, we will create a comprehensive twelve-month communication strategy using data as our guide. With data, we can identify individual employee populations under-utilizing your plan and develop targeted communications using personalized messages to help encourage action. Our employee education plans include monthly topics that support an over-arching

quarterly message.

Some key components of our communication strategies include, but are not limited to:

| Digital | Print | In-Person |
|--|---|--|
| <ul style="list-style-type: none">• Private label website for your plan• Web banner messaging• Personalized emails• Targeted social media campaigns• Online tools and calculators• Confidence surveys• Intranet site messages• E-Newsletters• Webinars | <ul style="list-style-type: none">• Plan highlights/important plan information• Enrollment brochures• Targeted letters• Postcards• Employee magazines• Fliers/ Posters | <ul style="list-style-type: none">• Personal counseling sessions• Workshops• Department meetings• Employee resource group meetings• Special Employee events• Wellness Fairs |

AIG Retirement Services understands the complexities of serving clients with multiple employers and multiple locations. Here's an example of how we helped such a client.

Goals

The goal was to increase participation and deferral savings rates as well as improve asset diversification in their plan. AIG Retirement Services was selected as the new and exclusive provider for the Sponsor's 403(b) and 457(b) retirement plans.

Challenges

The Sponsor's existing plan had a 30% active participation rate and nearly 59% of the plan's assets were held in a fixed account. The Sponsor felt with diversified investment choices, education and financial professional support, their employee's participation and deferral rates would increase and improve asset allocation. They also wanted their employees to have access to financial planning tools to assist them in their overall retirement readiness.

Key elements of the plan included:

- New investment lineup
- Educational meetings
- Dedicated financial professionals
- Retirement readiness tools

Implementation

After meeting with the Sponsor's retirement committee AIG Retirement Services implemented a plan which included:

- New mutual fund lineup
- Educational meetings covering all shifts in all locations
- 75 group meetings and workshops held during the first three months
- Two dedicated full-time financial professionals assigned to their plan
- An additional five financial professionals and two managers added to complete rollout
- All employees offered opportunity for no-cost financial plan

Recent plan enhancements:

- Added a scheduling assistant for proactive outreach to participants
- Introduced a third advisor to focus on retirees
- Launched a retirement readiness program with interactive tools

Results

During a three-year period, plan results improved. Plan participation increased to 65% from 30% and the assets held in the fixed account decreased dramatically to 23% from 59%.

11. Please provide an overview of your ability to participate in periodic webinars or conference calls to provide employers with training on the systems and remittance processes. Please share any experience you have working with other clients to train employers on your systems.

Your assigned Relationship Manager will coordinate training related to our Plan Sponsor portal, SponsorFIT, and provide ongoing training as needs arise. We will provide training on remittance processing for payroll staff during the transition project, prior to the first payroll. Same day assistance is also provided and refresher training can be scheduled as well.

IV. Investments and Overall Cost to Plan and Plan Participants

Investment Management Flexibility

1. Confirm you will offer an open architecture, mutual fund-based platform to OST. Can you offer a non-proprietary product as the stable value/fixed account?

AIG Retirement Services confirms we are proposing our open architecture mutual fund platform that allows the Plan Sponsor full flexibility to choose from 157 fund families with over 11,000 funds representing over 95% of all mutual funds.

Yes, we can offer a non-proprietary product as the stable value/fixed account.

2. Describe the process OST may follow to replace one or more funds in the investment line-up during the contract period. Confirm that there no cost to change funds. Provide an expected timeline for any fund changes.

The Plan Sponsor may add, replace or delete funds with 60 days' advance notice. AIG Retirement Services will then work with the Plan Sponsor to communicate the fund changes to all participants in writing at least 30 days prior to the change. The Plan Sponsor can map assets in the fund being deleted to the replacement fund. Alternatively, if the Plan Sponsor desires, a fund can be frozen to new contributions, and balances can remain in place and move at the direction of the participant to the new investment option. AIG Retirement Services confirms that there are no additional fees for fund changes.

3. Describe how your recordkeeping system handles short-term fund redemption fees for funds in the Plans. How will you communicate a potential wash-sale rule violation to participants?

AIG Retirement Services currently has functionality to monitor and track redemption activity based on share aging and apply fees at a participant level. If a mutual fund company desires to implement redemption fees, we update our system functionality and will keep plan sponsors apprised of developments within their specific fund line up. The current trend is for mutual funds to rely more heavily on investor trading policies, however, and several funds have discontinued redemption fees.

We provide multiple ways in which participants are notified of redemption or short-term trading fees.

Participants receive pop-up messaging online, and if speaking to a Client Service Professional, the CSP will alert the participant of the fees. Additionally, our available funds list includes information regarding funds charging redemption fees. The plan sponsor can use this information when selecting funds for the plan.

- 4. Can you administer the existing fund lineup with current share classes as indicated in Attachment 6? Would you need to sign or update any investment manager selling agreements to offer these investments and share classes? Provide comments on the existing fund line up and provide recommendations, if applicable, to make the line up better.**

Yes, AIG Retirement Services has confirmed that we can administer the existing fund lineup with current share classes as indicated in Attachment 6.

No, AIG Retirement Services would not need to sign or update any investment manager selling agreements to offer these investments and share classes.

AIG Retirement Services would replace your current fixed account with our proprietary Fixed-Interest Option, which benefits your participants with a current higher crediting rate. Additionally, we are recommending improvements to your current lineup with the creation of Custom Target Date models and the inclusion of adding additional American Funds into the lineup for use in the new models. The Custom Target Date models can be branded to your plan if OST should desire.

- 5. Propose a separate account stable value/fixed fund for the Plans. What is the contractually guaranteed minimum interest rate for this account? Will this minimum rate be guaranteed for the life of the contract? If not, what is the guarantee period? What are the restrictions to withdraw assets from this account for a distribution or a transfer to another provider? Include a copy of the contract as Tab J with your proposal submission.**

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

6. Are there specific breakpoints in assets, participants, or asset per participant, whereby the plan might experience a reduction in fees? How and when would this be communicated to the participants?

[REDACTED]

[REDACTED]

7. Does your organization offer a retirement income or in-plan annuity product? Describe the features of the product, including the portfolio composition, and the guarantor's credit ratings.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

8. Does your company offer a Managed Account option? Describe this service, including whether it employs proprietary software and the extent to which it is a Registered Investment Advisory program. What percentage of your defined contribution retirement plan clients use your managed account? What percentage of the participants in those clients are invested in the managed account program? What is the fee for using this program? Does your company share in this fee? If so, what is your percentage share of the fee?

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

9. Does your company offer a self-directed brokerage option? If so, which vendor(s) do you use? What is the fee for using this program? Does your company share in this fee? If so, what is your percentage share of the fee? Does your company allow a participant to contract with an independent advisor and to pay for these services through self-directed brokerage assets? Please describe this process in detail in terms of assessing fees, including placing caps on fees paid to these advisors.

[REDACTED]

[REDACTED]

[REDACTED]

10. Discuss how your organization would transition participants currently utilizing the self-directed brokerage option. Does your self-directed brokerage account require any minimum balance? Describe what happens if minimum balances are not maintained. Is the self-directed brokerage account listed as an investment option or do participants manually have to move their money to the account?

AIG Retirement Services works directly with the brokerage firm to create transfers and accounts. A participant must have a minimum account balance of \$5,000 in the plan's core investment options with AIG Retirement Services before establishing an SBDA and must continue to maintain the minimum account balance in the core investment options. Participants may allocate up to 90% of their future contributions to the self-directed brokerage account.

AIG Retirement Services sends a letter to participants who fall below the minimum threshold in the plan's core investment options for longer than 2 weeks. The letter asks the participant to initiate a trade to increase the balance in the core investment options to the plan's minimum balance. If they fail to initiate a trade AIG Retirement Services will submit a letter of instruction to Charles Schwab to initiate a trade to increase the investment in the plan's core investment options to restore the minimum account balance.

Participants enroll in the brokerage window by allocating contributions or transferring from other Plan investment options to PCRA.

11. Can your brokerage account restrict a participant from certain investment types that OST deems as inappropriate for retirement plans (e.g., no precious metals, futures, margin trading, options, commodities, collectibles, short sales, real estate, etc.)? Does it prevent participants from using investments that are not permitted in the plan type (e.g., 403(b))? Discuss how you will monitor and enforce any such limitations requested by OST?

Yes. Investments options at Charles Schwab are limited by the contract and options the Plan Sponsor has established. The minimum percent or balance that must be maintained in core plan investments is systematically enforced. If the participant's balance in the core investment options drops below the minimum for 2 consecutive weeks an automated letter will be sent to the participant. If the participant's balance in the core investments is below the minimum for 40 days. AIG Retirement Services will initiate steps to move funds from the SBDA to the core investments on behalf of the participant.

AIG Retirement Services has quality review procedures in place that provide for ongoing monitoring of all transactions processed to ensure that withdrawals, transfers, etc. are in accordance with plan provisions and IRS guidelines. AIG Retirement Services will flag a Plan Sponsor's specific plan provisions to systematically prevent transactions from occurring that are in violation of plan rules. AIG Retirement Services can modify our system as needed to allow such transactions should plan specifications change in the future. All transactions are input online daily and processed systematically through a nightly cycle. The following day, a confirmation report is generated and matched to the transaction. All transactions are then reviewed for quality. Any transaction entered incorrectly will be discovered during the quality review process and will be reversed and re-entered.

12. How are self-directed brokerage account balances treated for purposes of the following:

- **Regular benefit or unforeseeable emergency / hardship distributions**

The participant can have access to all funds including SBDA with a single distribution. Distributions from the SDBA must be made from the money market fund within the SDBA. Participants requesting distributions must first liquidate positions within the SDBA and then submit the distribution request. When requesting a partial distribution, the participant does have the option to exclude the SDBA from the distribution.

- **IRC required and minimum distributions**

The SDBA balance is included in the required minimum distribution calculation. The participant can elect from which vehicle(s) the distribution is processed. To request the required minimum distribution from the SDBA, the participant must ensure sufficient funds reside in the cash feature option within the SDBA.

- **Domestic relations orders**

SDBA balances are included in any QDRO orders. Holdings within the SDBA are processed as an in-kind transfer. The positions remain invested but are transferred to the alternate payee.

- **Death benefit claims**

Upon notification of a participant's death, AIG Retirement Services will identify and confirm the beneficiaries under the plan and send each beneficiary a death claim packet. The packet contains a claim form and communicates the necessary documentation to be submitted in order to process the claim (e.g., spouse, non-spouse, trust, or estate as beneficiary). Upon receipt of all required documentation, AIG Retirement Services will process the claim per the beneficiaries' request unless otherwise restricted by the plan or IRS regulations.

- **Beneficiary designation**

Participants can designate a beneficiary during enrollment into the Office of the State Treasurer's Retirement Plan. Additionally, participants can update beneficiaries online at aigrs.com at any time.

13. Do participants receive a detailed account summary of all assets held in the brokerage account? How often?

Yes, monthly. In addition to the detailed Schwab statement, the participant's aggregate balance in the self-directed brokerage account will be provided on their quarterly AIG Retirement Services account statement.

14. What information from the self-directed brokerage account is reflected and reported on the core participant quarterly statement? On quarterly plan-level reports provided to the plan sponsor? Will the State receive a consolidated box position of all self-directed brokerage securities owned by participants?

Participants receive the current balance of their PCRA accounts on their AIG Retirement Services participant statements, along with any contribution amounts, withdrawals, or transfers of value into or out of the PCRA self-directed brokerage account. Participants enrolled in PCRA will also receive a detailed monthly statement from Charles Schwab detailing deposits, withdrawals, and trading activity within the SDBA. The balance held in the PCRA accounts is displayed on plan-level reports to the State as a consolidated box position.

Costs to the Plans and Participants

- 1. What is your required revenue for providing the scope of services described in this RFP? Provide required revenue both as a percentage and as a per participant charge. For how long is this revenue requirement guaranteed?**

[REDACTED]

[REDACTED]

- 2. Please indicate if your required revenue is contingent on the use of proprietary fixed account. If so, please identify the revenue required without a proprietary fixed account and include a non-proprietary alternative.**

[REDACTED]

[REDACTED]

[REDACTED]

- [REDACTED]
- [REDACTED]
3. **OST wishes that all fees will be charged explicitly and directly against participant account balances. Our line-up will include non-revenue sharing share classes. Please confirm you have the ability to charge participants explicitly and can show fees paid on participant statements as a hard dollar amount and as a percentage of assets.**

AIG Retirement Services confirms.

4. **OST wishes for the State's revenue derived from the plan participant accounts to be placed into an account to offset Plan-level expenses or reallocated back to participants. Confirm that this is included in your proposal. Assuming so, confirm the below mechanics of this account:**

- **When are the fees allocated into this account?**

Quarterly.

- **What is the process for using funds in this account? Does the plan sponsor or a 3rd party reach out to you to request a payment? Can a recurring automatic payment schedule be established?**

AIG Retirement Services issues the funds from the account to pay plan related expenses per the direction of the plan sponsor or its designated third party. Recurring or pre-scheduled payment from the account can be established.

- **To whom can payments from the accounts be made? Can they all be paid directly to OST? Can payments be made directly to a 3rd party? How will you assist OST in preventing the use of the account for non-qualifying expenses?**

AIG Retirement Services issues the funds from the account to pay plan related expenses per the direction of the plan sponsor or its designated third party. Yes, the funds can be paid directly to OST.

AIG Retirement Services will assist in preventing non-qualifying expenses but, ultimately, it is the plan sponsor's responsibility.

- **What documentation is provided to OST with respect to the account value and any transactions? What is the timing of this documentation? Does the account value need to be "zero-ed" out on any given schedule?**

AIG Retirement Services can provide an accounting of the plan-level expense reimbursement account on a quarterly basis.

No, the account value does not need to be "zero-ed" out on any given schedule.

- **What happens to the account if OST changes providers?**

After payment of all fees due to AIG Retirement Services, the account would transfer to the successor vendor in accordance with any provisions or restrictions that apply to the investment options in which the Expense Reimbursement Account is invested.

5. Describe any additional direct fees in detail, including, but not limited to, the following:

[illegible]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

ATTACHMENT 2: Confidential or Proprietary Information Form

**CONTRACT NUMBER: TRE-CPM-21101 - DEFERRED COMPENSATION PLAN RECORDKEEPING AND
ADMINISTRATIVE SERVICES**

- ☐ By checking this box, Vendor acknowledges that its proposal does not contain any information it declares to be confidential or proprietary for the purpose of production under FOIA.

Confidentiality or Proprietary Information

Please refer to the confidential information listed within the legal letter for Confidential Business Information

Services

ATTACHMENT 3: Exception Form

CONTRACT NUMBER: TRE-CPM-21101 - DEFERRED COMPENSATION PLAN RECORDKEEPING AND ADMINISTRATIVE SERVICES

Proposals must include all exceptions to the specifications, terms or conditions contained in this solicitation, including all attachments and appendices. If Vendor is submitting the proposal without exceptions, please state so below.

- ☐ By checking this box, Vendor acknowledges that it takes no exception to the specifications, terms or conditions found in this solicitation, including the terms of the PSA.

| Item location | Item | Exception |
|---------------|---|--|
| Page 51 | <p>E. Cyber Liability Insurance</p> <p>1. An awarded vendor unable to meet the DTI Cloud and Offsite Hosting Policy requirement of encrypting PII at rest shall, prior to execution of a contract, present a valid certificate of cyber liability insurance at the levels indicated below. Further, the awarded vendor shall ensure the insurance remains valid for the entire term of the contract, inclusive of any term extension(s).</p> <p>2. Levels of cyber liability insurance required are based on the number of PII records anticipated to be housed within the solution at any given point in the term of the contract. The level applicable to this contract is: Level 4. Should the actual number of PII records exceed the anticipated number, it is the vendor's responsibility to ensure that sufficient coverage is obtained (see table below). In the event that vendor fails to obtain sufficient coverage, vendor shall be liable to cover damages up to the required coverage amount.</p> <p>NOTE: The contract officer is to engage Agency IRM and/or DTI, for identification of the anticipated number of PII records.</p> | <p>E. Cyber Liability Insurance</p> <p>1. An awarded vendor unable to meet the DTI Cloud and Offsite Hosting Policy requirement of encrypting PII at rest shall, prior to execution of a contract, present a valid certificate of cyber liability insurance at the levels indicated below. Further, the awarded vendor shall ensure the insurance remains valid for the entire term of the contract, inclusive of any term extension(s).</p> <p>2. Levels of cyber liability insurance required are based on the number of PII records anticipated to be housed within the solution at any given point in the term of the contract. The level applicable to this contract is: Level 4. Should the actual number of PII records exceed the anticipated number, it is the vendor's responsibility to ensure that sufficient coverage is obtained (see table below). In the event that vendor fails to obtain sufficient coverage, vendor shall be liable to cover damages up to the required coverage amount.</p> <p>NOTE: The contract officer is to engage Agency IRM and/or DTI, for identification of the anticipated number of PII records.</p> |

APPENDIX B: Form of Professional Services Agreement

I CONTRACT NUMBER: TRE-CPM-21101 - DEFERRED COMPENSATION PLAN RECORDKEEPING AND ADMINISTRATIVE SERVICES

This Professional Services Agreement (“**PSA**”) is entered into by and between the Office of State Treasurer (“**OST**”) for the State of Delaware (the “**State**”), on behalf of the Plans Management Board (the “**Board**”), and [_____] (“**Vendor**”).

WHEREAS, the State desires to retain Vendor to provide all necessary and appropriate recordkeeping, trustee, custodian and administrative services for the State’s deferred compensation program authorized under Chapter 60A of Title 29 of the Delaware Code and the plans within that program: (1) the State’s deferred compensation plan under Internal Revenue Code (“**IRC**”) § 457(b) (the “**457(b) Plan**”); (2) the State’s tax-sheltered annuity plan for certain education employees under IRC § 403(b) (the “**403(b) Plan**”); and (3) the State’s employer match plan under IRC § 401(a) (the “**Match Plan**,” and together with the 457 Plan and the 403(b) Plan, the “**Plans**”);

WHEREAS, Vendor desires to provide the services on the terms set forth in this PSA, as well as such other documents as the parties may negotiate and agree upon to govern the parties’ contractual relationship (collectively, the “**Agreement**”), which other documents shall be controlled and governed by the terms set forth in this PSA;

WHEREAS, the State and Vendor represent and warrant that each party has full right, power and authority to enter into and perform under this Agreement;

FOR AND IN CONSIDERATION OF the premises and mutual agreements herein, the State and Vendor agree as follows:

1. Services and Term.

- 1.1. Vendor shall provide the State with all necessary and appropriate transition, recordkeeping, trustee, custodian and administrative services for the Plans, including those services as set forth herein and/or as specified on **Exhibit 1** (Statement of Work) to this PSA (collectively, “**Services**”). Vendor shall serve as a co-fiduciary in connection with the provision of Services.

- 1.2. The initial term of the Agreement shall begin on the date the Agreement is fully executed, or as may be otherwise agreed upon by the parties, and, shall extend for five years from that date. The State has three one-year extension options. OST, in its discretion, may exercise each option at any time prior to the expiration of the initial or extended term, as the case may be, subject only to Board approval of any such extension.
- 1.3. Vendor shall meet and confer with OST, the Board and/or any committee of the Board at such times and places as OST, the Board or a committee may reasonably request. Vendor, if requested by OST, shall participate in meetings with other State agencies concerning the Services or plan-related issues. Vendor shall keep OST staff informed of progress and provide updates to OST and the Board on the status of the Services. This interface shall include regular telephone communication, exchange of written data and analysis and other interaction as requested by OST or the Board.

2. Payment for Services and Expenses.

- 2.1. Vendor is entitled to receive compensation for Services from participants solely as provide on **Exhibit 2**. The State shall have no obligation to compensate Vendor for the performance of Services.
- 2.2. Vendor is solely responsible for ensuring that all Services are completed for the agreed upon fees.
- 2.3. All expenses incurred in the performance of Services are Vendor's responsibility. Vendor shall not be reimbursed for any expenses incurred by Vendor in the performance of the Services, including, but not limited to, travel and lodging expenses, communications charges, and computer time and supplies.
- 2.4. The State shall not be liable for the payment of federal, state or local sales, use or excise taxes, including any interest and penalties from any related deficiency, which may become due and payable by Vendor as a consequence of the Agreement.

3. Performance Schedule.

- 3.1. If applicable, Vendor is responsible for completing the transition of Services and providing Services to participants and beneficiaries in a timely fashion. A preliminary transition and Services schedule is set out on **Exhibit 3**. The parties shall work together to craft a final transition and Services schedule. The final project schedule shall be agreed upon and

substituted as a replacement **Exhibit 3** within 30 days from the date the Agreement is fully executed by the parties.

- 3.2. Any delay of Services or change in the sequence of Services, whether on the preliminary or final project schedule, must be approved in writing by OST.
- 3.3. In the event that Vendor fails to complete the Services or any portion thereof within the time specified in **Exhibit 3**, or with such additional time as may be granted in writing by OST, or fails to perform any Service as specified on **Exhibit 3**, or any extensions thereof, Vendor shall forfeit and promptly return those amounts specified on **Exhibit 3**.

4. Responsibilities of Vendor.

- 4.1. Vendor shall be solely responsible for the professional quality, technical accuracy, timely completion, and coordination of all Services, including the quality of any third-party solutions. In performing the Services, Vendor shall adhere to generally accepted professional and technical standards and comply with all applicable federal, state and local laws, ordinances, codes and regulations.
- 4.2. Vendor shall be responsible for ensuring that all Services, including all solutions and deliverables furnished pursuant to the Agreement, comply with the standards promulgated by the State's Department of Technology and Information ("DTI") published at <http://dti.delaware.gov/> and as modified from time to time by DTI during the term of the Agreement. If any Service furnished pursuant to the Agreement does not conform to DTI standards, Vendor shall, at its expense and option either (1) replace it with a conforming equivalent or (2) modify it to conform to DTI standards. Vendor shall be liable and shall indemnify, defend and hold harmless the Indemnified Parties (as defined below) for all liabilities, suits, actions or claims, together with all reasonable costs and expenses (including attorneys' fees), incurred by an Indemnified Party resulting from or attributable to Vendor's failure to comply with DTI standards and requirements, including those set forth on **Exhibits 4-6**.
- 4.3. Vendor shall execute and comply with the requirements of the Confidentiality (Non-Disclosure) and Integrity of Data Agreement attached as **Exhibit 4**.
- 4.4. It shall be Vendor's duty to **employ safeguards designed to** assure that Vendor does not compromise the security, confidentiality, or integrity of information maintained by the State. In providing Services, Vendor will meet or exceed the standards set forth in the Top 20 Critical Security controls located at <http://www.sans.org/critical-security-controls/>.

- 4.5. Vendor shall be responsible for all security breaches involving State data (including participant and beneficiary personal identifiable information) caused by its employees and contract employees, its subcontractors, and the employees and contract employees of its subcontractors, and Vendor shall indemnify, defend and hold harmless the Indemnified Parties from any and all liabilities, suits, actions or claims, together with all reasonable costs and expenses (including attorneys' fees), arising out of such breaches.
- 4.6. Multifunction peripherals must be hardened when used or connected to the State's network.
- 4.7. Electronic information storage devices (hard drives, tapes, diskettes, compact disks, USB, multifunction peripherals, *etc.*) shall be disposed of in a manner corresponding to the classification of the stored information, up to and including physical destruction.
- 4.8. Vendor shall execute and comply with the Cloud Services Terms and Conditions Agreement attached as **Exhibit 5**.
- 4.9. Vendor shall execute and comply with the Data Usage Terms and Conditions Agreement attached as **Exhibit 6**.
- 4.10. It shall be the duty of Vendor to assure that all Services are technically sound and in conformance with all applicable federal, state and local statutes, codes, ordinances, resolutions and other regulations, rules and industry standards applicable to the Services. Vendor will not provide a Service that infringes on any copyright, trademark, patent or other intellectual property rights. Vendor shall ~~immediately~~, within a reasonable time period and without additional compensation, correct or revise any errors or omissions in the solution and shall indemnify, defend and hold harmless the Indemnified Parties for all liabilities, suits, actions or claims, together with all reasonable costs and expenses (including attorneys' fees), incurred by an Indemnified Party resulting from or attributable to Vendor's failure to comply with this Section.
- 4.11. The State's knowledge, review, approval, or acceptance of, or payment for, any Service shall not be construed to operate as an admission of any fact or circumstance, or a waiver of any rights under the Agreement or otherwise, and Vendor shall be and remain liable in accordance with the terms of the Agreement and applicable law for all damages caused by Vendor's breach or negligent performance or failure to perform under the Agreement.
- 4.12. If applicable, Vendor shall appoint a senior employee, reasonably acceptable to OST, who will manage the transition of Services to Vendor and act as the single point of contact to OST regarding transition-related Services. Vendor also shall appoint a senior employee,

reasonably acceptable to OST, who will manage the performance of post-transitions Services and act as the single point of contact to OST once services have been transitioned to Vendor.

4.13. Upon receipt of written notice from OST that a senior or other employee of Vendor is unsuitable for good cause, Vendor shall remove such employee from the performance of Services and substitute in his/her place an employee suitable to OST.

4.14. Vendor agrees to promptly notify OST's designated Contact (as defined below) if it is or becomes under investigation or examination, or the subject matter of any inquiry, by any state or federal agency or regulator, and the nature of the inquiry relates directly to the Plan, provided however that Vendor shall not be required to provide such notice if doing so would be contrary to law or to the direction of the state or federal agency or regulator.

~~4.14 Unless legally prohibited, Vendor agrees to promptly notify OST's designated Contact (as defined below) in writing of any investigation, examination or other proceeding involving Vendor, or any key personnel or designated staff of Vendor or a subcontractor, commenced by any regulatory or law enforcement agency and involving allegations of fraud or illegal conduct.~~

4.15. Vendor agrees that its officers and employees will cooperate with OST in the performance of Services and will be available for consultation with OST and the Board or its committees upon reasonable request.

4.16. Vendor has or will retain such employees as it may need to perform the Services.

4.17. Vendor will not use OST's, the Board's or the State's name, either express or implied, in any of its advertising or sales materials without OST's prior written consent.

4.18. Vendor represents that it is properly licensed, registered and authorized to transact business in the State.

4.19. Vendor will provide to OST audited or unaudited financial statements, as requested by OST.

5. OST Responsibilities/Representations.

5.1. OST agrees that its officers and employees will cooperate with Vendor in the performance

of Services and will be available for consultation with Vendor upon reasonable request.

1. Ownership of Work Product and Data.

5.1 All materials, information, documents, reports and other work product, whether finished, unfinished, or draft, developed, prepared or completed by Vendor for the State relating to the Services shall become the property of the State and shall be delivered upon request. The State shall have the right to reproduce and disclose all work product related to the Agreement. The State's rights under this Section shall survive termination of the Agreement.

- 5.2. The State shall retain title and interest to all data and documents related to the Services. Upon termination of the Agreement, and for a period of six (6) months thereafter, the State shall have access to all data and documents and related activity and other reports available in connection with the Services. Promptly after such six (6) month period, all State data and documents and related activity and other reports shall be retained and returned or destroyed in accordance with Section 6.8.6, [except as required to comply with applicable laws and regulations and Vendor's retention policies](#).

6. Confidential Information of the State.

- 6.1. "Confidential Material," as used herein, means all agreements and other documents and data that contain confidential commercial, financial, consumer, or other confidential information of the State, whether or not such agreements or other documents are marked "confidential" or otherwise designated as confidential by OST.
- 6.2. Confidential Material shall be used by Vendor [and its subcontractors and independent contractors](#) solely for purposes of executing its duties and obligations under the Agreement. Vendor may disclose Confidential Material only to those Vendor employees who have a need to access Confidential Material in the scope of their employment for Vendor, and who have been informed [and](#) understand and [acknowledge in writing](#) that Confidential Material is highly sensitive and confidential and must be held in strictest confidence.
- 6.3. Confidential Material shall not be copied or reproduced without the express written permission of OST, except for such copies as may reasonably be required for Vendor to execute its duties and obligations under the Agreement. Except as contemplated by the Agreement, Vendor shall not store or aggregate in a data base or other electronic storage means any Confidential Material; provided, however, that Vendor is permitted to store Confidential Material in physical or electronic files in accordance with this Section 6 while executing its duties under the Agreement and for a reasonable period of time thereafter,

after which the Confidential Materials, including all physical and electronic copies, shall be returned or destroyed in accordance with Section 6.8.

- 6.4. Except as expressly permitted in this Section 6, Confidential Material shall not be disclosed to any individuals or third parties without the prior written consent of OST, unless such disclosure is required by law. Vendor shall immediately notify OST in writing of Vendor's receipt of a court order, subpoena or discovery requests seeking or ordering the production, disclosure or inspection of any Confidential Material. Vendor shall, at the request of OST, object to any such order, subpoena or discovery and shall take all other measures that may reasonably be necessary to protect against the unwarranted production, disclosure or inspection of Confidential Material. In the event disclosure of Confidential Material is compelled or otherwise required by law, Vendor shall mark all documents submitted in connection with any such disclosure so as to indicate the confidential nature of the material and the State's interest therein.
- 6.5. This Section 6 shall not restrict the disclosure or use of Confidential Material that:
- a. is in the public domain at the time of disclosure or thereafter enters the public domain through no breach of the Agreement;
 - b. is in the possession of Vendor without restrictions when received;
 - c. has been lawfully obtained or is lawfully obtainable without restrictions from a source other than the State through no breach of the Agreement;
 - d. has been developed independently by Vendor and without reliance upon Confidential Material.
- 6.6. Vendor shall take commercially reasonable steps to restrict access to and otherwise safeguard the confidentiality and integrity of Confidential Material at all times, including, without limitation, the implementation of electronic security procedures and other measures designed to ensure that all Confidential Material is properly stored and protected at all times.
- 6.7. Vendor shall promptly ~~immediately~~ disclose to OST the discovery of any security breach or suspicious intrusion involving Confidential Material and shall identify the type and amount of Confidential Material that was compromised or disclosed.
- 6.8. Unless otherwise agreed, within six (6) months from the termination of the Agreement, all

Confidential Material, regardless of form, shall, at OST's option, be returned to OST or destroyed in accordance with all applicable law, orders, rules and regulations and industry best practices. Any electronic data or documents destroyed or deleted under this Section 7.8 shall be permanently deleted and shall not be recoverable, according to the National Institute of Standards and Technology's approved methods. If requested, Vendor shall provide a destruction certificate to OST listing the type and contents of electronic records or physical documents destroyed or permanently deleted under this Section 6.8.

Notwithstanding the foregoing, Vendor may retain State data or documents for any period if and as required by applicable law of laws and regulation orf-Vendor's record retention policies; provided, however that Vendor shall thereafter store and protect such data and documents as required by the Agreement, the applicable provisions of which shall survive termination, and delete or destroy all such data and documents at the conclusion of such period.

- 6.9. The State shall have no obligation to disclose Confidential Material. The State may, in its discretion, provide or refuse to provide Confidential Material requested by Vendor.
- 6.10. Vendor understands and agrees that the State may suffer irreparable harm in the event that Vendor or its employees fail to comply with their obligations hereunder and that monetary damages may not be adequate to compensate the State for such breach. Vendor agrees that the State, in addition to other remedies available to it at law or in equity for actual damages, shall be entitled to seek injunctive relief to enforce the terms of this Section 6.

7. Warranty.

- 7.1. Vendor agrees to correct or re-perform any Services not in compliance with this Agreement.
- 7.2. ~~Third party software solutions or hardware or other products within the scope of the Agreement are warranted under the terms and conditions of the licenses or other agreements by which such products are governed. With respect to all third party products sold, licensed or offered by Vendor in connection with the provision of the Services, if any, Vendor shall pass through or assign to the State all rights Vendor obtains from the manufacturers and/or vendor of such products and services (including warranty and indemnification rights), to the extent that such rights are assignable. To the extent such rights are not assignable, Vendor shall honor all such third party software and hardware warranties and indemnification obligations.~~

- 8.1. Vendor shall indemnify, defend and hold harmless OST, the Board and the State and their respective officers, committees, members, agents and employees (the “Indemnified Parties”) from any and all liability, suits, actions, claims or damages, together with all reasonable costs and expenses (including attorneys’ fees), arising out of Vendor’s breach of the Agreement, or the negligent, reckless, intentional or other tortious, fraudulent, illegal, or unlawful conduct of Vendor or any subcontractor or independent contractor, or their respective officers, employees or agents, arising out of or related to the Agreement (“Claims”).
- 8.2. If OST notifies Vendor in writing of a Claim against an Indemnified Party, including, without limitation, any Claim based on Vendor’s disclosure of or failure to safeguard any personal financial or other private or confidential information, Vendor will defend such Claim at Vendor’s expense if so requested by OST, in OST’s sole discretion. [Vendor will have the ability to assume the defense for the Indemnified Party.](#) Vendor will pay all costs and damages that may be finally awarded against an Indemnified Party., [so long as those costs and damages arise from Vendor’s actions outlined in Section 8.1, above](#)
- 8.3. Neither OST, the Board, the State, nor any other department, agency or instrumentality thereof, nor any committee, officer, member, agent or employee of the foregoing, shall have any obligation to indemnify or hold harmless ~~or any liability to,~~ Vendor or any other party for fees (including attorneys’ fees), expenses, suits, actions, claims or damages, whether direct or indirect, compensatory or punitive, actual or consequential, arising out of or related in any way to the Agreement.
- 8.4. Notwithstanding anything to the contrary herein, no provision of this Agreement shall constitute a waiver or limitation of any right of OST, the Board or the State that may exist under applicable law.
- 8.5. Notwithstanding anything to the contrary herein, to the extent available under applicable law, OST, the Board and the State and their respective committees, officers, members, agents and employees expressly reserve all rights, claims, arguments, defenses and immunities, including, without limitation, claims or defenses based on sovereign immunity, qualified immunity and other statutory or common law rights, claims, defenses or immunities; provided, however, that Vendor shall have the right to seek to enforce the Agreement in the courts of this State.

9.1. Vendor shall maintain the following insurance during the term of the Agreement:

- a. Worker's Compensation ~~in compliance with statutory requirements~~ and Employer's Liability Insurance ~~with limits of \$1,000,000 per accident, \$1,000,000 per employee by disease and \$1,000,000 aggregate by disease~~ ~~Worker's Compensation and Employer's liability Insurance in accordance with applicable law;~~
- b. Comprehensive General Liability—\$1,000,000 ~~per~~ occurrence/\$3,000,000 per aggregate;
- c. Professional Liability—\$5,000,000 per ~~claim occurrence~~/ \$5,000,000 ~~per~~ aggregate;
- d. ~~Miscellaneous Errors and Omissions \$1,000,000 per occurrence/\$3,000,000 per aggregate;~~
- e. Automotive Liability Insurance covering all automotive units used in the work ~~(including all units leased from and/or provided by the State to Vendor pursuant to this Agreement as well as all units used by Vendor, regardless of the identity of the registered owner, used by Vendor for completing the Work required by this Agreement to include but not limited to transporting Delaware clients or staff),~~ providing coverage on a primary non- contributory basis with limits of not less than:
 1. \$1,000,000 combined single limit each accident, for bodily injury ~~and property damage;~~
 2. ~~\$250,000 for property damage to others;~~
 3. \$25,000 per person per accident Uninsured/Underinsured Motorists coverage;
 4. ~~\$215,000~~ per person, ~~\$300,000~~ per accident Personal Injury Protection (PIP) benefits as provided for in 21 *Del. C.* § 2118; and
 5. ~~Comprehensive coverage for all leased vehicles, which shall cover the replacement cost of the vehicle in the event of collision, damage or other loss. and;~~

- f. ~~Excess~~/Umbrella policy - Excess/Umbrella \$10,000,000 **per occurrence and \$10,000,000 aggregate total** (sits above underlying ~~worker's compensation~~ and employer's liability, general liability, ~~professional liability~~, and business automotive liability).
- 9.2. In addition to the insurance policies required by Section ~~109.1~~, Vendor must maintain cyber security liability insurance coverage with limits of **\$15,000,000 per Claim and \$15,000,000 aggregate** ~~in an amount TBD~~ for loss resulting from a data breach. The policy shall be issued by an insurance company with an A.M. Best Rating of A-VII and shall remain in place for the term of the Agreement. Notwithstanding anything in **Exhibit 5**, Vendor shall immediately notify OST when Vendor becomes aware of a security breach involving State data.
- 9.3. Should any of the above-described policies be cancelled before the expiration date thereof, notice will be delivered to OST.
- 9.4. Before any work is performed pursuant to the Agreement, the Certificate of Insurance and/or copies of the insurance policies specified in Sections ~~109.1~~ and ~~109.2~~ shall be provided to OST. The certificate holder is as follows:

Office of the State Treasurer

820 Silver Lake Blvd., Suite 100

Dover, DE 19904

- 9.5. In no event shall OST, the Board, the State, or their respective committees, officers, members, agents or employees, be named as an additional insured on any policy required under the Agreement.

10. Independent Contractor.

- 10.1. It is understood that in the performance of the Services, Vendor is an independent contractor, not an agent or employee of OST, the Board or the State, and shall furnish such Services in its own manner and method, except as required by the Agreement.
- 10.2. Except as provided in Section 4, above, Vendor has and shall retain the right to exercise full control over the employment, direction, compensation and discharge of all persons employed by Vendor in the performance of the Services; provided, however, that Vendor will, subject to scheduling and staffing considerations, attempt to honor OST's request for

- 10.3. Vendor shall be solely responsible for, and shall indemnify, defend and hold the Indemnified Parties harmless from all matters relating to the payment of Vendor's employees and any subcontractor's or independent contractor's employees, including compliance with Social Security, withholding and all other wages, salaries, benefits, taxes, exactions, and regulations of any nature whatsoever.
- 10.4. Vendor acknowledges that Vendor and any agents or employees employed by Vendor shall not, under any circumstances, be considered employees of the State, and that they shall not be entitled to any of the compensation, benefits or rights afforded employees of the State, including, but not limited to, sick leave, vacation leave, holiday pay, pension benefits, and health, life, dental, long-term disability and workers' compensation insurance benefits.
- 10.5. Vendor shall be responsible for providing liability insurance for its personnel.
- 10.6. As an independent contractor, Vendor has no authority to bind or commit OST, the Board or the State. Nothing herein shall be deemed or construed to create a joint venture, partnership, or agency relationship between the parties for any purpose.

11. [Reserved.]

12. Termination.

- 12.1. The Agreement may be terminated by either party for default, which shall mean the failure of the other party to fulfill a material obligation under this Agreement, through no fault of the terminating party, but only after the other party is given:
 - a. Not less than 30 calendar days' written notice of intent to terminate and opportunity to cure; and
 - b. An opportunity for consultation with the terminating party prior to termination.
- 12.2. The Agreement may be terminated in whole or in part by the State for its convenience, but

- 12.3. Vendor is entitled to compensation earned for Services provided as of the effective date of termination.
- 12.4. In connection with any notice issued under this Section 12, the State may immediately retain another vendor to perform the Services. Vendor shall at all times cooperate in the transition and shall, at no cost to the State, perform ~~such necessary and appropriate transition services and for such time as agreed upon in Exhibit 1~~ ~~services as OST or the Board shall determine are necessary or appropriate to enable the transition of work to a successor vendor or vendor. Vendor's obligation to provide transition services shall survive termination and shall continue until such date is communicated in writing to Vendor that such services are no longer needed.~~
- 12.5. If after termination for breach it is determined that Vendor has not so failed, the termination shall be deemed to have been effected for convenience.
- 12.6. The termination of the Agreement shall not terminate any rights or obligations that are reasonably intended to extend beyond termination, including Vendor's indemnification and confidentiality obligations.
- 12.7. The rights and remedies of OST, the Board and the State provided in this Section are in addition to any other rights and remedies provided by law or under the Agreement.
- 12.8. Gratuities.
- a. OST may, by written notice to Vendor, terminate the Agreement without liability if it is found that gratuities (in the form of entertainment, gifts, or otherwise) were offered or given by Vendor or any agent or representative of Vendor to any officer or employee of OST, the Board or the State with a view toward securing a contract or securing favorable treatment with respect to the awarding or amending or making of any determinations with respect to the performance of the Agreement.
- b. In the event the Agreement is terminated as provided in Section 12.8.a, the State shall be entitled to pursue the same remedies against Vendor it could pursue in the event of a breach of the Agreement by Vendor.
- 12.9. The validity and enforcement of the Agreement is subject to appropriations by the General Assembly of the specific funds necessary for contract performance. If such funds are not so appropriated, (a) OST may immediately terminate the Agreement without liability, and

(b) the Agreement shall be terminated without liability as to any obligation of the State requiring the expenditure of money for which no specific appropriation is available.

13. Assignment; Subcontracts.

13.1. Any attempt by Vendor to assign or otherwise transfer any interest in the Agreement without the prior written consent of OST shall be void.

13.2. ~~Vendor's employees shall perform all Services, unless OST consents in writing to Vendor's request to use temporary staff, independent contractors or a subcontractor. Neither approval by OST of any such request, nor OST's acceptance of any solution or deliverable, or payment of any invoice, shall relieve Vendor of responsibility for the professional and technical accuracy and adequacy of the Services.~~ All temporary staff, independent contractors and subcontractors shall adhere to and be bound by all applicable provisions of this Agreement, including all exhibits.

13.3. Vendor shall be and remain liable for all damages to OST, the Board and the State caused by the negligent performance or non-performance of work under the Agreement by any use temporary staff, independent contractors or a subcontractor.

13.4. The compensation due to Vendor pursuant to **Exhibit 2** shall not be affected by OST's approval of Vendor's request to use temporary staff, independent contractors or a subcontractor.

14. Complete Agreement.

14.1. This PSA and its exhibits, which are incorporated herein by reference, constitute the entire agreement between the State and Vendor with respect to the subject matter of the PSA and shall not be modified or changed without the express written consent of the parties. The terms of this PSA shall control and take precedence over any contrary or inconsistent terms or conditions in any document forming a part of the Agreement. The provisions of the Agreement supersede all prior oral and written quotations, communications, agreements and understandings of the parties with respect to the subject matter of the Agreement.

14.2. If the scope of any provision of the Agreement is too broad in any respect to permit enforcement to its full extent, then such provision shall be enforced to the maximum extent permitted by law, and the parties hereto consent and agree that such scope may be judicially

modified accordingly and that the whole of such provisions of the Agreement shall not thereby fail, but the scope of such provision shall be curtailed only to the extent necessary to conform to the law.

- 14.3. If any term or provision of the Agreement is found by a court of competent jurisdiction to be invalid, illegal or otherwise unenforceable, the same shall not affect the other terms or provisions hereof or the whole of the Agreement, but such term or provision shall be deemed modified to the extent necessary in the court's opinion to render such term or provision enforceable, and the rights and obligations of the parties shall be construed and enforced accordingly, preserving to the fullest permissible extent the intent and agreements of the parties herein set forth.
- 14.4. Each exhibit, except as otherwise agreed, shall be a complete statement of its subject matter and shall supplement, modify and supersede the terms and conditions of the Agreement.

15. Miscellaneous Provisions.

- 15.1. Neither this PSA, including its exhibits, nor the Agreement may be modified or amended except by the mutual written agreement of the parties. No waiver of any provision of the Agreement shall be effective unless it is in writing and signed by the party against whom enforcement is sought.
- 15.2. The delay or failure by either party to exercise or enforce any of its rights under the Agreement shall not constitute or be deemed a waiver of that party's right thereafter to enforce those rights, nor shall any single or partial exercise of any such right preclude any other or further exercise thereof or the exercise of any other right.
- 15.3. Vendor covenants that it presently has no interest, and that it will not acquire any interest, direct or indirect, that conflicts or would conflict in any manner or degree with the performance of Services required under the Agreement. Vendor further covenants that, in the performance of said Services, no person having any such interest shall be employed.
- 15.4. Vendor acknowledges that OST, the Board and the State will not subsidize or tolerate discrimination. Vendor recognizes that its refusal to hire or do business with an individual or company due to reasons of race, color, gender, ethnicity, disability, national origin, age, or any other protected status, may result in the State declaring Vendor in breach of the Agreement, terminating the Agreement without liability and/or taking such additional action as may be warranted under the circumstances.

- 15.5. Vendor warrants that no person or selling agency has been employed or retained to solicit or secure the Agreement upon an agreement or understanding for a commission, or a percentage, brokerage or contingent fee. For breach or violation of this warranty, the State shall have the right to annul the Agreement without liability.
- 15.6. The Agreement was drafted with the joint participation of both parties and shall be construed neither against nor in favor of either, but rather in accordance with the fair meaning thereof.
- 15.7. At the option of OST, the parties shall attempt in good faith to resolve any dispute arising out of or relating to the Agreement promptly by negotiation between officials or executives who have authority to settle the controversy. All offers, promises, conduct and statements, in each case relating to dispute resolution, whether oral or written, made in the course of the negotiation by any of the parties, their agents, employees, experts and attorneys are confidential, privileged and inadmissible in any proceeding involving the parties; provided, however, that evidence that is otherwise admissible or discoverable may not be rendered inadmissible merely because it was the subject of discussion in the course of negotiation.
- 15.8. Any disputes, claims or controversies arising out of or relating to the Agreement that are not resolved through resolution efforts pursuant to Section 15.7, may be submitted to mediation, if OST so elects in its sole discretion. Any such proceedings held pursuant to this provision shall be governed by the State's laws, and venue shall be in this State. The parties shall maintain the confidential nature of the proceedings and shall keep the terms of any resulting settlement or award confidential to the extent permissible under applicable law. Each party shall bear its own costs of mediation, including attorneys' fees and half of the mediator's fees and expenses.
- 15.9. Neither party to the Agreement shall be liable for damages resulting from delayed or defective performance of its obligations under the Agreement when such delays or defective performance arise out of unforeseeable causes beyond the reasonable control and without the negligence or willful misconduct of the party.
- 15.10. The Agreement (including all exhibits and content) and all information relating to Vendor's compensation for Services are public documents subject to mandatory disclosure under 29 *Del. C.* § 10001-10007. In the event that OST is required by law (any statute, governmental rule or regulation, or judicial or governmental order, judgment or decree) to disclose to the public any information or document reasonable designated as "confidential" by Vendor, OST will, to the extent reasonably practicable prior to disclosure, give Vendor prior written notice of such disclosure or potential disclosure. Vendor's designation as to confidentiality is not binding on

OST, the Board or the State.

- 15.11. The provisions of the Agreement are for the sole benefit of the parties hereto. The Agreement confers no rights, benefits or claims upon any person or entity not a party hereto.

16. Assignment of Antitrust Claims.

~~As consideration for the award and execution of the Agreement, Vendor hereby grants, conveys, sells, assigns and transfers to the State all of Vendor's right, title and interest in and to all known or unknown causes of action it presently has or may now or hereafter acquire under the antitrust laws of the United States or this State relating to the Services or the Agreement.~~

17. Governing Law.

The Agreement shall be governed by and construed in accordance with Delaware law, without regard to conflict of laws rules or principles. Vendor consents to jurisdiction and venue in this State.

18. Notices.

Any and all notices required by the provisions of the Agreement shall be in writing and shall be mailed, certified or registered mail, return receipt requested. All notices shall be sent to the following addresses:

If to OST:

Attn: [_____] [_____] ("Designated Contact")
820 Silver Lake Blvd., Suite 100
Dover, DE 19904

If to Vendor:

Attn:

IN WITNESS THEREOF, the parties hereto have caused this PSA to be duly executed as of the date and year first above written.

**OFFICE OF THE STATE TREASURER,
on behalf of the PLANS MANAGEMENT
BOARD**

Signature

Name

Title

Date

[Vendor]

Signature

Name

Title

Date

The following five exhibits are attached and shall be considered part of the PSA:

- **Exhibit 1 – Statement of Work**
- **Exhibit 2 – Payment Schedule**
- **Exhibit 3 – Project Schedule**
- **Exhibit 4 – Confidentiality (Non-Disclosure) and Integrity of Data Agreement**
- **Exhibit 5 – Cloud Services Terms and Conditions Agreement**
- **Exhibit 6 – Data Usage Terms and Conditions Agreement**

Capitalized terms used but not defined in an exhibit shall have the meanings ascribed to such terms in the PSA.

**Exhibit 1 – Statement of Work
(to be negotiated)**

Exhibit 2: Payment Schedule
(to be negotiated)

Vendor shall be entitled to compensation for Services provided under the Agreement as provided below.

Exhibit 3 – Project Schedule

PROPOSED PROJECT SCHEDULE

| Task/Milestone | Date |
|---|----------------|
| Fully Executed Agreement | December, 2021 |
| Implementation Period (<i>if needed</i>) | TBD 2022 |
| Investment Recordkeeping and Administrative Services - Start Date | TBD 2022 |

Exhibit 4: Confidentiality (Non-Disclosure) & Integrity of Data Agreement

CONFIDENTIALITY (NON-DISCLOSURE) AND INTEGRITY OF DATA AGREEMENT

DTI is responsible for safeguarding the confidentiality and integrity of data in State computer files regardless of the source of those data or medium on which they are stored e.g., electronic data, computer output microfilm (COM), tape, or disk. Computer programs developed to process State agency data will not be modified without the knowledge and written authorization of DTI. All data generated from the original source data shall be the property of the State. The control of the disclosure of those data shall be retained by the State and DTI.

I/we, as an employee(s) of or officer of my firm, when performing work for the State, understand that I/we act as an extension of DTI and therefore I/we are responsible for safeguarding the State's data and computer files as indicated above. I/we will not use, disclose, or modify State data or State computer files without the written knowledge and written authorization of the State. Furthermore, I/we understand that I/we are to take all necessary precautions to prevent unauthorized use, disclosure, or modification of State computer files, and I/we should alert my immediate supervisor of any situation which might result in, or create the appearance of, unauthorized use, disclosure or modification of State data.

Penalty for unauthorized use, unauthorized modification of data files, or disclosure of any confidential information may mean the loss of my position and benefits, and prosecution under applicable State or federal law.

This statement applies to the undersigned Vendor and to any others working under the Vendor's direction.

I, the undersigned, hereby affirm that I have read and understand the terms of the above Confidentiality (Non-Disclosure) and Integrity of Data Agreement, and that I/we agree to abide by its terms.

Vendor Name: _____

Authorizing Official Name (print): _____

Authorizing Official Signature: _____

Date: _____

Exhibit 5: Cloud Services Terms and Conditions Agreement

PUBLIC AND NON-PUBLIC DATA OWNED BY THE STATE OF DELAWARE

Contract # _____, between State of Delaware and _____

dated _____

| | Public Data | Non Public Data | CLOUD SERVICES (CS) TERMS |
|---|--------------------------|--------------------------|--|
| Vendor must satisfy Clause CS1-A OR Clauses CS1-B and CS1-C, AND Clause CS4 for all engagements involving non-public data. Clause CS2 is mandatory for all engagements involving non-public data. Clause CS3 is only mandatory for SaaS or PaaS engagements involving non-public data. | | | |
| CS1-A | <input type="checkbox"/> | <input type="checkbox"/> | Security Standard Compliance Certifications: Vendor shall meet, and provide proof of, one or more of the following Security Certifications. <ul style="list-style-type: none"> • CSA STAR – Cloud Security Alliance – Security, Trust & Assurance Registry (Level Two or higher) • FedRAMP - Federal Risk and Authorization Management Program |
| CS1-B | <input type="checkbox"/> | <input type="checkbox"/> | Background Checks: Vendor must warrant that they will only assign employees and subcontractors who have passed a state-approved criminal background check. The background checks must demonstrate that staff, including subcontractors, utilized to fulfill the obligations of the contract, have no convictions, pending criminal charges, or civil suits related to any crime of dishonesty. This includes but is not limited to criminal fraud, or any conviction for any felony or misdemeanor offense for which incarceration for a minimum of 1 year is an authorized penalty. Vendor shall promote and maintain an awareness of the importance of securing the State's information among Vendor's employees and agents. Failure to obtain and maintain all required criminal history may be deemed a material breach of the Agreement and grounds for immediate termination and denial of further work with the State. |
| CS1-C | <input type="checkbox"/> | <input type="checkbox"/> | Responsibility: Vendor shall be responsible for ensuring its employees' and any subcontractors' compliance with the security requirements stated herein. |
| CS2 | <input type="checkbox"/> | <input type="checkbox"/> | Breach Notification and Recovery: Vendor must notify the State immediately of any breach as defined by applicable law. incident resulting in the destruction, loss, unauthorized disclosure, or alteration of State data. If data is not encrypted (see CS3, below), Delaware Code (6 Del. C. §12B-100 et seq.) requires public breach notification of any incident resulting in the loss or unauthorized disclosure of personally identifiable |

| | Public Data | Non Public Data | CLOUD SERVICES (CS) TERMS |
|-----|--------------------------|--------------------------|--|
| | | | information by Vendor or its subcontractors. Vendor will provide notification to persons whose information was breached without unreasonable delay but not later than 60 days after determination of the breach, except 1) when a shorter time is required under federal law; 2) when law enforcement requests a delay; 3) reasonable diligence did not identify certain residents, in which case notice will be delivered as soon as practicable. All such communication shall be coordinated with the State. Should Vendor or its employees or subcontractors be liable for the breach, Vendor shall bear all costs associated with investigation, response, and recovery from the breach. This includes, but is not limited to, credit monitoring services with a term of at least three (3) years, mailing costs, website, and toll-free telephone call center services. The State shall not agree to any limitation on liability that relieves Vendor or any person or entity from responsibility for its own negligence or conduct, or to the extent that it creates an obligation on the part of the State to hold any person or entity harmless. |
| CS3 | <input type="checkbox"/> | <input type="checkbox"/> | Data Encryption: Vendor shall encrypt all non-public data in transit, regardless of transit mechanism. For engagements where Vendor stores personally identifiable information or other sensitive, confidential information, it shall encrypt this non-public data at rest. Vendor's encryption shall meet validated cryptography standards as specified by the National Institute of Standards and Technology in FIPS140-2 and subsequent security guidelines. Vendor and the State will negotiate mutually acceptable key location and key management details. Vendor shall maintain mandatory cyber security liability insurance coverage for the duration of the Agreement. |
| CS4 | <input type="checkbox"/> | <input type="checkbox"/> | Notification of Legal Requests: Except with regard to regulatory investigations, inquiries, and/or examinations as outlined in Section 4.14 above, Vendor shall contact OST upon receipt of any electronic discovery, litigation holds, discovery searches, and expert testimonies related to, or which in any way might reasonably require access to non-public the data of the State. With regard to State data and processes, Vendor shall not respond to subpoenas, service of process, and other legal requests without first notifying OST, unless prohibited by law from providing such notice. |

The terms of this document shall be incorporated into the Agreement. Any conflict between this document and the aforementioned Agreement shall be resolved by giving priority to the Agreement.

| | | | |
|------------------------|---|---|---|
| FOR OFFICIAL USE | ┌ | CS4 (Public Data) | |
| | ┌ | CS1-A and CS4 (Non-Public Data) OR Δ CS1-B and CS1-C and CS4 (Non-public Data) | |
| | ┌ | CS2 (Non-public Data) | ┌ CS3 (SaaS, PaaS – Non-public Data) |

VENDOR Name/Address (*print*): _____

VENDOR Authorizing Official Name (*print*): _____

VENDOR Authorizing Official Signature: _____

Date: _____

Exhibit 6: Data Usage Terms and Conditions Agreement

Contract # _____, between State of Delaware and
_____ dated _____

| | Public Data | Non- Public Data | | DATA USAGE (DU) TERMS |
|-----|----------------|------------------------|-------------------|--|
| DU1 | √ | √ | Data Ownership | The State shall own all right, title and interest in its data that is related to the Services. Vendor shall not access State user accounts, or State data, except (i) in the course of data center operations, (ii) response to service or technical issues, (iii) as required by the express terms of this contract, or (iv) at OST or the State's written request. All information obtained or generated by Vendor in connection with the Agreement shall become and remain property of the State. |
| DU2 | √ | √ | Data Usage | <p>Vendor shall comply with the following conditions. At no time will any information belonging to or intended for the State be copied, disclosed, or retained by Vendor or any third party for subsequent use. Vendor will take reasonable steps to limit the use of, or disclosure of, and requests for, confidential State data. Vendor may not use any information collected in connection with the Services for any purpose other than fulfilling a Service. Protection of personally identifiable information, privacy, and sensitive data shall be an integral part of the business activities of Vendor to ensure that there is no inappropriate or unauthorized use of State information at any time. Vendor shall safeguard the confidentiality, integrity, and availability of State information.</p> <p>Only duly authorized Vendor staff will have access to State data and may be required to obtain security clearance from the State. No party related to Vendor may retain any data for subsequent use that has not been expressly authorized by the State.</p> |

| | Public Data | Non-Public Data | | DATA USAGE (DU) TERMS |
|-----|-------------|-----------------|--|---|
| DU3 | √ | √ | Termination and Suspension of Service | <p>Unless otherwise provided in the Agreement, in the event of termination of the Agreement, Vendor shall implement an orderly return (in CSV or XML or another mutually agreeable format), or shall guarantee secure disposal of State data.</p> <p><i>Termination of the Agreement:</i> In the event of termination, Vendor shall not take any action to intentionally alter, erase, or otherwise render inaccessible any State data for a period of six (6) months after the effective date of the termination. Within this timeframe, Vendor will continue to secure and back up State data covered under the Agreement. After such 6-month period, Vendor shall have no obligation to maintain or provide any State data. Thereafter, unless legally prohibited, Vendor shall dispose securely of all State data in its systems or otherwise in its possession or control, as specified herein.</p> <p><i>Post-Termination Assistance:</i> The State shall be entitled to reasonable post-termination assistance with respect to the transition of Services.</p> |
| DU4 | | √ | Data Disposition | <p>Unless otherwise provided in the Agreement, at no time shall any data or processes that either belong to or are intended for the use of the State be copied, disclosed, or retained by Vendor.</p> <p>Unless otherwise provided in the Agreement, when required by the State, Vendor shall destroy all requested data in all of its forms (e.g., disk, CD/DVD, backup tape, paper). Data shall be permanently deleted, and shall not be recoverable, in accordance with National Institute of Standards and Technology (NIST) approved methods. Vendor shall provide written certificates of destruction to OST.</p> |
| DU5 | | √ | Data Location | <p>Vendor shall not store, process, or transfer any non-public State data outside of the United States, including for back- up and disaster recovery purposes. Vendor may permit its personnel offshore access to the data, as long as the data remains onshore.</p> |

| | Public Data | Non-Public Data | | DATA USAGE (DU) TERMS |
|-----|-------------|-----------------|----------------------------------|---|
| DU6 | | √ | Breach Notification and Recovery | <p>Vendor must promptly notify the State immediately within a reasonable timeframe of any incident resulting in the destruction, loss, unauthorized disclosure, or alteration of State data. If data is not encrypted (<i>see</i> CS3, below), Delaware Code (6 <i>Del. C.</i> §12B-100 et seq.) requires public breach notification of any incident resulting in the loss or unauthorized disclosure of personally identifiable information by Vendor or its subcontractors. Vendor will provide notification to persons whose information was breached without unreasonable delay but not later than 60 days after determination of the breach, except 1) when a shorter time is required under federal law; 2) when law enforcement requests a delay; 3) reasonable diligence did not identify certain residents, in which case notice will be delivered as soon as practicable. All such communication shall be coordinated with the State. Should Vendor or its employees or subcontractors be liable for the breach, Vendor shall bear all costs associated with investigation, response, and recovery from the breach. This includes, but is not limited to, credit monitoring services with a term of at least three (3) years, mailing costs, website, and toll-free telephone call center services. The State shall not agree to any limitation on liability that relieves Vendor or any person or entity from responsibility for its own negligence or conduct, or to the extent that it creates an obligation on the part of the State to hold any person or entity harmless.</p> |

| | | | | |
|------------|--|---|------------------------|--|
| DU7 | | √ | Data Encryption | Vendor shall encrypt all non-public data in transit, regardless of transit mechanism. For engagements where Vendor stores personally identifiable information or other sensitive or confidential information, it shall encrypt this non-public data at rest. Vendor's encryption shall meet validated cryptography standards as specified by the National Institute of Standards and Technology in FIPS140-2 and subsequent security guidelines. Vendor and the State will negotiate mutually acceptable key location and key management details. Vendor shall maintain mandatory cyber security liability insurance coverage for the duration of the Agreement. |
|------------|--|---|------------------------|--|

The terms of this document shall be incorporated into the Agreement. Any conflict between this document and the aforementioned Agreement shall be resolved by giving priority to the Agreement.

ATTACHMENT 4: Business References

**CONTRACT NUMBER: TRE-CPM-21101 - DEFERRED COMPENSATION PLAN RECORDKEEPING AND
ADMINISTRATIVE SERVICES**

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

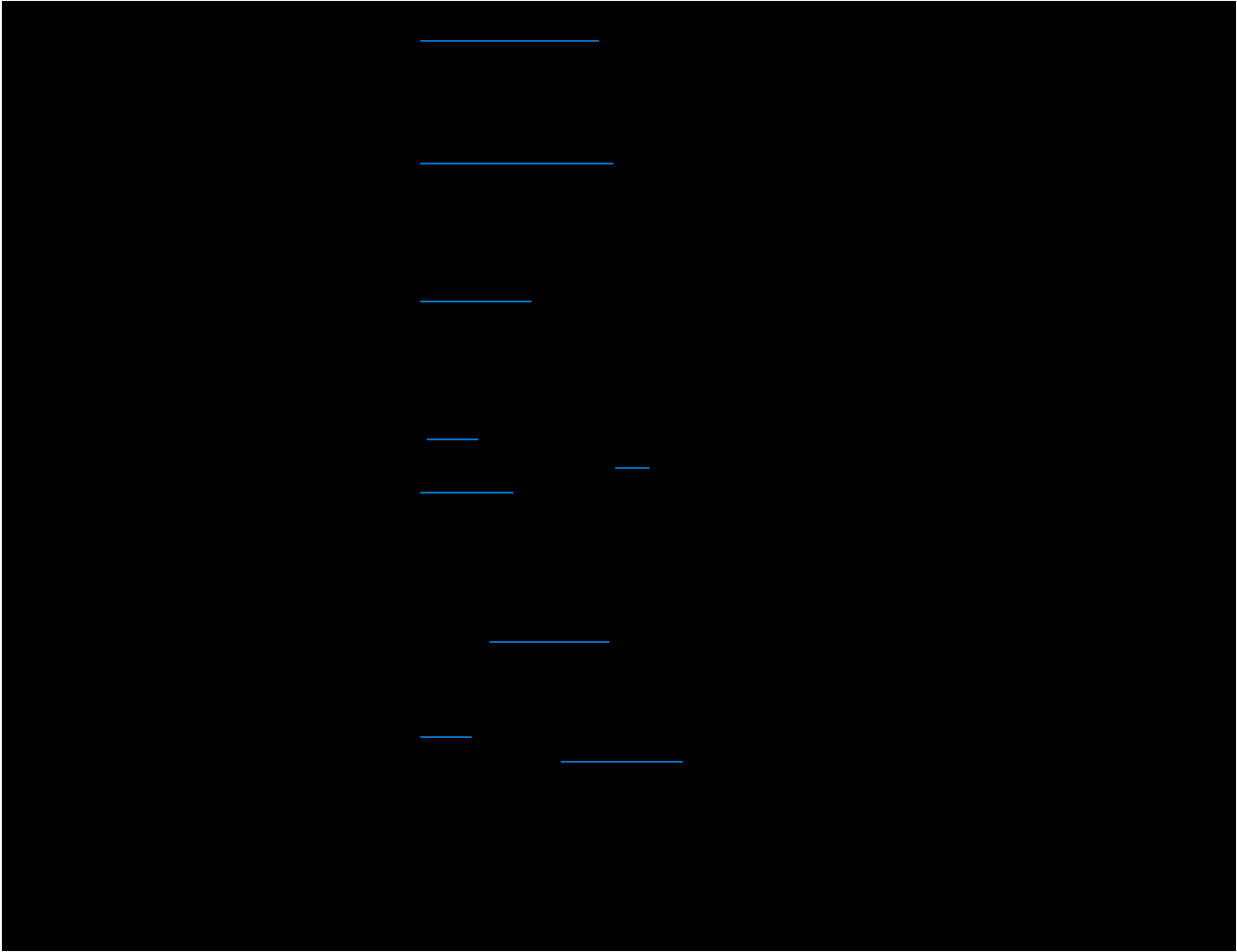
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**CONTRACT NUMBER: TRE-CPM-21101 - DEFERRED COMPENSATION PLAN RECORDKEEPING
AND ADMINISTRATIVE SERVICES**

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Tab H: Recommended Stable Value/Fixed Account Product

[REDACTED]

[REDACTED]

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[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Tab I: Draft Implementation Plan

The chart below represents a timeline of implementation activities for the State of Delaware's retirement plans. This timeline is subject to initial review, approval and finalization by AIG Retirement Services and State of Delaware. Once finalized, the timeline will serve as a fluid document that will be adjusted through each phase of the conversion process.

| Date or Week | Conversion Activity | Responsible Party |
|--------------|---|--|
| Week 1 – 2 | <p><u>Initial Planning and Contracts</u></p> <ul style="list-style-type: none"> • Hold meetings with State of Delaware to discuss conversion process • Review Plan design and related processing • Service Provider/Trust/Custodial Agreements are initiated • Plan document amendment/restatement initiated (if required) • Review communication and education material objectives and provide samples <p><u>Contribution Remittance</u></p> <ul style="list-style-type: none"> • Hold meeting with State of Delaware payroll department to discuss remittance process • Review options for remittance records and file submission including AIG Retirement Services feedback file process • Establish timing for remittance testing • Provide Plan Service Agreements and Provider Reply Forms to 403(b) legacy recordkeepers for data aggregation | AIG Retirement Services / State of Delaware |
| Week 3 – 4 | <p><u>Conversion Activities</u></p> <ul style="list-style-type: none"> • Hold meetings with State of Delaware and VOYA • Agree on conversion Date • Request test files for indicative and financial Plan records • Hold Meetings to discuss test files received • Final Sign off on data mapping <p><u>Employee Communications</u></p> <ul style="list-style-type: none"> • Confirm conversion options, processing parameters, main events and timing, and mapping strategy with the Plan Sponsor • Finalize and mail communication materials announcing Plan changes, conversion options, processing parameters, and schedule participant educational/enrollment meetings <p><u>Agreements/Plan Documents</u></p> <ul style="list-style-type: none"> • Agreements and Plan Documents are delivered for Plan Sponsor signature <p><u>Contribution Remittance</u></p> <ul style="list-style-type: none"> • Receive remittance test files • Address/resolve remittance issues | AIG Retirement Services /VOYA/ State of Delaware |
| Week 5 – 7 | <p><u>Conversion Activities</u></p> <ul style="list-style-type: none"> • Address/resolve data issues • Complete full cycle testing of conversion data | AIG Retirement Services /VOYA/ State of Delaware |

| Date or Week | Conversion Activity | Responsible Party |
|--------------|--|--|
| Week 8 – 9 | <ul style="list-style-type: none"> Finalize conversion processing dates and transactional processing parameters <p><u>Conduct Informational/Enrollment Meetings</u></p> <ul style="list-style-type: none"> Explain improvements to plan, investment options, background on AIG Retirement Services Provide employees with one-on-one consultation regarding investment goals, asset allocations, and savings analysis Educate employees on conversion and enrollment process Inform employees and retirees of availability of on-going education provided by our financial professionals <p><u>Agreements/Plan Documents</u></p> <ul style="list-style-type: none"> Resolve any Agreement or Plan Document questions for the State of Delaware <p><u>System Setup</u></p> <ul style="list-style-type: none"> System set up for processing Online enrollment site is constructed (if applicable) New fund accounts set up with fund companies Conversion program is tested and accounts audited for pending conversion Retirement Manager site constructed for 403(b) legacy assets <p><u>Conversion Activities</u></p> <ul style="list-style-type: none"> Conclude and final signoff on testing Prepare for production data and refresh files <p><u>Contribution Remittance</u></p> <ul style="list-style-type: none"> Conclude and final signoff on testing Prepare for production remittance <p><u>Agreements/Plan Documents</u></p> <ul style="list-style-type: none"> State of Delaware to send AIG Retirement Services executed agreements and plan documents (one month prior to Effective Date) | <p>AIG Retirement Services / State of Delaware</p> <p>AIG Retirement Services</p> <p>AIG Retirement Services / State of Delaware</p> |
| Week 10 – 11 | <p><u>Conversion Activities</u></p> <ul style="list-style-type: none"> Receive final indicative data files (refresh files) AIG Retirement Services establishes participant accounts for participants new to AIG Retirement Services Quality control measures completed <p><u>Conclude Informational Meetings</u></p> <ul style="list-style-type: none"> Target any employees and/or retirees who were on vacation, off-site location, etc. <p><u>System Setup</u></p> | <p>AIG Retirement Services /VOYA</p> <p>AIG Retirement Services / State of Delaware</p> |

| Date or Week | Conversion Activity | Responsible Party |
|----------------------------|---|---|
| | <ul style="list-style-type: none"> • All system setup and related quality assurance complete • Retirement Manager site review and approval completed | |
| Week 12 | <u>Conversion Process</u> <ul style="list-style-type: none"> • Quiet Period begins • Receive Plan assets and final valuation files • Account assets are reinvested in mutual fund investment options (if applicable) • Balance and control measures completed • Normal processing resumes as soon as possible following reinvestment of assets, quality assurance, and applicable quiet period | AIG Retirement Services / VOYA/ State of Delaware |
| March 1, 2022 | <u>All Systems Live</u> <ul style="list-style-type: none"> • Contributions will be processed to the mutual fund investment options on the first payroll processing period following the Effective date • AIG Retirement Services provides access to remittance Website • Retirement Manager site activated for 403(b) legacy assets <u>Online Capabilities</u> <ul style="list-style-type: none"> • Online access available for participant transactions and view legacy assets via Retirement Manager | AIG Retirement Services |
| Post Effective Date | <u>Transition to Ongoing Services</u> <ul style="list-style-type: none"> • Conduct meeting to introduce Ongoing Services contact <u>Contribution Remittance</u> <ul style="list-style-type: none"> • State of Delaware sends first remittance file | AIG Retirement Services / State of Delaware |
| Ongoing | <u>Ongoing Employee Education</u> <ul style="list-style-type: none"> • Schedule employee education workshops as directed by State of Delaware • Discuss availability of periodic meetings to answer questions and review financial goals and needs | AIG Retirement Services |

VALIC

**The Variable Annuity Life Insurance Company
2929 Allen Parkway
Houston, Texas 77019**

CONTRACT OWNER:

CONTRACT NUMBER:

DATE OF ISSUE:

In return for the Purchase Payments, VALIC will pay annuity and other benefits as provided in this Contract.

**PLEASE READ YOUR CONTRACT CAREFULLY.
See Index on Page 2.**

The conditions and provisions on this and the following pages are the entire legal Contract between VALIC and the Contract Owner. No agent has the authority to change this Contract or waive any of its provisions. Only the President or a Vice President of VALIC may change this Contract. Any such changes must be in writing. All conditions and provisions are subject to applicable state laws.

EXECUTED AT VALIC'S HOME OFFICE ON THE DATE OF ISSUE.



**Kevin T. Hogan
President**



**Julie Cotton Hearne
Secretary**

**GROUP FIXED UNALLOCATED ANNUITY CONTRACT
- NON-PARTICIPATING -**

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SECTION 1 – Definitions

Accumulation Period - the time between the date of the first Purchase Payment and the full surrender or total withdrawal of the Accumulation Value.

Annuity - a periodic benefit purchased for a Participant under Section 7.

Annuity Period - the time during which VALIC makes annuity payments.

Code - the Internal Revenue Code of 1986, as amended.

Company Reference - “We,” “Our,” “Us,” or “VALIC,” means The Variable Annuity Life Insurance Company.

Competing Option - is a Plan maintained investment facility, other than this Contract which:

- (a) provides a direct or indirect guarantee of investment performance; or
- (b) is invested primarily in a portfolio of fixed income or similar assets, if the duration of such portfolio may be less than three years; or
- (c) is, or which may be, invested primarily in financial vehicles (such as mutual funds, trusts, custodial accounts, and annuity contracts) which are in turn, invested substantially in a portfolio described in (b) above, or
- (d) Is a guaranteed investment fund (any fund or funding vehicle established for or used by the plan for investing plan funds and for which VALIC, another insurance company, or any financial institution provides a guarantee of principal, including, but not limited to, any fixed dollar deposit administration group annuity contract, guaranteed investment contract (GIC), synthetic guaranteed interest contract or funding agreement.

Contract Owner - the entity that makes application for the Contract. A reference to “You” or “Your” means the Contract Owner or designated administrator.

Home Office - the principal office of VALIC.

Participant - a person for whom or with respect to whom Purchase Payments are made under the Contract.

Plan - the employer-sponsored retirement plan, annuity purchase arrangement, or deferred compensation program for which this Contract is issued.

Purchase Payment – an amount paid to VALIC.

SECTION 2 - PURCHASE PAYMENTS AND VALUATION PROVISIONS

2.01 Incontestability - This Contract is incontestable. This Contract is non-participating and does not share in the profits or surplus of VALIC.

2.02 Plan Provisions - This Contract is subject to the provisions of the Plan.

2.03 Purchase Payments and Incoming Plan Transfers into the Contract – Subject to the limitations below, Purchase Payments may be made at any time during the Accumulation Period and may include amounts that are directly transferred from another plan or from another investment facility under the Plan (“Incoming Plan Transfers”). We require no payment beyond the first, however We reserve the right to limit Incoming Plan Transfers into the Contract to 20% of the accumulated assets

in the Contract at the end of the last calendar year. There is no penalty if any scheduled payments are omitted or stopped. VALIC reserves the right to stop accepting Purchase Payments (including but not limited to Incoming Plan Transfers) into the Contract at any time.

We may deduct amounts from Purchase Payments or from the Accumulation Value for applicable premium taxes.

2.04 Accumulation Value - The Accumulation Value during the Accumulation Period equals the net Purchase Payments received plus any interest credited less any amounts deducted for benefits, withdrawals, transfers, and annuity purchases.

2.05 Changes in Plan - You agree to give us thirty days advance notice of any material change in the Plan's provisions or administrative practices occurring after the Date of Issue, including the establishment of another retirement or deferred compensation plan that allows a Participant to direct amounts to an investment facility similar to this Contract or has agreements with one or more Participants that require or permit contributions to such an investment facility.

2.06 Competing Plan - If You, any employer or Plan sponsor:

- (a) establishes another pension or deferred compensation plan or program to which one or more Participants contribute; or
- (b) establishes another type of any plan or program to which Participants contribute and which contains a savings element; or
- (c) amends an existing plan or program so that it falls within the foregoing description; or
- (d) agrees to make payroll deductions for such other plan or program (whether or not established by the employer) for Participants; then we may deem such action to be a change in the plans provisions referred to in Section 2.07.

2.07 Effect of Plan Changes - You must advise Us of any action taken by You, any employer, or plan sponsor which is described in Section 2.06 or which:

- (a) directly or indirectly creates a Competing Option;
- (b) significantly liberalizes the Plan withdrawal or transfer rights of Participants;
- (c) materially affects Our rights or obligations under this Contract; or
- (d) would result in a cessation or substantial reduction in future Purchase Payments to this Contract.

If We reasonably determine that such change is likely to have a material adverse effect on Our financial experience under this Contract, then we are obligated to make only the payments that would have been made if the plan amendment, change in administrative practices, or other actions had not been made. We will advise you of such determination within thirty days of Our receipt of a written description of the action, amendment or other change.

SECTION 3 - INTEREST

We will credit interest to this Contract on the following basis. We will declare interest rates annually that apply either to the entire Accumulation Value, or separately to amounts accumulated in separate time periods. In addition, We may at our discretion declare rates in excess of the annual rate. Such rates, if declared, will be declared no more often than quarterly. An interest rate will be set in advance of the period to which it relates and will be at least 1% per year for the first 5 Contract years and at least 1% thereafter. If the interest rate declared by VALIC on the entire Accumulation Value at any time during the Accumulation Period is more than 1% lower than the previously declared rate on the entire Accumulation Value during the prior 12 months, the Owner may surrender the Contract for the full Accumulation Value during the 60-day period immediately following the effective date of such interest rate reduction. Under this condition, the total Accumulation Value will be paid at one time. The surrender right under this provision does not apply to interest rates which may be set separately to amounts accumulated in separate time periods.

SECTION 4 - SURRENDER

You may surrender the Contract for the Accumulation Value. If one or more groups of Participants ceases to be eligible to participate in the Plan, this Contract may be partially surrendered with respect to such groups. In such event, and unless the Owner requests otherwise, the Accumulation Value will be apportioned among all groups based on each group's proportionate interest in the Contract, and this section is then applied to the discontinuing portion. Alternatively, the Owner may request Us to issue one or more new contracts substantially similar to this Contract and to transfer to such contract the surrendered portion of this Contract. The issuance of a new contract may be conditioned on the satisfaction of Our reasonable underwriting rules, the securing of regulatory approvals and acceptance of the new contract's terms by all parties. The Accumulation Value will be paid in one of two ways:

- (a) **Five Year Equal Amount Installment Method.** The interest rate during the five year payout period will be declared in advance by Us. If a declared rate is more than 1% lower than the previously declared rate during the prior 12 months, the Owner may elect to withdraw the Accumulation Value. Such election must be made during the 60-day period immediately following the effective date of such interest rate reduction. No other withdrawals may be made once installment payments begin under this method.
- (b) **Decreasing Balance Method.** Under this method, 1/5 of the remaining balance will be surrendered the first year; 1/4 of the remaining balance the second year; 1/3 of the remaining balance the third year; 1/2 of the remaining balance the fourth year; and the entire remaining balance the fifth year. Interest under this method will be periodically declared and credited at a rate determined by Us. If a declared rate is more than 1% lower than the previously declared rate during the prior 12 months, the Owner may elect to withdraw the Accumulation Value. Such election must be made during the 60-day period immediately following the effective date of such interest rate reduction. Other withdrawals may be made once payments begin under this method.

Upon election of either surrender method above, Section 3 (Interest) of the Contract shall cease to apply. Upon such election, We will declare a rate of interest guaranteed for the ensuing twelve months. Thereafter, rates will be declared in advance of each subsequent twelve-month period and guaranteed for such period. The rates will apply to the entire Accumulation Value and be no less than 1% if a twelve-month period begins during the first 5 Contract years and no less than 1% thereafter.

Payments will be made on an annual basis starting on the first business day 31 days after the date of surrender. Under either method, if the Accumulation Value remaining would be less than \$5,000, such value may be surrendered in full at that time. We treat all withdrawals as withdrawals of Purchase

Payments before any earnings. We treat the most recent Purchase Payments as being withdrawn first.

SECTION 5 – BENEFITS OR TRANSFERS

You may withdraw a portion of the Accumulation Value only to provide (a) Participant benefits (qualifying plan distributions or plan loans) or (b) transfers requested by Participants to specific Plan maintained investment facility(ies), as identified by you and excluding any Competing Option. If the plan includes a Competing Option, Participant requested transfers may be made to a Plan investment option if it is not a Competing Option, only if the transfer amount remains in the receiving option for at least 90 days. We may require You to provide information reasonably necessary for Us to process such payments or to verify that the payments will be used for Participant's benefits or transfers. We may defer payment until such information is provided. We treat all withdrawals as withdrawals of Purchase Payments before any earnings. We treat the most recent Purchase Payments as being withdrawn first.

SECTION 6 – WITHDRAWALS TO PAY PLAN FEES AND EXPENSES

- 6.01 Not Payable to VALIC** - You may periodically withdraw a portion of the Accumulation Value to pay fees or expenses to organizations other than VALIC, that were reasonably incurred by the plan. We may require You to provide information to verify such charges, and may defer payment until such information is provided.
- 6.02 Payable to VALIC** - VALIC will determine an expense charge allocated to this Contract if VALIC performs services under this Contract at the Owner's request that are not otherwise provided for by this Contract. VALIC will notify the Owner prior to providing such services of the basis on which such expense charge is determined. The Owner will upon receipt of notice of the amount of such expense charges, pay Us such amount. Such payment is not added to the Accumulation Value. VALIC may deduct such expense charge from the Accumulation Value, to the extent any portion remains unpaid after 31 days.

SECTION 7 – ANNUITIES

- 7.01 Annuity Purchase** - At Your option, all or part of any amount payable under Section 4 or any other amount available under the Plan, may be used to buy Annuities under this Contract for Participants. Annuities may be purchased in any form then offered by Us. We will use Our applicable current settlement option rates then in effect for new group annuity contracts offered to programs similar to the Plan on the date an Annuity is purchased.
- 7.02 Forms of Annuity** - We will issue a certificate for delivery to the Participant. The certificate sets forth the terms of the Annuity to which such Participant is entitled. If any fact pertaining to the purchase of an Annuity is misstated, such Annuity may be adjusted by Us to reflect the correct facts. We have no liability for any Annuity payments for which we have not received the full premium due, based on the correct facts.

SECTION 8 – GENERAL PROVISIONS

- 8.01 Assignment** - This Contract cannot be sold, assigned, discounted, or pledged as collateral for a loan or as security for the performance of an obligation. The benefits, values, and rights under this Contract are not subject to any creditor claims to the fullest extent permitted by law. This Contract and its rights cannot be transferred to anyone other than Us, except under a domestic relations order properly issued by a court of competent jurisdiction and that complies with ERISA, if applicable. To

the extent permitted by the Code and applicable law, We will make a Surrender or Withdrawal payable to a third party upon Your request.

- 8.02 Exclusive Benefit** - Notwithstanding any other provision in this Contract, if this Contract is issued under a funded deferred compensation plan as defined in section 457(g) of the code, all assets in the Contract shall be held for the exclusive benefit of Participants and their beneficiaries.
- 8.03 Written Notices to Us** - Except as specifically provided otherwise, any Notice of change, election, choice, option or other exercise of right given under the Contract must be in writing on a form provided by Us, or on a form and in a manner acceptable to Us. Such Notice will be effective when it is received in Our Home Office.
- 8.04 Change of Contract** - This Contract may be amended at any time by written agreement between You and VALIC, without the consent of any Participant. Unless required by applicable law, no amendment may reduce the amount, change the terms of, or delay issuance of any Annuity. We may also change this Contract to the extent it is required or deemed advisable to do so in order to conform the Contract to applicable law.
- 8.05 Reports** - We will send You a financial report at least annually if the Contract has an Accumulation Value.
- 8.06 Proof of Survival** - We reserve the right to require satisfactory proof that the Participant and any payee is alive on the date any benefit payment is due. If this proof is not received after requested in writing, We will have the right to make reduced payments or to withhold payments entirely until such proof is received.
- 8.07 Minimum Benefit** - The paid up annuity, cash surrender or death payment available under this Contract will not be less than the minimum benefits required by any statute of the state in which the Contract is delivered.
- 8.08 Termination of the Contract** – VALIC may suspend this Contract by giving written notice if it is determined that Purchase Payments do not comply with the requirements of the Internal Revenue Code or ERISA. Upon depletion of all the assets under the Contract, the Contract will terminate and VALIC will be relieved of all further liability, except with respect to any Annuities purchased on behalf of Participants.

VALIC may also terminate this Contract by giving the Contract Owner 60 days written notice of termination. If the Contract is terminated, VALIC will pay the Accumulation Value in accordance with one of the surrender options as specified in Section 4 of this Contract or in accordance with any surrender option included with this Contract via endorsement at issue or subsequent to issue pursuant to Section 8.04.

THE VARIABLE ANNUITY LIFE INSURANCE COMPANY
Houston, Texas
ALTERNATIVE DISTRIBUTION OPTION

Notwithstanding any contrary provision in the Contract to which this Endorsement is attached ("Contract"), Section 4 (Surrenders) of the Contract is hereby amended to add a 12 month distribution option.

12 Month Distribution Option.

- a. **Suspension of the Contract.** Under this method, the Owner may suspend the Contract by giving written notice to VALIC, provided that such notice may not be given to VALIC earlier than 12 months following the date of the initial deposit under the Contract. As a result of suspension, VALIC will withdraw the Owner's Contract Value on the Date of Distribution and pay such balance, as directed by the Owner, to a successor funding vehicle on behalf of the Participants.
- b. **Effects of Suspension.** If the Contract is suspended, such suspension will be considered binding, and the Contract will continue in suspension until all assets under the Contract are depleted. Immediately upon suspension of the Contract and as long as this Contract continues in suspension:
 - 1) No further contributions can be made;
 - 2) No further withdrawals or transfers may be made from the Contract, except for the following reasons:
 - Payment of Plan fees or expenses;
 - Participant becoming disabled (within the meaning of Code Section 72(m)(7));
 - Participant's death;
 - Participant's retirement or separation from service;
 - Hardship withdrawal under the terms of the Plan (but only with respect to Participant contributions exclusive of earnings);
 - Participant's attainment of at least 59 1/2 ;
 - Participant's purchase of an annuity from VALIC for a period of at least five years; or
 - Participant's taking a loan under the terms of the Plan.
 - 3) Interest on the Accumulation Value will no longer be credited in accordance with Section 3 (Interest) of the Contract to which this endorsement is attached. Upon suspension, We will declare interest no less frequently than on a twelve-month basis. We may in our discretion declare rates in excess of the twelve-month rate. Such rates may be declared no more frequently than quarterly. The rate(s) will apply to the entire Accumulation Value and be guaranteed for the period to which they relate. Interest rate(s) during the suspension period will be no less than 1% per year [if the period of suspension begins during the first 5 Contract years and at least 1% if the period of suspension or a subsequent twelve-month period begins thereafter.

During the 30-day period prior to the Date of Distribution, VALIC reserves the right to cease making any withdrawals and transfers from the Contract.

- c. **Date of Distribution.** The Date of Distribution for the funds is subject to the following:
 - 1) If the current yield on a five-year Treasury Note is less than 2% higher than the lowest annual Declared Rate in effect on the date the Contract is suspended as provided above, the Date of Distribution will be twelve months following such date.
 - 2) If the current yield on a five-year Treasury Note is equal to or more than 2% higher than the lowest annual Declared Rate in effect on the date the Contract is suspended as provided above or on the date VALIC receives the Owner's written withdrawal request, the Date of Distribution will be twenty-four months following such applicable date.

The effective date of this Endorsement is the Policy Issue Date.

THE VARIABLE ANNUITY LIFE INSURANCE COMPANY


Julie Cotton Hearne
Secretary

THE VARIABLE ANNUITY LIFE INSURANCE COMPANY

(the "Company")
2929 Allen Parkway
Houston, Texas 77019

**ECONOMIC GROWTH AND TAX RELIEF RECONCILIATION ACT
("EGTRRA")
RETIREMENT PLAN ANNUITY CONTRACT ENDORSEMENT**

This Endorsement is made a part of the individual annuity contract or group annuity contract or certificate to which it is attached (the "Contract"). The Contract is issued in connection with certain employer-sponsored retirement plans or arrangements, which may be described under any of the following Code Sections: 401(a) (including 401(k)); 403(a); 403(b); 457(b) (the "Plan"). The Plan may limit the exercise by the Participant or a Beneficiary of rights under the Contract, including any endorsements thereto, and may limit the rights described in this Endorsement.

Section references are to the Code, which means The Internal Revenue Code of 1986 as now or hereafter amended. The term "Applicable Law" means laws that may either limit or compel the exercise of rights under the Contract, including, but not limited to, the Code, the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and the laws of the state in which the Contract was issued.

This Endorsement shall supersede any inconsistent provisions of the Contract or any endorsement issued prior to or concurrent with this Endorsement.

1. Contribution Limitations

- a. Contributions (not including transfers and rollovers) may be made to this Contract up to the applicable limits set forth in the Code and the Plan. If the Contract is issued under a Plan to which Code Section 402(g) applies, including Contracts issued under a 403(b) plan or arrangement, except as otherwise provided herein elective deferrals by the Participant to this Contract may not exceed the limit under Section 402(g).
- b. Contributions properly made pursuant to Code Section 414(v) by Participants who otherwise qualify to make such contributions shall be disregarded in determining whether contributions to the Contract have exceeded the limits imposed under the Contract.
- c. The Plan may require the Participant to temporarily cease contributions upon issuance of a distribution for financial hardship.
- d. Contributions determined to be in excess of applicable limits, that are identified by the Company, by the Plan, or by the Participant, shall be returned to the Participant or to the Employer or held in an unallocated account, according to the requirements of Applicable Law. The Company will cooperate with the Plan and the sponsoring employer in the correction of excess contributions identified in an IRS examination; provided, however, that the Plan sponsor shall consult with the Company before entering into any agreement with regard to such excess amounts in the Contract.

2. Distribution Eligibility and Portability

- a. A Plan Participant may receive a distribution from this Contract following severance of employment with the employer sponsoring the Plan.

- b. A distribution to a Plan Participant, or to a former spouse or surviving spouse of the participant, which is an Eligible Rollover Distribution, may be transferred in a qualifying rollover to any Eligible Retirement Plan. For purposes of this paragraph, "Eligible Rollover Distribution" and "Eligible Retirement Plan" shall have the meaning given to them in the Code, as applicable to the type of plan under which the Contract is issued and/or maintained at the time of the distribution. Except as Applicable Law may otherwise provide, any Eligible Rollover Distribution from the Contract shall be subject to mandatory tax withholding if paid to the Participant, or where applicable, to the Participant's former spouse or spousal beneficiary.
 - c. A Participant or Beneficiary may request a non-reportable plan-to-plan transfer of a portion of the Contract value to another plan or contract, subject to any applicable limitations in the Plan, the Contract, and Applicable Law.
 - d. An employer may not request a distribution of a Participant's account to the Participant unless the employer is authorized to do so under the Plan and permitted to do so under Applicable Law.
 - e. This Contract will accept Eligible Rollover Distributions from other plans, provided however that rollovers of after-tax amounts will be permitted only with the advance written consent of the Company. The Company may establish separate accounts for such rollover distributions, where administratively practicable, in order to maintain such separate records as may be necessary or appropriate.
3. Required Distributions. Except as otherwise required by Applicable Law, distributions to the Participant must commence by April 1 of the year following the year in which the Participant attains age 70 ½ or, if later, retires from service with the Plan sponsor. Distributions to Participants and Beneficiaries shall be made in accordance with Code Section 401(a)(9) and regulations thereunder. Where permitted by Applicable Law, a Participant or a Beneficiary may aggregate this contract with other contracts issued under the plan, or in the case of 403(b) contracts, with other 403(b) contracts or accounts, in determining the distribution that must be taken from this Contract.
4. In the absence of federal legislative action, one or more of the provisions of the Code that are reflected in this Endorsement will automatically expire on January 1, 2011. In the event of such automatic expiration, such provisions shall cease to apply under this Endorsement.

Except as Applicable Laws otherwise require, the provisions of this Endorsement shall be effective as of January 1, 2002, or the Contract Date of Issue, whichever is later.

**THE VARIABLE ANNUITY LIFE INSURANCE
COMPANY**


Julie Cotton Hearne
Secretary

THE VARIABLE ANNUITY LIFE INSURANCE COMPANY

(the "Company")
2929 Allen Parkway
Houston, Texas 77019

QUALIFIED ACCOUNT CONTRACT ENDORSEMENT

This Endorsement is made part of the individual annuity contract or group annuity contract or certificate to which it is attached (the "Contract"). The Contract is issued in connection with employer-sponsored retirement plans described under Internal Revenue Code Sections 401, 403, and 457. The specific type of plan is identified on the annuity application. In the case of any conflict between the terms of the Contract and the terms of this Endorsement, the terms of this Endorsement will control.

Section references are to the Code, which means The Internal Revenue Code of 1986 as now or hereafter amended. The term "Applicable Law" means laws that may either limit or compel the exercise of rights under the Contract, including, but not limited to, the Code, the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and the laws of the state in which the Contract was issued.

1. **Owner and Annuitant.** The Owner may be the Participant or the employer ("Employer") sponsoring the plan described in Section 401, 403 or 457 of the Code ("Plan") or, subject to approval by the Company, such other person as the Employer may designate, provided that the Employer's designation must be consistent with the requirements of the Code. The Annuitant shall be the Participant for whom a Participant account under the Contract is established.
2. **Effect of Plan.** Rights under the Contract shall be exercised by the Participant or a Beneficiary (upon the death of the Participant), except to the extent that the Plan otherwise provides, and the exercise of rights under the Contract by the Owner, the Participant, or a Beneficiary, shall be subject to any limitations set forth in the Plan and the Code. However, neither the Plan nor the Code may enlarge the rights otherwise applicable under the Contract. The Owner shall be responsible for determining that any directions given to the Company with respect to transactions under the Contract are consistent with the Plan and the Code. The Company will rely on the Owner's instructions as being consistent with the Plan unless the Company has actual notice to the contrary. In the case of a group Contract, if the Contract offers more than one investment alternative, the Employer may direct the Company to accept investment allocation and reallocation instructions from the Participant, and if applicable, from a Beneficiary.

The Plan, including certain Plan provisions required by ERISA or other Applicable Law, may limit the Participant's rights under this Contract. The Plan provisions may:

- a. Limit the Participant's right to make Purchase Payments;
- b. Restrict the time when the Participant may elect to receive payments under this Contract;
- c. Require the consent of the Participant's spouse before the Participant may elect to receive payments under this Contract;
- d. Require that all distributions be made in the form of a joint and survivor annuity for the Participant and the Participant's spouse, unless both consent to a different form of distribution;

- e. Require that the Participant's spouse be designated as Beneficiary;
- f. Require that the Participant remain employed with the Contract Owner for a specified period of time before the Participant's rights under the Contract become fully vested;
- g. Otherwise restrict the Participant's exercise of rights under the Contract or give the Contract Owner (or a Plan representative) the right to exercise certain rights on the Participant's behalf.

No such plan provision shall limit a Participant's rights under this Contract, unless the Contract Owner has provided Company with written notification of such provision. In no event shall any such Plan provision enlarge Company's obligations under this Contract.

3. Nontransferability and Nonforfeitability

A Participant's beneficial interest in the Contract may not be transferred, sold, assigned, discounted, or pledged as collateral for a loan or as security for the performance of an obligation. The benefits, values, and rights of Participants under this Contract are not subject to any creditor claims to the fullest extent permitted by law. A Participant's beneficial interest in the Contract shall be non-forfeitable except to the extent of any vesting schedule which is provided in the Plan and which is consistent with Applicable Law. The limitations of this paragraph will not prohibit a loan to the Participant that would be permitted under applicable provisions of the Code and ERISA.

4. Salary Reduction Purchase Payments

If the Participant's Purchase Payments are made under a voluntary salary reduction agreement as part of a Tax-Deferred Annuity arrangement under Section 403(b) of the Code, (i) there may not be a separate Plan document, in which case the Contract along with related endorsements is the Plan, and (ii) in either case the following restrictions apply:

- a. Limit on Purchase Payments. Contributions (not including transfers and rollovers) may be made to the Participant Account or Contract up to the applicable limits set forth in the Code and the Plan. Except as otherwise provided herein, elective deferrals by the Participant to the Participant Account or Contract may not exceed the limits set forth in Section 402(g).

Contributions properly made pursuant to Code Section 414(v) by Participants who otherwise qualify to make such contributions shall be disregarded in determining whether contributions to the Participant Account or Contract have exceeded the limits imposed under the Contract.

- b. Withdrawal Restrictions. In addition to any other surrender, benefit, withdrawal or transfer restrictions in the Contract, distributions to Participants will be subject to the limitations applicable under Code Section 403(b). To the extent required under Code Section 403(b)(11), distributions to a Participant of elective deferrals and earnings thereon may be made only upon or after the Participant's attainment of age 59 1/2, severance of employment, death, or disability. Distributions of such elective deferrals, and any earnings on such deferrals in an annuity contract as of December 31, 1988, may also be made in the event of financial hardship. The same or similar restrictions shall apply to all amounts transferred from a Code Section 403(b)(7) custodial account,

including contributions other than elective deferrals and earnings on such contributions. Except as otherwise required under the Contract or the sponsoring employer's Plan (if any), the foregoing restrictions on distributions shall not prevent a transfer to another investment option within the Plan or another contract or account described in Code Section 403(b). Notwithstanding the foregoing, no distribution or transfer from the Participant account or Contract will be permitted if it would have the effect, directly or indirectly, of avoiding or circumventing a transfer or similar restriction applicable under the Contract.

5. Excess Contributions

Contributions determined to be in excess of applicable limits, that are identified by the Company, by the Plan, or by the Participant, shall be returned to the Participant or to the Employer or held in an unallocated account, according to the requirements of Applicable Law. The Company will cooperate with the Plan and the sponsoring employer in the correction of excess contributions identified in an IRS examination; provided, however, that the Plan sponsor shall consult with the Company before entering into any agreement with regard to such excess amounts in the Contract.

6. Cessation of Contributions

The Plan may require the Participant to temporarily cease contributions upon issuance of a distribution for financial hardship.

7. Direct Rollover

- a. Subject to the limitations in Section 10 of this Endorsement, a distribution to a Plan Participant, or to a former spouse or surviving spouse of the participant, which is an "Eligible Rollover Distribution", may be transferred in a qualifying rollover directly to any "Eligible Retirement Plan" within the meaning of Section 402 of the Code. Except as Applicable Law may otherwise provide, any Eligible Rollover Distribution from the Contract shall be subject to mandatory tax withholding if paid to the Participant, or where applicable, to the Participant's former spouse or spousal Beneficiary. Before any Eligible Rollover Distribution is made to the Participant, Company will provide the Participant with a written explanation of the Participant's right to make a direct rollover. No surrender, withdrawal, or other benefit distribution that constitutes an Eligible Rollover Distribution will be made to the Participant under the Contract, unless the Code's requirements applicable to Eligible Rollover Distributions have been satisfied. Except for Eligible Rollover Distributions, Company reserves the right to make payments only to the Participant or the Participant's Beneficiary.
- b. An employer may not request a distribution of a Participant's account to the Participant unless the employer is authorized to do so under the Plan and permitted to do so under Applicable Law.
- c. This Contract will accept Eligible Rollover Distributions from other plans, provided however, that rollovers of after-tax amounts will be permitted only with the advance written consent of the Company. The Company may establish separate accounts for such rollover distributions, where administratively practicable, in order to maintain such separate records as may be necessary or appropriate.

8. **Required Distributions.**

Unless an exception otherwise applies under Applicable Law, distributions to the Participant must commence by April 1 of the year following the year in which the Participant attains age 70 ½ or, if later, retires from service with the Plan sponsor. Distributions to Participants and Beneficiaries shall be made in accordance with the requirements of Code Section 401(a)(9) and regulations thereunder. Where permitted by Applicable Law, a Participant or a Beneficiary may aggregate this Contract with other contracts issued under the plan, or in the case of 403(b) contracts, with other 403(b) contracts or accounts, in determining the distribution that must be taken from this Contract. Any Beneficiary of a Participant who is entitled to an amount under the Contract upon the death of the Participant will be permitted to elect any distribution option that is permitted under the Code and that is otherwise available under the Contract and the Plan, with respect to such amount.

9. **Nonqualified Deferred Compensation Plan.**

- a. Unfunded Deferred Compensation Plan. If the Contract has been issued under a nonqualified and unfunded deferred compensation plan, the Contract Owner possesses all rights under the Contract. No Participant or Beneficiary will have any enforceable right to make elections under this contract or to receive benefits from the Company. The Owner may direct that all benefit payments be made to the Owner, or the Owner may authorize Company to make benefit payments directly to Participants and Beneficiaries as the Owner's payment agent under the Plan. The Owner may also authorize the Company to follow Participant requests with regard to the allocation of Purchase Payments among Investment Options, transfers among Investment Options, and other elective rights provided by the Contract. If the Owner authorizes the Company to act as payment agent under the Plan or to follow Participant requests, the Owner may revoke or modify that authorization at any time without prior notice to Participants.
- b. Governmental Plan. Notwithstanding paragraph a. of this section 9, if this Contract is issued for or held under an eligible deferred compensation plan of a governmental employer, which meets or is required to meet the requirements of Code section 457(g)(1) by placing the assets of the plan in a qualified trust, custodial account, or annuity contract, this Contract shall be held for the exclusive benefit of Participants and their Beneficiaries. The provisions and limitations in this endorsement shall apply to the Contract and the interests of any Participant or Beneficiary therein, to the fullest extent necessary to comply with the requirements of the Code and the Plan. Such plan shall not be treated as an "unfunded deferred compensation plan."

10. **Roth Accounts**

- a. Purchase Payments. Purchase payments made under a voluntary salary deduction agreement designating the purchase payments as Roth 403(b) or 401(k) contributions under Section 402(A) of the Code shall be treated as elective deferrals made under a salary reduction agreement for purposes of the Contract and any endorsements thereunder.
- b. Forfeitures. Except as otherwise permitted under Internal Revenue Service regulations, if this Contract is issued for or held as a Roth Account meeting the requirements of Section 402(A) of the Code, it may not accept allocation of forfeitures under the Plan.

- c. Rollovers. If this Contract is issued for or held as a Roth Account meeting the requirements of Code Section 403(A), it may be transferred in a direct rollover only to another designated Roth account that accepts such rollovers or to a Roth Individual Retirement Account or Annuity, subject to any limitations imposed by the Code or Regulations on such rollovers.

11. Vesting

Except as may be provided in the Plan and in conformity with Applicable Law, the Participant's rights under this Contract are fully vested and nonforfeitable.

12. Sunset Provisions

In the absence of federal legislative action, one or more of the provisions of the Code that are reflected in this Endorsement will automatically expire on January 1, 2011. In the event of such automatic expiration, such provisions shall cease to apply under this Endorsement.

Except as Applicable Laws otherwise require, the provisions of this Endorsement shall be effective as of the Contract Date of Issue.

THE VARIABLE ANNUITY LIFE INSURANCE COMPANY


Julie Cotton Hearne
Secretary

CUSTOMER SERVICE INFORMATION

If you have any questions regarding this policy, wish to register a complaint or wish to contact us if you did not receive sales material related to this contract, please call us at 1-800-448-2542 or write:

The Variable Annuity Life Insurance Company
Customer Service Department
P. O. Box 15648
Amarillo, Texas 79105

VALIC

**The Variable Annuity Life Insurance Company
2929 Allen Parkway
Houston, Texas 77019**

CONTRACT OWNER:

CONTRACT NUMBER:

DATE OF ISSUE:

In return for the Purchase Payments, VALIC will pay annuity and other benefits as provided in this Contract.

**PLEASE READ YOUR CONTRACT CAREFULLY.
See Index on Page 2.**

The conditions and provisions on this and the following pages are the entire legal Contract between VALIC and the Contract Owner. No agent has the authority to change this Contract or waive any of its provisions. Only the President or a Vice President of VALIC may change this Contract. Any such changes must be in writing. All conditions and provisions are subject to applicable state laws.

EXECUTED AT VALIC'S HOME OFFICE ON THE DATE OF ISSUE.



**Kevin T. Hogan
President**



**Julie Cotton Hearne
Secretary**

**GROUP FIXED UNALLOCATED ANNUITY CONTRACT
- NON-PARTICIPATING -**

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SECTION 1 – Definitions

Accumulation Period - the time between the date of the first Purchase Payment and the full surrender or total withdrawal of the Accumulation Value.

Annuity - a periodic benefit purchased for a Participant under Section 7.

Annuity Period - the time during which VALIC makes annuity payments.

Code - the Internal Revenue Code of 1986, as amended.

Company Reference - “We,” “Our,” “Us,” or “VALIC,” means The Variable Annuity Life Insurance Company.

Competing Option - is a Plan maintained investment facility, other than this Contract which:

- (a) provides a direct or indirect guarantee of investment performance; or
- (b) is invested primarily in a portfolio of fixed income or similar assets, if the duration of such portfolio may be less than three years; or
- (c) is, or which may be, invested primarily in financial vehicles (such as mutual funds, trusts, custodial accounts, and annuity contracts) which are in turn, invested substantially in a portfolio described in (b) above, or
- (d) Is a guaranteed investment fund (any fund or funding vehicle established for or used by the plan for investing plan funds and for which VALIC, another insurance company, or any financial institution provides a guarantee of principal, including, but not limited to, any fixed dollar deposit administration group annuity contract, guaranteed investment contract (GIC), synthetic guaranteed interest contract or funding agreement.

Contract Owner - the entity that makes application for the Contract. A reference to “You” or “Your” means the Contract Owner or designated administrator.

Home Office - the principal office of VALIC.

Participant - a person for whom or with respect to whom Purchase Payments are made under the Contract.

Plan - the employer-sponsored retirement plan, annuity purchase arrangement, or deferred compensation program for which this Contract is issued.

Purchase Payment – an amount paid to VALIC.

SECTION 2 - PURCHASE PAYMENTS AND VALUATION PROVISIONS

2.01 Incontestability - This Contract is incontestable. This Contract is non-participating and does not share in the profits or surplus of VALIC.

2.02 Plan Provisions - This Contract is subject to the provisions of the Plan.

2.03 Purchase Payments and Incoming Plan Transfers into the Contract – Subject to the limitations below, Purchase Payments may be made at any time during the Accumulation Period and may include amounts that are directly transferred from another plan or from another investment facility under the Plan (“Incoming Plan Transfers”). We require no payment beyond the first, however We reserve the right to limit Incoming Plan Transfers into the Contract to 20% of the accumulated assets

in the Contract at the end of the last calendar year. There is no penalty if any scheduled payments are omitted or stopped. VALIC reserves the right to stop accepting Purchase Payments (including but not limited to Incoming Plan Transfers) into the Contract at any time.

We may deduct amounts from Purchase Payments or from the Accumulation Value for applicable premium taxes.

2.04 Accumulation Value - The Accumulation Value during the Accumulation Period equals the net Purchase Payments received plus any interest credited less any amounts deducted for benefits, withdrawals, transfers, and annuity purchases.

2.05 Changes in Plan - You agree to give us thirty days advance notice of any material change in the Plan's provisions or administrative practices occurring after the Date of Issue, including the establishment of another retirement or deferred compensation plan that allows a Participant to direct amounts to an investment facility similar to this Contract or has agreements with one or more Participants that require or permit contributions to such an investment facility.

2.06 Competing Plan - If You, any employer or Plan sponsor:

- (a) establishes another pension or deferred compensation plan or program to which one or more Participants contribute; or
- (b) establishes another type of any plan or program to which Participants contribute and which contains a savings element; or
- (c) amends an existing plan or program so that it falls within the foregoing description; or
- (d) agrees to make payroll deductions for such other plan or program (whether or not established by the employer) for Participants; then we may deem such action to be a change in the plans provisions referred to in Section 2.07.

2.07 Effect of Plan Changes - You must advise Us of any action taken by You, any employer, or plan sponsor which is described in Section 2.06 or which:

- (a) directly or indirectly creates a Competing Option;
- (b) significantly liberalizes the Plan withdrawal or transfer rights of Participants;
- (c) materially affects Our rights or obligations under this Contract; or
- (d) would result in a cessation or substantial reduction in future Purchase Payments to this Contract.

If We reasonably determine that such change is likely to have a material adverse effect on Our financial experience under this Contract, then we are obligated to make only the payments that would have been made if the plan amendment, change in administrative practices, or other actions had not been made. We will advise you of such determination within thirty days of Our receipt of a written description of the action, amendment or other change.

SECTION 3 - INTEREST

We will credit interest to this Contract on the following basis. We will declare interest rates annually that apply either to the entire Accumulation Value, or separately to amounts accumulated in separate time periods. In addition, We may at our discretion declare rates in excess of the annual rate. Such rates, if declared, will be declared no more often than quarterly. An interest rate will be set in advance of the period to which it relates and will be at least 1% per year for the first 5 Contract years and at least 1% thereafter. If the interest rate declared by VALIC on the entire Accumulation Value at any time during the Accumulation Period is more than 1% lower than the previously declared rate on the entire Accumulation Value during the prior 12 months, the Owner may surrender the Contract for the full Accumulation Value during the 60-day period immediately following the effective date of such interest rate reduction. Under this condition, the total Accumulation Value will be paid at one time. The surrender right under this provision does not apply to interest rates which may be set separately to amounts accumulated in separate time periods.

SECTION 4 - SURRENDER

You may surrender the Contract for the Accumulation Value. If one or more groups of Participants ceases to be eligible to participate in the Plan, this Contract may be partially surrendered with respect to such groups. In such event, and unless the Owner requests otherwise, the Accumulation Value will be apportioned among all groups based on each group's proportionate interest in the Contract, and this section is then applied to the discontinuing portion. Alternatively, the Owner may request Us to issue one or more new contracts substantially similar to this Contract and to transfer to such contract the surrendered portion of this Contract. The issuance of a new contract may be conditioned on the satisfaction of Our reasonable underwriting rules, the securing of regulatory approvals and acceptance of the new contract's terms by all parties. The Accumulation Value will be paid in one of two ways:

- (a) **Five Year Equal Amount Installment Method.** The interest rate during the five year payout period will be declared in advance by Us. If a declared rate is more than 1% lower than the previously declared rate during the prior 12 months, the Owner may elect to withdraw the Accumulation Value. Such election must be made during the 60-day period immediately following the effective date of such interest rate reduction. No other withdrawals may be made once installment payments begin under this method.
- (b) **Decreasing Balance Method.** Under this method, 1/5 of the remaining balance will be surrendered the first year; 1/4 of the remaining balance the second year; 1/3 of the remaining balance the third year; 1/2 of the remaining balance the fourth year; and the entire remaining balance the fifth year. Interest under this method will be periodically declared and credited at a rate determined by Us. If a declared rate is more than 1% lower than the previously declared rate during the prior 12 months, the Owner may elect to withdraw the Accumulation Value. Such election must be made during the 60-day period immediately following the effective date of such interest rate reduction. Other withdrawals may be made once payments begin under this method.

Upon election of either surrender method above, Section 3 (Interest) of the Contract shall cease to apply. Upon such election, We will declare a rate of interest guaranteed for the ensuing twelve months. Thereafter, rates will be declared in advance of each subsequent twelve-month period and guaranteed for such period. The rates will apply to the entire Accumulation Value and be no less than 1% if a twelve-month period begins during the first 5 Contract years and no less than 1% thereafter.

Payments will be made on an annual basis starting on the first business day 31 days after the date of surrender. Under either method, if the Accumulation Value remaining would be less than \$5,000, such value may be surrendered in full at that time. We treat all withdrawals as withdrawals of Purchase

Payments before any earnings. We treat the most recent Purchase Payments as being withdrawn first.

SECTION 5 – BENEFITS OR TRANSFERS

You may withdraw a portion of the Accumulation Value only to provide (a) Participant benefits (qualifying plan distributions or plan loans) or (b) transfers requested by Participants to specific Plan maintained investment facility(ies), as identified by you and excluding any Competing Option. If the plan includes a Competing Option, Participant requested transfers may be made to a Plan investment option if it is not a Competing Option, only if the transfer amount remains in the receiving option for at least 90 days. We may require You to provide information reasonably necessary for Us to process such payments or to verify that the payments will be used for Participant's benefits or transfers. We may defer payment until such information is provided. We treat all withdrawals as withdrawals of Purchase Payments before any earnings. We treat the most recent Purchase Payments as being withdrawn first.

SECTION 6 – WITHDRAWALS TO PAY PLAN FEES AND EXPENSES

- 6.01 Not Payable to VALIC** - You may periodically withdraw a portion of the Accumulation Value to pay fees or expenses to organizations other than VALIC, that were reasonably incurred by the plan. We may require You to provide information to verify such charges, and may defer payment until such information is provided.
- 6.02 Payable to VALIC** - VALIC will determine an expense charge allocated to this Contract if VALIC performs services under this Contract at the Owner's request that are not otherwise provided for by this Contract. VALIC will notify the Owner prior to providing such services of the basis on which such expense charge is determined. The Owner will upon receipt of notice of the amount of such expense charges, pay Us such amount. Such payment is not added to the Accumulation Value. VALIC may deduct such expense charge from the Accumulation Value, to the extent any portion remains unpaid after 31 days.

SECTION 7 – ANNUITIES

- 7.01 Annuity Purchase** - At Your option, all or part of any amount payable under Section 4 or any other amount available under the Plan, may be used to buy Annuities under this Contract for Participants. Annuities may be purchased in any form then offered by Us. We will use Our applicable current settlement option rates then in effect for new group annuity contracts offered to programs similar to the Plan on the date an Annuity is purchased.
- 7.02 Forms of Annuity** - We will issue a certificate for delivery to the Participant. The certificate sets forth the terms of the Annuity to which such Participant is entitled. If any fact pertaining to the purchase of an Annuity is misstated, such Annuity may be adjusted by Us to reflect the correct facts. We have no liability for any Annuity payments for which we have not received the full premium due, based on the correct facts.

SECTION 8 – GENERAL PROVISIONS

- 8.01 Assignment** - This Contract cannot be sold, assigned, discounted, or pledged as collateral for a loan or as security for the performance of an obligation. The benefits, values, and rights under this Contract are not subject to any creditor claims to the fullest extent permitted by law. This Contract and its rights cannot be transferred to anyone other than Us, except under a domestic relations order properly issued by a court of competent jurisdiction and that complies with ERISA, if applicable. To

the extent permitted by the Code and applicable law, We will make a Surrender or Withdrawal payable to a third party upon Your request.

- 8.02 Exclusive Benefit** - Notwithstanding any other provision in this Contract, if this Contract is issued under a funded deferred compensation plan as defined in section 457(g) of the code, all assets in the Contract shall be held for the exclusive benefit of Participants and their beneficiaries.
- 8.03 Written Notices to Us** - Except as specifically provided otherwise, any Notice of change, election, choice, option or other exercise of right given under the Contract must be in writing on a form provided by Us, or on a form and in a manner acceptable to Us. Such Notice will be effective when it is received in Our Home Office.
- 8.04 Change of Contract** - This Contract may be amended at any time by written agreement between You and VALIC, without the consent of any Participant. Unless required by applicable law, no amendment may reduce the amount, change the terms of, or delay issuance of any Annuity. We may also change this Contract to the extent it is required or deemed advisable to do so in order to conform the Contract to applicable law.
- 8.05 Reports** - We will send You a financial report at least annually if the Contract has an Accumulation Value.
- 8.06 Proof of Survival** - We reserve the right to require satisfactory proof that the Participant and any payee is alive on the date any benefit payment is due. If this proof is not received after requested in writing, We will have the right to make reduced payments or to withhold payments entirely until such proof is received.
- 8.07 Minimum Benefit** - The paid up annuity, cash surrender or death payment available under this Contract will not be less than the minimum benefits required by any statute of the state in which the Contract is delivered.
- 8.08 Termination of the Contract** – VALIC may suspend this Contract by giving written notice if it is determined that Purchase Payments do not comply with the requirements of the Internal Revenue Code or ERISA. Upon depletion of all the assets under the Contract, the Contract will terminate and VALIC will be relieved of all further liability, except with respect to any Annuities purchased on behalf of Participants.

VALIC may also terminate this Contract by giving the Contract Owner 60 days written notice of termination. If the Contract is terminated, VALIC will pay the Accumulation Value in accordance with one of the surrender options as specified in Section 4 of this Contract or in accordance with any surrender option included with this Contract via endorsement at issue or subsequent to issue pursuant to Section 8.04.

THE VARIABLE ANNUITY LIFE INSURANCE COMPANY
Houston, Texas
ALTERNATIVE DISTRIBUTION OPTION

Notwithstanding any contrary provision in the Contract to which this Endorsement is attached ("Contract"), Section 4 (Surrenders) of the Contract is hereby amended to add a 12 month distribution option.

12 Month Distribution Option.

- a. **Suspension of the Contract.** Under this method, the Owner may suspend the Contract by giving written notice to VALIC, provided that such notice may not be given to VALIC earlier than 12 months following the date of the initial deposit under the Contract. As a result of suspension, VALIC will withdraw the Owner's Contract Value on the Date of Distribution and pay such balance, as directed by the Owner, to a successor funding vehicle on behalf of the Participants.
- b. **Effects of Suspension.** If the Contract is suspended, such suspension will be considered binding, and the Contract will continue in suspension until all assets under the Contract are depleted. Immediately upon suspension of the Contract and as long as this Contract continues in suspension:
 - 1) No further contributions can be made;
 - 2) No further withdrawals or transfers may be made from the Contract, except for the following reasons:
 - Payment of Plan fees or expenses;
 - Participant becoming disabled (within the meaning of Code Section 72(m)(7));
 - Participant's death;
 - Participant's retirement or separation from service;
 - Hardship withdrawal under the terms of the Plan (but only with respect to Participant contributions exclusive of earnings);
 - Participant's attainment of at least 59 1/2 ;
 - Participant's purchase of an annuity from VALIC for a period of at least five years; or
 - Participant's taking a loan under the terms of the Plan.
 - 3) Interest on the Accumulation Value will no longer be credited in accordance with Section 3 (Interest) of the Contract to which this endorsement is attached. Upon suspension, We will declare interest no less frequently than on a twelve-month basis. We may in our discretion declare rates in excess of the twelve-month rate. Such rates may be declared no more frequently than quarterly. The rate(s) will apply to the entire Accumulation Value and be guaranteed for the period to which they relate. Interest rate(s) during the suspension period will be no less than 1% per year [if the period of suspension begins during the first 5 Contract years and at least 1% if the period of suspension or a subsequent twelve-month period begins thereafter.

During the 30-day period prior to the Date of Distribution, VALIC reserves the right to cease making any withdrawals and transfers from the Contract.

- c. **Date of Distribution.** The Date of Distribution for the funds is subject to the following:
 - 1) If the current yield on a five-year Treasury Note is less than 2% higher than the lowest annual Declared Rate in effect on the date the Contract is suspended as provided above, the Date of Distribution will be twelve months following such date.
 - 2) If the current yield on a five-year Treasury Note is equal to or more than 2% higher than the lowest annual Declared Rate in effect on the date the Contract is suspended as provided above or on the date VALIC receives the Owner's written withdrawal request, the Date of Distribution will be twenty-four months following such applicable date.

The effective date of this Endorsement is the Policy Issue Date.

THE VARIABLE ANNUITY LIFE INSURANCE COMPANY


Julie Cotton Hearne
Secretary

THE VARIABLE ANNUITY LIFE INSURANCE COMPANY

(the "Company")
2929 Allen Parkway
Houston, Texas 77019

**ECONOMIC GROWTH AND TAX RELIEF RECONCILIATION ACT
("EGTRRA")
RETIREMENT PLAN ANNUITY CONTRACT ENDORSEMENT**

This Endorsement is made a part of the individual annuity contract or group annuity contract or certificate to which it is attached (the "Contract"). The Contract is issued in connection with certain employer-sponsored retirement plans or arrangements, which may be described under any of the following Code Sections: 401(a) (including 401(k)); 403(a); 403(b); 457(b) (the "Plan"). The Plan may limit the exercise by the Participant or a Beneficiary of rights under the Contract, including any endorsements thereto, and may limit the rights described in this Endorsement.

Section references are to the Code, which means The Internal Revenue Code of 1986 as now or hereafter amended. The term "Applicable Law" means laws that may either limit or compel the exercise of rights under the Contract, including, but not limited to, the Code, the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and the laws of the state in which the Contract was issued.

This Endorsement shall supersede any inconsistent provisions of the Contract or any endorsement issued prior to or concurrent with this Endorsement.

1. Contribution Limitations

- a. Contributions (not including transfers and rollovers) may be made to this Contract up to the applicable limits set forth in the Code and the Plan. If the Contract is issued under a Plan to which Code Section 402(g) applies, including Contracts issued under a 403(b) plan or arrangement, except as otherwise provided herein elective deferrals by the Participant to this Contract may not exceed the limit under Section 402(g).
- b. Contributions properly made pursuant to Code Section 414(v) by Participants who otherwise qualify to make such contributions shall be disregarded in determining whether contributions to the Contract have exceeded the limits imposed under the Contract.
- c. The Plan may require the Participant to temporarily cease contributions upon issuance of a distribution for financial hardship.
- d. Contributions determined to be in excess of applicable limits, that are identified by the Company, by the Plan, or by the Participant, shall be returned to the Participant or to the Employer or held in an unallocated account, according to the requirements of Applicable Law. The Company will cooperate with the Plan and the sponsoring employer in the correction of excess contributions identified in an IRS examination; provided, however, that the Plan sponsor shall consult with the Company before entering into any agreement with regard to such excess amounts in the Contract.

2. Distribution Eligibility and Portability

- a. A Plan Participant may receive a distribution from this Contract following severance of employment with the employer sponsoring the Plan.

- b. A distribution to a Plan Participant, or to a former spouse or surviving spouse of the participant, which is an Eligible Rollover Distribution, may be transferred in a qualifying rollover to any Eligible Retirement Plan. For purposes of this paragraph, "Eligible Rollover Distribution" and "Eligible Retirement Plan" shall have the meaning given to them in the Code, as applicable to the type of plan under which the Contract is issued and/or maintained at the time of the distribution. Except as Applicable Law may otherwise provide, any Eligible Rollover Distribution from the Contract shall be subject to mandatory tax withholding if paid to the Participant, or where applicable, to the Participant's former spouse or spousal beneficiary.
 - c. A Participant or Beneficiary may request a non-reportable plan-to-plan transfer of a portion of the Contract value to another plan or contract, subject to any applicable limitations in the Plan, the Contract, and Applicable Law.
 - d. An employer may not request a distribution of a Participant's account to the Participant unless the employer is authorized to do so under the Plan and permitted to do so under Applicable Law.
 - e. This Contract will accept Eligible Rollover Distributions from other plans, provided however that rollovers of after-tax amounts will be permitted only with the advance written consent of the Company. The Company may establish separate accounts for such rollover distributions, where administratively practicable, in order to maintain such separate records as may be necessary or appropriate.
3. Required Distributions. Except as otherwise required by Applicable Law, distributions to the Participant must commence by April 1 of the year following the year in which the Participant attains age 70 ½ or, if later, retires from service with the Plan sponsor. Distributions to Participants and Beneficiaries shall be made in accordance with Code Section 401(a)(9) and regulations thereunder. Where permitted by Applicable Law, a Participant or a Beneficiary may aggregate this contract with other contracts issued under the plan, or in the case of 403(b) contracts, with other 403(b) contracts or accounts, in determining the distribution that must be taken from this Contract.
4. In the absence of federal legislative action, one or more of the provisions of the Code that are reflected in this Endorsement will automatically expire on January 1, 2011. In the event of such automatic expiration, such provisions shall cease to apply under this Endorsement.

Except as Applicable Laws otherwise require, the provisions of this Endorsement shall be effective as of January 1, 2002, or the Contract Date of Issue, whichever is later.

**THE VARIABLE ANNUITY LIFE INSURANCE
COMPANY**


Julie Cotton Hearne
Secretary

THE VARIABLE ANNUITY LIFE INSURANCE COMPANY
Houston, Texas

Notwithstanding any contrary provision in the contract or certificate to which this endorsement is attached ("Contract"), the Contract is hereby amended as follows:

1. A Participant's beneficial interest in the Contract may not be sold, assigned, discounted, or pledged as collateral for a loan or as security for the performance of an obligation. The benefits, values, and rights of Participants under this Contract are not subject to any creditor claims to the fullest extent permitted by law. A Participant's beneficial interest in the Contract shall be non-forfeitable except to the extent of any vesting schedule which is provided in the Plan and which is consistent with the Code and with the requirements of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). The limitations of this paragraph will not prohibit a loan to the Participant that would be permitted under applicable provisions of the Code and ERISA.
2. Elective deferrals described in Code Section 402(g)(3) which are made by a Participant to this Contract may not exceed \$10,000 in any single calendar year, or such other limit as may apply under Code Section 402(g). In applying this limitation to elective deferrals made to the Contract, all elective deferrals by the Participant to any other plan or arrangement of the Participant's employer shall be taken into account. Elective deferrals which exceed the applicable limits under Code Section 402(g) may be distributed upon direction of the Participant or the Contract Owner, subject to any limitations on such distributions in the Plan.
3. In addition to any other surrender, benefit, withdrawal or transfer restrictions in the Contract, if this Contract is issued under a plan or arrangement described in Code Section 403(b), distributions to Participants will be subject to the limitations applicable to such plans or arrangements. To the extent required under Code Section 403(b)(11), distributions to a Participant of elective deferrals and earnings thereon may be made only upon or after the Participant's attainment of age 59 1/2, separation from service, death, or disability. Distributions of such elective deferrals, and any earnings on such deferrals in an annuity contract as of December 31, 1988, may also be made in the event of financial hardship. The same or similar restrictions shall apply to all amounts transferred from a Code Section 403(b)(7) custodial account, including contributions other than elective deferrals and earnings on such contributions. Except as otherwise required under the Contract or the sponsoring employer's Plan (if any), the foregoing restrictions on distributions shall not prevent a transfer to another investment option within the Plan or another contract or account described in Code Section 403(b). Notwithstanding the foregoing, no distribution or transfer from this Contract will be permitted if it would have the effect, directly or indirectly, of avoiding or circumventing a transfer or similar restriction applicable under the Contract.
4. Distributions of a Participant's beneficial interest in the Contract must satisfy the requirements of Code Section 401(a)(9), including the incidental benefit rules and the minimum distribution incidental benefit (MDIB) rules, applicable to the type of plan or arrangement under which the Contract is held. Except as otherwise provided under the employer's Plan, the following requirements shall apply to distributions required under this paragraph:
 - a. Life expectancy will be calculated using the expected return multiples in Tables V and VI of Treasury Regulation 1.72-9.
 - b. Life expectancies of Participants and spouse beneficiaries will be recalculated annually unless elected otherwise by the Participant at the time distributions are required to begin. Any such election will be forever irrevocable.

- c. Any beneficiary of a Participant who is entitled to an amount under the Contract upon the death of the Participant will be permitted to elect any option that is permitted under the Code and that is otherwise available under the Contract, with respect to such amount.
 - d. To the extent permitted under the Code, distribution requirements described in this paragraph may be satisfied by distributions from another investment under the Plan or under a similar type of plan.
5. If any benefit payable to the Participant under this Contract constitutes an “eligible rollover distribution” within the meaning of Code Section 402, the Participant may elect to have such a distribution paid directly to an “eligible retirement plan” in a transaction designated under the Code as a “direct rollover.” Before any eligible rollover distribution is made, the Participant will be provided a written explanation of his or her rights to make a direct rollover and the consequences of not making a direct rollover. No surrender, withdrawal, or other benefit that constitutes an eligible rollover distribution will be made to the Participant under this Contract unless the Code’s requirements applicable to eligible rollover distributions have been satisfied.
6. We are entitled to rely upon the directions of the Contract Owner or the Contract Owner’s designated representative, or the absence thereof, in determining whether the requirements of paragraphs 2 through 5, above have been satisfied.

The effective date of this Endorsement is the Policy Issue Date.

THE VARIABLE ANNUITY LIFE INSURANCE COMPANY


Julie Cotton Hearne
Secretary

THE VARIABLE ANNUITY LIFE INSURANCE COMPANY

(the "Company")
2929 Allen Parkway
Houston, Texas 77019

QUALIFIED ACCOUNT CONTRACT ENDORSEMENT

This Endorsement is made part of the individual annuity contract or group annuity contract or certificate to which it is attached (the "Contract"). The Contract is issued in connection with employer-sponsored retirement plans described under Internal Revenue Code Sections 401, 403, and 457. The specific type of plan is identified on the annuity application. In the case of any conflict between the terms of the Contract and the terms of this Endorsement, the terms of this Endorsement will control.

Section references are to the Code, which means The Internal Revenue Code of 1986 as now or hereafter amended. The term "Applicable Law" means laws that may either limit or compel the exercise of rights under the Contract, including, but not limited to, the Code, the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and the laws of the state in which the Contract was issued.

1. **Owner and Annuitant.** The Owner may be the Participant or the employer ("Employer") sponsoring the plan described in Section 401, 403 or 457 of the Code ("Plan") or, subject to approval by the Company, such other person as the Employer may designate, provided that the Employer's designation must be consistent with the requirements of the Code. The Annuitant shall be the Participant for whom a Participant account under the Contract is established.
2. **Effect of Plan.** Rights under the Contract shall be exercised by the Participant or a Beneficiary (upon the death of the Participant), except to the extent that the Plan otherwise provides, and the exercise of rights under the Contract by the Owner, the Participant, or a Beneficiary, shall be subject to any limitations set forth in the Plan and the Code. However, neither the Plan nor the Code may enlarge the rights otherwise applicable under the Contract. The Owner shall be responsible for determining that any directions given to the Company with respect to transactions under the Contract are consistent with the Plan and the Code. The Company will rely on the Owner's instructions as being consistent with the Plan unless the Company has actual notice to the contrary. In the case of a group Contract, if the Contract offers more than one investment alternative, the Employer may direct the Company to accept investment allocation and reallocation instructions from the Participant, and if applicable, from a Beneficiary.

The Plan, including certain Plan provisions required by ERISA or other Applicable Law, may limit the Participant's rights under this Contract. The Plan provisions may:

- a. Limit the Participant's right to make Purchase Payments;
- b. Restrict the time when the Participant may elect to receive payments under this Contract;
- c. Require the consent of the Participant's spouse before the Participant may elect to receive payments under this Contract;
- d. Require that all distributions be made in the form of a joint and survivor annuity for the Participant and the Participant's spouse, unless both consent to a different form of distribution;

- e. Require that the Participant's spouse be designated as Beneficiary;
- f. Require that the Participant remain employed with the Contract Owner for a specified period of time before the Participant's rights under the Contract become fully vested;
- g. Otherwise restrict the Participant's exercise of rights under the Contract or give the Contract Owner (or a Plan representative) the right to exercise certain rights on the Participant's behalf.

No such plan provision shall limit a Participant's rights under this Contract, unless the Contract Owner has provided Company with written notification of such provision. In no event shall any such Plan provision enlarge Company's obligations under this Contract.

3. Nontransferability and Nonforfeitability

A Participant's beneficial interest in the Contract may not be transferred, sold, assigned, discounted, or pledged as collateral for a loan or as security for the performance of an obligation. The benefits, values, and rights of Participants under this Contract are not subject to any creditor claims to the fullest extent permitted by law. A Participant's beneficial interest in the Contract shall be non-forfeitable except to the extent of any vesting schedule which is provided in the Plan and which is consistent with Applicable Law. The limitations of this paragraph will not prohibit a loan to the Participant that would be permitted under applicable provisions of the Code and ERISA.

4. Salary Reduction Purchase Payments

If the Participant's Purchase Payments are made under a voluntary salary reduction agreement as part of a Tax-Deferred Annuity arrangement under Section 403(b) of the Code, (i) there may not be a separate Plan document, in which case the Contract along with related endorsements is the Plan, and (ii) in either case the following restrictions apply:

- a. Limit on Purchase Payments. Contributions (not including transfers and rollovers) may be made to the Participant Account or Contract up to the applicable limits set forth in the Code and the Plan. Except as otherwise provided herein, elective deferrals by the Participant to the Participant Account or Contract may not exceed the limits set forth in Section 402(g).

Contributions properly made pursuant to Code Section 414(v) by Participants who otherwise qualify to make such contributions shall be disregarded in determining whether contributions to the Participant Account or Contract have exceeded the limits imposed under the Contract.

- b. Withdrawal Restrictions. In addition to any other surrender, benefit, withdrawal or transfer restrictions in the Contract, distributions to Participants will be subject to the limitations applicable under Code Section 403(b). To the extent required under Code Section 403(b)(11), distributions to a Participant of elective deferrals and earnings thereon may be made only upon or after the Participant's attainment of age 59 1/2, severance of employment, death, or disability. Distributions of such elective deferrals, and any earnings on such deferrals in an annuity contract as of December 31, 1988, may also be made in the event of financial hardship. The same or similar restrictions shall apply to all amounts transferred from a Code Section 403(b)(7) custodial account,

including contributions other than elective deferrals and earnings on such contributions. Except as otherwise required under the Contract or the sponsoring employer's Plan (if any), the foregoing restrictions on distributions shall not prevent a transfer to another investment option within the Plan or another contract or account described in Code Section 403(b). Notwithstanding the foregoing, no distribution or transfer from the Participant account or Contract will be permitted if it would have the effect, directly or indirectly, of avoiding or circumventing a transfer or similar restriction applicable under the Contract.

5. Excess Contributions

Contributions determined to be in excess of applicable limits, that are identified by the Company, by the Plan, or by the Participant, shall be returned to the Participant or to the Employer or held in an unallocated account, according to the requirements of Applicable Law. The Company will cooperate with the Plan and the sponsoring employer in the correction of excess contributions identified in an IRS examination; provided, however, that the Plan sponsor shall consult with the Company before entering into any agreement with regard to such excess amounts in the Contract.

6. Cessation of Contributions

The Plan may require the Participant to temporarily cease contributions upon issuance of a distribution for financial hardship.

7. Direct Rollover

- a. Subject to the limitations in Section 10 of this Endorsement, a distribution to a Plan Participant, or to a former spouse or surviving spouse of the participant, which is an "Eligible Rollover Distribution", may be transferred in a qualifying rollover directly to any "Eligible Retirement Plan" within the meaning of Section 402 of the Code. Except as Applicable Law may otherwise provide, any Eligible Rollover Distribution from the Contract shall be subject to mandatory tax withholding if paid to the Participant, or where applicable, to the Participant's former spouse or spousal Beneficiary. Before any Eligible Rollover Distribution is made to the Participant, Company will provide the Participant with a written explanation of the Participant's right to make a direct rollover. No surrender, withdrawal, or other benefit distribution that constitutes an Eligible Rollover Distribution will be made to the Participant under the Contract, unless the Code's requirements applicable to Eligible Rollover Distributions have been satisfied. Except for Eligible Rollover Distributions, Company reserves the right to make payments only to the Participant or the Participant's Beneficiary.
- b. An employer may not request a distribution of a Participant's account to the Participant unless the employer is authorized to do so under the Plan and permitted to do so under Applicable Law.
- c. This Contract will accept Eligible Rollover Distributions from other plans, provided however, that rollovers of after-tax amounts will be permitted only with the advance written consent of the Company. The Company may establish separate accounts for such rollover distributions, where administratively practicable, in order to maintain such separate records as may be necessary or appropriate.

8. **Required Distributions.**

Unless an exception otherwise applies under Applicable Law, distributions to the Participant must commence by April 1 of the year following the year in which the Participant attains age 70 ½ or, if later, retires from service with the Plan sponsor. Distributions to Participants and Beneficiaries shall be made in accordance with the requirements of Code Section 401(a)(9) and regulations thereunder. Where permitted by Applicable Law, a Participant or a Beneficiary may aggregate this Contract with other contracts issued under the plan, or in the case of 403(b) contracts, with other 403(b) contracts or accounts, in determining the distribution that must be taken from this Contract. Any Beneficiary of a Participant who is entitled to an amount under the Contract upon the death of the Participant will be permitted to elect any distribution option that is permitted under the Code and that is otherwise available under the Contract and the Plan, with respect to such amount.

9. **Nonqualified Deferred Compensation Plan.**

- a. Unfunded Deferred Compensation Plan. If the Contract has been issued under a nonqualified and unfunded deferred compensation plan, the Contract Owner possesses all rights under the Contract. No Participant or Beneficiary will have any enforceable right to make elections under this contract or to receive benefits from the Company. The Owner may direct that all benefit payments be made to the Owner, or the Owner may authorize Company to make benefit payments directly to Participants and Beneficiaries as the Owner's payment agent under the Plan. The Owner may also authorize the Company to follow Participant requests with regard to the allocation of Purchase Payments among Investment Options, transfers among Investment Options, and other elective rights provided by the Contract. If the Owner authorizes the Company to act as payment agent under the Plan or to follow Participant requests, the Owner may revoke or modify that authorization at any time without prior notice to Participants.
- b. Governmental Plan. Notwithstanding paragraph a. of this section 9, if this Contract is issued for or held under an eligible deferred compensation plan of a governmental employer, which meets or is required to meet the requirements of Code section 457(g)(1) by placing the assets of the plan in a qualified trust, custodial account, or annuity contract, this Contract shall be held for the exclusive benefit of Participants and their Beneficiaries. The provisions and limitations in this endorsement shall apply to the Contract and the interests of any Participant or Beneficiary therein, to the fullest extent necessary to comply with the requirements of the Code and the Plan. Such plan shall not be treated as an "unfunded deferred compensation plan."

10. **Roth Accounts**

- a. Purchase Payments. Purchase payments made under a voluntary salary deduction agreement designating the purchase payments as Roth 403(b) or 401(k) contributions under Section 402(A) of the Code shall be treated as elective deferrals made under a salary reduction agreement for purposes of the Contract and any endorsements thereunder.
- b. Forfeitures. Except as otherwise permitted under Internal Revenue Service regulations, if this Contract is issued for or held as a Roth Account meeting the requirements of Section 402(A) of the Code, it may not accept allocation of forfeitures under the Plan.

- c. Rollovers. If this Contract is issued for or held as a Roth Account meeting the requirements of Code Section 403(A), it may be transferred in a direct rollover only to another designated Roth account that accepts such rollovers or to a Roth Individual Retirement Account or Annuity, subject to any limitations imposed by the Code or Regulations on such rollovers.

11. Vesting

Except as may be provided in the Plan and in conformity with Applicable Law, the Participant's rights under this Contract are fully vested and nonforfeitable.

12. Sunset Provisions

In the absence of federal legislative action, one or more of the provisions of the Code that are reflected in this Endorsement will automatically expire on January 1, 2011. In the event of such automatic expiration, such provisions shall cease to apply under this Endorsement.

Except as Applicable Laws otherwise require, the provisions of this Endorsement shall be effective as of the Contract Date of Issue.

THE VARIABLE ANNUITY LIFE INSURANCE COMPANY


Julie Cotton Hearne
Secretary

CUSTOMER SERVICE INFORMATION

If you have any questions regarding this policy, wish to register a complaint or wish to contact us if you did not receive sales material related to this contract, please call us at 1-800-448-2542 or write:

The Variable Annuity Life Insurance Company
Customer Service Department
P. O. Box 15648
Amarillo, Texas 79105

VALIC

**The Variable Annuity Life Insurance Company
2929 Allen Parkway
Houston, Texas 77019**

CONTRACT OWNER:

CONTRACT NUMBER:

DATE OF ISSUE:

In return for the Purchase Payments, VALIC will pay annuity and other benefits as provided in this Contract.

PLEASE READ YOUR CONTRACT CAREFULLY.
See Index on Page 2.

The conditions and provisions on this and the following pages are the entire legal Contract between VALIC and the Contract Owner. No agent has the authority to change this Contract or waive any of its provisions. Only the President or a Vice President of VALIC may change this Contract. Any such changes must be in writing. All conditions and provisions are subject to applicable state laws.

EXECUTED AT VALIC'S HOME OFFICE ON THE DATE OF ISSUE.



Kevin T. Hogan
President



Julie Cotton Hearne
Secretary

GROUP FIXED UNALLOCATED ANNUITY CONTRACT
- NON-PARTICIPATING -

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SECTION 1 – Definitions

Accumulation Period - the time between the date of the first Purchase Payment and the full surrender or total withdrawal of the Accumulation Value.

Annuity - a periodic benefit purchased for a Participant under Section 7.

Annuity Period - the time during which VALIC makes annuity payments.

Code - the Internal Revenue Code of 1986, as amended.

Company Reference - “We,” “Our,” “Us,” or “VALIC,” means The Variable Annuity Life Insurance Company.

Competing Option - is a Plan maintained investment facility, other than this Contract which:

- (a) provides a direct or indirect guarantee of investment performance; or
- (b) is invested primarily in a portfolio of fixed income or similar assets, if the duration of such portfolio may be less than three years; or
- (c) is, or which may be, invested primarily in financial vehicles (such as mutual funds, trusts, custodial accounts, and annuity contracts) which are in turn, invested substantially in a portfolio described in (b) above, or
- (d) Is a guaranteed investment fund (any fund or funding vehicle established for or used by the plan for investing plan funds and for which VALIC, another insurance company, or any financial institution provides a guarantee of principal, including, but not limited to, any fixed dollar deposit administration group annuity contract, guaranteed investment contract (GIC), synthetic guaranteed interest contract or funding agreement.

Contract Owner - the entity that makes application for the Contract. A reference to “You” or “Your” means the Contract Owner or designated administrator.

Home Office - the principal office of VALIC.

Participant - a person for whom or with respect to whom Purchase Payments are made under the Contract.

Plan - the employer-sponsored retirement plan, annuity purchase arrangement, or deferred compensation program for which this Contract is issued.

Purchase Payment – an amount paid to VALIC.

SECTION 2 - PURCHASE PAYMENTS AND VALUATION PROVISIONS

2.01 Incontestability - This Contract is incontestable. This Contract is non-participating and does not share in the profits or surplus of VALIC.

2.02 Plan Provisions - This Contract is subject to the provisions of the Plan.

2.03 Purchase Payments and Incoming Plan Transfers into the Contract – Subject to the limitations below, Purchase Payments may be made at any time during the Accumulation Period and may include amounts that are directly transferred from another plan or from another investment facility under the Plan (“Incoming Plan Transfers”). We require no payment beyond the first, however We reserve the right to limit Incoming Plan Transfers into the Contract to 20% of the accumulated assets

in the Contract at the end of the last calendar year. There is no penalty if any scheduled payments are omitted or stopped. VALIC reserves the right to stop accepting Purchase Payments (including but not limited to Incoming Plan Transfers) into the Contract at any time.

We may deduct amounts from Purchase Payments or from the Accumulation Value for applicable premium taxes.

2.04 Accumulation Value - The Accumulation Value during the Accumulation Period equals the net Purchase Payments received plus any interest credited less any amounts deducted for benefits, withdrawals, transfers, and annuity purchases.

2.05 Changes in Plan - You agree to give us thirty days advance notice of any material change in the Plan's provisions or administrative practices occurring after the Date of Issue, including the establishment of another retirement or deferred compensation plan that allows a Participant to direct amounts to an investment facility similar to this Contract or has agreements with one or more Participants that require or permit contributions to such an investment facility.

2.06 Competing Plan - If You, any employer or Plan sponsor:

- (a) establishes another pension or deferred compensation plan or program to which one or more Participants contribute; or
- (b) establishes another type of any plan or program to which Participants contribute and which contains a savings element; or
- (c) amends an existing plan or program so that it falls within the foregoing description; or
- (d) agrees to make payroll deductions for such other plan or program (whether or not established by the employer) for Participants; then we may deem such action to be a change in the plans provisions referred to in Section 2.07.

2.07 Effect of Plan Changes - You must advise Us of any action taken by You, any employer, or plan sponsor which is described in Section 2.06 or which:

- (a) directly or indirectly creates a Competing Option;
- (b) significantly liberalizes the Plan withdrawal or transfer rights of Participants;
- (c) materially affects Our rights or obligations under this Contract; or
- (d) would result in a cessation or substantial reduction in future Purchase Payments to this Contract.

If We reasonably determine that such change is likely to have a material adverse effect on Our financial experience under this Contract, then we are obligated to make only the payments that would have been made if the plan amendment, change in administrative practices, or other actions had not been made. We will advise you of such determination within thirty days of Our receipt of a written description of the action, amendment or other change.

SECTION 3 - INTEREST

We will credit interest to this Contract on the following basis. We will declare interest rates annually that apply either to the entire Accumulation Value, or separately to amounts accumulated in separate time periods. In addition, We may at our discretion declare rates in excess of the annual rate. Such rates, if declared, will be declared no more often than quarterly. An interest rate will be set in advance of the period to which it relates and will be at least 1% per year for the first 5 Contract years and at least 1% thereafter. If the interest rate declared by VALIC on the entire Accumulation Value at any time during the Accumulation Period is more than 1% lower than the previously declared rate on the entire Accumulation Value during the prior 12 months, the Owner may surrender the Contract for the full Accumulation Value during the 60-day period immediately following the effective date of such interest rate reduction. Under this condition, the total Accumulation Value will be paid at one time. The surrender right under this provision does not apply to interest rates which may be set separately to amounts accumulated in separate time periods.

SECTION 4 - SURRENDER

You may surrender the Contract for the Accumulation Value. If one or more groups of Participants ceases to be eligible to participate in the Plan, this Contract may be partially surrendered with respect to such groups. In such event, and unless the Owner requests otherwise, the Accumulation Value will be apportioned among all groups based on each group's proportionate interest in the Contract, and this section is then applied to the discontinuing portion. Alternatively, the Owner may request Us to issue one or more new contracts substantially similar to this Contract and to transfer to such contract the surrendered portion of this Contract. The issuance of a new contract may be conditioned on the satisfaction of Our reasonable underwriting rules, the securing of regulatory approvals and acceptance of the new contract's terms by all parties. The Accumulation Value will be paid in one of two ways:

- (a) **Five Year Equal Amount Installment Method.** The interest rate during the five year payout period will be declared in advance by Us. If a declared rate is more than 1% lower than the previously declared rate during the prior 12 months, the Owner may elect to withdraw the Accumulation Value. Such election must be made during the 60-day period immediately following the effective date of such interest rate reduction. No other withdrawals may be made once installment payments begin under this method.
- (b) **Decreasing Balance Method.** Under this method, 1/5 of the remaining balance will be surrendered the first year; 1/4 of the remaining balance the second year; 1/3 of the remaining balance the third year; 1/2 of the remaining balance the fourth year; and the entire remaining balance the fifth year. Interest under this method will be periodically declared and credited at a rate determined by Us. If a declared rate is more than 1% lower than the previously declared rate during the prior 12 months, the Owner may elect to withdraw the Accumulation Value. Such election must be made during the 60-day period immediately following the effective date of such interest rate reduction. Other withdrawals may be made once payments begin under this method.

Upon election of either surrender method above, Section 3 (Interest) of the Contract shall cease to apply. Upon such election, We will declare a rate of interest guaranteed for the ensuing twelve months. Thereafter, rates will be declared in advance of each subsequent twelve-month period and guaranteed for such period. The rates will apply to the entire Accumulation Value and be no less than 1% if a twelve-month period begins during the first 5 Contract years and no less than 1% thereafter.

Payments will be made on an annual basis starting on the first business day 31 days after the date of surrender. Under either method, if the Accumulation Value remaining would be less than \$5,000, such value may be surrendered in full at that time. We treat all withdrawals as withdrawals of Purchase

Payments before any earnings. We treat the most recent Purchase Payments as being withdrawn first.

SECTION 5 – BENEFITS OR TRANSFERS

You may withdraw a portion of the Accumulation Value only to provide (a) Participant benefits (qualifying plan distributions or plan loans) or (b) transfers requested by Participants to specific Plan maintained investment facility(ies), as identified by you and excluding any Competing Option. If the plan includes a Competing Option, Participant requested transfers may be made to a Plan investment option if it is not a Competing Option, only if the transfer amount remains in the receiving option for at least 90 days. We may require You to provide information reasonably necessary for Us to process such payments or to verify that the payments will be used for Participant's benefits or transfers. We may defer payment until such information is provided. We treat all withdrawals as withdrawals of Purchase Payments before any earnings. We treat the most recent Purchase Payments as being withdrawn first.

SECTION 6 – WITHDRAWALS TO PAY PLAN FEES AND EXPENSES

- 6.01 Not Payable to VALIC** - You may periodically withdraw a portion of the Accumulation Value to pay fees or expenses to organizations other than VALIC, that were reasonably incurred by the plan. We may require You to provide information to verify such charges, and may defer payment until such information is provided.
- 6.02 Payable to VALIC** - VALIC will determine an expense charge allocated to this Contract if VALIC performs services under this Contract at the Owner's request that are not otherwise provided for by this Contract. VALIC will notify the Owner prior to providing such services of the basis on which such expense charge is determined. The Owner will upon receipt of notice of the amount of such expense charges, pay Us such amount. Such payment is not added to the Accumulation Value. VALIC may deduct such expense charge from the Accumulation Value, to the extent any portion remains unpaid after 31 days.

SECTION 7 – ANNUITIES

- 7.01 Annuity Purchase** - At Your option, all or part of any amount payable under Section 4 or any other amount available under the Plan, may be used to buy Annuities under this Contract for Participants. Annuities may be purchased in any form then offered by Us. We will use Our applicable current settlement option rates then in effect for new group annuity contracts offered to programs similar to the Plan on the date an Annuity is purchased.
- 7.02 Forms of Annuity** - We will issue a certificate for delivery to the Participant. The certificate sets forth the terms of the Annuity to which such Participant is entitled. If any fact pertaining to the purchase of an Annuity is misstated, such Annuity may be adjusted by Us to reflect the correct facts. We have no liability for any Annuity payments for which we have not received the full premium due, based on the correct facts.

SECTION 8 – GENERAL PROVISIONS

- 8.01 Assignment** - This Contract cannot be sold, assigned, discounted, or pledged as collateral for a loan or as security for the performance of an obligation. The benefits, values, and rights under this Contract are not subject to any creditor claims to the fullest extent permitted by law. This Contract and its rights cannot be transferred to anyone other than Us, except under a domestic relations order properly issued by a court of competent jurisdiction and that complies with ERISA, if applicable. To

the extent permitted by the Code and applicable law, We will make a Surrender or Withdrawal payable to a third party upon Your request.

- 8.02 Exclusive Benefit** - Notwithstanding any other provision in this Contract, if this Contract is issued under a funded deferred compensation plan as defined in section 457(g) of the code, all assets in the Contract shall be held for the exclusive benefit of Participants and their beneficiaries.
- 8.03 Written Notices to Us** - Except as specifically provided otherwise, any Notice of change, election, choice, option or other exercise of right given under the Contract must be in writing on a form provided by Us, or on a form and in a manner acceptable to Us. Such Notice will be effective when it is received in Our Home Office.
- 8.04 Change of Contract** - This Contract may be amended at any time by written agreement between You and VALIC, without the consent of any Participant. Unless required by applicable law, no amendment may reduce the amount, change the terms of, or delay issuance of any Annuity. We may also change this Contract to the extent it is required or deemed advisable to do so in order to conform the Contract to applicable law.
- 8.05 Reports** - We will send You a financial report at least annually if the Contract has an Accumulation Value.
- 8.06 Proof of Survival** - We reserve the right to require satisfactory proof that the Participant and any payee is alive on the date any benefit payment is due. If this proof is not received after requested in writing, We will have the right to make reduced payments or to withhold payments entirely until such proof is received.
- 8.07 Minimum Benefit** - The paid up annuity, cash surrender or death payment available under this Contract will not be less than the minimum benefits required by any statute of the state in which the Contract is delivered.
- 8.08 Termination of the Contract** – VALIC may suspend this Contract by giving written notice if it is determined that Purchase Payments do not comply with the requirements of the Internal Revenue Code or ERISA. Upon depletion of all the assets under the Contract, the Contract will terminate and VALIC will be relieved of all further liability, except with respect to any Annuities purchased on behalf of Participants.

VALIC may also terminate this Contract by giving the Contract Owner 60 days written notice of termination. If the Contract is terminated, VALIC will pay the Accumulation Value in accordance with one of the surrender options as specified in Section 4 of this Contract or in accordance with any surrender option included with this Contract via endorsement at issue or subsequent to issue pursuant to Section 8.04.

THE VARIABLE ANNUITY LIFE INSURANCE COMPANY
Houston, Texas
ALTERNATIVE DISTRIBUTION OPTION

Notwithstanding any contrary provision in the Contract to which this Endorsement is attached ("Contract"), Section 4 (Surrenders) of the Contract is hereby amended to add a 12 month distribution option.

12 Month Distribution Option.

- a. **Suspension of the Contract.** Under this method, the Owner may suspend the Contract by giving written notice to VALIC, provided that such notice may not be given to VALIC earlier than 12 months following the date of the initial deposit under the Contract. As a result of suspension, VALIC will withdraw the Owner's Contract Value on the Date of Distribution and pay such balance, as directed by the Owner, to a successor funding vehicle on behalf of the Participants.
- b. **Effects of Suspension.** If the Contract is suspended, such suspension will be considered binding, and the Contract will continue in suspension until all assets under the Contract are depleted. Immediately upon suspension of the Contract and as long as this Contract continues in suspension:
 - 1) No further contributions can be made;
 - 2) No further withdrawals or transfers may be made from the Contract, except for the following reasons:
 - Payment of Plan fees or expenses;
 - Participant becoming disabled (within the meaning of Code Section 72(m)(7));
 - Participant's death;
 - Participant's retirement or separation from service;
 - Hardship withdrawal under the terms of the Plan (but only with respect to Participant contributions exclusive of earnings);
 - Participant's attainment of at least 59 1/2 ;
 - Participant's purchase of an annuity from VALIC for a period of at least five years; or
 - Participant's taking a loan under the terms of the Plan.
 - 3) Interest on the Accumulation Value will no longer be credited in accordance with Section 3 (Interest) of the Contract to which this endorsement is attached. Upon suspension, We will declare interest no less frequently than on a twelve-month basis. We may in our discretion declare rates in excess of the twelve-month rate. Such rates may be declared no more frequently than quarterly. The rate(s) will apply to the entire Accumulation Value and be guaranteed for the period to which they relate. Interest rate(s) during the suspension period will be no less than 1% per year [if the period of suspension begins during the first 5 Contract years and at least 1% if the period of suspension or a subsequent twelve-month period begins thereafter.

During the 30-day period prior to the Date of Distribution, VALIC reserves the right to cease making any withdrawals and transfers from the Contract.

- c. **Date of Distribution.** The Date of Distribution for the funds is subject to the following:
 - 1) If the current yield on a five-year Treasury Note is less than 2% higher than the lowest annual Declared Rate in effect on the date the Contract is suspended as provided above, the Date of Distribution will be twelve months following such date.
 - 2) If the current yield on a five-year Treasury Note is equal to or more than 2% higher than the lowest annual Declared Rate in effect on the date the Contract is suspended as provided above or on the date VALIC receives the Owner's written withdrawal request, the Date of Distribution will be twenty-four months following such applicable date.

The effective date of this Endorsement is the Policy Issue Date.

THE VARIABLE ANNUITY LIFE INSURANCE COMPANY


Julie Cotton Hearne
Secretary

THE VARIABLE ANNUITY LIFE INSURANCE COMPANY

(the "Company")
2929 Allen Parkway
Houston, Texas 77019

**ECONOMIC GROWTH AND TAX RELIEF RECONCILIATION ACT
("EGTRRA")
RETIREMENT PLAN ANNUITY CONTRACT ENDORSEMENT**

This Endorsement is made a part of the individual annuity contract or group annuity contract or certificate to which it is attached (the "Contract"). The Contract is issued in connection with certain employer-sponsored retirement plans or arrangements, which may be described under any of the following Code Sections: 401(a) (including 401(k)); 403(a); 403(b); 457(b) (the "Plan"). The Plan may limit the exercise by the Participant or a Beneficiary of rights under the Contract, including any endorsements thereto, and may limit the rights described in this Endorsement.

Section references are to the Code, which means The Internal Revenue Code of 1986 as now or hereafter amended. The term "Applicable Law" means laws that may either limit or compel the exercise of rights under the Contract, including, but not limited to, the Code, the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and the laws of the state in which the Contract was issued.

This Endorsement shall supersede any inconsistent provisions of the Contract or any endorsement issued prior to or concurrent with this Endorsement.

1. Contribution Limitations

- a. Contributions (not including transfers and rollovers) may be made to this Contract up to the applicable limits set forth in the Code and the Plan. If the Contract is issued under a Plan to which Code Section 402(g) applies, including Contracts issued under a 403(b) plan or arrangement, except as otherwise provided herein elective deferrals by the Participant to this Contract may not exceed the limit under Section 402(g).
- b. Contributions properly made pursuant to Code Section 414(v) by Participants who otherwise qualify to make such contributions shall be disregarded in determining whether contributions to the Contract have exceeded the limits imposed under the Contract.
- c. The Plan may require the Participant to temporarily cease contributions upon issuance of a distribution for financial hardship.
- d. Contributions determined to be in excess of applicable limits, that are identified by the Company, by the Plan, or by the Participant, shall be returned to the Participant or to the Employer or held in an unallocated account, according to the requirements of Applicable Law. The Company will cooperate with the Plan and the sponsoring employer in the correction of excess contributions identified in an IRS examination; provided, however, that the Plan sponsor shall consult with the Company before entering into any agreement with regard to such excess amounts in the Contract.

2. Distribution Eligibility and Portability

- a. A Plan Participant may receive a distribution from this Contract following severance of employment with the employer sponsoring the Plan.

- b. A distribution to a Plan Participant, or to a former spouse or surviving spouse of the participant, which is an Eligible Rollover Distribution, may be transferred in a qualifying rollover to any Eligible Retirement Plan. For purposes of this paragraph, "Eligible Rollover Distribution" and "Eligible Retirement Plan" shall have the meaning given to them in the Code, as applicable to the type of plan under which the Contract is issued and/or maintained at the time of the distribution. Except as Applicable Law may otherwise provide, any Eligible Rollover Distribution from the Contract shall be subject to mandatory tax withholding if paid to the Participant, or where applicable, to the Participant's former spouse or spousal beneficiary.
 - c. A Participant or Beneficiary may request a non-reportable plan-to-plan transfer of a portion of the Contract value to another plan or contract, subject to any applicable limitations in the Plan, the Contract, and Applicable Law.
 - d. An employer may not request a distribution of a Participant's account to the Participant unless the employer is authorized to do so under the Plan and permitted to do so under Applicable Law.
 - e. This Contract will accept Eligible Rollover Distributions from other plans, provided however that rollovers of after-tax amounts will be permitted only with the advance written consent of the Company. The Company may establish separate accounts for such rollover distributions, where administratively practicable, in order to maintain such separate records as may be necessary or appropriate.
3. Required Distributions. Except as otherwise required by Applicable Law, distributions to the Participant must commence by April 1 of the year following the year in which the Participant attains age 70 ½ or, if later, retires from service with the Plan sponsor. Distributions to Participants and Beneficiaries shall be made in accordance with Code Section 401(a)(9) and regulations thereunder. Where permitted by Applicable Law, a Participant or a Beneficiary may aggregate this contract with other contracts issued under the plan, or in the case of 403(b) contracts, with other 403(b) contracts or accounts, in determining the distribution that must be taken from this Contract.
4. In the absence of federal legislative action, one or more of the provisions of the Code that are reflected in this Endorsement will automatically expire on January 1, 2011. In the event of such automatic expiration, such provisions shall cease to apply under this Endorsement.

Except as Applicable Laws otherwise require, the provisions of this Endorsement shall be effective as of January 1, 2002, or the Contract Date of Issue, whichever is later.

**THE VARIABLE ANNUITY LIFE INSURANCE
COMPANY**


Julie Cotton Hearne
Secretary

THE VARIABLE ANNUITY LIFE INSURANCE COMPANY

(the "Company")
2929 Allen Parkway
Houston, Texas 77019

QUALIFIED ACCOUNT CONTRACT ENDORSEMENT

This Endorsement is made part of the individual annuity contract or group annuity contract or certificate to which it is attached (the "Contract"). The Contract is issued in connection with employer-sponsored retirement plans described under Internal Revenue Code Sections 401, 403, and 457. The specific type of plan is identified on the annuity application. In the case of any conflict between the terms of the Contract and the terms of this Endorsement, the terms of this Endorsement will control.

Section references are to the Code, which means The Internal Revenue Code of 1986 as now or hereafter amended. The term "Applicable Law" means laws that may either limit or compel the exercise of rights under the Contract, including, but not limited to, the Code, the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and the laws of the state in which the Contract was issued.

1. **Owner and Annuitant.** The Owner may be the Participant or the employer ("Employer") sponsoring the plan described in Section 401, 403 or 457 of the Code ("Plan") or, subject to approval by the Company, such other person as the Employer may designate, provided that the Employer's designation must be consistent with the requirements of the Code. The Annuitant shall be the Participant for whom a Participant account under the Contract is established.
2. **Effect of Plan.** Rights under the Contract shall be exercised by the Participant or a Beneficiary (upon the death of the Participant), except to the extent that the Plan otherwise provides, and the exercise of rights under the Contract by the Owner, the Participant, or a Beneficiary, shall be subject to any limitations set forth in the Plan and the Code. However, neither the Plan nor the Code may enlarge the rights otherwise applicable under the Contract. The Owner shall be responsible for determining that any directions given to the Company with respect to transactions under the Contract are consistent with the Plan and the Code. The Company will rely on the Owner's instructions as being consistent with the Plan unless the Company has actual notice to the contrary. In the case of a group Contract, if the Contract offers more than one investment alternative, the Employer may direct the Company to accept investment allocation and reallocation instructions from the Participant, and if applicable, from a Beneficiary.

The Plan, including certain Plan provisions required by ERISA or other Applicable Law, may limit the Participant's rights under this Contract. The Plan provisions may:

- a. Limit the Participant's right to make Purchase Payments;
- b. Restrict the time when the Participant may elect to receive payments under this Contract;
- c. Require the consent of the Participant's spouse before the Participant may elect to receive payments under this Contract;
- d. Require that all distributions be made in the form of a joint and survivor annuity for the Participant and the Participant's spouse, unless both consent to a different form of distribution;

- e. Require that the Participant's spouse be designated as Beneficiary;
- f. Require that the Participant remain employed with the Contract Owner for a specified period of time before the Participant's rights under the Contract become fully vested;
- g. Otherwise restrict the Participant's exercise of rights under the Contract or give the Contract Owner (or a Plan representative) the right to exercise certain rights on the Participant's behalf.

No such plan provision shall limit a Participant's rights under this Contract, unless the Contract Owner has provided Company with written notification of such provision. In no event shall any such Plan provision enlarge Company's obligations under this Contract.

3. Nontransferability and Nonforfeitability

A Participant's beneficial interest in the Contract may not be transferred, sold, assigned, discounted, or pledged as collateral for a loan or as security for the performance of an obligation. The benefits, values, and rights of Participants under this Contract are not subject to any creditor claims to the fullest extent permitted by law. A Participant's beneficial interest in the Contract shall be non-forfeitable except to the extent of any vesting schedule which is provided in the Plan and which is consistent with Applicable Law. The limitations of this paragraph will not prohibit a loan to the Participant that would be permitted under applicable provisions of the Code and ERISA.

4. Salary Reduction Purchase Payments

If the Participant's Purchase Payments are made under a voluntary salary reduction agreement as part of a Tax-Deferred Annuity arrangement under Section 403(b) of the Code, (i) there may not be a separate Plan document, in which case the Contract along with related endorsements is the Plan, and (ii) in either case the following restrictions apply:

- a. Limit on Purchase Payments. Contributions (not including transfers and rollovers) may be made to the Participant Account or Contract up to the applicable limits set forth in the Code and the Plan. Except as otherwise provided herein, elective deferrals by the Participant to the Participant Account or Contract may not exceed the limits set forth in Section 402(g).

Contributions properly made pursuant to Code Section 414(v) by Participants who otherwise qualify to make such contributions shall be disregarded in determining whether contributions to the Participant Account or Contract have exceeded the limits imposed under the Contract.

- b. Withdrawal Restrictions. In addition to any other surrender, benefit, withdrawal or transfer restrictions in the Contract, distributions to Participants will be subject to the limitations applicable under Code Section 403(b). To the extent required under Code Section 403(b)(11), distributions to a Participant of elective deferrals and earnings thereon may be made only upon or after the Participant's attainment of age 59 1/2, severance of employment, death, or disability. Distributions of such elective deferrals, and any earnings on such deferrals in an annuity contract as of December 31, 1988, may also be made in the event of financial hardship. The same or similar restrictions shall apply to all amounts transferred from a Code Section 403(b)(7) custodial account,

including contributions other than elective deferrals and earnings on such contributions. Except as otherwise required under the Contract or the sponsoring employer's Plan (if any), the foregoing restrictions on distributions shall not prevent a transfer to another investment option within the Plan or another contract or account described in Code Section 403(b). Notwithstanding the foregoing, no distribution or transfer from the Participant account or Contract will be permitted if it would have the effect, directly or indirectly, of avoiding or circumventing a transfer or similar restriction applicable under the Contract.

5. Excess Contributions

Contributions determined to be in excess of applicable limits, that are identified by the Company, by the Plan, or by the Participant, shall be returned to the Participant or to the Employer or held in an unallocated account, according to the requirements of Applicable Law. The Company will cooperate with the Plan and the sponsoring employer in the correction of excess contributions identified in an IRS examination; provided, however, that the Plan sponsor shall consult with the Company before entering into any agreement with regard to such excess amounts in the Contract.

6. Cessation of Contributions

The Plan may require the Participant to temporarily cease contributions upon issuance of a distribution for financial hardship.

7. Direct Rollover

- a. Subject to the limitations in Section 10 of this Endorsement, a distribution to a Plan Participant, or to a former spouse or surviving spouse of the participant, which is an "Eligible Rollover Distribution", may be transferred in a qualifying rollover directly to any "Eligible Retirement Plan" within the meaning of Section 402 of the Code. Except as Applicable Law may otherwise provide, any Eligible Rollover Distribution from the Contract shall be subject to mandatory tax withholding if paid to the Participant, or where applicable, to the Participant's former spouse or spousal Beneficiary. Before any Eligible Rollover Distribution is made to the Participant, Company will provide the Participant with a written explanation of the Participant's right to make a direct rollover. No surrender, withdrawal, or other benefit distribution that constitutes an Eligible Rollover Distribution will be made to the Participant under the Contract, unless the Code's requirements applicable to Eligible Rollover Distributions have been satisfied. Except for Eligible Rollover Distributions, Company reserves the right to make payments only to the Participant or the Participant's Beneficiary.
- b. An employer may not request a distribution of a Participant's account to the Participant unless the employer is authorized to do so under the Plan and permitted to do so under Applicable Law.
- c. This Contract will accept Eligible Rollover Distributions from other plans, provided however, that rollovers of after-tax amounts will be permitted only with the advance written consent of the Company. The Company may establish separate accounts for such rollover distributions, where administratively practicable, in order to maintain such separate records as may be necessary or appropriate.

8. **Required Distributions.**

Unless an exception otherwise applies under Applicable Law, distributions to the Participant must commence by April 1 of the year following the year in which the Participant attains age 70 ½ or, if later, retires from service with the Plan sponsor. Distributions to Participants and Beneficiaries shall be made in accordance with the requirements of Code Section 401(a)(9) and regulations thereunder. Where permitted by Applicable Law, a Participant or a Beneficiary may aggregate this Contract with other contracts issued under the plan, or in the case of 403(b) contracts, with other 403(b) contracts or accounts, in determining the distribution that must be taken from this Contract. Any Beneficiary of a Participant who is entitled to an amount under the Contract upon the death of the Participant will be permitted to elect any distribution option that is permitted under the Code and that is otherwise available under the Contract and the Plan, with respect to such amount.

9. **Nonqualified Deferred Compensation Plan.**

- a. Unfunded Deferred Compensation Plan. If the Contract has been issued under a nonqualified and unfunded deferred compensation plan, the Contract Owner possesses all rights under the Contract. No Participant or Beneficiary will have any enforceable right to make elections under this contract or to receive benefits from the Company. The Owner may direct that all benefit payments be made to the Owner, or the Owner may authorize Company to make benefit payments directly to Participants and Beneficiaries as the Owner's payment agent under the Plan. The Owner may also authorize the Company to follow Participant requests with regard to the allocation of Purchase Payments among Investment Options, transfers among Investment Options, and other elective rights provided by the Contract. If the Owner authorizes the Company to act as payment agent under the Plan or to follow Participant requests, the Owner may revoke or modify that authorization at any time without prior notice to Participants.
- b. Governmental Plan. Notwithstanding paragraph a. of this section 9, if this Contract is issued for or held under an eligible deferred compensation plan of a governmental employer, which meets or is required to meet the requirements of Code section 457(g)(1) by placing the assets of the plan in a qualified trust, custodial account, or annuity contract, this Contract shall be held for the exclusive benefit of Participants and their Beneficiaries. The provisions and limitations in this endorsement shall apply to the Contract and the interests of any Participant or Beneficiary therein, to the fullest extent necessary to comply with the requirements of the Code and the Plan. Such plan shall not be treated as an "unfunded deferred compensation plan."

10. **Roth Accounts**

- a. Purchase Payments. Purchase payments made under a voluntary salary deduction agreement designating the purchase payments as Roth 403(b) or 401(k) contributions under Section 402(A) of the Code shall be treated as elective deferrals made under a salary reduction agreement for purposes of the Contract and any endorsements thereunder.
- b. Forfeitures. Except as otherwise permitted under Internal Revenue Service regulations, if this Contract is issued for or held as a Roth Account meeting the requirements of Section 402(A) of the Code, it may not accept allocation of forfeitures under the Plan.

- c. Rollovers. If this Contract is issued for or held as a Roth Account meeting the requirements of Code Section 403(A), it may be transferred in a direct rollover only to another designated Roth account that accepts such rollovers or to a Roth Individual Retirement Account or Annuity, subject to any limitations imposed by the Code or Regulations on such rollovers.

11. Vesting

Except as may be provided in the Plan and in conformity with Applicable Law, the Participant's rights under this Contract are fully vested and nonforfeitable.

12. Sunset Provisions

In the absence of federal legislative action, one or more of the provisions of the Code that are reflected in this Endorsement will automatically expire on January 1, 2011. In the event of such automatic expiration, such provisions shall cease to apply under this Endorsement.

Except as Applicable Laws otherwise require, the provisions of this Endorsement shall be effective as of the Contract Date of Issue.

THE VARIABLE ANNUITY LIFE INSURANCE COMPANY


Julie Cotton Hearne
Secretary

CUSTOMER SERVICE INFORMATION

If you have any questions regarding this policy, wish to register a complaint or wish to contact us if you did not receive sales material related to this contract, please call us at 1-800-448-2542 or write:

The Variable Annuity Life Insurance Company
Customer Service Department
P. O. Box 15648
Amarillo, Texas 79105

Minimum Eligibility Requirements

Vendor submissions will not be considered unless the Vendor clearly demonstrates in the proposal how the Vendor meets the following minimum eligibility requirements for this RFP:

- 1. The Vendor should have provided recordkeeping, administration and communication/education services for defined contribution plans under IRC §§ 457, 401 and 403.**

AIG Retirement Services stands out as one of the most experienced and largest defined contribution plan providers in the industry. Our retirement plan services include plan education, investments, recordkeeping, and administration for all plan types including 457, 401 and 403.. Our key markets include elementary and secondary education institutions, higher education institutions, non-profit healthcare organizations, governmental entities, and religious and charitable organizations. AIG Retirement Services currently provides tax-qualified retirement plan services to more than 18,500 organizations representing approximately 1.9 million participants.

- 2. The Vendor must have a minimum \$20 billion in defined contribution assets under administration.**

AIG Retirement Services has approximately \$86.1 billion in defined contribution assets under administration.

- 3. The Vendor must have a minimum of 500,000 participant plan accounts on their defined contribution plan recordkeeping system.**

AIG Retirement Services has approximately 1.9 million participant plan accounts on our defined contribution plan recordkeeping system.

- 4. The Vendor must be providing services for at least 10 defined contribution plans that each have 10,000 or more participants.**

AIG Retirement Services provides services to more than 15 defined contribution plans that each have 10,000 or more participants.

- 5. The Vendor must be providing services for at least 10 defined contribution plans that each have assets in excess of \$250 million.**

AIG Retirement Services provides services to more than 45 defined contribution plans that each have assets in excess of \$250 million.

- 6. The Vendor must currently administer and provide recordkeeping for at least three active defined contribution plans for governmental entities and have done so for at least five years.**

AIG Retirement Services currently administers approximately 15,285 active defined contribution plans for governmental entities. We have been providing 403(b) defined contribution plans services for public entities since 1964.

- 7. The Vendor must be able to coordinate information with, and aggregate participant data from, the 403(b) Plan legacy providers.**

AIG Retirement Services is offering Retirement Manager for the State of Delaware's retirement plans. Retirement Manager is a multi-vendor, multi-plan aggregator service providing cost-saving solutions to help plan sponsors simplify retirement plan administration through their existing websites. It provides loan and hardship disbursement compliance. This vendor-neutral service is designed to strengthen the plan sponsor's retirement program branding.

Retirement Manager provides plan participants with an aggregate cross-vendor view of their retirement savings and access to educational articles and financial planning tools. Cross-vendor disbursement compliance is provided for loans and hardship withdrawals in addition to a suite of online retirement plan administration reports.

8. The Vendor must be a provider of the requested services.

AIG Retirement Services confirms we are a provider of the requested services.

9. The Vendor must acknowledge they do not have a material conflict of interest with OST, the Board or the State, or the Board's consultant, CAPTRUST.

AIG Retirement Services acknowledges that we do not have a material conflict of interest with OST, the Board or the State, or the Board's consultant, CAPTRUST.

10. The Vendor must be able to comply with all Delaware Department of Technology and information security requirements for securing participants account information and handling of contribution and eligibility feeds from various payroll systems, including PeopleSoft and ADP.

AIG Retirement Services complies with all Delaware Department of Technology and information security requirements for securing participants account information and handling of contribution and eligibility feeds from various payroll systems, including PeopleSoft and ADP.

Account protection responsibility

AIG Retirement Services values your business and the trust you have imparted. To give you a more secure business experience, we proudly offer our commitment to protecting the assets of your employer-sponsored account(s) and personal information from the risk of fraud, unauthorized access and cyberthreats. Let's work together to keep your information safe.

In the event assets are taken from your employer-sponsored account(s) through unauthorized access and through no fault of your own, AIG Retirement Services will restore the value of your account(s).

While we're focused on doing our part to protect and keep your account secure, you are also responsible for ensuring that you are taking appropriate steps to protect your account(s). Our responsibility is subject to you acting on the following:

1. Register your account online
 - To complete first-time registration:
 - Visit aig.com/RetirementServices
 - Select the Register button to begin the process
2. Sign up to receive your statements and confirmations electronically
3. Review your account information on a regular basis
4. Notify us of a concern within 90 days
 - If you have any reason to suspect your account(s) may have been compromised, please call us immediately at 1-800-448-2542 or email us at ClientProtectionRS@aig.com.
5. Practice account protection best practices:
 - Utilize our multi-factor authentication option.
 - Use a unique, strong password—not the same password you use for any other accounts.
 - Update passwords and review your account(s) regularly.
 - Consider utilization of a password manager tool to help create and securely store passwords.
 - Protect account numbers, user IDs and passwords—and avoid sharing them, even with close friends or family members. Keep your security questions and answers private.
 - Update the software and operating systems for any devices you use to access your account(s)—including mobile phones, laptops and personal computers. Do this as regularly as possible, depending on upgrades available.

Account protection responsibility

Conditions

AIG Retirement Services will restore your account for losses from unauthorized activity in your employer-sponsored retirement account(s) record kept by AIG Retirement Services, occurring through no fault of your own, subject to these conditions:

- If there's any suspicion of unauthorized activity in your account(s), our team will work with you and may include law enforcement authorities to investigate what occurred, and your cooperation with our investigation is required.
- We may require a signed sworn statement by you.
- Account reimbursement determinations will be made at our sole discretion upon the conclusion of our investigation.

These conditions are subject to change and may be amended or terminated without notice.

Scenarios that may not be covered are:

- Failure to reasonably protect your account number(s), user name, password, or security questions, including allowing access to that data or providing it to someone else, whether the person is unauthorized or authorized by you to perform transactions on your behalf.
- Unauthorized activity due to negligence or fraud by you.
- Losses resulting from the action or inaction of an employer/plan sponsor or other third party that has been authorized by you or your employer to access the account(s).
- Any security issue from malware or a breach of security that affects the systems of any authorized parties (listed above).
- Failure to notify us of unauthorized activity immediately.

We reserve the right to pursue legal remedies, including without limitation, notifying law enforcement regarding suspected illegal activity or other wrongdoing as we deem appropriate.

We are not liable for taxes, legal fees or indirect, consequential, lost opportunity costs or similar damages.

Additional resources

For more information about how we protect the security of your employer-sponsored retirement account(s), visit our Security Center.

Your Future is Calling. Meet It with Confidence.

CLICK ClientProtectionRS@aig.com **CALL** 1-800-448-2542 **VISIT** your financial advisor

Securities and investment advisory services offered through VALIC Financial Advisors, Inc. (VFA), member FINRA, SIPC and an SEC-registered investment adviser.

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Sample Conversion Communication Plan



| Month 1 – 2 | Month 3 | Month 4 | Month 5 |
|---|---|---|---|
| <ul style="list-style-type: none"> ▪ Build and finalize customized transition plan ▪ Build leadership advocacy with key leaders ▪ Preview communications ▪ Educational webinars | <ul style="list-style-type: none"> ▪ All-employee announcement communication email, letter, and/or postcard ▪ Informative webinars about enhancements for employees | <p>Transition guide package</p> <ul style="list-style-type: none"> ▪ Key changes/dates ▪ FAQ ▪ Fund list ▪ General webinar schedules ▪ Quiet period notice ▪ Cover letter <p>Transition launch site</p> <ul style="list-style-type: none"> ▪ Custom image ▪ Transition guide ▪ Webinar registration ▪ One-on-one scheduling ▪ Personalized planning tools ▪ Plan knowledge quiz <p>Targeted, transition-related communications</p> <p>Group and one-on-one virtual sessions</p> | <ul style="list-style-type: none"> ▪ Go-live ▪ Follow-up reminder email ▪ Targeted ongoing communications  |

| Activity | Date | Audience | Media | Key messages | Owner |
|---|--|--|----------------------|---|---|
| Tailored Communication Branding | By end of Month 1 | All employees and plan participants | Word doc/ Session | Branding for transition materials | AIG Retirement Services & State of Delaware |
| Talking Points/ Internal Q&A | Develop: Month 1 Finalized: Month 2 | HR Benefits, Administrators & Other Leaders | Word doc/ Session(s) | Talking points for plan changes; internal Q&A | AIG Retirement Services & State of Delaware |
| Advocacy Webinar | Develop: Month 1 Finalized: Month 2 Deliver: Month 2 | HR Benefits, Administrators & Union Leaders | PowerPoint/ Online | Plan changes coming; what to expect; general dates | AIG Retirement Services & State of Delaware |
| Announcement Email | Develop: Month 2 Send: Month 3 | All employees | Email | Announce upcoming plan changes with key dates | AIG Retirement Services & State of Delaware |
| Announcement Letter | Develop: Month 2 Mail: Month 3 | All inactive plan participants (e.g., terms, retirees) | Online | Announce upcoming plan changes with key dates | AIG Retirement Services & State of Delaware |
| All Employee Webinars | Month 3-4 | Active employees | PowerPoint/ Online | Overview of upcoming plan changes; key dates including enrollment window; actions to take | State of Delaware |

| Activity | Date | Audience | Media | Key messages | Owner |
|---|--|-----------------------|------------------|---|---|
| Custom Website | Develop: Month 3 Launch: Month 3 or 4 | All plan participants | Online | Publicity, announcements, transition, events | AIG Retirement Services & State of Delaware |
| Transition Guide & Blackout Notice Mailing | Develop: Month 2-3 Mail: Month 3 or 4 | All plan participants | Direct mail | Detailed information on plan updates, action items, event schedule and FAQs | AIG Retirement Services & State of Delaware |
| Fee Disclosure Letter | Mail: Month 3 or 4 | Current employees | Automated letter | Detailed fee changes | AIG Retirement Services & State of Delaware |
| Website Update | Month 3-4 | All plan participants | Websites | Add transition information to client.aigrs.com | AIG Retirement Services |
| Email Reminder | Month 5 after go-live | Current employees | Email | Promote informational events | State of Delaware |



AIG Retirement Services



Retirement on your terms.

Your future, your way.

Your State of Delaware Retirement Plan(s)



DELAWARE RETIREMENT SAVINGS PLAN

DEFER

For a brighter tomorrow™

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In short, here’s what’s new:

- New investment options in the Plan(s)
- How your future contributions will be allocated



Making it easier to be FutureFIT®

State of Delaware understands the importance of planning for retirement. The State of Delaware Retirement Plans can play a role in helping you pursue your personal financial goals. Following a thorough review of our retirement plan benefits, we have selected AIG Retirement Services as the provider for the Plan(s), effective March 1, 2022. The Plan enhancements are designed to deliver new investment choices, and a high level of retirement planning education and digital services.

AIG Retirement Services offers products and services that are innovative, straightforward and easy to use. AIG Retirement Services puts a unique emphasis on personalized service to help you prepare for your financial future. While many aspects of the Plan(s) will remain the same, some are changing so that we can take advantage of the enhancements.

Simplicity and support

Working with AIG Retirement Services as our retirement plan provider, it will be easy to see the activity in your account, learn about your options and plan for your future. Using a customized website, you’ll be able to view your status, make changes to your account and request support—through the contact method you prefer. And when you need one-on-one support, AIG Retirement Services will be there: Our dedicated team of local financial professionals is ready to help you.

New investment choices

The Plan(s) investment options have been adjusted with the intent of better enabling you to be FutureFIT, no matter how you envision the years to come. In some cases, this will even result in reduced administrative and investment management fees, which means you can invest that money in your future.

You can view the investment lineup on page 3.

The Plan(s) investment options have been adjusted with the intent of better enabling you to be FutureFIT, no matter how you envision the years to come.

Important dates

Please keep in mind these important dates about upcoming activities regarding the retirement plan transition. Consider adding them to your calendar for your financial planning needs.

| IMPORTANT 2022 DATES | WHAT’S HAPPENING |
|----------------------|---|
| February 1 | Educational virtual workshops begin. |
| February 22 | Final payroll with retirement plan contributions made to Voya. |
| March 1 | New accounts will be issued. Access your account to confirm beneficiary designations and direct your future contributions to your new investment options. |
| February 22 | Blackout period begins. During the blackout period, you will not be able to modify your Plan account with Voya. At the end of the blackout period, you will be able to access your AIG Retirement Services accounts, including any balance from Voya. |
| March 11 | All future contributions are directed to AIG Retirement Services. |
| March 11 | Blackout period ends. You will have full access to your transferred balances in your Plan account with AIG Retirement Services and can request account transactions. |
| March 11 | All salary deferral elections can now be made online at aig.com/RetirementServices . |

Please note:

The date of the Plan changes/the end of the blackout period depends on the accurate, timely transfer of data from Voya to AIG Retirement Services. If this does not occur, the end of the blackout period could be delayed.

Your new investment lineup

Your new Plan options offer flexibility to help you get your future in shape, no matter where you are in your investment journey. You can make adjustments when you need to along the way, and support will always be close at hand.

New plan lineup

| FIXED ACCOUNT ¹ | TICKER |
|---|--------|
| VALIC Fixed Interest Account | N/A |
| MONEY MARKET ² | TICKER |
| Vanguard Federal Money Market Investor | VMFXX |
| FIXED INCOME/BOND | TICKER |
| PIMCO Total Return Institutional | PTTRX |
| Vanguard Interm-Term Bond Index I | VBIMX |
| Templeton Global Bond R6 | FBNRX |
| LARGE CAP EQUITY U.S. | TICKER |
| American Funds Washington Mutual R6 | RWMGX |
| Vanguard Institutional Index I | VINIX |
| T. Rowe Price Blue Chip Growth I | TBCIX |
| MID CAP EQUITY U.S. | TICKER |
| Vanguard Extended Market Index Instl | VIEIX |
| Champlain Mid Cap Institutional | CIPIX |
| SMALL CAP EQUITY U.S. | TICKER |
| JP Morgan US Small Company R6 | JUSMX |
| INTERNATIONAL EQUITY | TICKER |
| Lazard International Equity R6 | RLIEX |
| Vanguard Total Intl Stock Index I | VTSNX |
| SPECIALTY | TICKER |
| TIAA-CREF Real Estate Sec Instl | TIREX |
| TARGET DATES | TICKER |
| American Funds 2010 Target Date Retire R6 | RFTTX |
| American Funds 2015 Target Date Retire R6 | RFJTX |
| American Funds 2020 Target Date Retire R6 | RRCTX |
| American Funds 2025 Target Date Retire R6 | RFDTX |
| American Funds 2030 Target Date Retire R6 | RFETX |
| American Funds 2035 Target Date Retire R6 | RFFTXX |
| American Funds 2040 Target Date Retire R6 | RFGTX |
| American Funds 2045 Target Date Retire R6 | RFHTX |
| American Funds 2050 Target Date Retire R6 | RFITX |
| American Funds 2055 Target Date Retire R6 | RFKTX |
| American Funds 2060 Target Date Retire R6 | RFUTX |
| American Funds 2065 Target Date Retire R6 | RFVTX |

The principal value of an investment in a target-date fund is not guaranteed at any time including at or after the target maturity date. The target date is the approximate date when investors plan to start withdrawing their money. The fund will gradually shift its emphasis from more aggressive investments to more conservative ones based on its target date.>

State of Delaware4aig.com/RetirementServices

State of Delaware5



If you currently have an account with AIG Retirement Services

Seamless integration

New accounts will be created on or about March 1, 2022 for participants who are currently contributing to or have a balance in mutual funds. AIG Retirement Services will let you know when this is completed, and your current beneficiary information will be applied to your new account(s).

No action is required on your part. Remember that you can always change how your contributions are invested by visiting aig.com/RetirementServices, contacting your local financial professional or calling AIG Retirement Services at **800-448-2542**, Monday through Friday, 8:00 a.m. to 7:00 p.m. (ET).



If you currently have an account with Voya

Your account balances with Voya will transfer automatically to AIG Retirement Services on or about March 11, 2022.

Future contributions and current balances

Your balance with Voya—as well as ongoing pretax deferrals—will automatically transfer to AIG Retirement Services. Your account balance and future investment elections will be mapped according to the schedule provided in this guide.

If you want to change the way your existing balance and future contributions are invested, you must do so before the beginning of the blackout period on March 11, 2022. It is important that you review and consider the appropriateness of your current investments before the blackout period begins.

If you currently have an account with **Voya** continued



Blackout period limitations

There will be a brief blackout period to help enable the transfer of account balances from Voya. During the blackout, you will not be able to perform certain transactions (e.g., change investments, make withdrawals, take a loan, transfer funds). The blackout period is expected to begin on/around February 22, 2022, and end on/before March 11, 2022. Payroll contributions to the Plan will continue to be withheld during the blackout period. The enclosed Blackout Notice provides details.

When the blackout period is over

After the blackout period ends, you can access your account 24 hours a day, seven days a week, by logging in to your account through **aig.com/RetirementServices**. To speak with a customer service representative, call **800-448-2542**, Monday through Friday, 8:00 a.m. to 7:00 p.m. (ET). You can also contact your local financial professional.

The end of the blackout period is a good time to review, reassess and revise your personal plan. Take the time to:

- Review your investments and consider how you will direct your future contributions or potentially reallocate your account balances
- Name/review your beneficiary
- Try Retirement Pathfinder® to see what your retirement income could look like
- Attend an information session
- Schedule time for a one-on-one meeting with a financial professional

How your investments will transfer

Your account will be transitioned to the new investment options through a process called “mapping.” Fund mapping is the transfer of existing account balances from Voya to the fund options available in the new lineup at AIG Retirement Services.

You have two options:

- 1. Take no action** and your current balances and future contributions will be transferred to the new investment options.
- 2. Select the investments** your current balances and future contributions transfer into. To do this, log in to your account at **aig.com/RetirementServices**, or call **800-448-2542** to speak with a customer service representative, Monday through Friday, 8:00 a.m. to 7:00 p.m. (ET).

If you are not currently enrolled in the State of Delaware Retirement Plans

Enroll.

How can you get FutureFIT?

You can start contributing anytime. If you are not currently participating in the Plan, you can enroll online, by phone or by contacting your local financial professional. You can even enroll during the blackout period. Once enrolled and registered on the website, you have 24/7 access to your account balance and a host of tools designed to help you get on track and stay there.

| ONLINE | BY PHONE | WITH A PROFESSIONAL |
|---|---|---|
| <ul style="list-style-type: none">• Visit aig.com/RetirementServices.• Enter your access code.• Click “Continue” to get started.• Follow the prompts. | <ul style="list-style-type: none">• Call 1-888-569-7055, Day through Day, 8:00 a.m. to 5:00 p.m. (ET), to speak with an enrollment specialist.• Provide your access code. | <ul style="list-style-type: none">• Refer to page 16 for a complete list of your financial professionals. |

Financial planning services available

At no additional cost to you, AIG Retirement Services provides a broad range of individual financial planning services, which include helping you to:

- Create a formal financial plan
- Estimate your retirement needs
- Determine your savings rate
- Plan for how long you want to work
- Diversify your assets
- Select investment funds
- Monitor and manage your portfolio



For retirees and former employees

As a plan participant, it is important to stay updated about plan enhancements, such as those State of Delaware has made to improve the Plan and plan benefits. Please review the information in this message that applies to you.

Distribution

If you currently receive systematic withdrawals/Required Minimum Distributions, the Plan will continue to provide the same distribution options and will contact you individually if any action is required on your part.

Plan advantages

The advantages available to active employees are your advantages, too:

- **Oversight:** State of Delaware provides ongoing oversight of the Plan and its investments, including regular review and modification of the investment lineup to ensure it aligns with the Plan’s goals for its participants.
- **Support and education:** Tools like Retirement Pathfinder, online resources like FutureFIT University and individualized support from AIG Retirement Services financial professionals are available to you for as long as you are enrolled in the Plan.



Retirement Pathfinder

Analyze your retirement savings plan and get answers to your questions using Retirement Pathfinder. This interactive tool allows you to build a personalized retirement plan — on your own, or with your financial professional. Retirement Pathfinder can graph model retirement scenarios to gain new insight into your plan. It also helps with real-time answers to questions like:

- Can I retire when I planned?
- Am I saving enough to achieve my retirement goals?
- Will I outlive or use up my retirement savings?
- Is it possible to guarantee my retirement income?
- How do I convert retirement savings into income?

FutureFIT University

FutureFIT University offers 20 short, interactive education modules, or playlists, that are designed to help demystify key financial topics. Videos, animation and 3D gaming bring complex financial concepts to life. Access them from your personalized website whenever you are working on being FutureFIT.

FutureFIT Retirement Readiness Statements

An essential part of understanding total retirement readiness is being able to visualize where you are and where you need to be. Through the annual delivery of FutureFIT Retirement Readiness Statements, you can receive detailed savings information, such as deferral rates and enrollment status and a specific strategy to help reach your goals.

Your AIG Retirement Services financial professionals

Your most valuable resource is likely to be the one-on-one time you spend with your AIG Retirement Services financial professionals. AIG Retirement Services takes a different approach to providing advisory resources. Our financial professionals live in the communities they support, so they are closer in proximity and are familiar with your region. You can choose to meet with an AIG Retirement Services financial professional by phone or online.



Online virtual seminars

Attend an upcoming meeting to learn more about:

- Our new provider for the Plan
- Enhancements to the Plan
- New savings opportunities
- The importance of retirement planning
- Opportunities to get on track for a secure financial future
- Next steps

1. Are loans available under the Plan?

Loans are currently allowed by the Plan. You may have one active loan at any given time. A one-time fee will be charged as an initial setup cost, with an annual fee assessed for administration of each loan.

Repayments are made by an Automated Clearing House (ACH) debit agreement from your personal checking or savings account. At the time you request a loan, you will also be asked to complete an ACH debit agreement.

2. Can I roll over funds from another qualified savings plan to this account?

Yes, you may roll over funds from a 401(k), 403(b), IRA and other similar qualified plans after the blackout period ends and your new account is established at AIG Retirement Services. You can do this by completing and submitting the appropriate request form to AIG Retirement Services, or you can meet with one of our financial professionals.

3. How often will I receive an account statement?

AIG Retirement Services mails account statements to your address on record no later than 10 business days after the end of each calendar quarter. These account statements include helpful information about your account balance, your investment elections and transaction history for all your accounts with AIG Retirement Services. You can also access your account statements online at aig.com/RetirementServices.

4. What fees will I pay?

After a careful review, State of Delaware has decided to employ a method to allocate plan administrative expenses equitably to all plan participants. The annual plan administration fee is assessed quarterly to participants' accounts. Each participant will see a "Plan Administrative Fee" on their quarterly statements, and that fee will be the same for all plan participants—no matter how many plans in which you have a balance. .



Meet your AIG Retirement Services team

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Investors should carefully consider the investment objectives, risks, fees, charges and expenses before investing. This and other important information is contained in the prospectus, which can be obtained from your financial professional or at aig.com/RetirementServices. You can also request a copy by calling 1-800-428-2542. Read the prospectuses carefully before investing.

This material is general in nature, was developed for educational use only, and is not intended to provide financial, legal, fiduciary, accounting or tax advice, nor is it intended to make any recommendations. Applicable laws and regulations are complex and subject to change. Please consult with your financial professional regarding your situation. For legal, accounting or tax advice, consult the appropriate professional.

Click aig.com/RetirementServices Call 1-888-569-7055 Visit your financial professional

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We see the future in you.SM — 



March 1, 2022

First Name Last Name

Address 1

Address 2

City, State ZIP

Announcing updates to the State of Delaware Retirement Plans

Dear First Name,

The State of Delaware Retirement Plans are intended to help you look ahead and make plans for your future. With this important goal in mind, State of Delaware regularly evaluates the retirement benefit to ensure you have the services, features and value consistent with plan goals. State of Delaware, working with our third-party consultant CAPTRUST, has conducted a thorough RFP to identify opportunities to update the retirement planning options offered to you.

After careful consideration, we have decided to introduce a new retirement plan provider, AIG Retirement Services, effective March 1, 2022. This change will help simplify and centralize your retirement planning experience and improve the support services available for all plan participants. These changes apply to the State of Delaware Retirement Plans.

We believe that working with AIG Retirement Services will help:

- **Make it easier for you to save for retirement**

You will have streamlined access to the information and resources you need to plan and save for your future. All your plan investments and account information will be conveniently available through AIG Retirement Services. You can use the AIG Retirement Services website and mobile app to view your status, make changes to your account and request support through the contact channel you prefer. Tools like Retirement Pathfinder®, online resources like FutureFIT® University and individualized support from AIG Retirement Services financial professionals will be yours to use for as long as you are in the plan.

- **Provide you with robust investment options**

The State of Delaware Retirement Plans offer an array of new investments across asset classes designed to give you the flexibility to personalize your investments to help you keep your financial future in shape, no matter where you are in your investment journey. You can adjust when you need to along the way, and support will always be close at hand.

- **Offer you more personalized support**

You will have access to more helpful information and education, and more AIG Retirement Services technology and tools, as well as AIG Retirement Services financial professionals in your community. AIG Retirement Services takes a different approach to providing advisory resources. AIG Retirement Services financial professionals live in the communities they support, and each specializes in a stage in the planning journey, so you receive support that is tailored to you and your financial needs. This service is included with your plan at no additional cost to you.

Watch for more information

We'll provide you with updates along the way. Although **no action is required at this time**, look for more information, including:

| | |
|---------------------------|---|
| January 19, 2022 | A plan transition guide with information about the changes that we will mail to your address on file. Carefully review the guide for relevant dates, specific action steps and resources available to you. |
| Starting February 1, 2022 | Webinars and one-on-one virtual meetings with AIG Retirement Services financial professionals to learn more about the plan changes. Look for a detailed schedule of meetings in the transition guide and in future employee communications. |

It's important to stay well-informed and FutureFIT as you make your financial plans for your future. Please carefully review all the information you receive so you can make the most of the State of Delaware Retirement Plans. If you have questions or need assistance, call AIG Retirement Services at **1-800-448-2542**. Financial professionals are available Monday through Friday, 8:00 a.m. to 7:00 p.m. (ET).



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Positive changes are here for your
State of Delaware Retirement Plans!



AIG Retirement Services

2929 Allen Parkway
Houston, TX 77019

Your State of Delaware Retirement Plans are now available.

Get started with your no-cost personalized plan today.

By phone

1-888-569-7055

Day through day, 8:00 a.m. to
5 p.m. (ET), enter your access
code.

With a professional

Visit [aig.com/
RetirementServices](https://aig.com/RetirementServices) and
click the "Contact Us" page
for a list of local financial
professionals.

Access tools, resources and account information anytime:

Visit aig.com/RetirementServices and enter your access code.

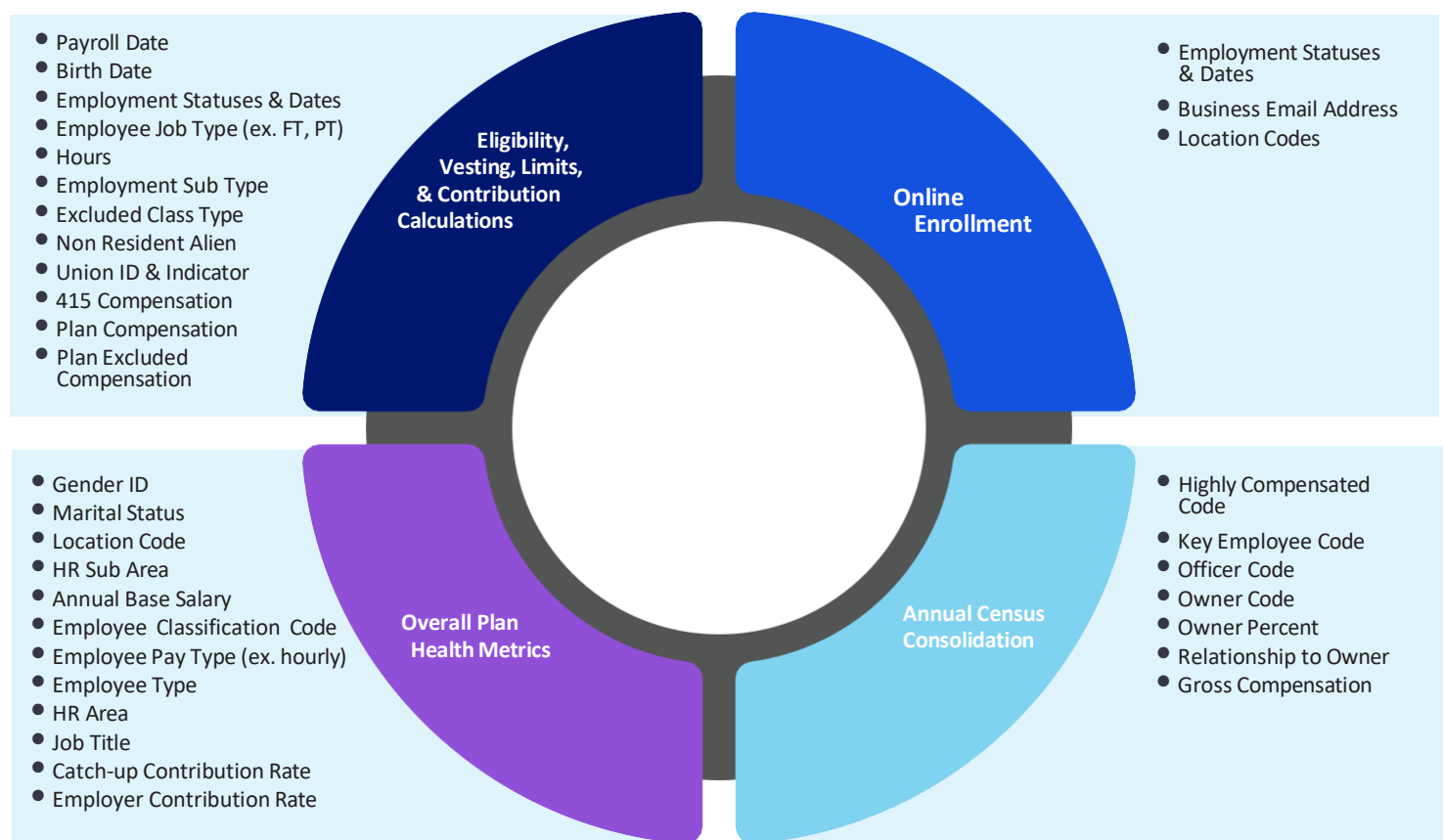
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VC 38032 (08/2021) J652603 EE

Payroll data elements.

employees, take a look at our data matrix to learn what information can power new experiences.



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AIG Retirement Services

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OCTOBER 2020



Elevating experiences for you and your employees

- In today's cyber landscape it is critical to stay ahead of possible threats. Through enhancements such as voice biometrics, multi-factor authentication, app securities and more — we are committed to protecting you and your employees. [Learn more about these enhancements and additional ways you can help protect your employees.](#)



Employee engagement and education

- October is National Retirement Security Month! [Explore resources](#) that can help your employees prepare for a brighter future.
- The [FutureFIT[®] Financial Wellness Webinars](#) provide your employees with educational resources to help them feel confident about their financial future. [Download this flyer](#) to promote upcoming webinars.



Industry insights

- Tens of millions of people who work in the public sector or for a nonprofit organization may be eligible for student loan forgiveness programs. This includes teachers, healthcare workers, first responders and government employees. [Learn more on "Navigating the Complexities of Student Loan Forgiveness"](#) from Robert Scheinerman, CEO, AIG Retirement Services, Life & Retirement.
- The [quarterly market commentary](#) by John Packs, Senior Investment Officer for AIG Retirement Services,

provides an update on the current market environment and insights to help your employees focus on long-term financial goals.



Informative webinars

- **Register now: *The Changing Cyber Landscape—How to Protect Your Data*.** On **Thursday, October 22, from 12 p.m. – 1 p.m. EDT**, join us for an expert look into the current cyber landscape and the roles each of us have to play in protecting information. [Register for this special event](#)

Proud to be your partner

AIG Retirement Services congratulates the University System of Georgia (USG), named 2020 Public Defined Contribution plan sponsor of the year by PLANSPONSOR. USG was recognized for showing a strong commitment to their participants' financial well-being and retirement success.

[PLANSPONSOR's press release](#)

If you have any questions, please contact the Plan Sponsor Service Team by phone at 1-888-478-7020 or [by email](#).

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AIG Retirement Services

plan sponsor essentialsSM

December 2020



Happy Holidays!

AIG Retirement Services would like to extend our sincerest thanks and appreciation for being our valued partner. This past year was challenging but we will emerge from it stronger and more resilient. Wishing you joy and peace this holiday season.

Happy Holidays



from AIG Retirement Services

[Check out our holiday video](#)



Employee Engagement and Education

Whether your employees are just starting out in their career or nearing retirement, the [FutureFIT[®] Financial Wellness Series](#) makes it easy for them to learn about the financial topics that matter most to them. [Access up-to-date plan sponsor webinar descriptions and employee promotional materials.](#)

- [Join us on January 13 or 19, 2021](#) for a live webinar on **Tax Planning – The Importance of Having a Solid Strategy**. Reducing taxes is generally a good idea, but it's not the only strategy to consider when saving for a secure retirement.



Industry Insights

Study: COVID-19 raises anxiety levels for college students, but there's good news too. A new study from AIG Retirement Services and EVERFI reveals that even though COVID-19 has brought new stress and uncertainty to college students, these same students are demonstrating strong financial habits that could help them through these difficult times. [Read more in AIG's press release.](#)

Stay alert this holiday season.

The holidays bring an increase in fraud and cyber attempts. As your partner in cybersecurity, AIG Retirement Services stands by with resources to help protect personal information. [Visit our security center](#) to learn more.

Q&A with Freda Lee: Teachers and Retirement Savings.

Teachers are busy serving others and there is often little time left to review their personal finances. Helping them achieve balance, and other key insights, were recently discussed in an interview with Freda Lee, Senior Vice President, AIG Retirement Services. [Read interview.](#)



Legislative Updates

AIG examines impact of DOL rule on Financial Factors in Selecting Plan Investments. AIG offers insight on the Department of Labor's recent ruling on environmental, social and governance (ESG) investing. [Read the ESG paper.](#)



Did you Know?

Excellence and Innovation Awards

Congratulations to Elgin-U46 School District for being one of this year's winners of P&I Excellence and Innovation awards. [Read more about their award for vendor consolidation excellence.](#)

AIG Retirement Services recognized for participant pandemic communications

According to research from Cogent Syndicated, AIG Retirement Services is one of the top defined contribution plan providers when it comes to plan participant COVID-19 communications. [Read more about the results.](#)

If you have any questions, please contact the Plan Sponsor Service Team by phone at 1-888-478-7020 or [by email.](#)

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VC 22658-VP (12/2020) J564505 ER



For Plan Sponsors Only

This material is general in nature, was developed for educational use only, and is not intended to provide financial, legal, fiduciary, accounting or tax advice, nor is it intended to make any recommendations. Applicable laws and regulations are complex and subject to change. Please consult with your financial professional regarding your situation. For legal, accounting or tax advice consult the appropriate professional.

Securities and investment advisory services offered through VALIC Financial Advisors, Inc. (VFA), member FINRA, SIPC and an SEC-registered investment adviser.

Annuities are issued by The Variable Annuity Life Insurance Company (VALIC), Houston, TX. Variable annuities are distributed by its affiliate, AIG Capital Services, Inc. (ACS), member FINRA.

AIG Retirement Services represents AIG member companies — The Variable Annuity Life Insurance Company (VALIC) and its subsidiaries, VALIC Financial Advisors, Inc. (VFA) and VALIC Retirement Services Company (VRSCO). All are members of American International Group, Inc. (AIG).

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AIG Retirement Services



Simple strategies to help shape your financial future.

Enrollment — Your first step to getting FutureFIT®.



DELAWARE RETIREMENT SAVINGS PLAN
DEFER
For a brighter tomorrow™

Great things come to those who don't wait.

What it means to be FutureFIT.

FutureFIT stands for Freedom. Individually Tailored.® FutureFIT is all about owning your future — living tomorrow the way you choose — and enjoying life the way you want. It is a smarter, more personalized way to help plan your future.

You can experience FutureFIT on our website, aig.com/RetirementServices.

You're not alone.

With AIG Retirement Services, you've got a friend ... not to mention a knowledgeable mentor. Here's why you want us on your team:

- Account management options — let the pros handle it
- Financial guidance designed around your life and goals
- Educational materials without the jargon
- Face-to-face service available when you are
- Information and materials aimed at your situation

Online tools to build your future.

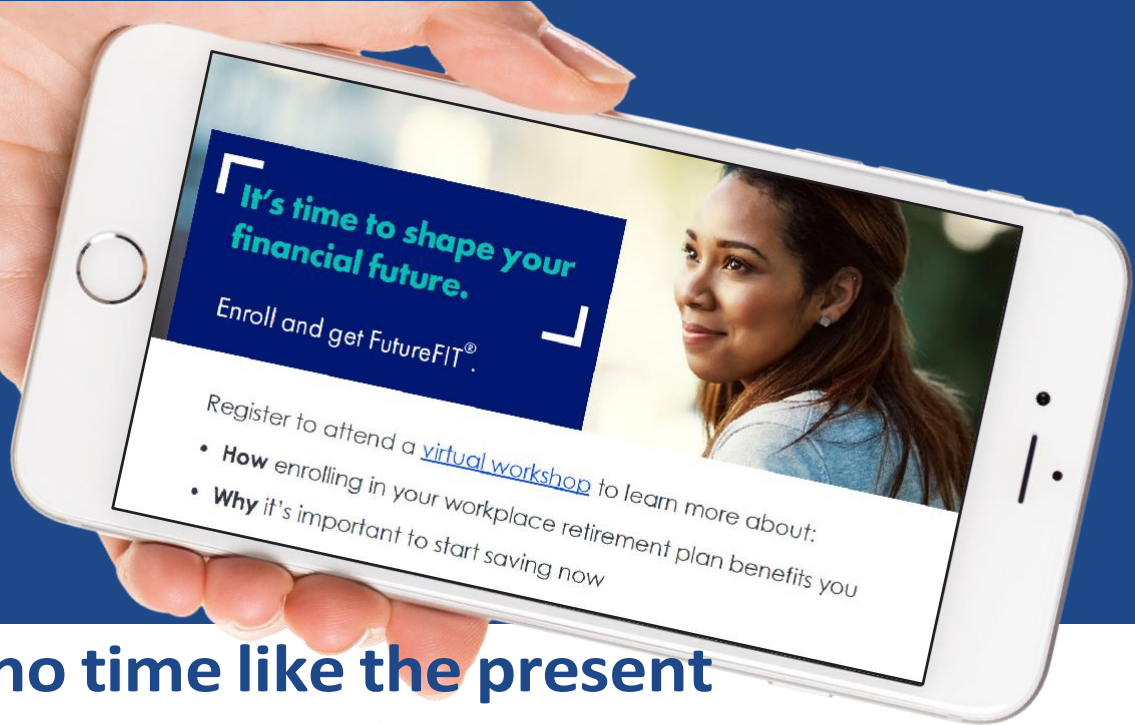
Our FutureFIT calculator offers a whole new outlook on where your savings stand today. To help make more sense, the calculator projects future income in monthly terms.

Following recommended steps may help better align your strategy with your future goals.

[FutureFIT University](#) offers miniature interactive courses on popular financial topics of interest. This unique learning center lets you share with your family the variety of interactive modules aimed at all ages — from elementary school through adult.

Our playlist feature also helps you master concepts such as buying a home or paying for college using a series of related modules. You can even personalize your own playlist, so you can focus on the topics that matter most to you and your family.

The [Education Center](#) features a number of brief articles on current topics that matter to you.



There's no time like the present to start building your future.

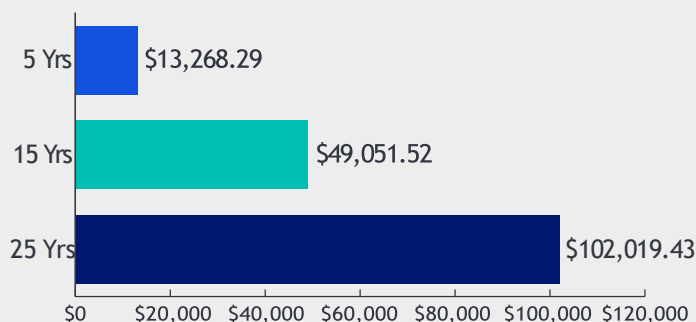
Tight budget? No problem.

You can enroll, start small and just get started.

Here's why enrolling is critical to saving for a more secure future.

It adds up.

Suppose someone with a \$50,000 gross annual income is socking away just under 5% (that's approximately \$100) semimonthly into a retirement savings plan. That's 24 annual contributions. The accumulation over time may look like this:



You're in charge.

You can increase or decrease your contribution amount, or stop contributing and restart again, at any time.

The sooner you start, the more time there is to build the financial future you want. So make the decision to start saving. You can tweak it whenever it's convenient.

The important thing is to start.

Of course, this hypothetical example is just an illustration. It does not reflect a specific investment and is not a guarantee of future income. These calculations assume semimonthly contributions of \$100 before taxes and an annual rate of return of 4%. Withdrawals may be subject to withdrawal charges and federal and/or state income taxes. A 10% federal early withdrawal tax penalty may apply if taken before age 59½ in addition to ordinary income tax. Fees and charges, if applicable, are not reflected in this example and would reduce the amount shown. Remember investing involves risk, including possible loss of principal.

Your financial future starts with you.

The most important step is to start by enrolling.

You've got choices. Great! But sometimes, having lots of different choices can get confusing. Just don't let those choices overwhelm you into inaction.

You don't need to be an expert to save for your future.

Large cap? Small cap? International? Stock or bond funds? If investment research isn't your cup of tea, you may want to consider one or more of the following savings options:

| |
|--|
| Lifestyle Fund |
| Matches your investment mix with your tolerance for risk |
| Target Maturity Fund¹ |
| Matches your investment mix with your age |
| Fixed Option² |
| A fixed annuity that contractually guarantees a fixed rate of return |

All guarantees are backed by the claims-paying ability of The Variable Annuity Life Insurance Company.

The FutureFIT calculator can help with your investment strategy also. Of course, you can always get help from your financial professional.

Flexible and easy to control.

Once you enroll, you can change your selections whenever it's convenient. The important thing is that you have taken the first step toward a more secure retirement.

Investing involves risk, including the possible loss of principal. Investment values will fluctuate and there is no assurance that the objective of any fund will be achieved. Mutual fund shares are redeemable at the then-current net asset value, which may be more or less than their original cost.

¹ The principal value of an investment in a target date fund is not guaranteed at any time including at or after the target maturity date. The target date is the approximate date when investors plan to start withdrawing their money. The fund will gradually shift its emphasis from more aggressive investments to more conservative ones based on its target date.

² Fixed-Interest Option is a group fixed unallocated annuity issued by The Variable Annuity Life Insurance Company, Houston, Texas.

Five no-sweat strategies to help build your future:

1. Enrollment in the State of Delaware Retirement Plans.

A few online clicks and you're in. Once enrolled, your savings go on auto pilot. That means paying yourself first – and there's no one more important than you. You can enroll online at aig.com/RetirementServices or meet with your financial professional.

2. Percentages or dollars.

Want to give your savings an automatic raise? It's easy to set up your contributions as a percent of pay or a flat dollar amount. When the boss rewards you with a raise, your contributions will be smiling too.

3. Annual adjustments.

No need to wait for the boss; you can bump up your contributions any time the mood strikes. A small increase can really add up over time. It's as simple as selecting the + key after you sign in to your aig.com/RetirementServices account — or ask your financial professional.

4. A plan to rule the world.

... or at least your future. Setting an appointment with your financial professional can help you set your sights on the future you envision ... with a professional financial plan. There's no additional cost, so why wait?

5. A long-term view — and staying on track.

Remember, you're saving for your future. Sure, life's gonna throw surprises and expenses in your path. That's why you check up on your strategy annually with your financial professional to stay on track. If you prefer to fly solo, aig.com/RetirementServices has plenty of online tools to help keep your flight on the right path.

You've got this.

It's easy to talk yourself out of saving – but there are just as many solutions to help you save for retirement.

| Obstacles | Solutions |
|--|--|
| I'm too young to save for retirement ... | I can benefit from the opportunity of compounding growth, even with small amounts. |
| I can't afford it ... | I can start small and increase it later. |
| Too many unexpected expenses ... | I can brown bag my lunch sometimes and wait for sales to buy my clothes. |
| I'm too busy ... | I can set this up today and make saving automatic. |
| I don't know how much I need to save ... | I can talk with a financial professional or use the FutureFIT calculator. |
| This stuff makes my head spin ... | I have the tools. My financial professional can help me. I can do this! |

Great things come to those who don't wait.

Your future is calling. Meet it with confidence.

CLICK aig.com/RetirementServices **CALL** 1-800-426-3753 **VISIT** your financial professional

Securities and investment advisory services offered through VALIC Financial Advisors, Inc. (VFA), member FINRA, SIPC and an SEC-registered investment adviser.

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Investment Proposal Analysis

Prepared for:

Cindy L Sample

08/23/2021

Presented by:

Robert QA-SERVER

1. INTRODUCTION

VALIC Financial Advisors, Inc. ("VFA") is registered with the Securities and Exchange Commission as both a broker-dealer and an investment adviser and is a member of FINRA and the Securities Investor Protection Corporation. VFA is a wholly owned subsidiary of The Variable Annuity Life Insurance Company ("VALIC"). VFA and VALIC, together with additional AIG companies, are commonly referred to as and comprise AIG Retirement Services, our brand name.

Brokerage and investment advisory services and fees differ, and it is important for you to understand these differences. Free and simple tools are available to research firms and financial professionals at www.investor.gov/CRS, which also provides educational materials about broker-dealers, investment advisers, and investing.

2. WHAT INVESTMENT SERVICES AND ADVICE CAN YOU PROVIDE ME?

We offer both brokerage services and investment advisory services to retail investors, including retirement plan participants. Our VFA financial professionals provide various services, including enrollment, education, plan-related services and customer service, for retirement plans and participants and, where offered, for health reimbursement arrangements ("HRAs"). If you are a participant in a retirement plan, the specific services available to you (including advisory services) are determined by your plan sponsor. Outside of retirement plans, your financial professional may offer you brokerage products, investment advisory services or both. When VFA offers products such as mutual funds, 529 Plan accounts and variable annuity and life products, the firm acts as a broker-dealer. When VFA offers the investment advisory services described below (including within an annuity or a retirement plan), the firm acts as an investment adviser.

Brokerage Services

As a broker-dealer, we offer an array of investment products and services to help meet your investment needs. Our services include the buying and selling of securities (mutual funds, exchange-traded funds, closed-end funds, individual equities, fixed income securities, variable annuity and variable life products). However, there are material limitations on the products we may recommend in retail brokerage accounts. VFA conducts due diligence on, and will only recommend, mutual funds and annuity products. We do not make recommendations regarding stocks, bonds or ETFs, although you may purchase these securities on your own. With respect to variable annuities, we recommend primarily annuity products issued by VALIC and other insurance company affiliates of VALIC and VFA. Finally, if you are a plan participant, the product or investment platform from which you may choose investments will be selected or authorized (and therefore limited by) by your plan sponsor.

When we provide brokerage services, including when we make brokerage recommendations, we do not have discretionary authority to make trades or take any other action on your behalf. You make the ultimate decision regarding the purchase or sale of securities. In addition, we do not undertake to monitor the investments in your brokerage account. Any recommendation is limited to the time of the transaction and we have no obligation to advise you if our opinion of the investment changes in the future. There is no minimum amount required to open or maintain a VFA brokerage account. However, products such as variable annuities, 529 Plans, and mutual funds may establish a minimum investment amount. For information on applicable minimums, please consult the specific product's offering documents.

We also provide financial planning services. When we provide a financial plan, it is based on the information provided by the client at that point in time, and does not involve any on-going monitoring of the client's financial circumstances or the markets. The financial plan will identify whether we are acting as broker-dealer or investment adviser.

More detailed information about the brokerage services we offer is available at www.aigrs.com/vfa_guide_to_brokerage_services.

Investment Advisory Services

As an investment adviser, we provide wrap fee programs to retail investors and asset allocation services to annuity holders and retirement plan participants. When we act as your investment adviser, you will pay us an ongoing fee based on the amount of assets under management. A fee paid in our wrap program (outside retirement plans) covers the cost of investment advice, custody and administrative services, and most investment transactions in your account. Asset allocation fees (retirement plans and annuities) cover only investment advice and, if applicable, account rebalancing services. Certain advisory programs are discretionary, meaning that VFA has the authority to make trades and take certain other actions on your behalf, and monitors your investments within the advisory account on an on-going basis. For retirement plan participants, we also provide a non-discretionary advice program, meaning that we make asset allocation recommendations, but you will make the ultimate decision regarding the purchase or sale of investments. Our retail wrap program and underlying investment options have minimum investment requirements. Please refer to the applicable Advisory Brochure for more details.

In addition to these programs, when we provide a financial plan, it is a one-time recommendation, which may be in connection with a recommended advisory program. The financial plan will identify the capacity in which it is provided. We also may act as a solicitor for third-party advisors and receive compensation for that service.

Information regarding your investment and more information about the investment advisory services we offer is available in our Form ADV brochures available at www.aigrs.com/prospectus-and-reports/vfa-form-adv-materials.

Conversation Starters. Ask your financial professional:

- Given my financial situation, should I choose an investment advisory service? Should I choose brokerage services? Should I choose both types of services? Why or why not?
- How will you choose investments to recommend to me?
- What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?

3. WHAT FEES WILL I PAY?

For employer-sponsored retirement plan services, which generally include brokerage services and may include advisory services, VFA earns fees for providing plan administration and recordkeeping services. Plan fees are either (i) paid by the plan sponsor, and/or (ii) assessed to participant accounts by the plan sponsor or a recordkeeper or other service provider selected by the plan sponsor, and generally will be reflected as withdrawals from your plan account. Underlying investment options such as mutual funds and variable annuities are subject to additional fees and expenses, described in more detail below.

Brokerage Fees

Outside of the retirement plan context, when we act as your broker, you will pay us for each individual transaction executed on your behalf. The more you trade, the more you will be charged and VFA therefore has an incentive to encourage you to trade often. Many mutual fund families make a variety of share classes available. Certain share classes (A shares) include a front-end sales charge but usually have lower ongoing 12b-1 fees. Other share classes (C shares) are not subject to a front-end sales charge but include a contingent deferred sales charge when mutual fund shares are redeemed after a short time and are subject to higher ongoing 12b-1 fees. All fees will reduce your investment returns. The purchase of an annuity also triggers front-end sales charges and include a variety of internal expenses, including ongoing distribution fees that are paid to us. Products such as funds and annuities that pay us ongoing distribution fees based on the size of the investment (“trails”) create an incentive to recommend the purchase of, and additional investment in, such products because we can make more money over time.

You will not be charged any fees for our non-advisory financial planning services.

More information regarding product specific fees and conflicts of interest is available at www.aigrs.com/brokeragefees and www.aigrs.com/vfa_guide_to_brokerage_services for information regarding your investment.

Investment Advisory Fees

When we act as your investment adviser, you will pay us an ongoing fee based on the assets under management in your investment account(s). Our retail wrap program fee covers the cost of advice as well as the cost of most transaction and custody expenses associated with your account. Our fee for discretionary asset allocation services (in annuities and retirement plans) covers ongoing account allocation and rebalancing services. The more assets there are in your discretionary advisory account(s), the more you will pay in fees, and VFA therefore has an incentive to encourage you to increase the assets in these accounts.

You will not be charged any fees for our non-discretionary advice program.

We will charge a fixed fee for certain advisory financial planning services.

For specific information on the fees associated with the investment advisory services you have selected, please consult the applicable brochure(s) available at www.aigrs.com/prospectus-and-reports/vfa-form-adv-materials.

For both brokerage and retail advisory accounts, you will pay additional fees, including but not limited to, custodial and administration fees. You will also pay fees related to the expenses of mutual funds and/or variable annuity products, minimum account balance and maintenance fees, and/or other transactional fees, as applicable. Variable annuity products, including proprietary products offered by VFA's affiliates, charge fees which typically include an administrative expense charge for allocating premiums and administering the contract's accumulation value; separate account charge (e.g. mortality & expense), net portfolio operating expenses, fees and expenses of the underlying mutual funds, and other categories of fees, including an annual contract maintenance fee, premium, tax, transfer, surrender, and optional rider charges. Mutual funds offer a variety of share classes, which hold the same portfolio securities but differ in total cost to you due to the imposition of various fees that support the sale and distribution of such share classes (including 12b-1 fees, sales loads, commissions, and deferred sales loads). A higher cost share class of a particular mutual fund will result in lower investment performance compared to a lower cost share class of the same fund. Mutual funds also charge internal advisory and administrative fees. All fees will reduce your investment returns. Before you invest, be sure to read the fund or annuity's prospectus. The prospectus contains important information regarding the product's investment objectives, strategies, risks, charges, expenses and other matters significant to your investment choice.

You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investment over time. Please make sure you understand the fees and costs you are paying. For more detailed information about the fees and costs you will pay, please see the applicable Advisory Brochure available at www.aigrs.com/prospectus-and-reports/vfa-form-adv-materials and/or the VFA Guide to Brokerage Services available at www.aigrs.com/vfa_guide_to_brokerage_services.

Conversation Starters. Ask your financial professional:

- Help me understand how these fees and costs might affect my investments. If I give you \$10,000 to invest, how much will go to fees and costs, and how much will be invested for me?

4. WHAT ARE YOUR LEGAL OBLIGATIONS TO ME WHEN PROVIDING RECOMMENDATIONS AS MY BROKER-DEALER OR WHEN ACTING AS MY INVESTMENT ADVISER?

HOW ELSE DOES YOUR FIRM MAKE MONEY, AND WHAT CONFLICTS OF INTEREST DO YOU HAVE?

When we provide you with a recommendation as your broker-dealer or act as your investment adviser, we have to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates some conflicts with your interests. You should understand and ask us about these conflicts because they can affect the recommendations and investment advice we provide you.

Here are some examples to help you understand what this means:

- **Proprietary Products:** In both our advisory and brokerage programs, we recommend products managed or sponsored by affiliates of VFA. Because VFA affiliates (and the firm as a whole) make more money from proprietary products, this creates an incentive for us to recommend such products.
- **Revenue Sharing and other Third-Party payments:** When VFA acts as broker, we receive additional compensation from our clearing broker and the distributors of mutual funds and annuity products we offer. These payments compensate us for distribution, marketing support and/or administrative services we provide and are based on the amounts our clients invest in those mutual funds and/or annuities. Our brokerage platform includes only mutual funds and annuity products that pay revenue sharing. This is a conflict for us because products that do not share revenue with us (directly or through our clearing broker) will not be offered. Moreover, not all funds pay the same amount of revenue sharing, which creates an incentive to sell funds that pay higher levels of revenue sharing.

Conversation Starter. Ask your financial professional:

- How might your conflicts of interest affect me, and how will you address them?

For additional information related to our conflicts of interest, please review our brochures and guide available at www.aigrs.com/prospectus-and-reports/vfa-form-adv-materials and www.aigrs.com/vfa_guide_to_brokerage_services.

5. HOW DO YOUR FINANCIAL PROFESSIONALS MAKE MONEY?

VFA compensates its financial professionals for most, but not all, of their activity through the use of a compensation grid. Under this grid, financial professionals whose overall sales activities exceed certain grid thresholds are entitled to receive increasing amounts of compensation. In other words, financial professionals increase their compensation when they generate more revenue for VFA (but not for VFA's affiliates). When acting as either your investment adviser or broker-dealer, financial professionals are compensated based on factors such as the amount of client assets they service; the time and complexity required to meet a client's needs; the products sold; product sales commissions; and revenue the firm earns from the financial professional's advisory services or recommendations. Because loads and certain ongoing fees vary across products, VFA and its financial professionals have an incentive to promote and recommend products that generate more revenue for VFA. Additionally, since not all activity is applied to the grid, this distinction creates an incentive for the financial professional to recommend a transaction that is applied to the grid, effectively disincentivizing transactions in securities that are not applied to the grid.

Brokerage - Compensation

When VFA acts as your broker-dealer, our financial professionals are compensated with a portion of the transaction-based fee charged to you and a portion of ongoing trails. This creates a conflict of interest because our financial professionals can earn more compensation when they recommend more transactions to you. Similarly, financial professionals earn more compensation by recommending some products that charge you higher fees, such as variable annuities, because of the time and complexity required to sell such products. This is a conflict of interest because it creates an incentive for financial professionals to recommend these types of products to you as opposed to other, less expensive products for which they receive less compensation.

Investment Advisory - Compensation

When VFA acts as your investment adviser, our financial professionals are compensated with a portion of the annual fee charged to your account. This creates a conflict of interest because our financial professionals have an incentive to increase the amount of client funds invested in advisory accounts.

Whether financial professionals act in a broker-dealer or investment adviser capacity, they participate in incentive programs that reward cash and/or non-cash compensation, such as bonuses, training symposiums and recognition trips. Incentive programs may be based on attracting new assets and clients, referring business to our affiliates, promoting investment advisory services, participating in advanced training and for improving client service. These programs may be partly subsidized by a third-party - or affiliated - mutual fund companies, insurance carriers or money managers. Our financial professionals have a financial incentive to recommend the programs and services included in these incentive programs over other available products and services that we offer.

6. DO YOU OR YOUR FINANCIAL PROFESSIONALS HAVE LEGAL OR DISCIPLINARY HISTORY?

Yes. Visit www.Investor.gov/CRS for a free and simple search tool to research us and our financial professionals.

Conversation Starter. Ask your financial professional:

- As a financial professional, do you have any disciplinary history? For what type of conduct?

7. ADDITIONAL INFORMATION

For additional information about VFA or our services, please see our Guide to Brokerage Services or the applicable Advisory Brochure for our advisory programs. If you have additional questions or would like information about obtaining a copy of this Client Relationship Summary, please visit our website at www.aigrs.com/client-relationship-summary or call us at 1-800-448-2542 or 1-800-248-2542 for the hearing impaired.

Conversation Starter. Ask your financial professional:

- Who is my primary contact person? Is he or she a representative of an investment adviser or a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?

VALIC Financial Advisors, Inc.

GUIDE TO BROKERAGE SERVICES

2929 Allen Parkway L7-20, Houston, TX 77019
Telephone: (866) 544-4968
www.aigrs.com/vfa_guide_to_brokerage_services

Effective July 16, 2021

This guide may be requested by contacting VFA at 866-544-4968 or it is also available free of charge on our website at www.aigrs.com.

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Item 3 - Introduction

The VFA Guide to Brokerage Services (“Guide”) provides important information about the products and services offered by VALIC Financial Advisors, Inc. (“VFA,” “the Firm,” “we,” “our”) through its financial professionals, so that you can choose the services that work best for you. This guide also provides important information about the standards of conduct, compensation received by the Firm and its financial professionals, conflicts of interests, and other disclosures that you may find important to consider in deciding whether to do business with us.

VFA is registered with the Securities and Exchange Commission (“SEC”) as both a broker-dealer and an investment adviser and is a member FINRA and the Securities Investor Protection Corporation (“SIPC”). VFA is a wholly owned subsidiary of The Variable Annuity Life Insurance Company (“VALIC”), which is an indirect wholly owned subsidiary of American International Group, Inc. (“AIG”). VFA and VALIC, together with additional AIG companies, are commonly referred to as and comprise AIG Retirement Services, our brand name.

Item 4 - Services

VFA provides brokerage services to retail customers in a number of ways, depending on their individual circumstances and how they prefer to engage with us. VFA and its financial professionals primarily provide services to participants within employer-sponsored retirement plans, and to retail customers (collectively “clients”). Outside of employer-sponsored plans, client accounts can include individual accounts, joint accounts, trust accounts, IRAs, ROTH accounts, Solo 401(k), SEPP, SIMPLE, 529 plan accounts, UTMA, UGMA and Health Reimbursement Arrangements (“HRAs”). We offer the following services:

- Broker-dealer services, such as recommendations of securities and insurance products, as well as recommendations of investment strategies (including the opening of different types of accounts), and trade execution; and
- Investment advisory services, consisting of one-time advice in the form of a financial or asset allocation plan, or of an advisory program providing ongoing management of your assets (“advisory services”).

Please read further for more information about the firm’s broker-dealer services and plan services. For more information about the VFA’s advisory services, please see the Firm’s Form ADV available at www.aigrs.com/prospectus-and-reports/vfa-form-adv-materials.

Broker-dealer Services

Broker-dealer services offered by VFA and its financial professionals include buying and selling securities and other products on a non-discretionary basis within an account. “Non-discretionary” means that clients must make the decision to buy or sell any investment, open an account, or take other action, because we will have no discretionary authority to do so. In exchange for our brokerage services, you pay a commission or other charge for each transaction.¹ You will be charged more (and we receive more revenue) when there are more trades in your account, and the firm therefore has an incentive to encourage you to trade often in a brokerage account. Other fees and expenses will apply to your brokerage account. For more information regarding VFA account fees please visit www.aigrs.com/client-relationship-summary/vfa-fee-schedules and your brokerage account agreement.

Brokerage services also include the preparation of financial plans in connection with or in relation to securities transaction recommendations for which VFA and its financial professionals receive transaction-based compensation as described above. A financial plan document will specify whether it is provided as a broker-dealer service or an advisory service.

Account Minimums. There is no minimum amount required to open or maintain a VFA brokerage account. However, product issuers may establish a minimum investment threshold. For example, variable annuities, 529 Plans, and mutual funds may impose minimum investment amounts. For information on applicable minimums, please consult the specific product’s offering documents.

Monitoring Transactions. When VFA and its financial professionals make recommendations to you in a broker-dealer capacity, we evaluate your needs based on the information you provide to us and recommend products that are in your best interest. Once an initial recommendation is made, neither VFA nor its financial professionals monitor your investment nor offer monitoring as part of the firm’s brokerage services. If you seek ongoing monitoring of your investments, please speak to your financial professional about investment advisory products and services. If your financial professional is not licensed to sell investment advisory products, he or she may refer you to another financial professional who is licensed to sell investment advisory products to you through VFA.

Plan Services

Plan services offered by VFA and its financial professionals include administrative and educational assistance with plan enrollment and contributions, distributions, loans, beneficiary designations, required distributions, and other plan-related activities. For some employers, plan services can include assistance with HRAs. We provide plan services in conjunction with other services provided by our affiliates VALIC, VALIC Retirement Services Company (“VRSCO”), and/or AIG Federal Savings Bank, either on a proprietary plan recordkeeping platform, or on a third-party’s product or recordkeeping platform. As part of these plan services, VFA financial professionals may provide educational information to plan participants about their plans, including available investment alternatives, and assist plan participants with plan-related matters such as navigating plan and account procedures, answering general and specific plan account questions, and helping with the completion of administrative forms relating to their plans. Plan participants also can become VFA clients and receive recommendations, inside or outside of the plan.

Item 5 - Standard of Conduct

You should be aware of key differences between broker-dealer and investment adviser standards of conduct. For example, investment advisers are subject to a fiduciary duty and generally obligated to provide ongoing advice and monitoring, while broker-dealers are subject to no such duty under federal securities laws. Instead, broker-dealers must act in your best interest at the time a recommendation is made under the SEC’s Regulation Best Interest (Reg BI), and are not required to monitor your account or transactions on an ongoing basis they have agreed to do so.

Capacity: When our financial professionals provide recommendations to you for your brokerage account, they are acting in the capacity as a broker-dealer with regard to the recommendation and are subject to Reg BI. Conversely, when they make recommendations for your advisory account, they are acting in the capacity of an adviser and are not subject to Reg BI.

Additional Standards: When making securities and other recommendations, or providing plan services, VFA and its financial professionals may be subject to fiduciary or other standards imposed by other laws or requirements, such as federal laws applicable to certain retirement plans and IRAs (for example, the Employee Income Retirement Security Act of 1974 (ERISA) and the Internal Revenue Code), and state securities and insurance laws. Whether these standards apply will depend on the particular facts and circumstances. **Please ask your financial professional if you have any questions regarding these standards or the capacity in which your financial professional is acting.**

Item 6 - Brokerage Recommendations

VFA financial professionals may recommend specific brokerage account types (e.g., brokerage, a 529 Plan, or other account types, as well as recommendations to rollover or transfer assets from one account to another), the purchase, sale or retention of securities, and/or recommendations of certain investment strategies. Some securities and other products that we offer, such as mutual funds, HRAs, 529 Plans and variable annuities, and variable life are held in accounts/contracts at the product sponsor rather than in a VFA brokerage account.

VFA financial professionals will use a variety of factors in assessing what products or services are in your best interest such as your age, other investments, financial situation and needs, tax status, investment objectives, investment experience, investment time horizon, liquidity needs, and risk tolerance. It is your responsibility to furnish your financial professional with complete and current information regarding your personal and financial situation. Your financial professional will review the features and benefits of available products including performance, costs and risks among other factors to determine that they are recommending a product in your best interest.

Item 7 - Products Available For Brokerage Accounts

This section is intended to provide you with a general description of the various products recommended for brokerage accounts. Before making any investment, you should evaluate whether the product is suitable for your needs and financial situation, and your ability to take on risks.

As a reminder, while we will take appropriate care in developing and making recommendations to you, securities and investment products involve risk, and you may lose money. There is no guarantee that you will meet your investment goals, or that our recommended investment strategy will perform as anticipated. Please consult any offering documents for any security we recommend for a discussion of risks associated with the product.

A. Mutual Funds

A mutual fund is a product that pools assets from many investors and invests the money in stocks, bonds, and other securities or assets in some combination. The holdings of the mutual fund are its “portfolio.” Each share of the mutual fund represents an investor’s proportionate ownership of the fund’s portfolio holdings and the income those holdings may generate.

There is a wide variety of mutual funds, covering a range of strategies and risks, including stock, fixed income, balanced, multi-asset, and index funds. All mutual funds carry risk. Your investment will fluctuate in value. You can lose some or all of your money.

Before you invest, be sure to read the mutual fund’s prospectus to learn about the product you’re considering. The prospectus contains important information regarding the product’s investment objectives, strategies, risks, charges, expenses and other matters significant to your investment choice. By clearly understanding the investment you’re considering, you’ll be better prepared to make a sound investment decision.

Fees & Costs: You should be aware that all mutual funds have internal costs that lower your investment returns. Many mutual fund families make a variety of share classes available. Different share classes of the same fund represent the same underlying investments, but are subject to different fees, including fees that support the sale and distribution of such share classes (including 12b-1 fees, front-end sales loads, and deferred sales loads). Different share classes are also subject to different eligibility criteria (such as minimum investment amount or account type).

The following is a summary of share classes and fees associated with mutual fund purchases in a VFA brokerage account.

- **Class A Shares – Front-End Sales Charge** Class A Shares generally include a front-end sales charge (or load) that’s included in the purchase price of the shares and is determined by the amount you invest. These loads generally range from 0% to 5.75% and are disclosed in the prospectus. The more you invest, the lower your purchase cost as a percentage of your investment. Many mutual fund families offer volume discounts known as “breakpoints,” based on the amount of investment. Information regarding a mutual fund’s breakpoints may be found in the prospectus. Class A shares usually have lower 12b-1 fees (annual marketing or distribution fees) than Class C shares offered by the fund and therefore may be the less costly method to purchase mutual funds for long-term investors. In addition, certain investors may be entitled to a sales charge or load waiver based, for example the investor’s account type.
- **Class C Shares – Contingent Deferred Sales Charge** Contingent deferred sales charges are sales charges that are applied when mutual fund shares are redeemed within a specified number of years (varies by prospectus). These charges generally range up to 1% for C shares. Contingent deferred sales charges can be reduced or eliminated based on how long the shares are held and as described in the prospectus. Class C shares include up to a 1% upfront commission and are subject to higher 12b-1 fees. Certain fund complexes allow for the exchange of C shares into lower cost A shares after a certain number of years, but others do not. Check the prospectus of the relevant fund for this information or ask your financial professional.

It is important to read the prospectus and work with your financial professional to learn how a particular fund establishes eligibility for mutual fund sales charge reductions and waivers. A mutual fund’s breakpoint schedule and waiver eligibility rules can be found in the fund’s prospectus or Statement of Additional Information (SAI). If you believe you are eligible for a front-end sales charge waiver, please notify your financial professional.

A portion of the up-front commission as well as the ongoing trails (described above) is paid to your financial professional.²

Before you invest, be sure to read the fund’s prospectus. The prospectus contains important information regarding the product’s investment objectives, strategies, risks, charges, expenses and other matters significant to your investment choice. By clearly understanding the investment you’re considering, you’ll be better prepared to make a sound investment decision. Mutual funds also charge investment management, shareholder servicing, fund accounting, and administration fees, all of which reduce investment performance. More information about these fees and expenses can be found in the fund’s prospectus.

Material Limitations: The mutual funds available through VFA are limited and will change from time to time. The VFA mutual fund family list was developed after a qualitative review of mutual funds available and offered on the existing VFA platform. VFA seeks to include mutual funds and investment managers that provide a wide range of core and specialty investment categories to meet investor needs and engages a third-party service to assist in its selection process. The team also considered investment managers familiar to participants invested in the Firm’s group retirement plans. The resulting mutual fund family list represents a

universe of industry leading investment managers that provide a wide range of investment products — including certain funds that are managed by a VFA affiliate. Financial professionals can use the mutual fund family list to construct diversified portfolios that align with a spectrum of investor objectives and risk tolerance levels.

B. Variable Universal Life (“VUL”) Insurance Policies

VFA offers variable life insurance policies that include a range of underlying investment options held by the insurer in subaccounts. The value of a variable life policy at any given time depends on the performance of the options chosen within the subaccounts.

Fees & Costs: The expenses you pay for variable life insurance policies are described in the policy and, if applicable, prospectus. Common charges include state premium taxes, upfront sales loads to cover acquisition costs, surrender charges to recoup amortized expenses, cost of insurance charges, monthly administrative charges for policy maintenance, recordkeeping and accounting, and mortality and expense risk charges to offset unexpected mortality. Additionally, periodic fees such as loan interest charges, underlying fund investment management charges, transfer charges and optional rider charges may apply where applicable. All of these costs will lower your investment return. VFA receives an upfront commission rate of 90% of the first-year premium. A portion of the commission and trails received by VFA is paid to the financial professional (if applicable).³

You will also pay for expenses associated with the investment options within the policy. Before you invest, be sure to read the product’s offering documents. The offering documents contain important information regarding the product’s investment objectives, strategies, risks, charges, expenses and other matters significant to your investment choice. By clearly understanding the investment you’re considering, you’ll be better prepared to make a sound investment decision.

We primarily recommend insurance products issued by other insurance companies that are not affiliates of VALIC and VFA.

Material Limitations: VFA works through an affiliate to identify the limited VUL products it offers. VFA only offers products that meet its affiliate’s criteria. Only VULs from issuers that make on-going payments for distribution to our affiliate, are included in the VULs we offer.

C. Variable Annuities

Variable annuities accumulate funds or distribute income based on the performance of the underlying investment options chosen by the contract owner. Some of the features variable annuities may provide include guaranteed lifetime income, standard or enhanced guaranteed minimum death benefits, and/or tax deferral. A variable annuity offers a range of investment options. The investment options for a variable annuity are typically investment subaccounts of funds that invest in stocks, bonds, money market instruments or some combination of the three. The value of your variable annuity will depend on the performance of the investment options you choose.

Fees & Costs: Variable annuity product fees are collected by the insurance carrier. Common charges, which are deducted on a daily basis, include an administrative expense charge for allocating premiums and administering the contract’s accumulation value; net portfolio operating expenses, which are subject to change and can be found in the prospectus, other categories of fees, including an annual maintenance fee, premium, tax charges, transfer charges, surrender charges, and optional rider charges. You will also pay for expenses associated with the investment options within the annuity contract. These fees and the purposes for which they are imposed are described in the prospectus for each product. All of these expenses will reduce your investment return.

VFA receives upfront commissions ranging from 2% to 7%, depending on the contract and contract version; some contracts also pay an ongoing trail. A portion of the commission and trails received by VFA is applied to the compensation grid (see Item 8 – Differences in Compensation Amount or Structure) and paid to the financial professional (if applicable). Before you invest, be sure to read the product’s prospectus. The prospectus contains important information regarding the product’s investment objectives, strategies, risks, charges, expenses and other matters significant to your investment choice. By clearly understanding the investment you’re considering, you’ll be better prepared to make a sound investment decision.

Material Limitations: We primarily recommend annuity products issued by VALIC and other insurance company affiliates of VALIC and VFA. However, VFA will recommend third-party products from our product shelf if there are no proprietary products that meet your stated needs and objectives and it is in your best interest. For retirement plans that offer VALIC variable annuities, the plan sponsor and/or fiduciary, and not VFA, selects the investment options made available to participants.

D. Securities Available for Purchase on an Unsolicited Basis

Financial Professionals will not recommend the purchase of common stocks, bonds, and exchange traded products (“ETPs”), though VFA generally will accommodate clients who wish to include these securities in a brokerage account at VFA. However, in order to make other investment choices it is possible that a VFA financial professional will recommend that a client sell common stocks, bonds and exchange traded products. You will pay us a transaction fee for each purchase or sale of these securities. Your financial professional is not compensated for the purchase or sale of individual stocks, bonds and ETPs, although the Firm does receive such compensation. Information about the costs to affect these unsolicited transactions are available at www.aigrs.com/client-relationship-summary/vfa-fee-schedules.

E. Non-Securities Insurance Products

The Firm may also recommend certain non-securities products such as fixed annuities and life insurance. Fees and costs associated with these products are as follows:

- Immediate and deferred fixed annuities, and fixed indexed annuities, with upfront commission rates ranging from 0.5% to 5% depending on specific type; some contracts also pay an on-going trail. A portion of the commission as well as the ongoing trail is paid to the financial professional.
- Term and whole life insurance, and universal life (“UL”) insurance, with associated upfront commission rates in an amount ranging from 28% to 105% of 1st year premium depending on specific type⁴, as well as commissions on renewals and commissions payable for excess insurance premiums. A portion of the commission and trails received by VFA is paid to the financial professional (if applicable).

For more information regarding non-securities insurance products, please carefully review your policy documentation.

Item 8 - Conflicts of Interest

Generally, conflicts of interest occur when there is a financial incentive that favors one recommendation over another, such as when greater compensation can be received for recommending a particular security or type of security or investment strategy, and recommendations to rollover or transfer assets.

How We Address These Conflicts

We maintain policies and procedures designed to identify conflicts of interest and to ensure that VFA financial professionals make recommendations that are in your best interest in the context of the products and services offered by the Firm and your specific investment needs and objectives. As a part of these procedures, all product sale recommendations, including variable annuities, VUL, and those involving a transfer, rollover, or tax-free transfers between “like-kind” annuity and insurance products, are reviewed by our Supervision department, the members of which do not receive any variable product-based compensation. Additionally, VFA maintains robust programs for the review of these policies and procedures via internal auditing procedures, other compliance related review and surveillance activities, and from time to time engages outside consultants to review, evaluate, and recommend changes to existing policies and procedures.

The following are some specific conflicts that VFA has identified and that are addressed in VFA’s ongoing sales, compliance, supervision, and related procedures.

Recommendations of Proprietary Products

A variety of VFA’s affiliates offer proprietary products that financial professionals can recommend to you. Although the level of compensation your financial professional receives will depend on the specific products or services you purchase (as discussed in more detail above), your financial professional does not receive greater compensation for the sale of a proprietary as opposed to a third-party product. AIG as a whole, however, will receive greater compensation when you purchase proprietary products, as VFA affiliates collect a variety of fees from such proprietary products. These include fees for investment management, shareholder servicing, fund accounting, administration, and distribution. This creates an incentive for VFA as an organization, to encourage our financial professionals to recommend proprietary products. Also, as explained above, VFA generally limits the sale of annuities to proprietary products and has an incentive to do so. Proprietary mutual funds managed by a VFA affiliate are included in the package of investment options offered to plan sponsors for inclusion in their retirement plans.

Examples of proprietary products and services include:

- When providing services to employer-sponsored retirement plans or HRAs, VFA can offer services associated with recordkeeping platforms from VALIC and VRSCO, and annuities and mutual funds sponsored and/or managed by affiliates, which are then selected by the plan sponsor.
- When providing services to retail accounts, VFA recommends proprietary mutual funds and annuities.
- In certain types of products, such as variable annuities, your financial professional may, in addition to recommending the product itself, also recommend the allocation to different investment portfolios within the product. In many variable annuities, VFA affiliates offer or manage at least some of the underlying investment options, which further increases compensation to VFA affiliates.

Wholesaler Support VFA engages wholesalers, employed by VALIC, who help financial professionals understand the products they offer and sell to you. These wholesalers receive separate compensation on the sale of these products. This compensation is not paid by you the client, but rather by the product issuer which are primarily affiliates of VFA. These wholesalers are generally more accessible to our financial professionals than are wholesalers of third-party products, which may result in more frequent recommendations of proprietary products than third-party products.

Differences in compensation amount or structure

VFA compensates its financial professionals for much, but not all, of their activity through the use of a compensation grid. Under this grid, financial professionals whose overall sales activities exceed certain grid thresholds are entitled to receive increasing amounts of compensation. In other words, financial professionals increase their compensation when they generate more revenue for VFA (but not for VFA's affiliates) Additionally, your fees do not increase as a result of any changes in compensation resulting from the different levels of the grid. Since not all activity is applied to the grid, this distinction creates an incentive for the financial professional to make a recommendation and sale that is applied to the grid, effectively disincentivizing transactions in securities that are not applied to the grid.

The amount of compensation your financial professional receives will vary depending on the products or services you receive, and the amount you invest. This creates incentives to recommend some products over others, and generally to recommend that you invest greater amounts of your assets. For example, your financial professional will typically receive a greater commission on the sale of a variable annuity than on the sale of a mutual fund, which creates an incentive for your financial professional to recommend a variable annuity to you over a mutual fund.

Different types of products may also have different commission schedules, resulting in different commission rates payable to your financial professional over time. Depending on whether your financial professional is interested in immediate compensation (a higher initial commission) or a stable long-term compensation (stronger residual compensation), these different payment schedules create a conflict because a financial professional recommending one product over another could receive higher initial commissions in the current year or higher earnings and trailing commissions in futures years.

Examples of specific factors that may affect your financial professional's compensation include:

- Salaries, bonuses, service-related compensation, solicitor compensation, compensation for referrals, types of in-plan compensation;
- Commissions for in-plan or out-of-plan annuities, and out-of-plan mutual funds, including both initial and trail commissions;
- Asset-based compensation for investment advisory programs and/or to support ongoing servicing.
- Differences in compensation chargebacks if the annuity is surrendered early.
- Establishing a new account, including an account for a new client, often results in greater compensation to the financial professional than if the client instead added amounts to an existing account, especially if the financial professional receives little or no compensation from the existing account. Rollovers out of plans and into IRAs, and product replacements, are two common examples of this, as is the establishment of an advisory service or account.

Certain factors may also reduce compensation paid to financial professionals. As described above, many mutual fund families offer volume discounts known as "breakpoints," which reduce the fees you pay to invest. Your financial professional's commission will be lower if you take advantage of such breakpoints, and so your financial professional has an incentive to recommend that

you spread your investment across multiple mutual funds, even though spreading your assets in this way will result in your paying greater sales loads, which will lower investment performance. Information on available breakpoints for a mutual fund is available in its prospectus.

Financial professionals generally earn more commissions on investments in new variable annuities or VUL products than they would on additional investments to your existing annuities or VULs. This creates a conflict of interest because you will pay less fees when investing additional money through your current annuities or VULs than you would purchasing a new one.

Financial professionals also have an incentive to recommend that clients surrender legacy annuity products with higher guaranteed minimum interest rates ("GMIR") for new products with lower GMIR. This creates a conflict of interest because a higher guaranteed minimum interest rate increases the minimum interest paid to you on your annuity. However, your financial professional receives greater compensation for selling annuity products with lower guaranteed minimum interest rates.

In addition to being paid a commission when he or she sells products and services to you, your financial professional is eligible, based on sales activity, to receive bonuses, expense reimbursement, and recognition awards and to attend conferences. VFA maintains a program under which certain financial professionals are eligible to attend an annual education conference based on their achievement of certain levels of aggregate compensation from the sale of securities, insurance products, and from advisory fees received from advisory accounts. Certain of the Firm's top earning financial professionals are designated as President's or Platinum President's Cabinet members and receive additional financial and non-financial benefits.

Qualification for the Advisor Leadership Conference or the President's or Platinum President's Cabinet is based on total compensation as described above and is not based on any specific product or category of products. However, because eligibility for the conference and the President's or Platinum President's Cabinet is based on the financial professional's total compensation, financial professionals benefit more when clients purchase products or transfer assets to services or products that earn higher levels of compensation for the financial professional.

These bonuses and recognitions are not tied to the recommendation or sale of specific securities or specific types of securities and some states may prohibit or restrict your financial professional from receiving all or some of these benefits.

To see how we address these conflicts please see **How We Address These Conflicts**.

12b-1 fees, Share class selection, Revenue sharing

Retail Accounts

VFA has an incentive to limit its mutual fund share classes to those that pay VFA and its financial professionals commissions and 12b-1 fees, even though cheaper share classes of the mutual funds may be available. You should understand that a higher cost share class of a mutual fund will result in lower investment performance compared to a lower cost share class of the same fund.

Certain of the fees associated with different share classes, such as sales loads and 12b-1 fees, are paid to VFA and shared with your financial professional. This creates an incentive for your financial professional to recommend to you a share class that results in higher payments to him or her, even if a cheaper share classes is available to you. VFA seeks to address this conflict by capping the compensation paid to the financial professional at the point of sale.

VFA caps the compensation applied and paid to the financial professional's compensation grid and paid for the sale of retail mutual funds in order to help mitigate the incentive to recommend one product over another. In those cases, VFA retains the remainder of any compensation over and above the cap. This creates a Firm conflict of interest. Moreover, different funds pay different amounts of revenue sharing and servicing fees, which provides an incentive for the Firm to recommend to retail clients funds that generate higher payments than other funds on the platform.

Conference Payments

Additionally, in certain cases, VFA and/or one or more of its affiliates will receive payments from fund sponsors, annuity providers including affiliate(s), and service providers that choose to participate in, and that are designed to defray the costs associated with, Firm-sponsored or VALIC-sponsored conferences, seminars, training or other educational events where such funds or other related services are discussed and that are attended by our employees and/or plan sponsors and plan consultants.

In-plan Accounts

Certain mutual funds (and sometimes their investment advisers) pay fees such as 12b-1, revenue sharing and shareholder servicing and sub-accounting fees. For most in-plan platforms, these payments effectively are offset against the cost of the annuity contract (e.g., Portfolio Director) or of the plan fees (mutual fund platform) or are credited to the plan or back to participant accounts. Where applicable, we address these conflicts by retaining all such payments at the Firm level to be distributed and credited as mentioned above and such payments are not shared with the financial professionals who are making the actual recommendations.

To see how we address these conflicts please see **How We Address These Conflicts**.

Loads and Ongoing Fees

Loads and certain ongoing fees (e.g., sub accounting fees) paid to VFA vary from product to product. This differential compensation creates a conflict of interest because VFA has an incentive to promote and recommend products that generate more revenue for the Firm. VFA seeks to address this conflict by capping the compensation paid to the financial professional at the point of sale.

Support Payments

VFA will receive marketing support, meeting support and/or wholesaling support payments ("Support Payments") from affiliated and third-party issuers/sponsors of variable annuity products and mutual funds in consideration of certain services provided by VFA, including, without limitation, access to VFA financial professionals. These payments will be made periodically and are based on the amount of VFA client assets invested with the issuer/sponsor. Additionally, issuers/sponsors will make periodic payments based on new sales of the issuer's products in exchange for VFA providing certain wholesaling support services to VFA's financial professionals. These wholesaling services include, without limitation, product training, case consultation and product illustrations. The Support Payments received by VFA are paid by the issuer/sponsor and are not part of the fees paid by clients who invest in the product. Your financial professional may be more knowledgeable and more likely to recommend to you products whose issuers/sponsors pay VFA Support Payments. While these payments provide an incentive for VFA to recommend certain products over others, we address this conflict by ensuring that financial professionals do not receive any portion of the Support Payments.

Selection of NFS as Clearing and Custody Broker

For your brokerage account with VFA, VFA acts as the introducing broker and National Financial Services LLC ("NFS") acts as the clearing firm and custodian for your account. Although VFA is not affiliated with NFS, the firm receives certain benefits from its relationship with NFS. These benefits include receipt of revenue sharing payments from NFS, and receipt of a portion of fees paid for ancillary services incurred by client actions and all net profits on trade errors.

VFA receives regular revenue sharing payments from NFS that derives from certain types of account transactions, positions, and assets in client accounts held at NFS. The receipt of such compensation from NFS creates a conflict of interest for VFA because VFA has an economic incentive to use NFS as its clearing firm for trade execution and custody over other firms that do not or would not share such revenue with VFA, even if such other firms are otherwise more beneficial to customers.

Licensing

The range of products available to be recommended by a VFA financial professional depends on that individual's licenses. For example, some VFA financial professionals may be unable to recommend insurance products, individual securities or provide investment advisory services. Your financial professional may refer you to (or partner with) another financial professional to make available products that are in your best interest but that he or she is not able to offer.

Item 9 - Sponsorship Activities

The Firm and its affiliates from time to time enter into agreements with, and pay compensation to, various organizations and associations, including trade associations, unions, and other industry groups, that provide various services to plan sponsors and/or plan participants. These organizations may sponsor and invite the Firm and/or its affiliates to participate in, educational conferences and seminars for retirement plan participants. In some instances, these organizations may endorse and/or promote the Firm and/or its affiliates' products and/or services, and otherwise provide the Firm and/or its affiliates with marketing opportunities. Compensation paid by VFA or its affiliates to these organizations for marketing and advertising opportunities provide an incentive for the organizations to promote the Firm's and/or its affiliates' services and products and may result in the sale of additional annuity sales and advisory programs to plan participants.

To see how we address these conflicts please see **How We Address These Conflicts**.

Item 10 - Other Disclosures

Other disclosures that you may find important are included in other documents that we provide, including the following:

- Our Client Relationship Summary (“Form CRS”), which contains certain SEC-required information about us and our services;
- Our Form ADV Brochure, which contains SEC-required information about our investment advisory services;
- Our Broker-Dealer Account Agreement that governs your brokerage relationship with us;
- The Investment Advisory Agreement that governs your investment advisory relationship with us;
- Prospectuses, other offering documents, and related materials provided in connection with purchases of securities and other investments; and
- Trade confirmations you will receive in connection with purchases and sales of securities.

Additionally, free and simple tools are available to research firms and financial professionals at www.Investor.gov/CRS, which also provides educational materials about broker-dealers, investment advisers, and investing.

Please click on the available links above or call (866) 544-4968 to obtain a copy of the materials available to you.

¹Additional trail commissions or commissions for subsequent deposits will apply for certain products. Also, see Differences in compensation amount or structure in Item 8 in order to understand how these payments to financial professionals affect the compensation grid.

²The portion of any upfront load paid to your financial professional is capped at 4.25%. VFA retains any compensation above the 4.25% cap.

³VFA gets paid based on the premium you pay for this product for years 1-10.

⁴Term life compensation is 28% to 105% of 1st year premium with renewals, whole life compensation is 80% to 85% of 1st year premiums (including any excess premium payments) with renewals, UL compensation is 90-75% of 1st year premiums (including any excess premium payments) with renewals.

Introduction

The decisions you make regarding your retirement assets can have long-reaching effects on your retirement health. Your VFA Financial Advisor has prepared this Investment Proposal Analysis to help you prioritize your retirement goals and understand your options, and to help you reach a decision on which option is best for you. As you review this report, you should carefully consider the factors that are most important to you and weigh the advantages and disadvantages of each option.

Keep in mind that any rollover, transfer or contract exchange could be subject to fees and charges. Your financial professional may have a financial incentive to propose a new contract or account - such as an IRA or nonqualified annuity - because of the compensation that he or she may receive when you transfer funds from an existing contract or account.

Determining what is in your best interest requires the collection and evaluation of some important information, particularly about where your money is today and where you might consider moving it. Your VFA Financial Advisor can assist you with finding the information you may need in order to make the appropriate decision.

Rollover and transfer considerations

In this analysis we compare the advantages and disadvantages of leaving your funds where they are today, versus transferring them to another account or IRA, or taking a cash distribution. Different IRAs and employer-sponsored retirement accounts have a variety of features and include different levels of services. When making a decision about where to place your money, you may want to consider the following factors.

Considerations when keeping your assets in certain types of employer accounts

Tax deferral. Your money can continue to grow tax deferred.

Additional withdrawal allowances. There is no federal tax penalty for withdrawals if you are age 59½ or separated from employment at or after the year you reach age 55.

Cost and investment-strategy considerations. You may have access to lower-priced mutual funds or special products that might not be available in an IRA, such as company stock, fixed annuity contracts, or stable value options. Also, you may be able to maintain your current asset allocation strategy.

Protection from creditors. Assets in an employer account may be protected from creditors and legal judgments, while assets in an IRA can receive more limited protections from creditors.

Deferral of Required Minimum Distributions (RMDs). Your current employer's account may offer this feature if you are actively working for the sponsoring employer and are over age 72.

Availability of company stock as an investment option. If you hold company stock in your former employer's account, you should consider the impact of net unrealized appreciation. Also, you may have the option of retaining that stock in the account while distributing other portions of your account value.

Outstanding loan balances. If you leave your current employer and have outstanding loans from your employer account, you may be able to continue repaying the loan(s). Alternatively, upon leaving employment you may be required to repay the loan in full or have it become taxable. Consult with the account administrator to determine the consequences of any outstanding account loan.

Account limitations. If you are not contributing to your employer account or have retired, your former employer account may place limitations on your ability to take account loans, on the types of withdrawals you may take, or your ability to change your investments. The plan sponsor might change account provisions in the future that place further restrictions on your account.

Considerations when rolling assets into an IRA from an employer-sponsored account or existing IRA

Tax deferral. Your money can continue to grow tax deferred. No taxes or penalties are applicable for direct rollovers of pre-tax contributions to traditional IRAs or direct rollovers of Roth contributions to Roth IRAs.

More investment options. Many IRAs allow for a broader range of investment options, which may include mutual funds, exchange-traded funds, stocks, and bonds.

Consolidation of retirement accounts. Combining all retirement accounts into a single IRA may make it easier to track your assets and manage required minimum distributions required under federal tax laws.

Rollover and transfer considerations (continued)

Access to monies prior to age 59½. Prior to age 59½, you may take penalty-free withdrawals from an IRA in certain circumstances, such as those that exist for first-time homebuyers or higher education expenses. Otherwise, withdrawals taken prior to age 59½ will be subject to taxes and penalties.

Access to account features. When rolling assets into an IRA from an employer-sponsored account you may lose or gain certain options, depending on whether they are offered by the former employer account or by the IRA, which may include, but are not limited to, guaranteed interest rates, death benefits, annuitization, or ability to take loans.

Considerations when rolling assets into another employer-sponsored account

Account benefits. If you move your assets into a new employer's retirement account, you may receive benefits similar to those noted above. These may include tax deferral, withdrawal allowances, low cost investment options, certain protections from creditors and deferral of required minimum distributions.

Consolidation of retirement accounts. You may find it easier to track your assets and manage your retirement accounts if you consolidate all your accounts into one.

Account limitations on accepting rollover assets. You are advised to consult with the plan administrator of your new employer account to confirm that it will accept rollovers.

Possible limitations on access to funds rolled into the account. Check with the receiving employer account to confirm that the account does not impose any restrictions on your ability to access funds rolled into the account.

Considerations when taking a cash distribution

Withdrawals may be subject to withholding, penalties and other charges. Any withdrawal of pre-tax contributions will be subject to income tax. A large, lump-sum distribution could impact your income tax bracket. Additionally, if you are under age 59½, the withdrawal will be subject to mandatory tax withholdings as well as applicable tax penalties for early withdrawal. Note, there are limited exceptions to the penalty tax (e.g., payments made to you after you separate from service if you are age 55 or over in the year in which you separate). You may also be subject to surrender charges or penalties assessed under the terms of the applicable investment. If you are considering a cash distribution from your retirement account or IRA, you should contact your tax and/or legal advisor to determine applicable tax consequences.

Personal information (as of 08/23/2021)

The ability of this report to help support your retirement account decisions is dependent on the accuracy of the information we have received from you. Please review the information below to ensure it is accurate.

| | |
|--|----------------------------------|
| Joint accounts will be registered with rights of survivorship unless otherwise specified. | |
| | Client/Owner |
| Name | Cindy L Sample |
| Social security number/Tax ID | 999999999 |
| Date of birth | 10/06/1983 |
| Age | 37 |
| Marital status | Not married |
| Physical Address | 16251 Route A, Houston, DE 21090 |
| Mailing Address | Same as physical address |
| Phone number | 955-373-2797 |
| Identity verification | |
| Country of citizenship | USA |
| Document type | License |
| Document number | 111111 |
| Issued by | DE |
| Issued date | 02/02/2020 |
| Expiration date | 02/02/2030 |
| You have no dependents. | |
| You are employed as a Librarian at County Board of Education, 9696 Citrus Grove, Houston, DE 21091. Your estimated retirement age is 65. | |

Household Financials (as of 08/23/2021)

| | | |
|---|----------------|-------------|
| Current annual household income, including | | \$65,000 |
| Salary/Salaries | | |
| Commissions | | |
| Social security benefits | | |
| Pension benefits | | |
| Investment income | | |
| Required minimum distributions | | |
| Total household annual income | | \$65,000 |
| Current annual household expenses | | \$35,000 |
| Gross cash flow | | \$30,000 |
| Current household liquid assets | Non-Retirement | Retirement |
| Cash, Checking, Savings | \$25,000 | \$0 |
| Variable annuities | \$0 | \$100,000 |
| Fixed/ Indexed annuities | \$0 | \$0 |
| Marketable securities | \$0 | \$25,000 |
| Life insurance cash value | \$5,000 | |
| Current household non-liquid assets | Non-Retirement | Retirement |
| Variable annuities | \$0 | \$0 |
| Fixed/ Indexed annuities | \$0 | \$0 |
| Other assets | \$0 | |
| Life insurance face value | \$100,000 | |
| Home value | \$200,000 | |
| Current household liabilities | | |
| Non-mortgage liabilities | \$15,000 | |
| Home mortgage | \$125,000 | |
| You have indicated that you do not have a reverse mortgage. | | |
| Household liquid net worth | | \$140,000 |
| Estimated federal tax bracket | | Single: 22% |
| State taxes | | 2% |

Transaction Considerations (as of 08/23/2021)

| | |
|---|-----------------------|
| Your risk tolerance for this transaction | Moderately aggressive |
| Primary goal for this transaction | Growth and Income |
| Withdrawals begin | Over 20 years |
| Investment time horizon | Over 20 years |
| Investment experience | |
| Annuities | 11 to 25 years |
| Mutual funds | 11 to 25 years |
| Stocks/ETFs/Bonds | 11 to 25 years |
| Value of total transaction | \$100,000 |
| State for which this transaction will be executed | IA |

If you indicated this feature or account characteristic is important to you, it will show below under Important and the row will be highlighted in green on the *Reviewing your options* pages. If you indicated the feature or account characteristic is not important to you, it will show below under Not Important.

Important

It is important to you to meet with a financial professional before making decisions on this account.

It is important to you that your financial professional be able to offer financial planning and education to you.

The ability to convert all or a portion of this account to cash without incurring penalties/surrender charges or market value adjustments (MVA) is important to you.

The ability to take systematic withdrawals from this account is important to you.

The ability to borrow from this account is important to you.

Protection of this account from creditors and legal judgments is important to you.

Transaction Considerations (continued)

Not Important

It is not important to you to have a principal-protected investment option for this account.

You are not willing to accept limited upside potential in exchange for downside protection.

A guarantee of lifetime income option is not important to you for this account.

You do not want ongoing professional investment management for the account as a whole, for a fee.

You would not like your financial professional to provide you with a one-time assistance in allocating this account.

The number of available investment options is not important to you for this account.

The ability to consolidate assets and accounts is not important to you.

Access to funds without requiring plan administrator/TPA approval is not important to you for this account.

The ability to take withdrawals before age 59½ without penalty for first-time home and/or higher education expenses is not important to you for this account.

The ability to obtain a withdrawal between ages 55 and 59½, if you are separated from service is not important to you.

The ability to delay or reduce RMDs is not important to you.

The ability to use this account for Qualified Charitable Distributions (QCD) is not important to you.

The ability to leave the assets in this account to your heirs is not important to you.

Having a contractual death benefit to protect this account for your beneficiaries is not important to you.

Reviewing your options

This section provides a side-by-side comparison of the options you are considering. Your VFA Financial Advisor can help you interpret these differences and what they mean to you.

In considering your options, the costs and expenses of the IRA in which you are currently invested and the costs and expenses of any alternative options may be important factors.

| | Funding Source #1 | Comparison account #1 |
|--|---|--|
| | County Board of Education VALIC/VFA 403(b)/TSA Portfolio Director (group) - EMPLOYEE (current employer's account) | SAMPLE SCHOOL DISTRICT VALIC/VFA 403(b)/TSA BOX ELDER SCHOOL DISTRICT 403(B) SPECIAL PAY PLAN EMPLOYEE TRANSFER/ROLLOVER ¹ (current employer's account) |
| Investment type | Annuity | Mutual fund/other |
| Value of account | \$100,000 | \$100,000 |
| Is the contract owner the annuitant? | Yes | N/A |
| Is the client currently making, or does the client plan to make recurring (annually or more frequently) contribution(s)/deposit(s) to the account? | Yes | Yes |
| Original purchase date | 03/2011 | N/A |
| Fees and expenses | | |
| Actual expense ratio, including <ul style="list-style-type: none"> • Mutual fund or sub-account expenses • If applicable, M&E expenses | 1.57% | 0.42% ² |
| Administrative expenses | none | none |
| Group administrative expenses (%) | N/A | 0.08% |
| Managed account expenses | N/A | N/A |
| Share class(es) | N/A | N/A |
| Custodial fee | N/A | N/A |
| Termination fee | none | none |
| Other costs (%) | N/A | none |
| Annuity Information | | |
| Surrender charge years remaining | N/A | N/A |
| Estimated charges upon immediate full surrender of this transaction amount | N/A | N/A |
| Is this account subject to a Market Value Adjustment (MVA)? | Yes ³ | N/A |
| Is this account subject to a negative Market Value Adjustment at the time of this transaction? | No | N/A |
| Cost of living benefit rider | N/A | N/A |
| Enhanced death benefit type | N/A | N/A |
| Cost of enhanced death benefit | N/A | N/A |

| | | |
|---------------------|-----------|-----|
| Death benefit value | \$100,000 | N/A |
|---------------------|-----------|-----|

| | | | |
|---|--|--|--|
| <div> <div>Service options</div> <div> <div>Important to you</div> <div> <div>Account features are available</div> </div> </div> </div> | | Funding Source #1 | Comparison account #1 |
| | | Funding Source: County Board of Education VALIC/VFA 403(b)/TSA Portfolio Director (group) - EMPLOYEE (current employer's account) | SAMPLE SCHOOL DISTRICT VALIC/VFA 403(b)/TSA BOX ELDER SCHOOL DISTRICT 403(B) SPECIAL PAY PLAN EMPLOYEE TRANSFER/ROLLOVER¹ (current employer's account) |

| | | | |
|---|--|--|--|
| Financial Professional Services | | | |
| Financial planning and education services | | | |
| Ability to meet with a Financial Professional | | | |

Account and product features

Important to you

● Account features are available

| | | Funding Source #1 | Comparison account #1 |
|---|--|--|---|
| | | Funding Source: County Board of Education VALIC/VFA 403(b)/TSA Portfolio Director (group) - EMPLOYEE ¹ (current employer's account) | SAMPLE SCHOOL DISTRICT VALIC/ VFA 403(b)/TSA BOX ELDER SCHOOL DISTRICT 403(B) SPECIAL PAY PLAN EMPLOYEE TRANSFER/ROLLOVER ¹ (current employer's account) |
| Availability of guaranteed accounts | | | |
| Does this account offer a principal-protected investment option? | | ● | ● |
| Guaranteed minimum interest rate (GMIR) | | 2.0% | 1.75%** |
| What percentage of the From account is currently / To account will be invested in the fixed/stable value fund? | | none | N/A |
| Guaranteed lifetime income options | | ● | |
| Additional account features | | | |
| Professional investment management | | | |
| Number of investment options | | 66 | 27 |
| Consolidation of assets ⁴ | | ● | ● |
| Access to funds without prior account approval | | | |
| Withdrawals and distribution options | | | |
| Ability to access or leave the investment without incurring surrender charges or contingent deferred sales charges (CDSC) | | ● | ● |
| Systematic withdrawals | | ● | ● |
| Ability for early withdrawals without penalty (before age 59½) ⁵ | | | |
| Possible penalty-free withdrawal if separated from service in or after the year in which one reaches age 55 | | ● | ● |
| Loans permitted | | ● | ● |
| Estate and Tax planning | | | |
| Account type may be eligible for QLAC to delay RMDs ⁶ | | | |
| Account type may be eligible for Qualified Charitable Distributions (QCDs) ⁷ | | | |
| Potential to defer RMDs if over age 72 | | ● | ● |

| | | |
|---|--|---|
| Account and product features Important to you ● Account features are available | Funding Source #1 | Comparison account #1 |
| | Funding Source: County Board of Education VALIC/VFA 403(b)/TSA Portfolio Director (group) - EMPLOYEE ¹ (current employer's account) | SAMPLE SCHOOL DISTRICT VALIC/VFA 403(b)/TSA BOX ELDER SCHOOL DISTRICT 403(B) SPECIAL PAY PLAN EMPLOYEE TRANSFER/ROLLOVER ¹ (current employer's account) |
| Contractual death benefit for beneficiaries | ● | |

1. Form 44603979~MTL315|L
2. The expense ratio includes management fees, distribution (12b-1) fees, and other expenses, net of any fee waivers or expense reimbursements.
3. A market value adjustment (MVA) may apply to withdrawals before the end of the MVA term. The adjustment can either increase or decrease the withdrawal amount depending on the current interest rate environment at the time it is incurred. MVA does not apply to withdrawals representing penalty-free withdrawal amounts, Required Minimum Distributions (RMDs), annuitization or death benefit. For additional information consult with your financial professional, you may also refer to the prospectus or contract.
4. Includes the consolidation of all Plan Administrator signature requirements, the 20% withholding requirements, and the additional benefits of having just one account with one RMD requirement. This also includes penalty-free access to funds.
5. Early withdraws may be available from an IRA to pay health insurance premiums while unemployed, for qualified first-time home buyers up to \$10,000, or to pay for qualified higher education expenses, or per section 72(t).
6. QLAC (Qualifying Longevity Annuity Contract): This is limited to the lesser of \$135,000 or 25% of the aggregated fair market value of all non-Roth IRAs.
7. QCD (Qualified Charitable Distribution): This is available to owners 70½ and older, and limited to \$100,000 annually.

** The initial interest rate may fluctuate based on the number of days it takes to process the transaction. Once the contract is issued, the rate will never be less than the guaranteed minimum declared rate for the life of the contract.

Additional information

Does the client have access to an employer-sponsored account that accepts rollovers & transfers?

Yes

Was this employer-sponsored account discussed as a potential alternative?

Yes

Have the funds included in this transaction been subject to a rollover or exchange within the preceding 36 months (60 months in Minnesota and California)?

No

Explain in detail why this transaction is in the best interest of your client:

Client wants to lower overall expenses

Client desires investment diversification

Client wants multiple mutual fund family options

Are any account holders or beneficiaries affiliated with or employed by a stock exchange or member firm of an exchange or FINRA or a municipal securities broker-dealer?

No

Are any account holders or beneficiaries a director, 10% shareholder, or policy-making officer of a publicly-held company?

No

Important Information Regarding VALIC Financial Advisors, Inc. (VFA) and Your VFA Financial Professional

Available offerings for IRAs, Nonqualified Annuities, and other After-Tax Investment Arrangements:

Available annuity contracts include both immediate and deferred annuity contracts, and they include fixed, fixed index, and variable/combination fixed and variable annuity contracts. Some of these annuity contracts can be combined with a living benefit and/or other additional features. Available mutual funds include a wide variety of mutual funds in various asset and share classes.

Compensation to VFA and Financial Professional for Sales of IRAs, Non-qualified Annuities, and other After-Tax Investment Arrangements:

Offerings outside of investment advisory programs generally are compensated by commissions, whereas offerings inside of investment advisory programs generally are compensated by investment advisory fees. If you have entered into an advisory agreement relating to one of these products or accounts, the financial professional will be compensated from the advisory fee; otherwise, the financial professional will be compensated from a commission. Commissions received by VFA may differ by product based upon a range of related factors, including the type of product, the product manufacturer, and other relevant factors. Advisory fees received by VFA for a new IRA or NQDA account generally will be the same regardless of the investment advisory arrangement.

Advisory Programs and Agreements for IRAs, Nonqualified Annuities, and other After-Tax Investment Arrangements:

Investment advisory offerings are available in specific investment advice programs, for either a mutual fund, ETF or general security account (Managed Investment Program, or "MIP"), or an annuity contract, subject to any applicable legal limitations. In addition:

- Investment advisory programs require completion of an investment advisory agreement, and provision to you of certain important related disclosures.
- One or more other pre-existing advisory arrangements not described above may remain in effect; however, they are no longer available to be offered or added.

Additional Product Offerings for IRAs, Nonqualified Annuities, and other After-Tax Investment Arrangements:

Certain investment products, such as stocks, bonds, ETFs, and CDs, etc., also may be available on an unsolicited or accommodation basis (i.e., no recommendations are made).

Important Additional Note:

This information is not exhaustive. For additional information regarding VFA and the services provided by your VFA Financial Advisor, including services inside an employer-sponsored account, please ask your financial professional.

Important information

In consideration of VALIC Financial Advisors, Inc. opening one or more brokerage accounts on my behalf I represent and agree as follows:

1. **Applicable Rules and Regulations.** All transactions through myself and VALIC Financial Advisors, Inc., (hereinafter, "VALIC Financial Advisors, Inc.", "VFA" or "you") are subject to the constitution, rules, regulations, customs and usage of the exchange or market (and its clearing house, if any) where executed as well as to any applicable federal or state laws, rules and regulations. Recommendations reflected in this report, including recommendations of a rollover, transfer or 1035 exchange, and any included one-time investment allocation recommendations, are provided as a representative of the broker dealer. Investment advisory programs, once established, are provided as a representative of the investment advisor (IAR).
2. **Payment Upon Demand.** I shall at all times be liable for the payment upon demand of any debit balance or other obligations owing in any of my accounts and I shall be liable to you for any deficiency remaining in any such accounts in the event of the liquidation thereof, in whole or in part, by you or by me and I shall make payment of such obligations and indebtedness upon demand.
3. **Presumption of Receipt of Communication.** Communications may be sent to me at my address or at such other address as I may hereafter give you in writing, and all communications so sent, whether by mail, telegraph, messenger or otherwise, shall be deemed given to me personally, whether actually received or not.
4. **Extraordinary Events.** You shall not be liable for loss caused directly or indirectly by war, natural disasters, government restrictions, exchange or market rulings or other conditions beyond your control, including but not limited to extreme market volatility or trading volumes.
5. **Credit Information.** I understand that all information supplied by me will be subject to verification, and that the information on this application is correct. You may exchange credit information about me (us) with others. You may request a credit report on me (us) and, if I (we) ask, you will provide the name and address of the consumer-reporting agency that furnished it.
6. **Joint Accounts.** If this is a joint account, "I" or "me" refers to all account holders jointly and severally agrees that any account holder has authority on behalf of the joint account to:
 - buy, sell and otherwise deal in stocks, bonds, and other eligible securities or other investments;
 - receive demands, notices, confirmations, reports, statements of account and communications of every kind on behalf of the joint account;
 - receive money, securities and property of every kind and dispose of the same on behalf of the joint account;
 - make agreements relating to any of the foregoing matters and to terminate, modify or waive any of the provisions of the agreement on behalf of the joint account; and
 - deal with VALIC Financial Advisors, Inc. as fully and completely as if he (she) alone were interested in this account and without notice to other account participants.

All obligations and liabilities arising under this account are joint and several and may be enforced by VALIC Financial Advisors, Inc. against any or all account holders. VALIC Financial Advisors, Inc. is authorized to follow the instructions of any joint account holder, without notice to any other account holder, in every respect and to deliver any or all monies, securities or other property to any joint account holder upon the instructions of any other person upon such instructions, even if such delivery or payment is to that joint account holder personally and not to the other(s). VALIC Financial Advisors, Inc. will be under no obligation to inquire into the purpose or propriety of such delivery or payment and is not bound into the disposition or application of such delivery or payment.

This authority remains in force until written notice to the contrary is addressed to VALIC Financial Advisors, Inc. and delivered to its office. VALIC Financial Advisors, Inc. at its sole discretion and for its sole protection, may terminate the account upon receipt of such notice and may require the written consent of all account holders prior to acting upon the instructions of any account holder.

7. Pre-Dispute Arbitration. This agreement contains a pre-dispute arbitration clause. Under this clause, I acknowledge and agree to the following:

- All parties to this agreement are giving up the right to sue each other in court, including the right to a trial by jury, except as provided by the rules of the arbitration forum in which a claim is filed.
- Arbitration awards are generally final and binding; a party's ability to have a court reverse or modify an arbitration award is very limited.
- The ability of the parties to obtain documents, witness statements and other discovery is generally more limited in arbitration than in court proceedings.
- The arbitrators do not have to explain the reason(s) for their award unless, in an eligible case, a joint request for an explained decision has been submitted by all parties to the panel at least 20 days prior to the first scheduled hearing date.
- The panel of arbitrators may include a minority of arbitrators who were or are affiliated with the securities industry.
- The rules of some arbitration forums may impose time limits for bringing a claim in arbitration. In some cases, a claim that is ineligible for arbitration may be brought in court.
- The rules of the arbitration forum in which the claim is filed, and any amendments thereto, shall be incorporated into this agreement. The arbitration will be conducted at a location mutually agreed by the parties or at a location chosen pursuant to applicable arbitration rules.

By signing this agreement, I acknowledge and agree that all controversies that may arise out of any subject matter, issue or circumstance whatsoever (including, but not limited to controversies concerning any account, order or transaction, or the continuation, performance, interpretation or breach of this or any other agreement between the parties, whether entered into or arising before, on or after the date this account is opened) shall be determined by arbitration through the Financial Industry Regulatory Authority (FINRA) or any United States securities self-regulatory organization or United States securities exchange of which the person, entity, or entities against whom the claim is made is a member, as you may designate. If I commence arbitration through a United States self-regulatory organization or United States securities exchange and the rules of that organization or exchange fail to be applied for any reason, then I shall commence arbitration with any other United States securities self-regulatory organization or United States securities exchange of which the person, entity, or entities against whom the claim is made is a member. I acknowledge that If VFA does not receive notice in writing of my designation within five (5) days after such failure or after I receive from VFA a written demand for arbitration, then I authorize VFA to make such designation on my behalf. The commencement of arbitration through a particular self-regulatory organization or securities exchange is not integral to the underlying agreement to arbitrate. I understand that judgment upon any arbitration award may be entered in any court of competent jurisdiction.

No person shall bring a putative or certified class action to arbitration, nor seek to enforce any pre-dispute arbitration agreement against any person who has initiated in court a putative class action; or who is a member of a putative class action who has not opted out of the class with respect to any claims encompassed by the putative class action until: (i) the class certification is denied; or (ii) the class is decertified; or (iii) the customer is excluded from the class by the court. Such forbearance to enforce an agreement to arbitrate shall not constitute a waiver of any rights under this agreement except to the extent stated herein.

This agreement and its enforcement may be amended by VFA, or jointly by you and VFA, and shall be governed by the laws of Texas; shall cover individually and collectively all accounts which the undersigned may open or reopen with you; and shall inure to the benefit of your successors, whether by merger, consolidations or otherwise, and assigns. You may transfer the account of the undersigned to your successors and assigns. This agreement shall be binding upon heirs, executors, administrators, successors and assigns of the undersigned.

USA PATRIOT ACT (This notice is printed in compliance with Section 326 of the USA Patriot Act)

IMPORTANT INFORMATION ABOUT PROCEDURES FOR APPLYING FOR AN INSURANCE POLICY OR ANNUITY CONTRACT.

To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions, including insurance companies, to obtain, verify, and record information that identifies each person who opens an account, including an application for an insurance policy or annuity contract.

What this means for you: When you apply for an insurance policy or annuity contract, we will ask for your name, address, date of birth, and other information that will allow us to identify you. We may ask to see your driver's license or other identifying documents.

Investment Objectives

Preservation of capital - For clients seeking to maintain the principal value of their investments and are interested in investments that have historically demonstrated a low degree of risk.

Protected income - For clients seeking to protect their income. These clients value an investment that provides a lifetime income stream and are willing to trade liquidity for income benefit.

Income - For clients whose primary goal is generating income through distributions of earned interest, capital appreciation, and principal. The client is willing to invest in securities with a modest level of investment risk in order to maintain the purchasing power of that income over time.

Growth and income - For clients seeking a blended strategy which allows for capital appreciation and income generation from investments. The client is willing to endure short-term losses of principal in exchange for the potential of higher long-term returns and income production.

Capital appreciation - For clients with a positive attitude towards investment risk and generally a longer time horizon. The clients focus is on maximizing returns and has little need for current income.

Internal Revenue Service (IRS) and Department of Labor (DOL) Guidance on marriage

For federal tax law and ERISA purposes, under current IRS and DOL guidance (1) a same-sex marriage that was valid in the state or country it was entered into will be recognized by the IRS or DOL, regardless of the married couple's place of domicile; and (2) although a state may recognize domestic partnerships or civil unions, the terms "spouse," "husband and wife," "husband," and "wife" do not include individuals who have entered into a registered domestic partnership, civil union, or other similar formal relationship recognized under state law that is not denominated as a marriage under the laws of that state.

Additional Disclosures

I certify that I have provided all relevant retirement savings information (account/IRA information/after-tax annuity/other after-tax investments) for my current assets, and that the Personal Information section of this report accurately reflects my current situation. My financial professional, Robert QA-SERVER, has reviewed the available options with me.

I have reviewed this investment arrangement and related services, and their associated costs as described in detail in the account and other fee disclosures, including but not limited to any product disclosures provided with this illustration, and any Owner's Acknowledgment and/or product prospectus, and have confirmed that they are consistent with my personal needs and objectives. I acknowledge that there may be other investment arrangements and/or products available, in addition to the investment arrangement selected or illustrated for me. I acknowledge that the following product was proposed : VALIC/VFA 403(b)/TSA BOX ELDER SCHOOL DISTRICT 403(B) SPECIAL PAY PLAN EMPLOYEE TRANSFER/ROLLOVER. I understand that I am not obligated to act on this proposal.

I have also reviewed the important disclosures regarding VFA, its product offerings, and types and amounts of compensation, included with this report.

I acknowledge that I understand the following information specific to the mutual fund proposal of VALIC/VFA 403(b)/TSA BOX ELDER SCHOOL DISTRICT 403(B) SPECIAL PAY PLAN EMPLOYEE TRANSFER/ROLLOVER.

- (a) Recommendations reflected in this report, including recommendations of a rollover, transfer or 1035 exchange, and any included one-time investment allocation recommendations, are provided as a representative of the broker dealer. Investment advisory programs, once established, are provided as a representative of the investment advisor (IAR).
- (b) This investment is a securities product subject to fluctuation in market value. It involves risk, including possible loss of principal, and future performance will fluctuate and is not guaranteed. Upon redemption of my shares I may receive more or less than I paid for them due to contingent deferred sales charge and/or fluctuation in market value.
- (c) I understand that Mutual Fund investments are generally of a long-term nature and should not be considered for short-term investment goals.
- (d) I understand that if I am liquidating an investment to make this purchase there may be tax consequences.
- (e) I understand that generally I can exchange among funds within a particular fund family without fees and charges.
- (f) Multiple Class shares were presented to me for this purchase and the differences explained to me.
- (g) Class Band C shares may pay lower dividends than Class A shares, and I understand the effect this may have on current or future income.
- (h) I understand that reduced sales charges for Class A share purchases are available through letters of intent and for rights of accumulation.

Remainder of the page is intentionally left blank. Signature page follows.

Your signature

I/We also acknowledge that before signing this form, I/we have read and reviewed it completely with my/our financial professional. I/We understand all of the statements contained in this form, and I/we have completed it knowingly and voluntarily. I/We agree that I/we am/are purchasing VALIC/VFA 403(b)/TSA BOX ELDER SCHOOL DISTRICT 403(B) SPECIAL PAY PLAN EMPLOYEE TRANSFER/ROLLOVER.

Cindy L Sample

Date

Robert QA-SERVER

Date

Disclosures

Investors should carefully consider the investment objectives, risks, fees, charges and expenses before investing. This and other important information is contained in the Separate Account and underlying fund prospectuses, which can be obtained from your financial professional or visit www.aig.com/RetirementServices or calling 1-800-428-2542 and following the prompts. Read the prospectuses carefully before investing.

Securities and investment advisory services are offered through VALIC Financial Advisors, Inc. ("VFA"), member FINRA, SIPC and an SEC-registered investment advisor.

Annuities are issued by The Variable Annuity Life Insurance Company ("VALIC"), Houston, TX. Variable annuities are distributed by its affiliate, AIG Capital Services, Inc. ("ACS"), member FINRA.

AIG Retirement Services represents AIG member companies - The Variable Annuity Life Insurance Company (VALIC) and its subsidiaries, VALIC Financial Advisors, Inc. (VFA) and VALIC Retirement Services Company (VRSCO). All are members of American International Group, Inc. ("AIG").

This information is general in nature, may be subject to change, and does not constitute legal, tax or accounting advice from AIG Retirement Services, AIG, its affiliates and/or member companies, including its employees, financial professionals or other representatives. Applicable laws and regulations are complex and subject to change. Any tax statements in this material are not intended to suggest the avoidance of U.S. federal, state or local tax penalties. For professional advice concerning your individual circumstances, consult an attorney, tax advisor or accountant.

Communication and Education



OELA\IAIIE P'ETIPIEMENT SAVINGS ILAN
DEFER
For a brighter tomorrow

Driving employee engagement.

Education.

**Connecting with participants
where they are in their life
cycle to drive engagement.**

Advice.

Technology.



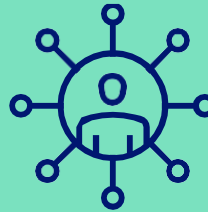
Engaging with your employees.

Right message for the right people at the right time.

**Multi-channel
delivery**



**Timely
content**



**Data-driven
targeted messaging**



Integration with personalized help and resources



Multi-channel personalized support when and where it works best for their schedule and preference.

In-person



In-person one-on-one sessions.

Phone



Phone calls and face time.

Email



Email message customized to the participant.

Virtual



WebEx and webinars.

Technology



Utilizing technology to make it easy.

Broad-based financial education for all life stages, where and how your employees want to learn:

**FutureFIT®
University**



**In-person
workshops**



**Webinar
series**



**On-demand
webinars**



Reviewing the engagement analysis helps us to:

- Relate participant engagement activity to key plan health metrics
- Identify influence of engagement on retirement replacement ratios
- Examine financial professional engagement with projected retirement outcomes
- Evaluate retirement readiness by demographics and behaviors
- Make adjustments to communication and education efforts in real-time



The Insights Dashboard provides a comprehensive view of the plan's demographic data, including:

- Evaluation of employee and department-level data for targeted education
- Identification of “savings stars” at an organization level
- Segments employee classifications by retirement readiness



Enrollment/new hire



Communications to educate and welcome newly hired employees.

Participation



Targeted communications for enrollment and plan awareness.

Financial wellness



Education on retirement and savings health goals.

Advanced metrics and reporting



Offer more access to data and insights on participant engagement with retirement plan features.

Financial professional engagement



Awareness communications on financial professional assistance.

Diversification



Communications/engagement to drive better outcomes around diversification.

- Leverage nationally recognized events to focus on financial wellness.
- Targeted emails focus on relevant educational content and encourage employees to take action.
- Additional toolkit materials provided for you to promote the national events internally.

| | | |
|---|--|---|
|  |  |  |
| <h2>America Saves Week</h2> | <h2>National Financial Literacy Month</h2> | <h2>National Retirement Security Month</h2> |
| <p>Helping employees learn more about saving – whether for retirement, education, the unknown, or a dream vacation.</p> | <p>Providing broad financial wellness education to support the needs of all employees and help ensure they feel confident in their finances.</p> | <p>During NRSM participants are encouraged to take at least one step toward achieving the financial future they envision.</p> |

FutureFIT retirement readiness letters.

Helping employees understand if they are on-track or what they need to do to meet their goals by providing:

- A personalized retirement readiness needs analysis
- A summary of all known sources of retirement income
- An individual action plan



Targeted education focused on key needs.

Data-driven education ensures participants are getting the right message at the right time and focus on building financial confidence, including:

Engagement

New Year's Resolution

Designate your personal financial resolution and we will help you keep on track.

Milestone

Setting goals and acknowledging key milestones or accomplishments.

Are you on track?

Using personalized calculators to help assess if you are on track to meet goals.

Mid-year checklist

Progress on key financial wellness actions.

Account Management

Tools and resources to help manage your account and financial plans.

Education

Focus on saving

Increase savings to help support financial wellness and retirement readiness.

Financial education

Targeted education and quiz based on needs.

Diversification

Review your allocations to ensure you are properly diversified.

Planning for Lifetime Income

Education about lifetime income based on future goals.

Estate Planning

Update beneficiaries & ensure important documents are up to date.

Retirement checklist

Complete your checklist.

We know 2020 has been a challenging year. Feel confident in the steps you are taking to keep your financial planning on track by completing your checklist.

My checklist

- ☒ Meet with my AIG Retirement Services financial professional to help make sure I'm on track. Well done!
- ☒ Set up online access to my retirement account (be sure to sign up for eDelivery). Great job!
- ☐ Review my beneficiary information to ensure my assets are distributed as I intended.
- ☐ Attend an financial education webinar to learn more about important financial topics.
- ☐ Increase my plan contributions. Find out how a small increase can have a big impact over time. Not sure how much to increase your contributions? Speak to your financial professional below.

We see the future in you.™

Act now to get a jump on your future.

Saving more early could really add up. Increasing contributions to your retirement plan even a little now may give you a lot more later.

| Contribution Rate | 30 Years | 20 Years | 10 Years |
|-------------------|-----------|----------|----------|
| 5% | \$130,000 | \$80,000 | \$40,000 |
| 3% | \$80,000 | \$40,000 | \$20,000 |
| 1% | \$40,000 | \$20,000 | \$10,000 |

Get started

We see the future in you.™

Beneficiary update

Time can change your life wishes.

Make sure your beneficiaries are up to date.

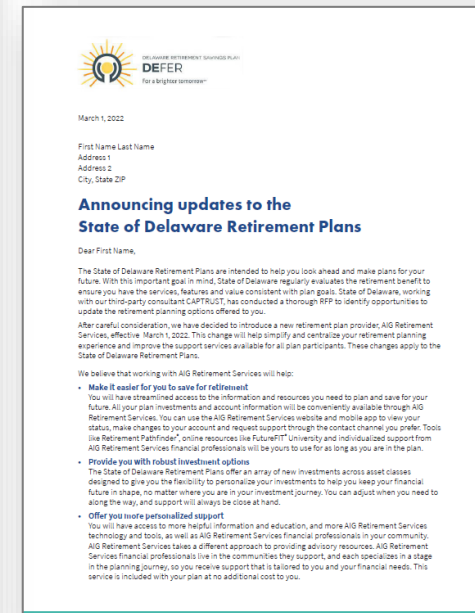
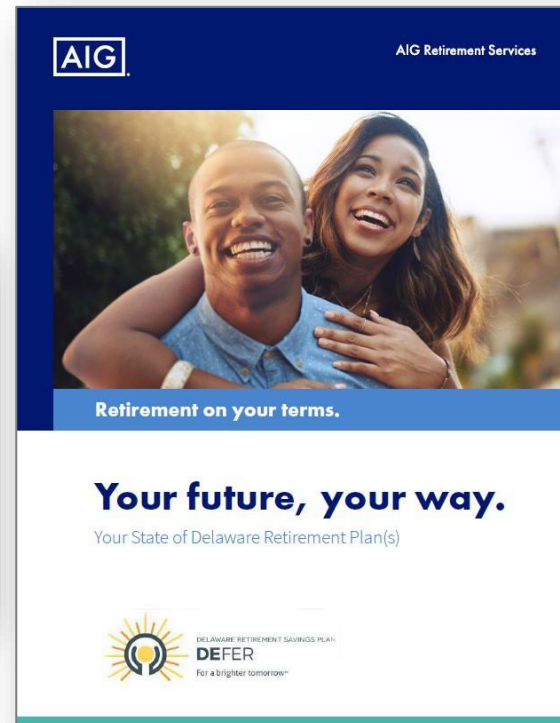
Review now

We see the future in you.™

Increase contributions

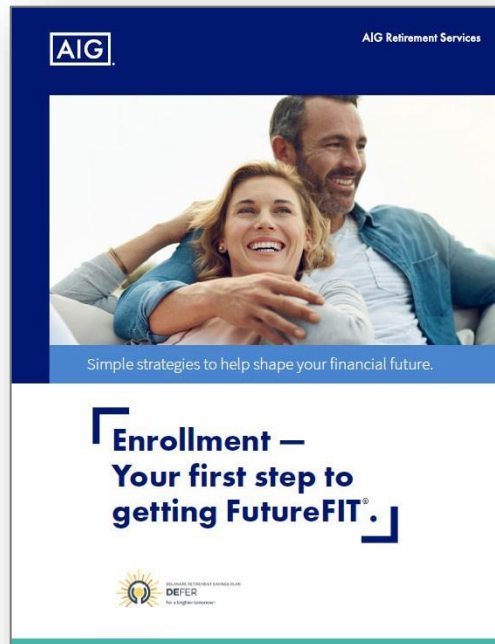
Elevate, engage and build confidence during plan transition.

- Utilize multi-media communication channels to excite and energize employees about the upcoming changes
- Offer group webinars and one-on-one sessions to provide details about the transition
- Provide employees with resources to help them make informed decisions.

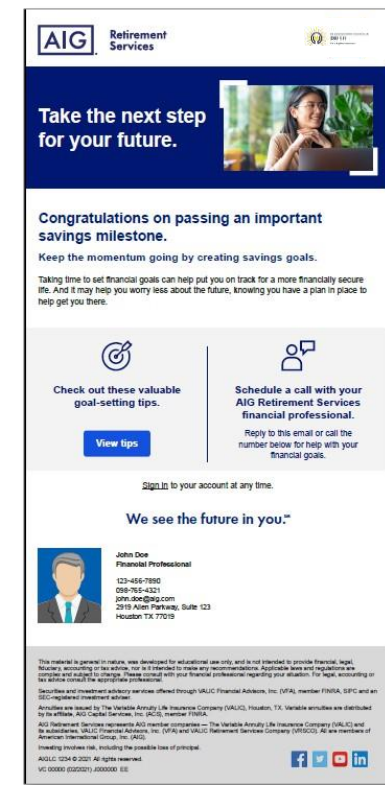


Supporting plan awareness to drive enrollment and contributions in the plan.

- Educate on impact saving can have on taxes and about the potential shortfall if not contributing enough for their future.
- Promote resources available to assist with enrollment through a financial professional, online, telephone, or the mobile app
- Increase plan enrollments and retirement plan contributions, improving overall plan health.



- Provide employees with a complete picture of their retirement plan options and how to best utilize the different resources to help prepare for the future.
- Increase retirement readiness and help employees achieve better outcomes for their financial futures.

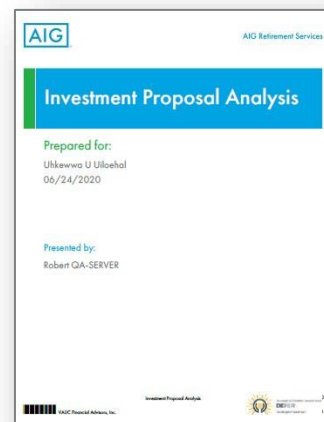
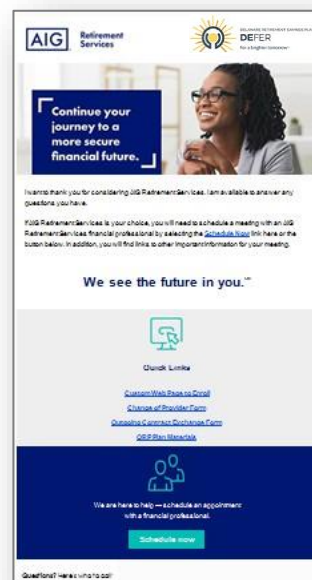
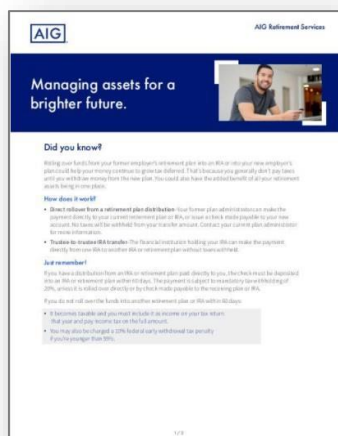


- Help ensure accurate asset allocation based on individual needs and goals.
- Provide employees with resources to help them make informed decisions.
- Improve participant education and awareness around investment options.



Inform plan participants on their account consolidation options.

- Inform participants about the options available for their retirement accounts that may be with previous providers.
- Implement targeted strategies with personalized follow up to drive engagement and participant actions.
- Complete Investment Proposal Analysis to provide participants with a personalized side-by-side comparison of their current account features and fees versus the new platform.



Communications and Education Plan Calendar.

| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec |
|--|----------------------------------|----------------------------------|----------------------------------|---------------------------------|---|---------------------------------|---|---------------------------------|---|---------------------|------------------------|---------------------|
| Plan – specific messaging | | | | | | | | | | | | |
| XXXX | Plan transition / Implementation | Plan transition / Implementation | Plan transition / Implementation | Enrollment | Plan awareness | Investment strategies | Enrollment | Plan awareness | Investment strategies | Enrollment | Holiday budgeting | Plan awareness |
| Targeted financial wellness | | | | | | | | | | | | |
| Targeted messages are versioned based on participant's key needs | New Year's resolution | Importance of saving | Milestone | Financial education FIQ | Are you on track? | Mid-year checklist | Importance of diversifying | Tools to manage your account | Lifetime Income | Save more | Protecting your future | Thank you, holiday |
| Toolkits available for additional promotion | | ASW | | NFLM | | | | | | NRSM | | |
| Local service team support | | | | | | | | | | | | |
| Financial professional engagement | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Additional webinars | | Retirement Plan Transition | Retirement Plan Transition | Your Retirement Benefit Options | Enrollment / Your Retirement Plan at Work | Your Retirement Benefit Options | Enrollment / Your Retirement Plan at Work | Your Retirement Benefit Options | Enrollment / Your Retirement Plan at Work | Investment Planning | Financial Wellness | Retirement Planning |
| Service/regulatory | | | | | | | | | | | | |
| Regulatory communications sent to plan participants | Quarterly Statement | | | Quarterly Statement | | | Quarterly Statement | | | Quarterly Statement | | |

Securities and investment advisory services offered through VALIC Financial Advisors, Inc. (VFA), member FINRA, SIPC and an SEC-registered investment adviser.

Annuities are issued by The Variable Annuity Life Insurance Company (VALIC), Houston, TX. Variable annuities are distributed by its affiliate, AIG Capital Services, Inc. (ACS), member FINRA.

AIG Retirement Services represents AIG member companies—The Variable Annuity Life Insurance Company (VALIC) and its subsidiaries, VALIC Financial Advisors, Inc. (VFA) and VALIC Retirement Services Company (VRSCO).



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VC31676 (01/2021) J1737099



#BWNKDQB
01100 234005 007 008910 A
SMITH, JOHN
123 MAIN STREET
ANYTOWN TX 12345-6789

YOUR CURRENT VALUE

\$86,628.44

Important Information

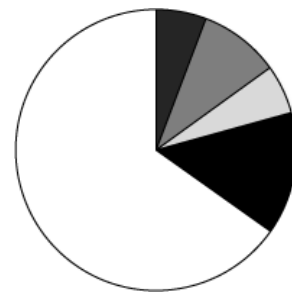
This section is reserved for important information and current events.

Portfolio Value Summary

| | For the period | Since inception |
|--------------------------------|--------------------|-----------------|
| Beginning value | \$85,485.13 | |
| Your Contributions | \$0.00 | \$45,950.00 |
| Employer Contributions | \$0.00 | \$20,507.34 |
| Withdrawals | \$0.00 | -\$3,614.34 |
| Net change in value | \$1,143.31 | |
| Ending value | \$86,628.44 | |
| DB plan monthly age 65 accrual | \$644.00 | |

Portfolio Asset Allocation Summary

| Asset class | Ending value | % of total |
|------------------------------------|--------------------|-------------|
| <input type="checkbox"/> Large Cap | \$5,006.04 | 5.78% |
| <input type="checkbox"/> Mid Cap | \$8,027.93 | 9.27% |
| <input type="checkbox"/> Small Cap | \$4,902.65 | 5.66% |
| <input type="checkbox"/> Specialty | \$12,219.40 | 14.11% |
| Fixed Income | \$56,472.42 | 65.18% |
| Total | \$86,628.44 | 100% |



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800-833-8966

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(800) 448-2542, Monday - Friday
(9 AM to 5 PM CST)

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Summary
of all
Accounts

Investment
Summary

| Plan Type | Account number | Contributions | Value on XX/XX/XX | Surrender value | Vested % | Vested value |
|-----------------------------------|-----------------|-----------------|----------------------|------------------|---------------------|--------------|
| State of Delaware | | | | | | |
| 403(b) Tax-Sheltered Plan | | | | | | |
| [ACCOUNT DESCRIPTION 1] | 1#####7 | \$0.00 | \$936.18 | \$900.00 | 100% | \$936.18 |
| Asset Class | Beginning | | Additions | Reductions | Net change | Ending value |
| [ACCOUNT DESCRIPTION 2] | 2#####7 | \$0.00 | \$34,578.29 | \$34,578.29 | in value | \$34,578.29 |
| 457(b) Deferred Compensation Plan | | | | | | |
| [ACCOUNT DESCRIPTION 3] | 3#####7 | \$0.00 | \$20,957.95 | \$20,957.95 | 100% | \$20,957.95 |
| Large Cap | Beginning | | Additions | Reductions | Net change | Ending value |
| Blue Chip Growth Fund | 4#####7 | \$4,820.14 | \$0.00 | \$0.00 | \$185.90 | \$5,006.04 |
| 401(a) Employer Match Plan | | | | | | |
| Total Large Cap | \$4,820.14 | | \$0.00 | \$0.00 | \$185.90 | \$5,006.04 |
| [ACCOUNT DESCRIPTION 4] | 4#####7 | \$0.00 | \$30,156.02 | \$30,156.02 | 100% | \$30,156.02 |
| Mid Cap | Beginning | | Additions | Reductions | Net change | Ending value |
| Total Appreciation Fund | \$3,639.75 | \$0.00 | \$86,628.44 | \$86,592.26 | \$164.74 | \$86,628.44 |
| Mid Cap Index Fund | \$4,062.81 | | \$0.00 | \$0.00 | \$160.63 | \$4,223.44 |
| Total Mid Cap | \$7,702.56 | \$0.00 | \$0.00 | \$0.00 | \$325.37 | \$8,027.93 |
| Small Cap | | | | | | |
| Sm Cap Aggressive Gwth | \$3,125.85 | | \$0.00 | \$0.00 | -\$57.01 | \$3,068.84 |
| Small Cap Growth Fund | \$1,907.91 | | \$0.00 | \$0.00 | -\$74.10 | \$1,833.81 |
| Total Small Cap | \$5,033.76 | \$0.00 | \$0.00 | \$0.00 | -\$131.11 | \$4,902.65 |
| Specialty | | | | | | |
| Health Sciences Fund | \$8,695.53 | | \$0.00 | \$0.00 | \$351.19 | \$9,046.72 |
| Science & Technology Fund | \$3,020.91 | | \$0.00 | \$0.00 | \$151.77 | \$3,172.68 |
| Total Specialty | \$11,716.44 | \$0.00 | \$0.00 | \$0.00 | \$502.96 | \$12,219.40 |
| Fixed Income | | | | | | |
| Fixed Account Plus | \$56,212.23 | | \$0.00 | \$0.00 | \$260.19 | \$56,472.42 |
| Total Fixed Income | \$56,212.23 | \$0.00 | \$0.00 | \$0.00 | \$260.19 | \$56,472.42 |
| Total | \$85,485.13 | \$0.00 | \$0.00 | \$0.00 | \$1,143.31 | \$86,628.44 |
| Funds by asset class | | | | | | |
| | Beginning Value | Total additions | Investment transfers | Total reductions | Net change in value | Ending Value |
| Supplemental Assets | \$644.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$644.00 |
| DB Plan monthly accrual | \$644.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$644.00 |
| Total | \$644.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$644.00 |

Performance Summary

| | For the period XX/XX/XX - XX/XX/XX | Year to date XX/XX/XX - XX/XX/XX | For 12 months XX/XX/XX - XX/XX/XX |
|-----------------------------------|---------------------------------------|-------------------------------------|--------------------------------------|
| State of Delaware | | | |
| 403(b) Tax-Sheltered Plan | 0.49% | 0.98% | 2.00% |
| 457(b) Deferred Compensation Plan | 0.40% | 0.81% | 1.60% |
| 401(a) Employer Match Plan | 3.03% | 5.12% | 27.84% |

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800-633-8960

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Personalized rate of return is a measure of the performance of the investments that you hold in your retirement plan account. It indicates the return over a period of time and factors in the activities that affect your account including 1) performance of investments, 2) contributions and 3) withdrawals. Remember past performance does not guarantee future results.

Performance information for each fund is available online at aig.com/RetirementServices.

State of Delaware

This section is reserved for special employer messages.

EMPLOYER ACCOUNTS

State of Delaware

403(B) TAX-SHELTERED PLAN

[ACCOUNT DESCRIPTION 1]

Contract Date: XX/XX/XXXXXX

Account Number: 1#####7

Activity Detail

Current & Future Allocations

| | For the period | Since inception | Surrender value | |
|--------------------------|----------------|-----------------|-----------------|-------------------------------|
| Beginning value XX/XX/XX | \$931.57 | | As of XX/XX/XX | \$900.00 |
| Funds by Asset Class | Ending value | | % of total | |
| Your contributions | | \$900.00 | As of XX/XX/XX | Future contributions \$900.00 |
| Net change in value | \$4.61 | | | |
| Fixed Income | | | | |
| Ending value XX/XX/XX | \$936.18 | | 100.00% | 100% |
| Fixed Account Plus | \$936.18 | | | |
| Total Fixed Income | \$936.18 | | 100.00% | 100% |
| Total | \$936.18 | | 100% | 100% |

Beneficiary Summary

| Name | Designation | Percent |
|------------|-------------|---------|
| JANE SMITH | Primary | 100% |

*Beneficiary designations may be subject to regulatory guidelines in some employer plans.

The beneficiaries listed above represent the information currently on file with AIG Retirement Services. Visit us at aig.com/RetirementServices to update your beneficiary information online or request the form if required by your employer.

Transactions by Account

PORTFOLIO DIRECTOR (A043) UITG-194

| Effective date | Description | Amount | Investment |
|----------------|--------------------------|----------|--------------------|
| | Beginning value XX/XX/XX | \$931.57 | Fixed Account Plus |
| XX/XX/XX | Interest credited | \$4.61 | Fixed Account Plus |
| | Ending value XX/XX/XX | \$936.18 | Fixed Account Plus |

This section is reserved for fixed interest rate disclaimers.

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Activity
Detail

| [ACCOUNT DESCRIPTION 2] | | For the period | Since inception | Surrender value | |
|-----------------------------|--|----------------|-----------------|-------------------------|-------------|
| Contract Date: XX/XX/XXXXXX | | | | Account Number: 2#####7 | |
| Beginning value XX/XX/XX | | \$34,407.98 | | As of XX/XX/XX | \$34,578.29 |
| Your contributions | | | \$29,300.00 | As of XX/XX/XX | \$34,407.98 |
| Withdrawals | | | -\$755.35 | | |
| Net change in value | | \$170.31 | | | |
| Ending value XX/XX/XX | | \$34,578.29 | | | |

Current &
Future
Allocations

| Funds by Asset Class | Ending value | % of total | Future contributions |
|---------------------------|--------------------|----------------|----------------------|
| Fixed Income | | | |
| Fixed Account Plus | \$34,578.29 | 100.00% | 100% |
| Total Fixed Income | \$34,578.29 | 100.00% | 100% |
| Total | \$34,578.29 | 100% | 100% |

Transactions by Account

PORTFOLIO DIRECTOR (A043) UITG-194

| Effective date | Description | Amount | Investment |
|----------------|--------------------------|-------------|--------------------|
| | Beginning value XX/XX/XX | \$34,407.98 | Fixed Account Plus |
| XX/XX/XX | Interest credited | \$170.31 | Fixed Account Plus |
| | Ending value XX/XX/XX | \$34,578.29 | Fixed Account Plus |

This section is reserved for fixed interest rate disclaimers.

Activity
Detail

| | | For the period | Since inception | Surrender value | |
|-----------------------------|--|----------------|-----------------|-------------------------|-------------|
| Beginning value XX/XX/XX | | \$20,872.68 | | As of XX/XX/XX | \$20,957.95 |
| Employer contributions | | | \$20,507.34 | As of XX/XX/XX | \$20,872.68 |
| Net change in value | | \$85.27 | | | |
| Ending value XX/XX/XX | | \$20,957.95 | | | |
| Contract Date: XX/XX/XXXXXX | | | | Account Number: 3#####7 | |

Current &
Future
Allocations

| Funds by Asset Class | Ending value | % of total | Future contributions |
|---------------------------|--------------------|----------------|----------------------|
| Fixed Income | | | |
| Fixed Account Plus | \$20,957.95 | 100.00% | 100% |
| Total Fixed Income | \$20,957.95 | 100.00% | 100% |
| Total | \$20,957.95 | 100% | 100% |

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Transactions by Account

PORTFOLIO DIRECTOR (A073) UITG-194-TRMC

| Effective date | Description | Amount | Investment |
|-----------------|---------------------------------|--------------------|--------------------|
| | Beginning value XX/XX/XX | \$20,872.68 | Fixed Account Plus |
| XX/XX/XX | Interest credited | \$85.27 | Fixed Account Plus |
| | Ending value XX/XX/XX | \$20,957.95 | Fixed Account Plus |

This section is reserved for fixed interest rate disclaimers.

| Activity Detail | Employer Match Plan | For the period | Since inception | Surrender value |
|------------------------|------------------------------|----------------------------------|-----------------|--------------------------------|
| ACCOUNT DESCRIPTION 41 | | Contract Date: XX/XX/XXXX | | Account Number: 4#####7 |
| | Beginning value XX/XX/XX | \$29,272.90 | | As of XX/XX/XX \$30,156.02 |
| | Your contributions | | \$15,750.00 | As of XX/XX/XX \$29,272.90 |
| | Withdrawals | | -\$2,858.99 | |
| | Net change in value | \$883.12 | | |
| | Ending value XX/XX/XX | \$30,156.02 | | |

| Current & Future Allocations | Funds by Asset Class | Ending value | % of total | Future contributions |
|------------------------------|---------------------------|--------------------|---------------|----------------------|
| | Large Cap | | | |
| | Blue Chip Growth | \$5,006.04 | 16.60% | |
| | Total Large Cap | \$5,006.04 | 16.60% | |
| | Mid Cap | | | |
| | Ariel Appreciation Fund | \$3,804.49 | 12.62% | |
| | Mid Cap Index Fund | \$4,223.44 | 14.01% | |
| | Total Mid Cap | \$8,027.93 | 26.62% | |
| | Small Cap | | | |
| | Sm Cap Aggressive Gwth | \$3,068.84 | 10.18% | |
| | Sm Cap Growth Fund | \$1,833.81 | 6.08% | |
| | Total Small Cap | \$4,902.65 | 16.26% | |
| | Specialty | | | |
| | Health Sciences Fund | \$9,046.72 | 30.00% | |
| | Science & Technology Fund | \$3,172.68 | 10.52% | |
| | Total Specialty | \$12,219.40 | 40.52% | |
| | Fixed Income | | | |
| | Short Term Fixed Account | \$0.00 | | 100% |
| | Total Fixed Income | \$0.00 | | 100% |
| | Total | \$30,156.02 | 100% | 100% |

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Transactions by Account

PORTFOLIO DIRECTOR (A042) UIT-194

| Effective date | Description | Amount | Investment | Number of Units/Shares | Unit/Share Price |
|-----------------|---------------------------------|--------------------|---------------------------|------------------------|------------------|
| | Beginning value XX/XX/XX | \$29,272.90 | | | |
| | | \$3,639.75 | Ariel Appreciation Fund | 1,215.761129 | \$2.993804 |
| | | \$4,820.14 | Blue Chip Growth Fund | 3,099.244867 | \$1.555264 |
| | | \$8,695.53 | Health Sciences Fund | 2,627.639332 | \$3.309256 |
| | | \$4,062.81 | Mid Cap Index Fund | 230.000975 | \$17.664295 |
| | | \$3,020.91 | Science & Technology Fund | 710.194441 | \$4.253638 |
| | | \$3,125.85 | Sm Cap Aggressive Gwth | 1,578.374286 | \$1.980421 |
| | | \$1,907.91 | Small Cap Growth Fund | 712.866916 | \$2.676392 |
| XX/XX/XX | Maintenance charge | -\$3.75 | | | |
| | | -\$0.54 | Ariel Appreciation Fund | -0.172538 | \$3.129748 |
| | | -\$0.54 | Blue Chip Growth Fund | -0.334278 | \$1.615420 |
| | | -\$0.54 | Health Sciences Fund | -0.156835 | \$3.443115 |
| | | -\$0.54 | Mid Cap Index Fund | -0.029404 | \$18.365059 |
| | | -\$0.54 | Science & Technology Fund | -0.120857 | \$4.468100 |
| | | -\$0.51 | Sm Cap Aggressive Gwth | -0.262261 | \$1.944625 |
| | | -\$0.54 | Small Cap Growth Fund | -0.209855 | \$2.573207 |
| XX/XX/XX | Investment gains/losses | \$886.87 | | | |
| | | \$165.28 | Ariel Appreciation Fund | | |
| | | \$186.44 | Blue Chip Growth Fund | | |
| | | \$351.73 | Health Sciences Fund | | |
| | | \$161.17 | Mid Cap Index Fund | | |
| | | \$152.31 | Science & Technology Fund | | |
| | | -\$56.50 | Sm Cap Aggressive Gwth | | |
| | | -\$73.56 | Small Cap Growth Fund | | |
| | Ending value XX/XX/XX | \$30,156.02 | | | |
| | | \$3,804.49 | Ariel Appreciation Fund | 1,215.588591 | \$3.129748 |
| | | \$5,006.04 | Blue Chip Growth Fund | 3,098.910589 | \$1.615420 |
| | | \$9,046.72 | Health Sciences Fund | 2,627.482497 | \$3.443115 |
| | | \$4,223.44 | Mid Cap Index Fund | 229.971571 | \$18.365059 |
| | | \$3,172.68 | Science & Technology Fund | 710.073584 | \$4.468100 |
| | | \$3,068.84 | Sm Cap Aggressive Gwth | 1,578.112025 | \$1.944625 |
| | | \$1,833.81 | Small Cap Growth Fund | 712.657061 | \$2.573207 |

This section is reserved for fixed interest rate disclaimers.

□ Important Information

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Account Statement
CURRENT QUARTER
SMITH, JOHN



~~Please review this account statement in its entirety and notify us immediately concerning any errors or omissions. To the extent that you believe there are errors or omissions, you should provide notice to us in writing to protect your rights. If you contact us by telephone concerning an error or omission, you should re-confirm the conversation in writing to protect your rights. After 30 days from the date of this account statement it will be deemed correct.~~

Net Change in Value reflects transactions and unrealized gains and losses on investments, as well as administrative or maintenance charges imposed on the plan. Contact us for further information about these changes.

To help achieve long term retirement security, you should give careful consideration to the benefits of a well balanced and diversified investment portfolio. If you invest more than 20% of your retirement savings in any one company stock or industry sector, your savings may not be properly diversified. Spreading your assets among different types of investments can help reduce the potential risk of your overall portfolio in changing market or economic conditions that may cause one category of assets or particular security to perform very well while causing another category of assets to security to perform poorly. Diversification does not ensure a profit or protect against market loss. However it is an effective strategy to help you manage investment risk. For further assistance you may visit the Department of Labor website at www.dol.gov/ebsa/investing.html.

Many fund families make payments to AIG Retirement Services for service, marketing and distribution support as well as for recordkeeping services. Some of these payments may be used to reduce the fees charged to participant accounts, such as separate account fees shown in a variable contract prospectus (if applicable) or certain other plan administrative fees. These fees are not used to compensate financial advisors for recommending specific investment options available under your accounts. For more information about our revenue-sharing policy, please visit aig.com/RetirementServices. Additional information regarding payments that have been or will be received by us may also be found in the applicable fund's prospectus, statement of additional information and in additional plan materials.

All securities transactions reflected on this investment confirmation were processed through your broker/dealer, acting as your agent, as shown within this confirmation.

AIG Retirement Services represents AIG member companies - The Variable Annuity Life Insurance Company (VALIC) and its subsidiaries, VALIC Financial Advisors, Inc. (VFA) and VALIC Retirement Services Company (VRSCO). All are members of American International Group, Inc. (AIG).

Annuities are issued by The Variable Annuity Life Insurance Company (VALIC), Houston, TX. Variable annuities are distributed by its affiliate, AIG Capital Services, Inc. (ACS), member FINRA.

AIG Retirement Services - 2929 Allen Parkway, Houston, TX 77019

Visit your financial representative:
Retirement Education Center
800-633-8960

Speak with a Client Service Professional:
(800) 448-2542 (Toll Free), Monday - Friday

Click
aig.com/RetirementServices

You can do this, Kayla

With a contribution of 10.00%, you are not quite on target to meet your goal of \$3,787 per month after taxes when you're 67. Luckily, we know just what to do.

CURRENT TOTAL BALANCE:

\$60,028.24

AS OF 03/11/2019

| | |
|------------------------------|--------------------|
| TOTAL EMPLOYER ASSETS | \$60,028.24 |
|------------------------------|--------------------|

| | |
|-----------------|-------------|
| Qualified Plans | \$40,023.21 |
|-----------------|-------------|

| | |
|----------------------|-------------|
| Pension [] Benefits | \$20,005.03 |
|----------------------|-------------|

This FutureFIT statement is intended to provide you with an estimated future monthly income during retirement. The statement uses your personal data and certain assumptions to analyze your current retirement savings strategy, estimate the amount of income you may need in retirement, and determine how changes to your current strategy may impact your estimated future monthly income. For details on how the results were calculated, including information on the assets listed above, please see page 4.

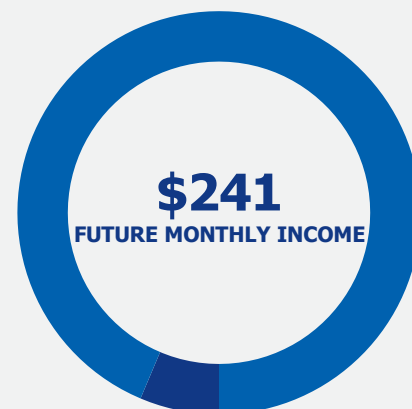
ABC DB Plan - AIG does not determine the value implied nor invest the assets of this Plan. The amounts shown were calculated using ABC DB Plan provisions and employee data that reflect the age 65 benefit that was accrued through 12/31/2019. All possible care has been taken in the completion of this calculation. However, in the event of error, the terms and provision of the ABC DB Plan will govern. Amount shown may be subject to vesting requirements. For further assistance, contact AIG Retirement Services 1-800-XXX-XXXX.

ESTIMATED FUTURE MONTHLY INCOME:

Target: \$3,787/month

TARGET PROGRESS

-\$3,546



Not quite where you need to be? There's still time.

Sign in to your account to see what increasing your contributions can do to help you get FutureFIT.

CLICK aig.com/RetirementServices

Last Calculated 04/05/2019

IMPORTANT: The results generated above and within this document are hypothetical in nature, do not reflect actual investment results and are not a guarantee of future results. There can be no assurance that the results shown will be achieved. Actual results will vary and may be better or worse than those presented.



A few quick changes may get you closer.

- Current Strategy

Based on a 10.00% contribution, and your financial profile, you're below target to achieve your goal of \$3,787/month (after taxes) starting at age 67.

- Alternate Strategy*

If you kick up your contribution to 25.00% and change your investment mix as shown on the next page, your projected income may be \$3,477/month (after taxes) starting at age 67.

*This change may result in a more aggressive strategy and/or an increase in your contribution rate.



\$3,787/month TARGET

KICK IT UP!

Saving is one thing. Saving enough to live the retirement you want may be completely different. Increasing the amount you contribute — even just a little — can be an easy way to help you reach your goal.

A few changes could help get you on track to becoming FutureFIT. Sign in to your account to see how a small change to your contributions could lead to noticeable changes for your future.

KAYLA

Age:47

Yearly Earnings: \$78,000

SAVINGS CONTRIBUTION (percent of pay per pay period)

| | CONTRIBUTION RATE | CONTRIBUTION AMOUNT | REDUCTION IN TAKE HOME PAY | ESTIMATED MONTHLY INCOME | STARTING AT AGE |
|-----------|---------------------|---------------------|----------------------------|--------------------------|-----------------|
| Current | 10.00% | \$300 | \$264 | \$241 | 67 |
| Alternate | 25.00% ¹ | \$750 ² | \$660 ² | \$3,477 | 67 |

¹Includes pre-tax and taxable contributions

²Includes pre-tax contributions only if the Alternate Contribution Rate exceeds the pre-tax limit

In **20 years**, a **15.00% savings increase** could provide an additional monthly income of **\$3,236.**

YOUR ASSETS BY INVESTMENT TYPE AS OF 03/11/2019

● **FIXED INCOME**

\$60,028.24

\$60,028.24*
INVESTMENT TYPE TOTAL

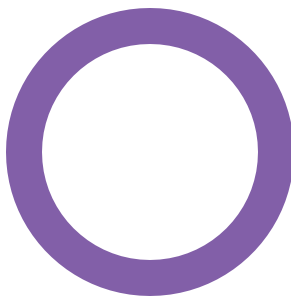
*This amount does not reflect the outside assets (if any) as shown on page 1. Only your plan assets are reflected here.

IS YOUR INVESTMENT MIX FIT?

When planning for retirement, one of the most important factors in determining how you meet your future income goals is how you invest your available funds. Below is your current investment mix compared to an alternate investment mix. Which one do you prefer?

Your Current Investment Mix

This chart shows how your current retirement funds are allocated across all of your investments with AIG Retirement Services.



● **FIXED INCOME** 100.00%

Alternate Investment Mix

The alternate investment mix provides a diversified allocation and might include additional risk. Please note this information should only be used as a guide and investment decisions should not be based solely on this strategy. This is based on limited information as provided by your employer unless you have previously used the FutureFIT calculator or are enrolled in Guided Portfolio Services.

Neither asset allocation nor diversification ensure a profit or protect against market loss.



● **LARGE CAP** 31.00%
● **SMALL OR MID CAP** 27.00%
● **INTERNATIONAL** 29.00%
● **FIXED INCOME** 13.00%

Help when you need it.

Whether you want to meet directly or speak to us over the phone – we're ready to help.

Great things come to those who don't wait. Having a plan in place and knowing you are financially

prepared can offer a boost of self-confidence and peace of mind, which sounds like a great way to enter retirement.

Your Future is Calling. Meet it with Confidence.

CLICK aig.com/RetirementServices

CALL 1-800-448-2542

Important information about this educational document:

1. This statement is provided for educational purposes only, not intended as investment advice, a recommendation, or a solicitation to buy or sell any product or strategy.
2. Results are hypothetical, subject to limitations and include the probability of success or failure over different market conditions utilizing historical data. Results will vary. Past performance is not indicative of future results.
3. Information used to generate these results are based on data we have on file and/or provided by your employer and include the following assumptions: your retirement age of 67, a retirement income of 80% of your current after-tax income as specified by your employer, consistent contribution amount, annual inflation of 2%, annual salary increases by assumed inflation rate, all contributions are pre-tax including non-qualified account, all distributions are taxable.
4. A defined benefit (DB) plan is an employer funded plan where as your benefits are computed by an established formula which includes compensation and/or length of service. Benefit amounts are not impacted by market or economic volatility. DB Plan examples include pension equity, cash balance and traditional 401(a) formula plans. The hypothetical projection (estimated retirement income) contained in your portfolio summary is based on the following factors and assumptions of your DB Plan: (FINDLEY TO PROVIDE) A lifetime annuity is generally used to project the estimated monthly income amount; pre-tax and presented in Current Value.

However, if you are enrolled in Guided Portfolio Services (GPS), the Current Strategy, Alternate Strategy and information used to generate these results are from your GPS Investment Policy Statement created on the Last Calculated date provided in the Future Monthly Income section on page 1 of this document. See your GPS Investment Policy Statement for more details.

However, if you previously utilized the FutureFIT calculator, the information that you provided was used to generate the results.

We see the future in you.SM



This information has been sent by your plan provider; The Variable Annuity Life Insurance Company (VALIC) or VALIC Retirement Services Company (VRSCO), on behalf of your employer. VALIC (Houston, TX) and VRSCO are members of American International Group, Inc. (AIG).

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VC 29450 (04/2019) J200101

KAYLA
1234 Concord Drive
Wilmington, DE 19803



Fixed-Interest Options can provide stable returns.

Available through a group annuity contract issued by The Variable Annuity Life Insurance Company (VALIC).

Fixed-Interest Options seek to provide safety of principal and guaranteed interest income.

Overview

- Savings and guarantees are backed by the General Account of VALIC
- Offer a stable long-term option that includes preservation of capital and guaranteed interest income

Key features

- Crediting Rate is the interest rate credited to accounts in the fixed-interest options*
- Guaranteed Minimum Interest Rate is the minimum Crediting Rate that is set for the life of the contract, regardless of market conditions

How Fixed-Interest Options can fit into a portfolio

Fixed-Interest Options may appeal to investors:

- Looking for safety of principal and guaranteed return
- Seeking to complement a diversified portfolio
- Nearing retirement and favor options with no market participation

Financial strength — a tradition of stability

VALIC's financial strength and ability to provide guarantees are reviewed by all of the major independent rating agencies.

VALIC Financial Strength Ratings* (affirmed 04/14/2021)

| | |
|---------------------------|-----|
| Standard & Poor's | A+1 |
| Moody's Investors Service | A22 |
| A.M. Best Company | A2 |
| Fitch | A+2 |

¹ Outlook credit watch developing

² Outlook stable

Investment guidelines for the General Account

- Objectives: Seeks to provide safety of principal and current income, subject to current market conditions
- Eligible investments: Broadly diversified portfolio of fixed income securities with a small allocation to potentially higher-yielding investments

* Crediting Rates are based on the decision of the insurance company (which is impacted by market conditions). Crediting Rates are generally fixed and guaranteed in advance for up to one year (sometimes longer) and must be greater than or equal to the guaranteed minimum interest rate. Please refer to your contract for specific information.

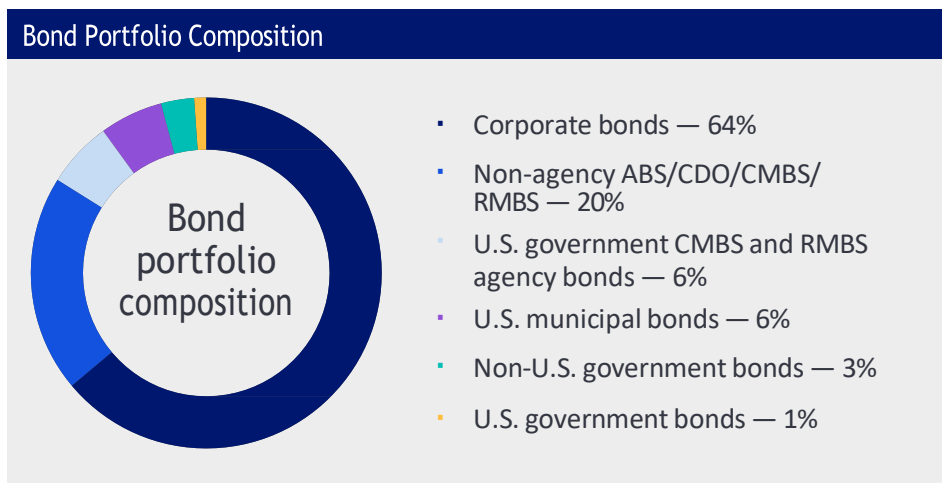
Fixed-Interest Options can provide stable returns.

Asset quality composition (as of March 31, 2021)

The management strategy for the General Account is intended to produce a reasonably stable and predictable return throughout the economic cycle — without undue risk or volatility. The portfolio consists principally of investment-grade corporate debt securities and highly rated mortgage-backed and asset-backed securities. In addition, a small allocation — normally 5% or less — is made to other, more volatile but potentially higher-yielding investments.

The allocation to equities is intended to provide an economic hedge against the potential risks associated with inflation and rising interest rates, as well as the potential for greater long-term growth. Within our fixed-income credit portfolios, we conduct rigorous and thorough independent credit analyses and follow policies of extensive diversification and active management. Portfolios of mortgage-backed securities and related asset classes are actively managed to mitigate prepayment risk.

| Fixed Account and Bond Portfolio Investments | | General Account Bond Holdings | | Top 10 Corporate Holdings by Issuer | |
|--|-----|--|------------|-------------------------------------|-------|
| Bonds | 78% | Total Fund Assets (billion) # | \$48.4 | Amazon.com, Inc. | 0.54% |
| Mortgages | 15% | Average Duration (bonds and mortgages, effective duration) | 7.9 years | Verizon Communications Inc. | 0.51% |
| Policy loans (secured by contract values) | 1% | Average Life (bonds and mortgages) | 11.6 years | Oracle Corporation | 0.49% |
| Cash and short-term investments | 3% | | | JPMorgan Chase & Co. | 0.46% |
| Equity-related | 3% | | | Wells Fargo & Company | 0.43% |
| Miscellaneous | <1% | | | Microsoft Corporation | 0.39% |
| | | | | Walt Disney Company, The | 0.37% |
| | | | | Duke Energy Corporation | 0.36% |
| | | | | Sempra Energy | 0.34% |
| | | | | Comcast Corporation | 0.34% |



| Quality Breakdown (bonds)** - % | |
|---------------------------------|-----|
| AAA | 13% |
| AA | 21% |
| A | 21% |
| BBB | 36% |
| <BBB | 9% |
| Average Credit Rating | A- |

* Standard & Poor's A+ (Strong) Companies rated A have strong financial security characteristics, but are somewhat more likely to be affected by adverse business conditions than are higher-rated insurers. Moody's A2 (Good) Companies rated A offer good financial security; however, elements may be present that suggest a susceptibility to impairment sometime in the future. A.M. Best A (Excellent) Companies rated A have an excellent ability to meet their ongoing insurance obligations. Fitch A+ (Strong) Companies rated A have low expectations of ceased or interrupted payments with a strong capacity to meet policyholder and contract obligations. This capacity may, nonetheless, be more vulnerable to changes in circumstances or economic conditions than is the case for higher ratings.

Ratings are affirmed as of 04/14/2021 and subject to change. Because the dates are only updated when there's a change in the ratings, the affirmed date reflects the most recent ratings we have received. Standard & Poor's ratings are a measure of claims-paying ability and range from AAA (Extremely Strong) to R (Regulatory Action), while Moody's ratings measure financial security and range from Aaa (Exceptional) to C (Extremely Poor). A.M. Best's ratings measure claims-paying ability and range from A++ (Superior) to F (in Liquidation). Fitch ratings are a measure of insurer financial strength, ranging from AAA (Exceptionally Strong) to C (Distressed).

** Ratings of long-term bond holdings in the VALIC General Account (GAAP book value basis) reflect the middle or lower credit rating as assigned by two or more major rating agencies, if rated. The bond portfolio's Average Credit Rating is an internal measurement calculated primarily using ratings assigned by the major ratings agencies at a security level. Securities not rated by the agencies are assigned ratings based on internal risk evaluations. Each security's rating is then changed into a numerical value, asset weighted and calculated to be shown at the portfolio level in an agency format. These calculations may vary across the industry and should not be the only factor used in analyzing the VALIC General Account.

Fixed-Interest Options can provide stable returns.

Annuities are long-term products designed for retirement.

Withdrawals may be subject to withdrawal charges and federal and/or state income taxes. A 10% federal early withdrawal tax penalty may apply if taken before age 59½.

Retirement plans and accounts such as 403(b)s, IRAs, 401(k)s, etc., can be tax deferred regardless of whether or not they are funded with an annuity. The purchase of an annuity within a plan does not provide additional tax-deferred treatment of earnings. However, annuities do provide other features and benefits.

This material is general in nature, was developed for educational use only, and is not intended to provide financial, legal, fiduciary, accounting or tax advice, nor is it intended to make any recommendations. Applicable laws and regulations are complex and subject to change. Please consult with your financial professional regarding your situation. For legal, accounting or tax advice consult the appropriate professional.

Annuities are issued by The Variable Annuity Life Insurance Company (VALIC), Houston, TX. Guarantees backed by the claims-paying ability of VALIC. Variable annuities are distributed by its affiliate, AIG Capital Services, Inc. (ACS), member FINRA.

All companies are members of American International Group, Inc. (AIG).

This document applies to the following: Policy Forms UIT-194 Series; GFUA-398, GFUA 398-NY, GFUA-398-NY (457), GFUA-315, GFA-504, IFA-406, SRA-1004, FLEX 5-805X, FLEX 7-805X, A201-05, IFA-608, MBIFA Series, SPIA-405, GUP-64/74, IFA-572, GFA-572, UIT-981/UITG-981, UIT-585, IMM-86, UIT-211-IC, UIT-12-NY, UITN-12-NY, UIT-IRA-12-NY and other policy forms no longer actively sold by The Variable Annuity Life Insurance Company.

Tab L: Draft Implementation Plan

The chart below represents a timeline of implementation activities for the State of Delaware's retirement plans. This timeline is subject to initial review, approval and finalization by AIG Retirement Services and State of Delaware. Once finalized, the timeline will serve as a fluid document that will be adjusted through each phase of the conversion process.

| Date or Week | Conversion Activity | Responsible Party |
|--------------|---|--|
| Week 1 – 2 | <p><u>Initial Planning and Contracts</u></p> <ul style="list-style-type: none"> • Hold meetings with State of Delaware to discuss conversion process • Review Plan design and related processing • Service Provider/Trust/Custodial Agreements are initiated • Plan document amendment/restatement initiated (if required) • Review communication and education material objectives and provide samples <p><u>Contribution Remittance</u></p> <ul style="list-style-type: none"> • Hold meeting with State of Delaware payroll department to discuss remittance process • Review options for remittance records and file submission including AIG Retirement Services feedback file process • Establish timing for remittance testing • Provide Plan Service Agreements and Provider Reply Forms to 403(b) legacy recordkeepers for data aggregation | AIG Retirement Services / State of Delaware |
| Week 3 – 4 | <p><u>Conversion Activities</u></p> <ul style="list-style-type: none"> • Hold meetings with State of Delaware and VOYA • Agree on conversion Date • Request test files for indicative and financial Plan records • Hold Meetings to discuss test files received • Final Sign off on data mapping <p><u>Employee Communications</u></p> <ul style="list-style-type: none"> • Confirm conversion options, processing parameters, main events and timing, and mapping strategy with the Plan Sponsor • Finalize and mail communication materials announcing Plan changes, conversion options, processing parameters, and schedule participant educational/enrollment meetings <p><u>Agreements/Plan Documents</u></p> <ul style="list-style-type: none"> • Agreements and Plan Documents are delivered for Plan Sponsor signature <p><u>Contribution Remittance</u></p> <ul style="list-style-type: none"> • Receive remittance test files • Address/resolve remittance issues | AIG Retirement Services /VOYA/ State of Delaware |
| Week 5 – 7 | <p><u>Conversion Activities</u></p> <ul style="list-style-type: none"> • Address/resolve data issues • Complete full cycle testing of conversion data | AIG Retirement Services /VOYA/ State of Delaware |

| Date or Week | Conversion Activity | Responsible Party |
|--------------|--|--|
| Week 8 – 9 | <ul style="list-style-type: none"> Finalize conversion processing dates and transactional processing parameters <p><u>Conduct Informational/Enrollment Meetings</u></p> <ul style="list-style-type: none"> Explain improvements to plan, investment options, background on AIG Retirement Services Provide employees with one-on-one consultation regarding investment goals, asset allocations, and savings analysis Educate employees on conversion and enrollment process Inform employees and retirees of availability of on-going education provided by our financial professionals <p><u>Agreements/Plan Documents</u></p> <ul style="list-style-type: none"> Resolve any Agreement or Plan Document questions for the State of Delaware <p><u>System Setup</u></p> <ul style="list-style-type: none"> System set up for processing Online enrollment site is constructed (if applicable) New fund accounts set up with fund companies Conversion program is tested and accounts audited for pending conversion Retirement Manager site constructed for 403(b) legacy assets <p><u>Conversion Activities</u></p> <ul style="list-style-type: none"> Conclude and final signoff on testing Prepare for production data and refresh files <p><u>Contribution Remittance</u></p> <ul style="list-style-type: none"> Conclude and final signoff on testing Prepare for production remittance <p><u>Agreements/Plan Documents</u></p> <ul style="list-style-type: none"> State of Delaware to send AIG Retirement Services executed agreements and plan documents (one month prior to Effective Date) | <p>AIG Retirement Services / State of Delaware</p> <p>AIG Retirement Services</p> <p>AIG Retirement Services / State of Delaware</p> |
| Week 10 – 11 | <p><u>Conversion Activities</u></p> <ul style="list-style-type: none"> Receive final indicative data files (refresh files) AIG Retirement Services establishes participant accounts for participants new to AIG Retirement Services Quality control measures completed <p><u>Conclude Informational Meetings</u></p> <ul style="list-style-type: none"> Target any employees and/or retirees who were on vacation, off-site location, etc. <p><u>System Setup</u></p> | <p>AIG Retirement Services /VOYA</p> <p>AIG Retirement Services / State of Delaware</p> |

| Date or Week | Conversion Activity | Responsible Party |
|----------------------------|---|---|
| | <ul style="list-style-type: none"> • All system setup and related quality assurance complete • Retirement Manager site review and approval completed | |
| Week 12 | <u>Conversion Process</u> <ul style="list-style-type: none"> • Quiet Period begins • Receive Plan assets and final valuation files • Account assets are reinvested in mutual fund investment options (if applicable) • Balance and control measures completed • Normal processing resumes as soon as possible following reinvestment of assets, quality assurance, and applicable quiet period | AIG Retirement Services / VOYA/ State of Delaware |
| March 1, 2022 | <u>All Systems Live</u> <ul style="list-style-type: none"> • Contributions will be processed to the mutual fund investment options on the first payroll processing period following the Effective date • AIG Retirement Services provides access to remittance Website • Retirement Manager site activated for 403(b) legacy assets <u>Online Capabilities</u> <ul style="list-style-type: none"> • Online access available for participant transactions and view legacy assets via Retirement Manager | AIG Retirement Services |
| Post Effective Date | <u>Transition to Ongoing Services</u> <ul style="list-style-type: none"> • Conduct meeting to introduce Ongoing Services contact <u>Contribution Remittance</u> <ul style="list-style-type: none"> • State of Delaware sends first remittance file | AIG Retirement Services / State of Delaware |
| Ongoing | <u>Ongoing Employee Education</u> <ul style="list-style-type: none"> • Schedule employee education workshops as directed by State of Delaware • Discuss availability of periodic meetings to answer questions and review financial goals and needs | AIG Retirement Services |

No 755 P

Annual Continuation Fee
\$25.00

State of Delaware



Department of Insurance

Certificate of Authority to Insurance Company

This Certifies that subject to and in accordance with the laws of this State,
The VARIABLE ANNUITY LIFE INSURANCE COMPANY
of 2727 Allen Parkway, Houston, Texas 77019
Incorporated or Organized on August 21, 1968 in Texas
as a Stock insurer is hereby authorized to transact the business of
Life, Variable Annuities

insurance within the State of Delaware as such classes are now or may hereinafter be defined. This Certificate of Authority is the property of the State of Delaware and shall continue in force until terminated, suspended or revoked, subject to requirements for continuation by or on March 1 annually as set forth in the Insurance Laws of the State of Delaware.



IN WITNESS WHEREOF, I have
hereunto set my hand and official seal, at Dover,
this 1st day of May 19 69

Robert A. Short
INSURANCE COMMISSIONER

C. Coleman Bunting
DEPUTY INSURANCE COMMISSIONER



AIG Corporate Insurance

30 Hudson St., 18th FL.
New Jersey, NJ 07302
212-458-7645
www.aig.com

August 17, 2021

Office of the State Treasurer
820 Silver Lake Blvd.
Suite 100
Dover, DE 19904

Re: Professional Liability - American International Group, Inc.,
and its subsidiary AIG Retirement Services, Inc.

To Whom It May Concern:

Your inquiry concerning Professional Liability has been forwarded to Corporate Insurance for response.

American International Group, Inc. and its subsidiaries (together the Company) maintains professional liability insurance above a twenty-five million (\$25M) retention, and a self-insurance program for claims made against the Company that are within the \$25M retention, in the event the Company or such entity shall become legally obligated to pay as determined by a court of competent jurisdiction on account of Professional Liability imposed upon the Company, by law or assumed under written contract for which the Company is legally responsible, anywhere in the world.

Based upon the above, AIG, Inc. and the subsidiary, AIG Retirement Services, Inc. acknowledge that they are accepting responsibility for an E&O risk at least up to \$5,000,000 (USD), in the Company's self-insured program, while AIG Retirement Services, Inc. remains a subsidiary of the Company.

We hereby certify by this letter, that the aforementioned program is in force and applicable to the above entity as long as when the alleged act or error occurs, the entity is a subsidiary entity of AIG, Inc.

Sincerely,

A handwritten signature in dark ink, appearing to read "Patricia Q. Murnane".

Patricia Q. Murnane, JD, ARM
Director, Corporate Insurance



CERTIFICATE OF LIABILITY INSURANCE

DATE(MM/DD/YYYY)
08/19/2021

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must have **ADDITIONAL INSURED** provisions or be endorsed. If **SUBROGATION IS WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

| | | |
|--|---|---------------------------------------|
| PRODUCER Aon Risk Services Northeast, Inc. New York NY Office One Liberty Plaza 165 Broadway, Suite 3201 New York NY 10006 USA | CONTACT NAME: | |
| | PHONE (A/C. No. Ext): (866) 283-7122 | FAX (A/C. No.): (800) 363-0105 |
| INSURED American Intl Group Inc Etal AIG Corporate Insurance 175 Water Street, 27th Floor New York NY 10038 USA | E-MAIL ADDRESS: | |
| | INSURER(S) AFFORDING COVERAGE | |
| | NAIC # | |
| | INSURER A: ACE Property & Casualty Insurance Co. | 20699 |
| | INSURER B: Zurich American Ins Co | 16535 |
| | INSURER C: | |
| | INSURER D: | |
| INSURER E: | | |
| INSURER F: | | |

| | | |
|---|---|-------------------------|
| COVERAGES | CERTIFICATE NUMBER: 570088877889 | REVISION NUMBER: |
| THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS. | | |
| Limits shown are as requested | | |

| INSR LTR | TYPE OF INSURANCE | ADDL INSD | SUBR WVD | POLICY NUMBER | POLICY EFF (MM/DD/YYYY) | POLICY EXP (MM/DD/YYYY) | LIMITS |
|----------|--|---------------------------------|----------|-----------------|-------------------------|-------------------------|--|
| | COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER: | | | | | | EACH OCCURRENCE DAMAGE TO RENTED PREMISES (Ea occurrence) MED EXP (Any one person) PERSONAL & ADV INJURY GENERAL AGGREGATE PRODUCTS - COMP/OP AGG |
| | AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS ONLY | | | | | | COMBINED SINGLE LIMIT (Ea accident) BODILY INJURY (Per person) BODILY INJURY (Per accident) PROPERTY DAMAGE (Per accident) |
| A | <input checked="" type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> DED <input type="checkbox"/> RETENTION | | | XEUG71829121001 | 10/01/2020 | 10/01/2021 | EACH OCCURRENCE \$10,000,000 AGGREGATE \$10,000,000 Products/Comp Ops \$10,000,000 |
| | WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR / PARTNER / EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NY) If yes, describe under DESCRIPTION OF OPERATIONS below | Y/N <input type="checkbox"/> | N/A | | | | PER STATUTE <input type="checkbox"/> OTH <input type="checkbox"/> E.L. EACH ACCIDENT E.L. DISEASE-EA EMPLOYEE E.L. DISEASE-POLICY LIMIT |

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER

CANCELLATION

| | |
|---|--|
| office of the State Treasurer 820 Silver Lake Blvd., Suite 300 Dover DE 19904 USA | SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. |
| | AUTHORIZED REPRESENTATIVE <i>Aon Risk Services Northeast Inc.</i> |

Holder Identifier :

570088877889

Certificate No :



CERTIFICATE OF LIABILITY INSURANCE

DATE(MM/DD/YYYY)
08/19/2021

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

| PRODUCER Aon Risk Services Northeast, Inc. New York NY Office One Liberty Plaza 165 Broadway, Suite 3201 New York NY 10006 USA | CONTACT NAME: PHONE (A/C. No. Ext): (866) 283-7122 FAX (A/C. No.): (800) 363-0105 E-MAIL ADDRESS: | | | | | | | | | | | | | | |
|--|---|-------------------------------|--------|---|-------|------------|--|------------|--|------------|--|------------|--|------------|--|
| INSURED American Intl Group Inc Etal AIG Corporate Insurance 175 Water Street, 27th Floor New York NY 10038 USA | <table><tr><th>INSURER(S) AFFORDING COVERAGE</th><th>NAIC #</th></tr><tr><td>INSURER A: Illinois Union Insurance Company</td><td>27960</td></tr><tr><td>INSURER B:</td><td></td></tr><tr><td>INSURER C:</td><td></td></tr><tr><td>INSURER D:</td><td></td></tr><tr><td>INSURER E:</td><td></td></tr><tr><td>INSURER F:</td><td></td></tr></table> | INSURER(S) AFFORDING COVERAGE | NAIC # | INSURER A: Illinois Union Insurance Company | 27960 | INSURER B: | | INSURER C: | | INSURER D: | | INSURER E: | | INSURER F: | |
| INSURER(S) AFFORDING COVERAGE | NAIC # | | | | | | | | | | | | | | |
| INSURER A: Illinois Union Insurance Company | 27960 | | | | | | | | | | | | | | |
| INSURER B: | | | | | | | | | | | | | | | |
| INSURER C: | | | | | | | | | | | | | | | |
| INSURER D: | | | | | | | | | | | | | | | |
| INSURER E: | | | | | | | | | | | | | | | |
| INSURER F: | | | | | | | | | | | | | | | |

COVERAGES **CERTIFICATE NUMBER:** 570088877871 **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, **Limits shown as requested**

| INSR LTR | TYPE OF INSURANCE | ADDL INSD | SUBR WVD | POLICY NUMBER | POLICY EFF (MM/DD/YYYY) | POLICY EXP (MM/DD/YYYY) | LIMITS | |
|----------|---|---|----------|--|-------------------------|-------------------------|---|--|
| | COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC OTHER: | | | | | | EACH OCCURRENCE | |
| | | | | | | | DAMAGE TO RENTED PREMISES (Ea occurrence) | |
| | | | | | | | MED EXP (Any one person) | |
| | | | | | | | PERSONAL & ADV INJURY | |
| | | | | | | | GENERAL AGGREGATE | |
| | | | | | | | PRODUCTS - COMP/OP AGG | |
| | AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY | | | | | | COMBINED SINGLE LIMIT (Ea accident) | |
| | | | | | | | BODILY INJURY (Per person) | |
| | | | | | | | BODILY INJURY (Per accident) | |
| | | | | | | | PROPERTY DAMAGE (Per accident) | |
| | UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input type="checkbox"/> RETENTION | | | | | | EACH OCCURRENCE | |
| | | | | | | | AGGREGATE | |
| | WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR / PARTNER / EXECUTIVE OFFICER/MEMBER (Mandatory in NJ) If yes, describe under DESCRIPTION OF OPERATIONS below | <input type="checkbox"/> Y <input type="checkbox"/> N | N/A | | | | PER STATUTE <input type="checkbox"/> OTHER <input type="checkbox"/> | |
| | | | | | | | E.L. EACH ACCIDENT | |
| | | | | | | | E.L. DISEASE-EA EMPLOYEE | |
| | | | | | | | E.L. DISEASE-POLICY LIMIT | |
| A | Cyber Liability | | | G46889666003 Claims Made SIR applies per policy terms & conditions | 07/30/2021 | 07/30/2022 | Max Single Limit Max Policy Agg Reten. Ea. Incident | \$15,000,000 \$15,000,000 \$10,000,000 |

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER

Office of the State Treasurer
820 Silver Lake Blvd., Suite 300
Dover DE 19904 USA

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Aon Risk Services Northeast Inc.

Holder Identifier :

570088877871

Certificate No :



CERTIFICATE OF LIABILITY INSURANCE

10/1/2021

DATE (MM/DD/YYYY)

8/19/2021

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

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PRODUCER Lockton Companies
3280 Peachtree Road NE, Suite #250
Atlanta GA 30305
(404) 460-3600

CONTACT

NAME:

PHONE

(A/C, No, Ext):

FAX

(A/C, No):

E-MAIL

ADDRESS:

INSURER(S) AFFORDING COVERAGE

NAIC #

INSURER A: Greenwich Insurance Company

22322

INSURER B: XL Specialty Insurance Company

37885

INSURER C:**INSURER D:****INSURER E:****INSURER F:**

INSURED
1455191 American International Group, Inc.
and its subsidiaries
175 Water Street
27th Fl.
New York, NY 10038

COVERAGES**CERTIFICATE NUMBER:** 17779856**REVISION NUMBER:** XXXXXXXX

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

| INSR LTR | TYPE OF INSURANCE | ADDL INSD | SUBR WVD | POLICY NUMBER | POLICY EFF (MM/DD/YYYY) | POLICY EXP (MM/DD/YYYY) | LIMITS |
|----------|---|-----------|----------|--|-------------------------|-------------------------|--|
| A | <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> Contractual Liab GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER: | N | N | RGD9437551-09 | 10/1/2020 | 10/1/2021 | EACH OCCURRENCE \$ 2,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 10,000,000 PRODUCTS - COMP/OP AGG \$ 4,000,000 \$ |
| A | AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input checked="" type="checkbox"/> NON-OWNED AUTOS ONLY | N | N | RAD943755209 | 10/1/2020 | 10/1/2021 | COMBINED SINGLE LIMIT (Ea accident) \$ 3,000,000 BODILY INJURY (Per person) \$ XXXXXXXX BODILY INJURY (Per accident) \$ XXXXXXXX PROPERTY DAMAGE (Per accident) \$ XXXXXXXX \$ XXXXXXXX |
| | UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input type="checkbox"/> RETENTIONS \$ | | | NOT APPLICABLE | | | EACH OCCURRENCE \$ XXXXXXXX AGGREGATE \$ XXXXXXXX \$ XXXXXXXX |
| B B | WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below | Y/N N | N/A | RWD9435322-09 (AOS) RWR9435323-09 (AK & WT) | 10/1/2020 10/1/2020 | 10/1/2021 10/1/2021 | <input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000 |

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

AIG Retirement Services, Inc. is a subsidiary of American International Group, Inc. This insurance is primary and non-contributory.

CERTIFICATE HOLDER

17779856
Office of the State Treasurer
820 Silver Lake Blvd.
Suite 100
Dover DE 19904

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE