



NDC Special Committee Meeting May 15, 2012





Capital Preservation Options

- Participant Educational Meetings
 - 276 Attendees
 - Over 100 Participant calls/emails
- Participants want:
 - Secure, high quality, low risk investment
 - Principal Guarantee
 - Set Crediting Rate
- Understand changes in Credit Markets
- Limited Provider Loyalty



Hartford General Account Data

- Increased redemptions in April 2012
 - \$7.66 million outflow (-\$3.84 million cash flow)
- 90% Increase in Withdrawals Vs. April 2011
 - Transfer to other funds on Hartford platform...\$2.48M
 - Transfer to other provider in NDC..... \$1.99M
 - Rollover out of the NDC..... \$1.67M

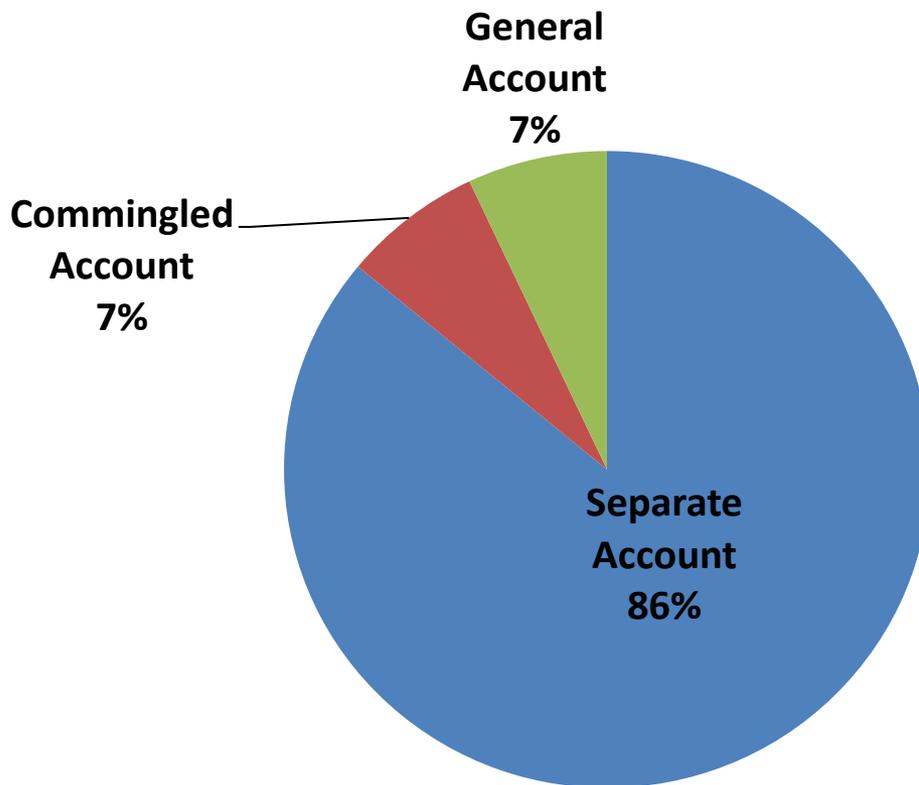


NDC vs. Hartford Book of Clients

- 10 Largest 457 Clients – General Account Assets
 - Plan 1.....\$630M (investment only)
 - **NDC.....\$267M**
 - Plan 3..... \$221M
 - Plan 4.....\$214M
 - Plan 5.....\$203M
 - Plan 6.....\$148M
 - Plan 7.....\$119M
 - Plan 8.....\$112M
 - Plan 9.....\$111M
 - Plan 10\$104M



Usage of General Accounts



2011 NAGDCA Stable Value Survey



Nevada Deferred Compensation
YOUR PLAN...YOUR FUTURE

81% of separate and comingled accounts are synthetic guaranteed investment contracts (GICs)



Risk Management

Fiduciary Oversight:

- Provide Crediting Rate = Investment Risk
- Transparency in Underlying Holdings, Fees and Performance
- Reduce Credit Default Risk
- Hold Assets in Trust for Exclusive Benefit
- Remove Balance Sheet Risk



Purchasing Division

- Documentation and Bid Scoring
- Rationale Discussions
- Changing Scores
- Finalists Presentations
- Questions



Service Provider/Administrator RFP

- Firms who submitted bids:
 - Great West Retirement Services
 - Hartford Life Insurance Company
 - ING Financial Services
 - Nationwide Retirement Solutions
 - Prudential Life Insurance Company
 - VALIC Life Insurance Company
- Hartford Certified it Does Not Meet All Minimum Qualifications