



November 15, 2002

University of North Carolina  
Kitty McCollum  
Assistant Vice President - Finance and University Benefits Officer

As indicated in earlier communications, Teachers Insurance and Annuity Association of America ("TIAA") recently sold its group life and disability insurance business to Standard Insurance Company ("The Standard"). Teams of professionals from TIAA and The Standard continue to work together to ensure a smooth transfer of administrative services and claims processing to The Standard. We wish to take this opportunity to provide you with some key upcoming milestones of the business transition.

- October 1, 2002      The Standard assumes financial responsibility for paying benefits under TIAA group policies. TIAA continues to manage your claims.
- February 2003      Administrative services transfer to The Standard. Self-administered billing groups begin to submit premiums to The Standard.
- February 2003      Administrative services transfer to The Standard. Institutions for which TIAA has provided list bills will receive their first bill from The Standard. Administrative information for benefit plan administrators will be included with the bill.
- March 2003          Administration of Life and Premium Waiver claims will transfer to The Standard
- June 2003           Administration of Short Term Disability and Long Term Disability claims will transfer to The Standard.

This letter is intended to give you a high-level overview of the transition timeline. We will provide you with more specific information on what to expect during each of these milestones approximately 30 days in advance of any changes.

Please share this letter with the people in your organization who would benefit from the update. If you have any questions, please contact your TIAA group insurance consultant or account manager.

Sincerely,

A handwritten signature in black ink that reads "Jim S. Orser".

Jim Orser, Vice President  
Employee Benefits Division