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# DEFERRED COMPENSATION PLAN BOARD REPORT 08-36



Date: October 6, 2008  
To: Board of Deferred Compensation Administration  
From: Staff  
Subject: Securities Trading in Self-Directed Brokerage Option

Recommendation:

That the Board of Deferred Compensation Administration approve the proposed implementation/communication plan and communication materials for adding securities trading to the Plan's Self-Directed Brokerage Option (SDBO).

Discussion:

At the Board's August 19, 2008 meeting, the Board requested that staff develop a project plan and communication materials with respect to implementation of the Board's decision to add securities trading to the Plan's Self-Directed Brokerage Option (SDBO). Of particular concern to the Board was ensuring that the Plan was able to communicate not only the benefits of the new trading capabilities, but to remind participants of the unique risks of trading individual securities as well as the responsibilities inherent in self-directed trading. Staff was directed to proceed with implementation unless there were indications that one or Board members wished to discuss either the implementation plan or the communication materials. Such indications were received which is the matter was deferred until it could be discussed at this meeting.

Staff would propose the following Implementation/Communication Plan:

- **November 21, 2008** – Special communication issued to current SDBO participants to include the following:
  - Announcement Letter From Board – This correspondence would introduce the new trading capabilities, discussing both the benefits as well as unique considerations involved in trading individual securities (attached);
  - Release Form Enclosure- The standard Release Form which all SDBO participants are required to accept prior to enrollment will be included as a reminder to participants of the features and responsibilities of participating in the SDBO (attached).

→ A news article would be added to the Plan website indicating the new trading capabilities within the SDBO (see attached).

- **December 1, 2008** – Stock/bond trading would be opened to participants in the SDBO.
- **January 27, 2008 (approximate)** – Quarterly statement newsletter would include the afore-mentioned web article discussing addition of new trading capabilities within the SDBO.

If the Board wishes to revise the proposed communication materials and review them again at its next meeting, the above-indicated dates would need to be moved forward.

Submitted by:

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Steven Montagna

Approved by:

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Maryanne Keehn