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United States Senate

SPECIAL COMMITTEE ON AGING

WASHINGTON, DC 20510-6400

(202) 224-5364

July 15, 2008

Roger W. Ferguson, Jr.
Chief Executive Officer
TIAA-CREF
730 Third Avenue
New York, NY 10017

Dear Mr. Ferguson:

As Chairman of the United States Senate Special Committee on Aging, I take seriously my responsibility to protect America's seniors. Part of this responsibility includes maintaining and strengthening our seniors' retirement income. To that end, the Committee has held a series of hearings examining a variety of issues impacting retirement income. Tomorrow, I will chair a hearing entitled "Saving Smartly for Retirement: Are Americans Being Encouraged to Break Open the Piggy Bank?" The hearing will focus on reducing 401(k) leakage from loans and withdrawals.

Among the issues we will address is the growing trend of consumers being encouraged, through advertisements, to "roll over" their low-fee 401(k) plans, including the Federal Thrift Savings Plan (TSP), into other 401(k) plans or Individual Retirement Accounts (IRAs). Although these other products may be useful, they are not always the best choice for every consumer. In particular, consumers can suffer unnecessary harm when they choose plans that have higher fees than their original 401(k) plans. Therefore, it is of the utmost importance that consumers have complete, clear, and concise information on all the terms of such products before making any decisions.

With consumer education as a priority, I have become increasingly concerned by advertisements promoting "roll overs" that are misleading or do not provide consumers with all the facts. Therefore, I request that your company reexamine its 401(k) "roll over" advertisements targeted at TSP participants and I strongly challenge you to consider withdrawing them from the marketplace. I look forward to working with you as we strive to ensure and maintain a strong stream of retirement income for our nation's seniors. Should you have any questions regarding this matter, please contact Jack Mitchell of my staff at (202) 224-0741.

Sincerely,



Herb Kohl
Chairman

DO YOU KNOW WHEN YOUR TSP RETIRES?

Your TSP won't last forever.¹ Make sure your assets continue to work for you throughout your retirement. So roll over your TSP to a TIAA-CREF IRA. Here's why:

- We offer highly competitive investments and the broadest range of retirement income options in the industry.¹
- No fees and no minimum investment requirements.²
- TIAA-CREF IRAs have similar investments as the TSP, including an option that guarantees your savings.³
- TIAA-CREF IRAs come with personalized objective advice at no additional cost.

Call 1-866-681-0051 or visit
www.tiaa-cref.org/tsp today.



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¹Past performance is no guarantee of future results. ²There is no account fee to own a TIAA-CREF IRA; however, brokerage transaction fees may apply. In addition, investors are subject to the underlying funds' portfolio management fees and expenses. ³Any guarantees under annuities issued by TIAA are subject to TIAA's claims-paying ability. TIAA-CREF Individual & Institutional Services, LLC, and Teachers Personal Investors Services, Inc., Members FINRA, distribute securities products. Advisory services are provided by Advice and Planning Services, a division of TIAA-CREF Individual & Institutional Services, LLC, a registered investment advisor. C40824 © 2008 Teachers Insurance and Annuity Association-College Retirement Equities Fund (TIAA-CREF), New York, NY 10017.

Please see TSP rules at www.tsp.gov. Consider the investment objectives, risks, charges and expenses carefully before investing. Call 877-518-9161 or visit tiaa-cref.org for a current prospectus that contains this and other information. Read it carefully before investing.