Regulation Best Interest Disclosure

This document describes the products and services we provide as a broker-dealer registered with the Securities and Exchange Commission (“SEC”).* It can help you understand important information about the recommendations we provide such as the fees we charge and how we are paid for these services.

Specifically, this document provides information on:

- Our broker-dealer services
- The “best interest” standard of conduct that applies to any securities recommendations (including investment strategies involving securities) we provide for your TIAA accounts when we act as a broker-dealer as well as important considerations (including conflicts) and limitations related to our recommendations
- The accounts, products and services we may recommend as a broker-dealer (called “Solutions” in this document), as well as our fees and other compensation
- Our investment philosophy, the general basis for our recommendations and risks of investing
- Our Financial Professionals’ roles, how they are compensated and material conflicts of interest related to their compensation

Our Solutions

Most, but not all of our clients begin their relationship with us when they enroll in an employer-sponsored retirement plan (“Plan”) at TIAA. For clients with investing needs beyond their Plan(s), we offer a range of Solutions, such as affiliated individual retirement accounts (“IRAs”), self-directed brokerage accounts, variable annuities and variable universal life insurance through third parties. All Solutions are described in more detail starting on page 8. We also offer services as a registered investment adviser and services from our affiliates (collectively, “Other Services”), which are summarized starting on page 25. Please review all documents and disclosures associated with Solutions and Other Services we recommend to make fully informed decisions. If you have a Plan that is recordkept by TIAA as a service provider, we may use data from your Plan when we recommend or provide you with Solutions and Other Services. Plan sponsors do not review or endorse any Solutions or Other Services outside of their Plans.

*TIAA provides broker-dealer services through its affiliate TIAA-CREF Individual & Institutional Services, LLC (“TC Services”) and its registered representatives (“Financial Professionals”). We are required to provide this document to you as a retail customer1 under the SEC’s Regulation Best Interest. You may receive this document multiple times, depending on the products and services you have with us. You should review this document (and any updates and revisions to it) when you receive any securities recommendations (including investment strategies involving securities) from us. We refer to TC Services and its Financial Professionals collectively as “we”/“us”/“our” throughout this document.

1 Retail customers are natural persons, or their legal representatives that use recommendations primarily for personal, family or household purposes. This document is not intended for plan sponsors or nonretail customers.

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Our broker-dealer services

We act as a broker-dealer when we buy and sell securities for your TIAA accounts at your direction. From time to time we may also provide you with investment recommendations as part of our broker-dealer services (“Recommendations”). Specifically, we can provide Recommendations to:

- Open, contribute or enroll in our Solutions, including consolidating assets via an IRA or plan rollover or transfer
- Create a lifetime income stream by annuitizing affiliated variable annuity holdings at TIAA
- Purchase and sell specific investments within your Plans at TIAA (where available), the TIAA IRAs and certain TIAA-CREF Life Insurance Company (“TIAA Life”) annuities
- Purchase third-party variable universal life insurance policies

Recommendations to enroll in, roll over to or contribute more to a TIAA managed account are provided as registered investment adviser services and not as broker-dealer services. You will be provided with a separate disclosure document for managed account recommendations. For more information about our and our affiliates’ advisory programs and offerings, see the program disclosure documents at TIAA.org/relationshipdisclosures and the applicable client agreement.

We also offer educational services as a broker-dealer that do not involve a Recommendation, including:

- Information about investing
- Information about Solutions available at TIAA
- Education and enrollment services, including help with contributions, servicing and distribution needs for your TIAA Plans and other TIAA accounts
- Various online tools and calculators available through TIAA.org

Our broker-dealer services are provided based on your needs at the time of the service.
Our Recommendations

The best interest standard applicable to our Recommendations

Our Recommendations are subject to a standard under the SEC’s Regulation Best Interest that requires us to act in your best interest when making a Recommendation and without placing our financial or other interests ahead of yours. Regulation Best Interest does not require or ensure that: 1) we recommend the lowest cost option; 2) we guarantee the performance of any investment; or 3) your investment objectives will be achieved. In addition, we are not responsible for actions you take that are different from or inconsistent with our Recommendations. You assume the risk of such decisions. We are not responsible for your delay in implementing a Recommendation. If you delay acting upon a Recommendation, please review the latest version of this document before taking action, as the content may have changed, and speak with a Financial Professional about whether the Recommendations continue to be in your best interest. Visit TIAA.org/relationshipdisclosures or call 888-583-2535 to request the latest version of this document.

Limitations on our Recommendations: Affiliated Products and related conflicts of interest

Many of our Solutions include affiliated mutual funds and annuities (“Affiliated Products”). Below are descriptions of the Affiliated Products we offer within various Solutions and how we and our affiliates are compensated for them. Recommending Solutions that include Affiliated Products to you creates a conflict of interest because we and our affiliates receive additional compensation when you invest in them. We generally receive more compensation for the sale of Affiliated Products than for the sale of third-party products. You may be able to obtain similar investment products and services from another financial institution at a lower cost.

Types of Affiliated Products and conflicts of interest

Affiliated Funds from the TIAA-CREF and Nuveen family of mutual funds (“Affiliated Funds”)

We earn distribution and sub-transfer agency fees for services performed for the Affiliated Funds, whether held directly with the Affiliated Funds or within a TC Services account. Other TIAA affiliates also earn compensation for providing administrative, recordkeeping and investment management services. The compensation we and our affiliates earn typically is part of the fund’s operating expense ratio. Learn more at TIAA.org/prospectuses.

Retirement annuities issued by TIAA and CREF, including:

TIAA Real Estate Account variable annuity (“REA”)

We earn fees for distribution services provided for the REA. TIAA earns fees for providing investment management and administration
services to the REA. In addition, TIAA earns fees to bear certain mortality and expense (“M&E”) risks and risks associated with providing a liquidity guarantee. Learn more at TIAA.org/prospectuses.

**TIAA Access variable annuities**

We earn fees for distribution services provided for the TIAA Access annuity. TIAA earns fees for providing administrative services and bearing M&E risks for the TIAA Access annuity. The TIAA Access annuity includes subaccounts that may invest in TIAA-CREF mutual funds. See the disclosure above for more information about the compensation we and our affiliates earn when you invest in those funds. Learn more at TIAA.org/prospectuses.

**TIAA Traditional fixed annuity**

TIAA Traditional is issued and distributed by TIAA. It is not a security because it only provides guaranteed and discretionary additional interest. Additional amounts may be established on a period-by-period basis by the TIAA Board of Trustees. The additional amounts, when declared, remain in effect through the “declaration period,” which begins each March 1 for TIAA Traditional accumulating annuities and January 1 for payout annuities. TIAA’s earnings (or losses) on TIAA Traditional come from any General Account investment earnings above the combination of minimum guarantees (and any additional amounts) it pays holders of TIAA Traditional plus the amounts set aside in reserves to meet future guarantees. Any excess earnings or reserves are eventually paid to clients or reinvested in the business for additional client services and not held as profit to TIAA, the corporation. TIAA’s charter obligates it to offer retirement products and services to our core nonprofit constituency on terms as advantageous as shall be practicable, all without profit to TIAA. Certain TIAA Traditional contracts, generally employer-funded base plans, are designed to provide lifetime income or installment payments over time and therefore do not offer full and immediate withdrawals or transfers. TIAA is able to invest in long-term assets and therefore provide a higher crediting rate than would be possible through fully liquid investments.

**CREF variable annuities**

CREF variable annuities are issued by CREF. We earn fees for distribution services provided for CREF. TIAA earns fees for providing administrative services and bearing M&E risks for CREF. Another TIAA affiliate earns fees for providing investment management services for CREF. Learn more at TIAA.org/prospectuses.

**Other Affiliated Products**

**Cash sweep options:** TC Services and its affiliates receive compensation when uninvested cash in your brokerage accounts are swept into a TIAA, FSB (“TIAA Bank”) cash sweep option or are swept into a limited selection of other cash sweep options.

**Deposits:** TC Services and its affiliates receive compensation when you invest in deposits of TIAA Bank as an investment option available in your IRA. The cash sweep and deposits create a conflict of interest, as we receive more compensation when you use our and our affiliates’ products over other available options, and we have an incentive to recommend our products to you even when other options generate a higher yield for you.

**After-tax annuities:** We also make available various after-tax annuities issued by TIAA and TIAA Life Insurance Company (“TIAA Life”) as stand-alone Solutions. These annuities are described under “Our Solutions.”

**Third-party products and conflicts of interest**

Third-party securities products, including mutual funds, exchange traded funds (“ETFs”), annuities and other investment options are currently available only through certain Solutions as described below.

- Brokerage accounts provide access to third-party mutual funds, ETFs, stocks, bonds and other investment options.
- Third-party variable life insurance policies include third-party mutual fund investment options held by the insurer in subaccounts.
- Third-party mutual funds may also be available as part of the designated investment options for your Plan(s) at TIAA, depending on the options selected by the Plan sponsor.
We usually receive payments from third-party mutual funds, ETF sponsors and annuity issuers (or their affiliates) when you buy these products. We therefore have an incentive and a conflict of interest when making third-party products available for which we are paid more than third-party products for which we are not paid or are paid less. The compensation we earn depends on the distribution arrangement we and (where applicable) our clearing firm have in place with the product issuer.

We receive commissions from the third-party carriers for the variable life insurance policies we sell based on the policy premiums paid by you. Our affiliate, TIAA Insurance Agency (“TC Agency”) also pays a service fee to us for distribution support services we provide for these policies on behalf of TC Agency.

**Limited buy and sell Recommendations**

We currently provide Recommendations to buy and sell specific securities only in the following instances.

- For Plans, our Recommendations are limited to the funds and annuity investment options that your Plan sponsor makes available within your Plan, provided the Plan sponsor has authorized us to provide this advice to you.

- For TIAA IRA and its predecessor, the Investment Solutions (“IS”) IRA, our Recommendations are limited to our affiliated mutual funds, annuities and bank deposits.

- For the Intelligent Variable Annuity, our Recommendations are limited to initial mutual fund purchases.

We currently do not provide Recommendations on the investment options available in self-directed brokerage accounts. We also do not provide Recommendations on how to invest assets not held with TIAA.

**No monitoring of our Recommendations**

Our Recommendations are provided at a specific point in time and are not ongoing. We do not monitor your investments unless we state otherwise in writing, nor do we monitor any previously provided Recommendations to determine whether you implemented them in a timely way or whether the Recommendation remains appropriate for you. Recommendations are nondiscretionary, meaning you make the ultimate decision to purchase or sell the investments.

**Important IRA rollover and account transfer considerations**

Before rolling over or transferring assets from one account to another (for example, from your Plan account to an IRA), consider all of your options. You may be able to leave money in your current Plan or account, withdraw cash or roll over the assets to your new employer’s Plan if one is available and rollovers are permitted. Compare the differences in investment options, services, fees and expenses, withdrawal options, required minimum distributions, other Plan and account features, and tax treatment. Your current account or Plan may have different investment choices, features and higher or lower costs than the new account or Plan you are considering. Also consider whether you are rolling over or transferring assets into accounts that have surrender charges or do not give you access to lower-cost share classes that may be available in your current account or Plan. Speak with one of our Financial Professionals and your tax advisor regarding your situation. Learn more at TIAA.org/public/pdf/Know_Your_Options_from_TIAA.pdf.

If we recommend that you roll over or transfer assets out of a Plan or IRA external to TIAA into a Plan or IRA at TIAA, we have a financial interest and therefore a conflict of interest in making such a Recommendation because we and our affiliates will earn compensation (for example, through fees we receive in connection with your subsequent investments and account maintenance and advisory fees, where applicable) as described more fully in the “Our Solutions” section. Our Financial Professionals are compensated
when their customers roll over or transfer assets into TIAA accounts as described more fully under “Our Financial Professionals and their compensation.” Therefore, they have a conflict of interest and an incentive to recommend a rollover or transfer or refer you to a Financial Professional who can recommend a rollover or transfer.

**Important annuitization considerations**

- Fixed annuities are insurance contracts that allow you to convert your retirement assets (full or partial) into a guaranteed stream of payments at regular intervals, usually beginning when you retire and lasting for your entire life, depending on the payout option you select.

- Variable annuity accounts do not guarantee a minimum income during the accumulation period. Rather, its value will fluctuate based on the market performance of the underlying account to which it is tied. Variable annuities can generally be annuitized or converted to a fixed annuity after the accumulation period, pursuant to the terms of the contract. The variable annuity will fluctuate in value when annuitized, though the number of annuity units held do not.

- Guarantees of fixed annuities are subject to the issuing company’s long-term financial strength and claims-paying ability.

- Selecting lifetime income through annuitization is just one of many payout options available under our annuities, including the TIAA Traditional fixed annuity, the CREF variable annuities and the REA variable annuity.
  - We may recommend annuitization to you if appropriate. Once you have elected to annuitize with lifetime income, your election is irrevocable, and you cannot change the income option. However, you may be eligible to move the source of your annuity payments from one annuity account to another, for example, variable annuity to fixed annuity.

TIAA and its affiliates have a financial interest and therefore a conflict of interest in recommending the purchase of annuities and annuitization for both our variable and fixed annuities.

- For variable annuities, during the accumulation period TIAA affiliates may receive a portion of the account’s management expense fees, which are deducted from your annuity units and therefore impact the value of your annuity payment.

- For our fixed annuities, TIAA and TC Life invest the amounts you have converted to lifetime income to support guaranteed lifetime income amounts. Excess earnings are used to support client services and the company’s financial strength for the benefit of all contract owners. For TIAA Traditional, excess earnings also may be used to provide increases to annuity income amounts throughout retirement. Moreover, as discussed later, our Financial Professionals are compensated when you annuitize holdings following a Recommendation. The compensation payable to the Financial Professional is part of his or her overall compensation calculation and is not a direct “fee.” Therefore, these Financial Professionals have a conflict of interest and an incentive to recommend annuitization or to refer you to a Financial Professional who can recommend annuitization.
Our Solutions

We only recommend Solutions that are available through TIAA. These Solutions include a range of account types, products and services to meet a variety of investing needs. The types of Solutions we offer, the types of fees you pay and the types of compensation we and our affiliates earn are described in this section. You will pay fees and costs whether you make or lose money on your investments. Fees and costs, including expenses associated with the investments you hold, will reduce any amount of money you make on your investments over time. We reserve the right to change the available investments, including available share classes of particular funds over time and at our discretion as well as fees and costs. We will notify you through a separate communication if you have an account or product subject to the fee changes.

Plan accounts recordkept by TIAA

Plan accounts are only available to you if TIAA is a service provider for a Plan in which you are eligible to participate. There is no account minimum to enroll in the Plan.

Account description and important limitations

Plans are established by employers, also known as Plan sponsors, to help meet the retirement savings needs of their employees. Plan services. If you are eligible to participate in a Plan available through TIAA, the Plan sponsor has engaged TIAA to provide services to the Plan that may include:

- Education and Recommendations on Plan enrollment, contribution and distribution needs, including annuitization
- How to allocate your current and future contributions among the investment options offered by your Plan at TIAA if your plan allows these Recommendations. These Recommendations are sourced from a third party. Additionally, the Plan sponsor, and not TIAA, is responsible for selecting the investments available within the Plan, including associated share classes of mutual funds available through the Plan.

In some cases, the Plan sponsor may make available an optional self-directed brokerage window to the Plan, which may provide access to a variety of mutual funds and other securities, including different share classes (some of which may be cheaper than the share classes available within the Plan investment line up selected by the Plan sponsor). We do not provide Recommendations on investments in the optional brokerage window.

An after-tax retirement annuity ("ATRA") is available to participants of TIAA Plans who have a funded Retirement Annuity ("RA") contract in their Plan and are looking to save more outside their retirement plan on an after-tax basis. Allocation of ATRA contributions are currently limited to the following affiliated retirement annuities: TIAA Traditional, certain CREF annuity accounts and REA.

Fees you pay

Ask your Plan sponsor about the fees and expenses associated with your Plan and Plan account, which can include:

- General administrative expenses that can be charged to or deducted from Plan balances to pay service providers like TIAA for Plan administrative services
- Expenses associated with the investment options within your Plan (Refer to other disclosure documents such as prospectuses you receive from us for information on expenses.)
  - Some types of Plans such as 401(k) and certain 403(b) Plans also provide an annual Participant Fee Disclosure statement that discloses general and individual plan expenses as well as investment fund expenses. For more information, go to TIAA.org/pro and enter your plan number.
ATRA: The fees and expenses you pay when making contributions to the ATRA contract vary based on the fees and expenses associated with the annuity to which contributions are allocated. Common charges include administrative expenses, distribution expenses, investing expenses and M&E expenses. Investing expenses currently range from approximately .29% to .78% on an annual basis of the net assets in the variable annuities. These fees and expense ratios are detailed in the prospectuses, which can be found at TIAA.org/prospectuses.

TIAA Traditional is a guaranteed insurance contract. Unlike a variable annuity, it does not include an identifiable “expense ratio” or “fee.”

**Other compensation we and our affiliates earn and related conflicts**

TIAA and its affiliates earn compensation in connection with investments offered within your Plan. See the sections above titled “Types of Affiliated Products and conflicts of interest” for additional information.

TIAA receives a plan services expense fee to pay for the recordkeeping and administrative services provided.

The ATRA is a proprietary product with only proprietary investment options. This creates a conflict of interest because TIAA and its affiliates earn more compensation from affiliated annuities than they would from third-party annuities.

In limited instances a Plan sponsor may make annuities offered by third parties available. We or our affiliates could receive service fees in connection with these annuities.

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**TIAA IRAs***

TIAA IRAs are available to all retail investors. Access to annuities within the IRAs is subject to eligibility criteria. There is no account minimum to open a TIAA IRA.

**Account description and important limitations**

The TIAA IRA and the IS IRA (collectively, “the IRAs”) offer Traditional IRA, Roth IRA and Simplified Employee Pension IRA options.

**Investment and account options:** The investment and savings options within the IRAs include:

- A menu of affiliated funds and Retirement annuities issued by TIAA and CREF (“Menu”)
  - Access to annuities within the IRAs depends upon eligibility. Not everyone has access to annuities. Learn more about eligibility at TIAA.org/public/modal/annuity-eligibility-video.

- An optional brokerage window account, which offers a broader array of investments (see “TIAA brokerage accounts” below for more information)

- A bank deposit account option that allows contributions to your IRAs to be placed in one or more interest-bearing bank deposit accounts with our affiliated bank, TIAA Bank. If you fail to select an investment option for the TIAA IRA, you will be defaulted into the bank deposit account option. Learn more at TIAA.org/BankTerms.

**Limitations of the IRAs**

- Mutual fund expenses have an adverse impact on investment returns. Expenses decrease the total value of the mutual fund assets, which reduces the mutual fund’s return. Share classes with higher expenses (such as retail and retirement share classes) therefore result in lower returns than share classes with lower expenses (such as institutional share classes). There are share class limitations with respect to the Affiliated Funds and CREF variable annuities available within the Menu of IRAs. Specifically:
  - We only offer the retirement share class of the TIAA-CREF mutual funds and the class I of the Nuveen Funds in the IRAs even through cheaper share classes are available through the optional brokerage window. Lower cost institutional share classes of the TIAA-CREF Funds

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*This excludes managed accounts.
are also available in the optional IRA brokerage windows. Lower cost share classes may also be available within other accounts such as your Plan account(s), our managed accounts or accounts outside of TIAA. While we offer a more expensive share class in the IRA account, note that there are additional services available in that account that are not available in the brokerage window. For example, the IRAs offer investment advice on the affiliated funds and retirement annuities, automatic contribution allocations, automatic required minimum distributions and rebalancing services, while the brokerage windows do not offer these services.

- We only offer Class R-1 share class of CREF, the highest cost share class, within the IRAs. You may have access to lower-cost share classes in your Plan(s) at TIAA. CREF is otherwise not available.

- Share class limitations described above create a conflict of interest, as TIAA and its affiliates have an incentive to offer the more expense share class because we earn more compensation from more expensive share classes such as the retirement share class. Less costly institutional share classes are available through the optional brokerage window and also may be available through other providers.

- TIAA contracts issued in connection with the IS IRA prior to October 11, 2010 (“pre-October 11 Contracts”), may pay higher guaranteed rates on TIAA Traditional than the TIAA contracts issued for TIAA IRA and the IS IRA on or after October 11, 2010. Funds transferred from pre-October 11 contracts cannot be reinvested under these contracts and new funds cannot be added to such contracts. See your annuity contract’s rate schedule for additional details.

- Our Recommendations on the investments within TIAA IRAs are limited to the Menu of Affiliated Products. We may change the funds available for purchase through the Menu and optional brokerage window, including available share classes of particular funds, over time and at our discretion.

**Fees you pay**

You will pay expenses associated with the investment options within the IRAs. Refer to other disclosure documents such as prospectuses you receive for information on expenses. TIAA Traditional within the IRA is a guaranteed insurance contract. It does not include an identifiable “expense ratio” or “fee.”

TIAA IRAs may be, but currently are not, subject to certain fees that include account maintenance fees, transfer fees and an account termination fee. Up-to-date information on these fees and on the IRAs can be found in the Directed Trust Agreements for the Roth, Traditional and SEP IRAs that are delivered upon account opening. Learn more under Agreements and Disclosures at TIAA.org/prospectuses.

For information on the IS IRA, refer to the Custodial Agreement at TIAA.org/public/prospectuses/ira_disc_annuityfunded.pdf?fundclass=ADS (in the Agreements section) regarding mutual funds and brokerage. For information about IS IRA annuities, refer to your TIAA and CREF IRA annuity contracts.

We do not charge commissions on IRA transactions unless you open a brokerage window account. The commissions and other fees and charges you pay for the brokerage account are described under “TIAA brokerage accounts.”

**Other compensation we and our affiliates earn and related conflicts**

- TIAA and its affiliates earn compensation in connection with investments offered within your IRA. See “Types of Affiliated Products and conflicts of interest” and “Third-party products and conflicts of interest” above for information on compensation and conflicts of interest.

- Limiting our Recommendations to our Affiliated products creates a conflict of interest, as TIAA and its affiliates earn more compensation from affiliated investments than from third-party investments.

- Brokerage window option—See section on TIAA brokerage accounts.

- Bank deposit account option—When contributions to your IRA are deposited in the bank deposit account option of the TIAA IRA or IS IRA, we earn service fees from TIAA Bank. TIAA Bank earns income from the difference in the interest credited to your IRA along with the service fees TIAA Bank pays to us and TIAA and the income it earns on the investments made with the cash deposits. This creates a conflict of interest, as we and our affiliate TIAA Bank earn compensation on your balance invested in the bank deposit account option.

- TIAA Bank also earns compensation from TIAA for serving as custodian of the IS IRA mutual funds and securities and trustee for IRA account assets. We therefore have a conflict of interest when recommending IRAs as our bank affiliate benefits from IRA accounts.
TIAA brokerage accounts

Brokerage accounts are available to all retail investors. There is no account minimum to open a brokerage account or any minimum balance requirement.

Account description and important limitations

A brokerage account (or brokerage window account) allows you to invest in a range of securities such as stocks, bonds, mutual funds, ETFs, CDs and options. A variety of brokerage accounts are available, including but not limited to taxable accounts and IRAs. Margin-to-buy securities are only available for qualifying taxable accounts. We provide our brokerage accounts through a clearing arrangement with a third-party firm, Pershing LLC.

Each brokerage account includes a cash management sweep service that automatically sweeps excess cash in the account into a bank deposit account and/or money market fund. Sweep options vary by account type.

Limitations

While we may recommend opening a brokerage account, we do not currently provide investment Recommendations for brokerage accounts. However, research and screening tools are available to help you locate potential investments.

We limit the mutual funds and share classes available through brokerage accounts. We only provide mutual funds that are available through our clearing firm and where we have an agreement with the fund family to offer their funds. These agreements do not always include access to all share classes. We usually limit the mutual funds available for purchase to mutual funds or share classes of mutual funds that pay a minimum level of compensation to us. However, in some cases we may offer funds where no compensation is paid to us. You may be able to purchase other share classes of the funds through other products and services available through TIAA (e.g., through your Plan) or through the funds themselves or other providers.

We may change the funds available for purchase through brokerage accounts, including available share classes of particular fund, over time and at our discretion.

Fees you pay

The most common fees are brokerage commissions and transaction charges. These help cover our expenses for taking trade orders, facilitating money transfers between TIAA and other financial institutions at your direction, mailing statements and prospectuses to you and providing you access to your account in a variety of ways. Commissions for each applicable transaction are the most common charges. The amount varies depending on whether trades are placed online or through a Financial Professional and on the frequency of trading and include:

- Stocks (equities) and ETFs: $0 to $55
- Options: $0 to $55 + $2.50 per contract
- Mutual funds: $0 to $50
- Bonds: $50 + $2 per bond

Learn more at TIAA.org/public/brokerage-account-fees.

Other fees, which can also be found in the Commission and Fee schedule (at the above link), include various account maintenance fees, distribution and shareholder servicing fees, redemption fees, transfer fees, IRA termination fees, check writing and debit card fees and fees to service special and alternative investments. Additionally, for accounts with margin lending capabilities you will pay margin interest on any outstanding balance as disclosed in the Margin Disclosure document. You also will bear the underlying expenses of the investments you hold as disclosed in the prospectus or similar document. There is no account maintenance charge.
Other compensation we and our affiliates earn and related conflicts

We usually receive compensation from investment managers and mutual funds (and their affiliates) for investments in mutual funds, ETFs and money market mutual funds through brokerage accounts. This compensation is typically paid from the assets of the investment as outlined in the relevant prospectus and is an annual percentage of invested assets. Specifically, we may receive ongoing compensation, including 12b-1 fees (which we receive at the outset and on an ongoing basis) and other compensation, from the mutual fund's distributor, transfer agent or investment advisor for associated distribution, marketing and/or administrative services. The amount of compensation we receive varies from product to product.

Cash management sweep service

TC Services receives service fee payments for bank deposit accounts and 12b-1 fees and similar service fees for any money market funds available through the cash management sweep service, creating a conflict of interest when we recommend brokerage accounts. The cash sweep and deposits create a conflict of interest, as we receive more compensation when you use our and our affiliates’ products over other available options, and we have an incentive to recommend our products to you even when other options generate a higher yield for you. Please consult the disclosure document for the money market funds for more information about such fees at TIAA.org/public/pdf/pershing_fj_termsconditions.pdf.

TIAA Bank provides bank deposit accounts for the cash management sweep service and earns income from the difference in interest credited to your account along with the service fees TIAA Bank pays to us and TIAA and the income it earns on the investments made with such cash deposits. We have a conflict of interest when your cash is swept into a bank deposit account offered through TIAA Bank, as we and our affiliate TIAA Bank earn more compensation than with money market funds. Learn more at TIAA.org/public/pdf/Bank_Sweep_TC_Final.pdf.

Retail variable annuities from TIAA and its affiliates

Retail variable annuities, outside of Plans and IRAs, from TIAA and its affiliates are available to all retail investors. Account minimums are set forth below.

Account description and important limitations

Retail variable annuities

We offer the Intelligent Variable Annuity (“IVA”) through TIAA Life, which is an individual flexible premium, deferred variable annuity contract allowing you to make a lump-sum payment or a series of payments after the minimum initial premium of $2,500 has been met. Like all annuities, your contributions can grow tax deferred until you begin withdrawals or income payments. Additionally, this annuity provides the option to create a future income stream to support your overall financial plan.

We also offer an individual Single Premium Immediate Annuity (“SPIA”) and the Investment Horizon Annuity (“IHA”), an individual flexible premium modified guaranteed fixed annuity, both of which are issued by TIAA Life and distributed through TC Services.

While we no longer offer the following retail annuities for sale, contributions to existing policies are still permitted: Lifetime Variable Select (LVS) contract, Teachers Personal Annuity (TPA) contract and Personal Annuity Select (PAS) contract. The LVS and PAS annuities were offered through TIAA Life, and TPA was offered through TIAA.

Important limitation on retail variable annuities

We currently only offer retail annuities issued by our affiliates. We and our affiliates earn higher fees, compensation and other benefits when you invest in a product that we manage or sponsor. We therefore have an incentive to recommend these products over third-party products. Other comparable annuities with the same or lower costs may be available outside of TIAA. We provide initial mutual fund Recommendations for the IVA, which are sourced from a third party.
**Fees you pay**

**Retail variable annuities**

Our retail annuities (the IVA, SPIA, IHA, LVS, TPA and PAS) and our retail variable life insurance policies include a range of underlying investment options (typically mutual funds) held by the insurer in subaccounts. They do not currently impose a sales load or a surrender charge.

You will also pay for expenses associated with the investment options within the annuity contract. These fees and the reason they are imposed are described in the prospectus for each product.

Common charges, which are deducted on a daily basis, include:

- An administrative expense charge for allocating premiums and administering the contract’s accumulation value (approximately .20% to .70%)
- An M&E risk charge to compensate TIAA for bearing certain mortality and expense risks (approximately .0% to 1.0% depending upon the accumulation values)
- 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 and optional rider charges

The retail variable annuities may also charge an annual maintenance fee and an advisory fee (approximately .49%) where applicable.

The IHA will assess a surrender charge for surrenders or withdrawals taken from a fixed-term deposit more than 30 days before the end of its term. The surrender charge rate equals one-half the total interest rate applicable to the fixed-term deposit.

The IHA may deduct premium taxes, ranging from approximately 1.0% to 3.5%, and charge an annual maintenance fee ($25). In addition, it will generally apply a market value adjustment on any surrender taken from a fixed-term deposit more than 30 days before the end of its term. A market value adjustment may be positive or negative, which means it may increase or decrease the amount you receive as surrender, withdrawal or annuity payment.

For up-to-date fees, charges and portfolio operating expenses for the IVA, SPIA, IHA, LVS, TPA and PAS, please see the prospectuses at TIAA.org/prospectuses in the section on after-tax annuities.

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**Other compensation we and our affiliates earn and related conflicts**

TIAA Life and its affiliates may profit from M&E expenses and investments in underlying proprietary funds. TIAA and its affiliates may also receive payments from some or all of the portfolios, their investment managers, distributors or affiliates. These payments are used for a variety of purposes, including payment of expenses TIAA incurs for promoting, marketing and administering the contract and for its role as an intermediary. TIAA may also profit from these payments. The amount of the payments received is based on a percentage of the portfolio’s assets owned by the investment accounts.

TC Services provides distribution services and is reimbursed for its associated expenses by TIAA and its affiliates. TC Services also distributes the mutual funds that form the subaccount investment options and receives 12b-1 fees and other compensation for the associated distribution, marketing and/or administration services provided as described in the fund prospectus.

We have a conflict of interest in recommending all retail annuities and additional contributions to these annuities as we and our affiliates earn more compensation from them than from third-party retail annuities. The amount of the payments received is based on a percentage of the portfolio’s assets owned by the investment accounts.

We and our affiliates earn more fees, compensation and other benefits when you invest in a product that we manage or sponsor because we receive customer fees that would otherwise be paid to third-party fund companies for the sale of their funds. We therefore have an incentive to recommend those products over third-party products. Comparable annuities with the same or lower costs may be available outside of TIAA.
Variable life insurance through third parties

Variable life insurance is available to all retail investors who meet third-party carrier underwriting requirements. There are no account minimums.

**Account description and important limitations**

We offer third-party variable life insurance policies that include a range of underlying investment options held by the insurer in subaccounts. A variable universal life policy value varies depending on the performance of the options chosen within the subaccounts.

While we may recommend third-party variable life products, we do not provide specific securities Recommendations.

**Fees you pay**

The expenses you pay for a variable life insurance policy 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.

You will also pay for expenses associated with the investment options within the policy. Please refer to other disclosure documents such as prospectuses you receive for information on expenses.

Please see Appendix A for information on the range of fees imposed. Also, learn more about the variable life insurance products we offer and their expenses, features and benefits at the web addresses below:

**Lincoln Financial Group:** LFG.com

**Nationwide Financial:** nationwidefinancial.com/products/life/variable

**Pacific Life:** PacificLife.com/home/products/life-insurance/variable-universal-life-insurance.html

Additionally, third-party universal life policies, some with long-term care features and some with index accounts, can be purchased through TIAA Insurance Agency. An upfront sales load and state premium tax will apply to each premium payment. Policy charges (cost of insurance and coverage charges) are deducted from the policy's accumulated value on a monthly basis. Optional rider charges apply where applicable. The expenses you pay are described in the associated carrier Client Guides.

**Lincoln Financial Group:** LFG.com/public/individual/exploreinsuranceannuities/lifeinsurance/variableuniversallife

**Nationwide Financial:** nationwidefinancial.com/products/life/variable

**Pacific Life:** PacificLife.com/home/products/life-insurance/variable-universal-life-insurance.html

**Other compensation we and our affiliates earn and related conflicts**

TC Services receives commissions from the third-party carriers for the variable life insurance policies we offer based on the policy premiums paid by you.

TC Services also receives a service fee for distribution support services it provides on behalf of TC Agency.

Our Financial Professionals are compensated for sales of insurance products by us (and not the third-party carrier) and for making referrals to groups that are authorized to sell life insurance products. Therefore, these Financial Professionals have a conflict of interest when they recommend or refer you to others who can recommend insurance products.
Our investment philosophy and the general basis for our Recommendations

Our investment philosophy helps inform our Recommendations and is based upon the following elements we believe are essential to pursuing a confident and secure financial future.

- **Invest early and often.** This can help you achieve your desired goals. It includes taking advantage of your retirement Plan benefits, including any employer match and establishing a savings strategy that considers your everyday life needs.

- **Diversify your investments and commit to the long term.** The longer your assets are invested, the greater the probability of achieving expected results. Diversifying your investments across the major asset classes consistent with your risk tolerance and your financial objectives can improve your probability of long-term success.

- **Invest to achieve specific outcomes.** Having the appropriate investment approach improves the likelihood of achieving your specific financial goals. For example, maximizing returns vs. protecting your investments’ principal.

- **Position your portfolio to generate lifetime income.** With retirement expected to last 20 to 30 years or more, plan for the long run. To help maintain your lifestyle, position your portfolio—in conjunction with Social Security—to cover at least 70% of your essential expenses in retirement. We believe that guaranteed income generally plays an important part in meeting this goal, depending on your individual circumstances, so that you can protect against outliving your assets.

- **Protect your income and family.** Protect what matters most. Annuities and life insurance can help hedge against the unexpected and cover essential expenses during retirement, help replace your income in the event of your death and help protect your family.

Our Recommendations are intended to be implemented through products and services available through TIAA’s Solutions.

- When we make Recommendations to you, we adhere to applicable professional standards and state and federal regulations and laws, including providing investment Recommendations that are consistent with generally accepted investing principles and that are based on your individual circumstances, risk tolerance and needs. We also consider reasonably available alternatives at TIAA, where applicable.

- In some instances, our Recommendations are based on advice from an independent third party, such as Recommendations to help you select investment options available within your Plan(s) and your TIAA IRA or IS IRA.

- We perform a centralized review of our Recommendations that is separate from the Financial Professional advising you to determine whether Recommendations are appropriate for your financial needs.
Risks of investing

While we take reasonable care in developing and making Recommendations to you, there are nevertheless risks associated with investing.

**Investing risks.** Securities and other investment products like mutual funds, variable annuities, stocks and bonds involve certain risks, and you may lose money, including possible loss of principal. You should be prepared to bear such risks. There is no guarantee that you will meet your investment goals or that our Recommendations will perform as anticipated. Past performance does not guarantee future results.

**Market risks.** The price of any security or the value of an entire asset class can decline for a variety of reasons, including but not limited to changes in the macroeconomic environment; unpredictable market sentiment; forecasted or unforeseen economic developments, interest rate changes, regulatory changes, and domestic or foreign political, demographic, epidemic, pandemic or social events. If you have a high allocation to a particular asset class, it may negatively affect overall performance to the extent that the asset class underperforms relative to the market. Conversely, a low allocation to a particular asset class that outperforms other asset classes will cause investments to underperform relative to the overall market.

**Global economic risk.** National and regional economies and financial markets are becoming increasingly interconnected, which increases the possibilities that conditions in one country, region or market might adversely impact issuers in a different country, region or market. Changes in legal, political, regulatory, tax and economic conditions may cause fluctuations in markets and securities prices around the world, which could negatively impact the value of an account’s investments. Major economic or political disruptions, particularly in large economies, may have global negative economic and market repercussions. Additionally, events such as war, terrorism, natural and environmental disasters and the spread of infectious illnesses or other public health emergencies may adversely affect the global economy and the markets and issuers in which an account invests. These events could reduce consumer demand or economic output, result in market closure, travel restrictions or quarantines, and generally have a significant impact on the economy. Such events could materially increase risks, including market and liquidity risk, and significantly reduce account values. These events could also impair the information technology and other operational systems upon which service providers rely, and could otherwise disrupt the ability of employees of service providers to perform essential tasks on behalf of an account. There is no assurance that governmental and quasi-governmental authorities and regulators will provide constructive and effective intervention when facing a major economic, political or social disruption, disaster or other public emergency.

**Mutual funds and ETFs (“Funds”) risks.** Investing in shares of a Fund involves risk of loss that clients should be prepared to bear. For mutual funds and ETFs in particular, this includes the risk that the general level of underlying security prices may decline, thereby adversely affecting the value of the Fund. Moreover, a Fund may not fully replicate the performance of its benchmark index. Funds are not guaranteed or insured by the FDIC or any other government agency. Funds have their own fees, investments and risks. For the specific information associated with any Fund, please consult the Fund’s prospectus and statement of additional information, which you should read carefully.
Annuity risks. Any annuity guarantees are subject to the claims-paying ability of the insurer. Variable annuities contain both investment and insurance components and are generally deemed securities. The investment returns and principal value of the available subaccount portfolios are not guaranteed and will fluctuate. The value of an investor’s variable annuity units, when redeemed, may be worth more or less than their original value. In addition, payments from the variable annuity accounts are not guaranteed and will rise or fall based on investment performance.

Margin risk. While trading on margin may confer a higher profit potential than traditional trading, it also has greater risks. Purchasing stocks on margin amplifies the effects of losses. Additionally, our clearing firm may issue a margin call, which would require you to liquidate your position in a stock or front more capital to keep your investment. Learn more at sec.gov/oiea/investor-alerts-and-bulletins/ib_marginaccount.

Options risks. If you are approved for options trading privileges, you will be sent options disclosure documents laying out the characteristics and risks of options trading. Learn more at TIAA.org/public/pdf/Characteristics-Risks-Stndrdized-Optns.pdf.

Additional important information. Please consult any available offering and disclosure documents such as prospectuses, which provide greater detail about product-specific investment risks. We can provide those documents to you or help you find them.
Our Financial Professionals and their compensation

Our Financial Professionals act as broker-dealer registered representatives when they provide our broker-dealer services, including Recommendations. Some of our Financial Professionals, specifically our wealth management advisors ("WMAs") and our Advisory consultants also provide separate investment advisory services (as described below under "Our investment advisory services.") Other Financial Professionals described in this section such as our Individual financial consultants may refer clients to WMAs and Advisory consultants for investment advisory services and act only as broker-dealer representatives.

All Financial Professionals and their managers are paid a salary and are eligible for an annual discretionary variable bonus ("bonus compensation"). The size of the bonus is based on a number of factors, including the performance of TIAA and its affiliates, including TC Services, and the individual performance of the Financial Professional (and in some cases on team performance). The metrics used to assess the individual performance of our Financial Professionals vary by service group. When the compensation differs based on which product or service is recommended for clients, this presents a material conflict of interest. All Financial Professionals have an incentive to recommend products or services, available through TIAA that increase his or her compensation as described below.

We address this conflict by disclosing it to you and by requiring that recommendations to purchase TIAA products, services and accounts are reviewed, in accordance with the applicable regulatory standard, to determine whether they are appropriate for clients’ financial needs.

Additionally, when we provide Recommendations to help you select among the investment options available within your Plan, TIAA IRA, IS IRA and IVA, this advice is made by an independent third party.

More information about the role of each group of Financial Professionals and their eligibility for bonus compensation is discussed below. Please ask your Financial Professional to explain which group s/he is associated with if this is not clear to you.

National Contact Center financial services consultants

Role. Our phone-based National Contact Center financial services consultants ("NCC consultants") primarily provide investment information, service and enrollment support to Plan participants. They also provide education about their Plan accounts. They do not provide Recommendations. NCC consultants may also provide general information on college savings tuition plans administered through TIAA affiliates. They refer investors who have more extensive investment needs such as brokerage accounts, IRAs, managed accounts, annuities and life insurance to our advisory consultants and wealth management advisors.

Bonus compensation. The amount of bonus compensation paid to each NCC consultant is determined using quantitative and qualitative performance criteria, including voice of the customer, operational quality, efficiency and relationship-building metrics. The relationship-building metric includes the quality and rate of referrals to advisory consultants and wealth management advisors for clients with more complex investing needs. While the relationship-building metrics reward the NCC consultant for successful referrals, the metric does not favor any particular product, service or Solution. Even though all referrals receive equal credit, providing credit for referrals nevertheless creates a conflict of interest when NCC consultants refer investors to other TC Services’ Financial Professionals, particularly for more complex Solutions.
Financial consultants

Role. Financial consultants within TIAA’s employer plan retirement business also serve Plan participants, at the employers’ on-site locations and virtually (“financial consultants”). They provide Plan and IRA enrollment services, education and/or specific Recommendations on Plan and IRA investment options. They also provide Recommendations on transfers and rollovers to Plans or IRAs at TIAA and annuitization Recommendations. They may also refer clients to wealth management advisors and advisory consultants for these and other products and services. Financial consultants act only as broker-dealer representatives.

Bonus compensation. The amount of bonus compensation paid to each financial consultant is determined using quantitative and qualitative performance criteria, including client experience/satisfaction, teamwork and financial results. Financial results metrics measure and reward bringing new assets to TIAA, new participant enrollments and contributions, client implementation of investment advice and asset transfers into Plans administered by TIAA and enrollments and rollovers to TIAA IRAs. Financial results also measure and reward educational conversations, successful client referrals by the financial consultants to other groups at TIAA for other products, services and Solutions. There are also team financial metrics which measure asset inflows and outflows, new participants and record-keeping wins and losses. Financial consultants receive equal compensation for all financial results and all referrals, and the metrics do not favor any particular product or service available through TIAA. Nevertheless, this bonus compensation creates a conflict of interest when consultants recommend or offer TIAA Solutions and refer investors to other Financial Professionals.

Individual financial consultants

Role. Individual financial consultants serve clients (by telephone and video chat) who are primarily seeking education and guidance on Plan and IRA assets. They perform various functions, including assisting investors with retirement Plan information and Recommendations; education services; brokerage and IRA enrollment/servicing needs; and annuitization. They also educate investors about various TIAA investment options. Individual financial consultants act only as broker-dealer representatives.

Bonus compensation. In assessing individual and team performance for purposes of the annual variable bonus, TIAA primarily considers quantitative metrics such as client survey results, sales across various TIAA Solutions and financial results. Financial results consist of gathering client assets in appropriate TIAA products, services and accounts and rewards the Individual financial consultant for successful sales, education (relating to new accounts and additional asset inflows) or referrals regardless of the TIAA Solution. Financial results also include an assessment of the number of times their client-base has taken any of the following actions: (1) the transfer of external assets to TIAA and the transfer of assets from one type of account at TIAA to another (for example, rollovers from a Plan to an IRA), (2) implementation of the recommendations made in retirement advice sessions for Plans or TIAA and IS IRA through a service provided to the client at no additional charge or, if the client chooses, a quarterly rebalancing service offered for a fee; and (3) annuitization of TIAA annuity holdings within a Plan or a TIAA/IS IRA; and or use of annuitization simulation features for the TIAA Traditional annuity. The financial results assessments are made by comparing the Individual financial consultant’s efforts to the efforts of their peers.

Several qualitative factors are also considered such as service quality, leadership, teamwork and adherence to company policies and regulatory standards. Thus, there is an incentive for these Individual financial consultants to recommend TIAA accounts, products and services. These compensation arrangements create conflicts of interest when these representatives refer clients to or recommend TIAA accounts, products and services and Solutions or certain actions like annuitizing.
Advisory Consultants

Role. Advisory Consultants provide financial planning services to clients in their capacity as investment advisor representatives. They also serve clients, as broker-dealer representatives who are seeking education and guidance on Plan and IRA assets and other investing needs. These services are provided by telephone and video chat. They perform various functions, including assisting investors with retirement Plan advice; education services; brokerage, IRA and managed account enrollment/servicing needs; and annuitization. They also educate investors about various TIAA investment options.

Bonus compensation. In assessing individual and team performance for purposes of the annual variable bonus, TIAA primarily considers quantitative metrics related to financial results such as gathering, and retaining client assets across various TIAA Solutions. Other factors such as use of a range of investment tools with clients, client survey results, service quality, leadership, teamwork and adherence to company policy and regulatory standards are also considered in assessing individual and team performance.

The financial results measures include credit for gathering client assets in appropriate TIAA Solutions and rewards Advisory Consultants for successful enrollments or sales equally regardless of the type of TIAA Solution, with the exception of insurance products. Advisory Consultants are also rewarded for educating clients about different types of accounts at TIAA and asset consolidation options. Financial results also include an assessment of the number of times the Advisory Consultant’s client-base has taken any of the following actions: (1) the transfer of external assets to TIAA and the transfer of assets from one type of account at TIAA to another (for example, rollovers from a Plan to an IRA), (2) implementation of the recommendations made in retirement advice sessions for Plans or TIAA and IS IRA through a service provided to the client at no additional charge or, if the client chooses, a quarterly rebalancing service offered for a fee; and (3) annuitization of holdings within a Plan or a TIAA IRA and IS IRA; and utilization of the income simulation feature of certain TIAA annuities. It also includes a separate assessment of the number of times the Advisory consultant delivers reports to clients relating to retirement income. The financial results assessments are made by comparing the Advisory consultant’s efforts to the efforts of other Advisory consultants.

Financial results also measure and award the Advisory Consultant for assets that are retained in Plans, the TIAA and IS IRA, TIAA Managed Accounts, after-tax annuities, life insurance and long term care insurance in the premium paying phase. Assets retained in self-directed taxable brokerage accounts, bank accounts at TIAA Bank and college savings accounts administered through TIAA-CREF Tuition Financing, Inc. are excluded from the calculation.

These metrics create conflicts of interest as a result of the incentives they create for Advisory Consultants. They give Advisory Consultants an incentive to recommend that clients transfer or rollover external assets into products, services and accounts at TIAA. The retention metric gives Advisory Consultants an incentive to recommend that clients continue to maintain assets in Plans at TIAA, the TIAA IRA, IS IRA and TIAA Managed Accounts. Advisory Consultants also have an incentive to recommend that clients continue to maintain assets in taxable Managed Accounts over self-directed taxable brokerage accounts. Additionally, the retention metrics give them an incentive to continue to maintain assets in after-tax annuities, life insurance products and long-term care products.

These metrics also create a conflict of interest relating to recommendations of insurance products. Where an Advisory Consultant sells a life insurance product, the Advisory Consultant receives more credit for permanent life insurance sales than for term life insurance sales and therefore has an incentive to recommend permanent life insurance sales over term life insurance. While both permanent and term life insurance provide for a death benefit, they are structured differently with permanent life insurance lasting for your lifetime and term life insurance lasting for a set period of time. We place greater emphasis on...
permanent life insurance, which has higher fees and expenses than term life insurance due to the fact that term life insurance does not have a cash value and is issued for a set period of time. The greater weighting for permanent life insurance with higher fees and expenses than term life insurance presents a conflict of interest because recommending permanent life insurance results in more credit, and thus more compensation, for the Advisory Consultant and higher costs to you. We address the conflicts created by the Advisory Consultants’ compensation arrangements by disclosing them to you and by requiring that recommendations to purchase TIAA products and services by Advisory Consultants be reviewed, in accordance with the applicable regulatory standard, to determine whether they are appropriate for a client’s financial needs. Additionally, recommendations delivered in retirement advice sessions concerning the investments in Plans and mutual funds and annuities from TIAA affiliates available through the TIAA IRA and IS IRA are made by an independent third party.

**Wealth management advisors**

**Role.** Our WMAs serve clients who generally have more in-depth investment and financial planning needs that require a high level of expertise.

As an investment advisory service, WMAs provide goals-based financial planning services to their clients that can address a variety of needs such as saving for retirement, protecting their financial security, leaving a legacy and allocating investments for retirement assets. As a broker-dealer service, WMAs may also suggest or recommend the following accounts, products and services to meet clients’ investing and financial planning needs and objectives: brokerage accounts, IRAs, mutual funds, life insurance and annuities and annuitization. Finally, where appropriate, WMAs may refer clients to TIAA affiliates for tuition financing, charitable contributions through a donor-advised fund or TIAA Bank for banking and lending needs.

**Bonus compensation.** TIAA’s compensation philosophy aims to reward WMAs with appropriate compensation for sales of products and services available through TIAA, the maintenance of client relationships and associated retention of assets in products and services at TIAA. WMAs are paid the same under the annual variable bonus for gathering and retaining assets in retirement products and services available through TIAA (specifically, Plans and the TIAA IRA and IS IRA) as they are for gathering and retaining assets in TIAA Managed Accounts. Bonus compensation differs for other products, including life insurance, long-term care insurance, self-directed taxable brokerage accounts and after-tax annuities.

The way the bonus is calculated and the differences in compensation among products and services is described below. The annual variable bonus for WMAs is determined based on **Annual Growth Metrics** and **Behavior-Based Measures**.

The compensation paid under the **Annual Growth Metrics** accounts for eighty percent (80%) of the annual bonus on average. It measures and awards *net flows of client assets* into TIAA products and services and *retention of client assets* in TIAA products and services as described below.

- **Net Flows of Client Assets into TIAA Products and Services:** the Annual Growth Metrics measure and award the amount of external asset inflows to TIAA products and services by clients serviced by the WMA as reduced by the amount of asset outflows by such clients.

  - **Inflows of assets** is measured as the dollar amount of external assets consolidated in Plans, the TIAA IRA, IS IRA, TIAA Managed Accounts, self-directed taxable brokerage accounts and after-tax annuities. Inflows of assets into life insurance products and long-term care products are measured differently. For permanent and term life insurance, inflows are calculated as a percentage of the death benefit under the policy purchased. More credit is given to sales of permanent life insurance than to sales of term life insurance due to the fact that term life insurance does not have a cash value and is issued for a set period of time. For long-term care insurance, inflows are calculated as a multiple of premiums paid.
Outflows of assets are measured by the dollar amount of assets flowing out of TIAA from Plans, the TIAA, IS IRA and TIAA Managed Accounts. The outflows measure does not include outflows from self-directed taxable brokerage accounts, after-tax annuities, life insurance and long-term care insurance.

Inflows and outflows resulting from client referrals to TIAA Bank for deposit and lending products and referrals to state tuition savings plans administered by TIAA-CREF Tuition Financing, Inc. are not counted for purposes of the net flows.

Retention of Client Assets: The Annual Growth Metrics measure and award the amount of client assets serviced by the WMA that are retained in Plans, the TIAA/IS IRA, TIAA Managed Accounts, after-tax annuities, life insurance and long-term care insurance in premium paying phase. Assets retained in self-directed taxable brokerage accounts, bank accounts at TIAA Bank and college savings accounts administered through TIAA-CREF Tuition Financing, Inc. are excluded from the calculation.

The Annual Growth Metrics create conflicts of interest as a result of the incentives they create for WMAs. The net flows metrics give WMAs an incentive to recommend that clients transfer external assets into products, services and accounts at TIAA. The retention metrics give WMAs an incentive to recommend that clients continue to maintain assets in Plans at TIAA, the TIAA IRA, IS IRA and TIAA Managed Accounts. WMAs also have an incentive to recommend that clients continue to maintain assets in taxable Managed Accounts over self-directed taxable brokerage accounts. Additionally, the retention metrics give WMAs an incentive to continue to maintain assets in after-tax annuities, life insurance products and long-term care products. WMAs receive more credit for permanent life insurance sales than term life insurance. While both permanent and term life insurance provide for a death benefit, they are structured differently with permanent life insurance lasting for your lifetime and term life insurance lasting for a set period of time. We place greater emphasis on permanent life insurance, which has higher fees and expenses than term life insurance due to the fact that term life insurance does not have a cash value and is issued for a set period of time. This presents a conflict of interest because recommending permanent life insurance results in higher compensation to the WMA and higher costs to you. We address these conflicts by disclosing them to you and requiring that recommendations to purchase TIAA products, services and accounts be reviewed by supervisory personnel, in accordance with the applicable regulatory standards, to determine whether they are appropriate for clients’ financial needs.

Behavior-Based Measures account for twenty percent (20%) of the annual variable bonus on average and assess how effectively the WMA has performed in his or her role. Seventy percent (70%) of the measures are subjective assessments that take into consideration customer satisfaction based on client survey results and adherence with TIAA values. The remaining thirty percent (30%) of the measures award the WMA’s financial results over the year. Financial results include an assessment of the number of times the WMA’s client-base has taken any of the following actions: (1) the transfer of assets from one type of account at TIAA to another (for example, rollovers from a Plan to an IRA), (2) implementation of the recommendations made in retirement advice sessions for Plans or TIAA/IS IRA through a service provided to the client at no additional charge or, if the client chooses, a quarterly rebalancing service offered for a fee, and/or obtaining financial planning services from the WMA, or (3) annuitization of holdings within a Plan or a TIAA/IS IRA. It also includes a separate assessment of the number of times the WMA’s client base enrolled in deposit accounts with TIAA, FSB and state education savings plans administered by TIAA-CREF Tuition Financing, Inc. based on referrals by the WMA. The financial results assessments are made by comparing the WMA’s efforts to the efforts of other WMAs.

The financial results category of the Behavior-Based Measures create a conflict because WMAs have an incentive to recommend that their clients transfer or rollover assets from one account at TIAA to another, or implement retirement advice and/or annuitize holdings within a Plan or TIAA IRA. It also incent WMAs to do so more often than the WMA’s peers as the WMA’s efforts are compared against other WMAs’ efforts. We address these conflicts
by disclosing them to you and requiring that recommendations to purchase TIAA products, services and accounts be reviewed by supervisory personnel, in accordance with the applicable regulatory standards, to determine whether they are appropriate for clients’ financial needs. Additionally, the recommendations delivered in retirement advice sessions concerning the investments in Plans and mutual funds and annuities from TIAA affiliates available through the TIAA/IS IRA, are made by an independent third party.

The Amount of the Annual Variable Bonus Relative to Salary. While salaries are set according to schedules, the size of a WMA’s annual variable bonus is not limited, and the percentage of Compensation represented by the annual variable bonus can be significantly higher than the salary portion of Compensation.

The size of the annual variable bonus, relative to the salary paid to WMAs, depends on how successful the WMA is in gathering and retaining client assets in products and services at TIAA. The percentage of Compensation represented by the annual variable bonus typically increases with the seniority of the WMA, with the most successful WMAs advancing to more senior roles. The portion of the annual variable bonus attributed to the WMAs compensation typically differs in magnitude as follows.

- WMAs with the title of “Senior Wealth Management Advisor” typically earn a larger percentage of their Compensation through the annual variable bonus than through their salary. On average, Senior Wealth Management Advisors are estimated to earn approximately three-quarters of their Compensation through the annual variable bonus but there is no cap.

- WMAs with the title of “Wealth Management Advisor” who lead a team of Associate Wealth Management Advisors (“AWMAs”) typically earn more than half of their Compensation through the annual variable bonus. That percentage increases based on additional sales by the AWMAs on the WMA’s team, creating an additional incentive for WMAs to encourage their AWMAs to increase sales. On average, these WMAs are expected to earn approximately two thirds of their Compensation through the annual variable bonus, and some earn a higher percentage through the bonus.

- WMAs with the title of “Associate Wealth Management Advisor” typically earn approximately one third of their Compensation through the annual variable bonus.
Life and annuity specialists

**Role.** Life insurance and annuity specialists are phone-based representatives who assist clients with life insurance and annuity sales, such as term life, whole life, universal and variable universal life products and fixed and certain variable annuities. These specialists work in conjunction with WMAs and may assist with illustrations and paperwork. They are licensed insurance agents appointed with the insurers whose products they sell. They primarily sell third-party life insurance. However, they also support sales of the Intelligent Variable Annuity by WMAs.

**Bonus compensation.** The amount of bonus compensation paid to each specialist is not tied directly to the commissions TC Services receives from the third-party carriers. It is determined using qualitative and quantitative performance criteria, including client service excellence, product proficiency and financial results. Financial results include successful sales, recurring premiums, life insurance contracts issued and making use of all available products where appropriate. This compensation creates a conflict of interest, as these specialists have an interest in successful life insurance sales and recurring premiums.

Managers of financial professionals

**Role.** Managers are responsible for the oversight and management of an assigned group of Financial Professionals. This includes, among other things, helping to ensure the delivery of high-quality service to customers and the performance of supervisory functions for compliance with applicable rules and regulations. They may also hire, counsel and motivate their assigned professionals and help ensure Financial Professionals are utilizing the range of Solutions available to them in order to meet client needs.

**Bonus compensation.** Managers of all of the Financial Professionals described above are compensated based on qualitative and quantitative metrics such as the performance (financial and otherwise) of the financial professionals they supervise. This compensation arrangement creates a conflict of interest by incentivizing managers to encourage their supervised persons to gather, retain and consolidate client assets in products and services at TIAA. We address this conflict by disclosing it to you and by supervising the supervisors.

Additional compensation from third parties

We and our affiliates may receive additional compensation from third parties and our affiliates, including investment sponsors, such as gifts and awards, a dinner or ticket to a sporting event, or reimbursement in connection with educational meetings, marketing or advertising initiatives, including services for identifying prospective clients. Investment sponsors also may pay or reimburse us for the costs associated with education or training events that are attended by our Financial Professionals and for TIAA- and affiliate-sponsored conferences and events. We also may receive reimbursement from product sponsors for technology-related costs such as those to build systems, tools and new features to aid in servicing clients. The amount of these payments is not dependent on or related to the amount clients invest with the investment sponsor.
Other Services

Outside of the Solutions described above, we also provide services directly and through various affiliates that are separate from our broker-dealer services.

Our investment advisory services

We also offer the following investment advisory services as a registered investment adviser through TC Services’ APS division. These services are separate and apart from the broker-dealer services described above.

Financial planning services

Financial planning services are delivered by our WMAs and certain Advisory consultants as investment advisor representatives of APS. WMAs and Advisory consultants also provide the broker-dealer services described in this document as registered representatives of TC Services. We do not monitor your financial plan and do not provide investment Recommendations. For more information about our financial planning services, see TIAA.org/public/pdf/tc_adv_program.pdf.

Managed account solutions

TC Services currently offers wrap-fee managed account programs. WMAs and Advisory consultants may recommend that you enroll, contribute and consolidate assets in managed account programs. When they make such Recommendations or provide services to you for managed accounts, they are acting as investment advisor representatives of APS.

Investment management services through TIAA Bank

Our affiliate TIAA Bank separately offers investment management services under its trust powers. WMAs recommend these managed account services in their capacity as investment advisor representatives. TIAA Bank also provides trust and estate settlement services. WMAs may refer you to TIAA Bank for these services. TIAA Bank may serve as a trustee or co-trustee on both revocable trusts and irrevocable trusts. TIAA Bank can also serve as executor of decedents’ estates. Applicable fee schedules are provided at account opening.

Referrals to TIAA affiliates

Our Financial Professionals can refer you to TIAA Bank for bank deposit and lending products. If you have a quarterly rebalancing service offered by TIAA Bank available in your Plan, our Financial Professionals can also refer you to TIAA Bank for this service. Our Financial Professionals can also refer you to other TIAA affiliates to address needs such as saving for education (529 plans) and charitable giving. Note that we serve as the distributor for certain state-issued 529 tuition savings plans.

Insurance agents offering annuity and life insurance products

We offer non-securities products such as fixed annuity products and life insurance products. Life insurance products are made available to you through TC Agency, which has contracted with third parties to facilitate the distribution of life insurance products. While we no longer sell proprietary variable universal life insurance, you may add to or remove funds from these products.

Investment, insurance and annuity products are not FDIC insured, are not bank guaranteed, are not deposits, are not insured by any federal government agency, are not a condition to any banking service or activity, and may lose value.

TIAA-CREF Individual & Institutional Services, LLC, FINRA Member, distributes securities products. Annuity contracts and certificates are issued by Teachers Insurance and Annuity Association of America (TIAA) and College Retirement Equities Fund (CREF), New York, NY. Each is solely responsible for its own financial condition and contractual obligations.
## Appendix A

### Fees imposed by third-party life carriers for variable universal life policies

<table>
<thead>
<tr>
<th>Type of Fee</th>
<th><strong>Lincoln Financial Group</strong></th>
<th><strong>Nationwide Financial</strong></th>
<th><strong>Pacific Life</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Premium load (approximate)</td>
<td>For New York residents:</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>current 5.50%, guaranteed 6%</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Other state residents:</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>current and guaranteed: 10% of the premium in years 1 to 5, 6% in years 6 to 10 and 3% after the 10th year</td>
<td>current 6%, guaranteed 10%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Frequency: Premium loads are charged whenever premiums are paid based on the duration set in the contract</td>
<td>6.50%</td>
<td>Frequency: Premium loads are charged whenever premiums are paid based on the duration set in the contract</td>
</tr>
<tr>
<td>Monthly Mortality &amp; expense/asset-based charge (approximate)</td>
<td>For New York residents:</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>current .15% in years 1 to 15, guaranteed .20% for all years</td>
<td>current 0%, guaranteed .50%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Other state residents:</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>current .90% years 1 to 19, .2% years 11 to 20, 0% after 20 years, guaranteed: 1.15% years 1 to 10; .45% thereafter</td>
<td>current .20%, guaranteed .36%</td>
<td></td>
</tr>
<tr>
<td>Monthly administrative charge (approximate)</td>
<td>$10 for New York residents and $15 for all other state residents</td>
<td>$10 to $20</td>
<td>$10</td>
</tr>
<tr>
<td>Surrender charges will be imposed for:</td>
<td>10 years for New York residents</td>
<td>10-15 years</td>
<td>15 years</td>
</tr>
<tr>
<td></td>
<td>15 years for all other state residents</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>