



TIAA-CREF: Your Partner in Building a Better Financial Future

Investment Expertise

Low Expenses

A Lifetime Partnership

RETIREMENT PLAN ENROLLMENT KIT





Understand how TIAA-CREF manages your investments.



Develop a retirement portfolio by allocating your contributions among our fixed and variable annuity accounts.



Access a wide range of customized services, on the phone, online and in person.

TIAA-CREF: The retirement experts

Your retirement plan may well become your single most important financial asset. Along with Social Security and personal savings, it should be able to generate enough income to sustain you for a retirement that could last thirty years or more. That's why choosing the right retirement company is so important.

Over two million of your colleagues have entrusted their futures to TIAA-CREF. As a major financial services organization, we offer world-class investment management at expense levels that are among the lowest in the insurance and mutual fund industries.* As the nationwide retirement system for people at education, research, and healthcare institutions, we have a long-standing reputation for service and value.

If you have questions about TIAA-CREF, or if there's anything we can do to help you get started, please call us at 800 842-2888.

* Sources for expense citations above and on cover: *Standard and Poor's Insurance Rating Analysis*, 2001; and Lipper Analytical Services, Inc., *Lipper-Directors' Analytical Data*, 2001

Sound investment choices



Building your portfolio

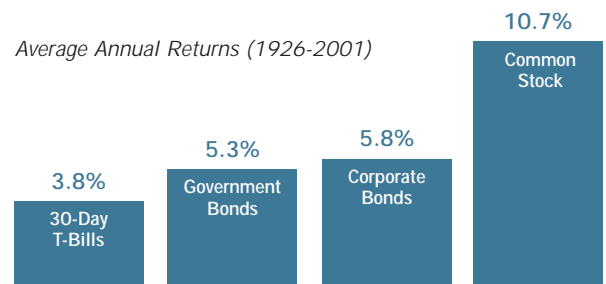
To start your retirement plan, you'll need to allocate your contributions among the fixed and variable annuity accounts listed on the last page, and enter your percentages on the enrollment form. You can change your allocation of future contributions at any time, and you have considerable flexibility in transferring among accounts.

TIAA-CREF recommends that you consider the following when allocating contributions:

1. Although past performance does not guarantee future returns, over long time periods stocks have tended to produce higher returns than other investments. Because retirement investing is a long-term proposition, everyone should consider making an allocation to stocks. The amount depends on your tolerance for investment risk.
2. In addition to equities, we believe a portfolio should be diversified among at least two of TIAA-CREF's three other asset classes: Guaranteed, Fixed Income, and Real Estate.
3. In considering an account, you should review its investment approach and risks.

How Investments Have Performed Over Time

Stocks have historically outperformed all other types of investments over the long term.



These returns are for illustrative purposes only and do not reflect TIAA-CREF performance or the returns various kinds of investments may earn in the future. Stocks represent shares of ownership in a corporation and bonds are debt obligations. The value of both will fluctuate with market conditions. Treasury bills and government bonds are insured as to timely payment of principal and interest by the U.S. government, unlike stocks and corporate bonds. T-bills are short-term money market instruments. Past performance does not guarantee future returns. (Source: *Stocks, Bonds, Bills and Inflation*® 2002 Yearbook, ©2002 Ibbotson Associates, Inc. Based on copyrighted works by Ibbotson and Sinquefeld. All rights reserved. Used with permission.)



To create your portfolio, review the list of the TIAA and CREF accounts on the last page.



If you need investment help, call 800 842-2888 and ask for a personalized allocation.

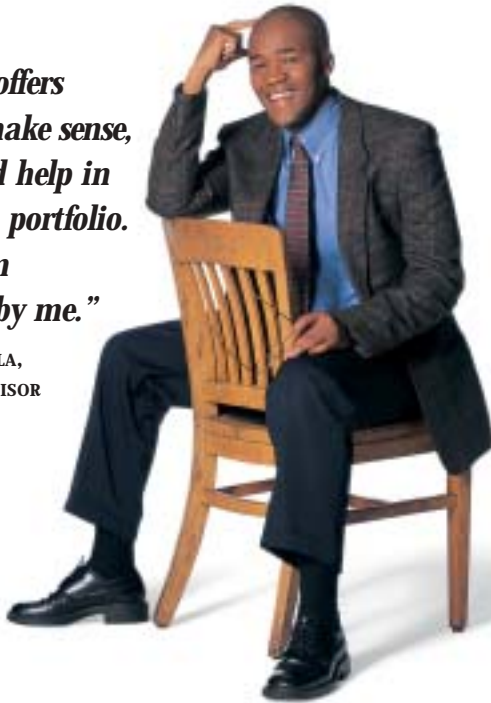


You can access our retirement allocation calculator online at www.tiaa-cref.org/alloc-calc.

Our range of accounts enables you to fine-tune your retirement portfolio to fit your goals and risk tolerance. You can balance the safety and guaranteed growth of TIAA's Traditional Annuity with our nine variable annuity investment accounts, whose returns fluctuate.

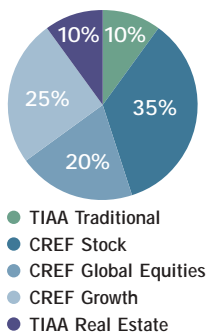
“TIAA-CREF offers investments that make sense, and personalized help in setting up a portfolio. I really trust them to do right by me.”

— MATHATA MPELA,
ACADEMIC ADVISOR



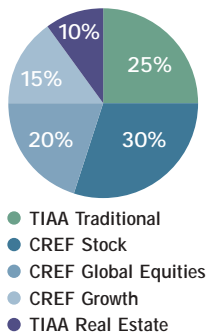
Sample portfolios

Here are some examples of how the fixed and variable annuity accounts can be combined to suit different kinds of investors. They are generic models only, and do not reflect your goals and preferences. Remember, the more aggressive the portfolio, the greater the risk of loss.



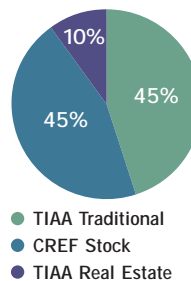
Aggressive

This portfolio provides a risk-tolerant investor with a way to take advantage of the long-term growth opportunities of stocks, including a healthy allocation to the CREF Growth Account. The guarantees of TIAA Traditional provide some balance to the risks of stock investing, and TIAA Real Estate enhances diversification.



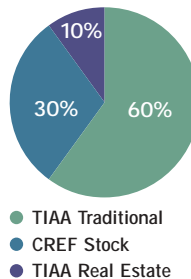
Moderately Aggressive

This portfolio seeks growth opportunity while maintaining a percentage in TIAA Traditional to help enhance overall safety. The equity accounts offer growth opportunity through broad diversification, indexed and active investment approaches, and participation in both domestic and global investments. TIAA Real Estate adds diversification.



Moderately Conservative

This model portfolio seeks a balance between safety and growth potential. It is diversified, including stock and real estate accounts, as well as the guarantees of TIAA Traditional.



Conservative

This portfolio's high percentage in TIAA Traditional makes it appropriate for someone who is primarily concerned with safety and stability. The equity portion offers investment in the CREF Stock Account, which is broadly diversified within itself. And the small allocation to TIAA Real Estate provides additional diversification.

For a customized approach, you can use our *Personalized Allocation* service, available by phone (800 842-2888) and through our Web Center. This interactive application gathers key information about your risk tolerance and investment preferences, and suggests a retirement portfolio based on your answers.

Note: Certain accounts may not be available under your employer's plan.

A long-term vision



Managing stock portfolios

CREF's Stock, Global Equities, and Growth variable annuity accounts use a Dual Investment Management StrategySM that integrates two approaches:

Active management employs the skills of analysts and researchers to identify stocks we believe offer superior returns. Just as important, these analysts single out less attractive stocks to avoid or underweight.

At the same time, we use quantitative methods to build an overall portfolio similar to the benchmark and within the Fund's guidelines for risk. Our quantitative analysts may also attempt to outperform the benchmark indices by over- or underweighting certain stocks in the benchmark by small amounts based on proprietary scoring models.

Using the Dual Investment Management StrategySM, we can allocate between active and quantitative management. Overall, this enables the Funds to remain fully invested when active investment opportunities are limited, and more diversified than active management alone would typically provide.

Working as a team — for insight and control

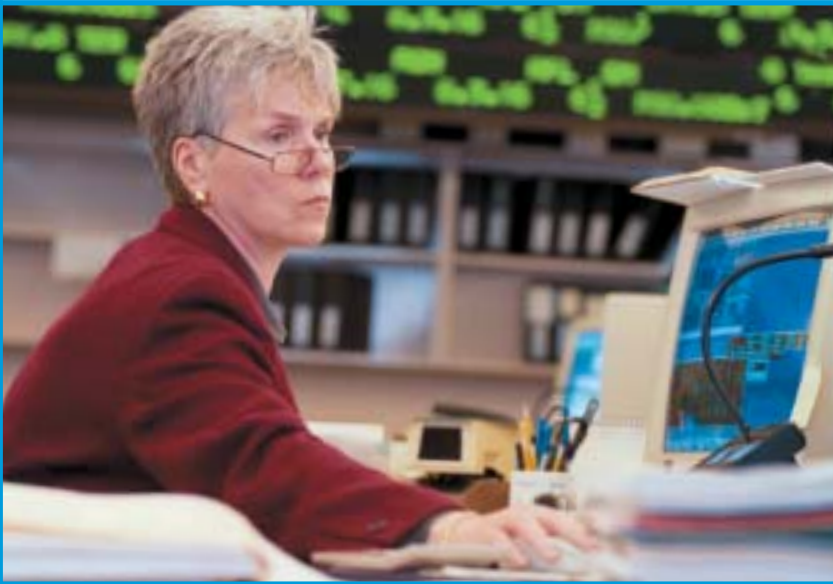
Whether buying an interest in an office building, reviewing a stock offering, or analyzing a bond issue, TIAA-CREF professionals work within an organizational structure that has made us one of the world's most respected institutional investors. Our use of management teams enables us to put potential investments through a rigorous review process to ensure that our decisions match each account's objectives. You can be confident that your money is invested carefully.

Balancing safety and opportunity

TIAA offers a Traditional Annuity that can help offset the volatility of investing in the stock and bond markets. TIAA Traditional guarantees your principal and a 3% interest rate, plus it offers additional growth opportunity through dividends.* TIAA has declared dividends every year since 1948.

* These guarantees are backed by TIAA's claims-paying ability.

Over time, we have refined our investment methods to meet the specific needs of people saving for retirement. Our approach combines a long-term perspective with the ability to respond to emerging challenges and opportunities in the stock, bond, and real estate markets.



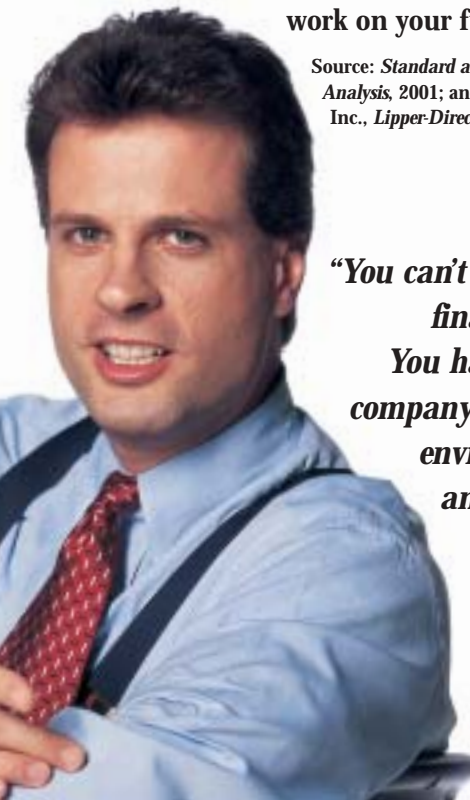
Expenses make a difference

TIAA-CREF charges no sales loads, so every dollar you contribute goes directly into the accounts you select. Like all financial companies, TIAA-CREF has expense charges to cover operating costs, but our expenses are very low compared to those of other insurance and mutual fund companies. The less you pay out in expenses, the more money you put to work on your future.

Source: *Standard and Poor's Insurance Rating Analysis, 2001*; and Lipper Analytical Services, Inc., *Lipper-Directors' Analytical Data, 2001*

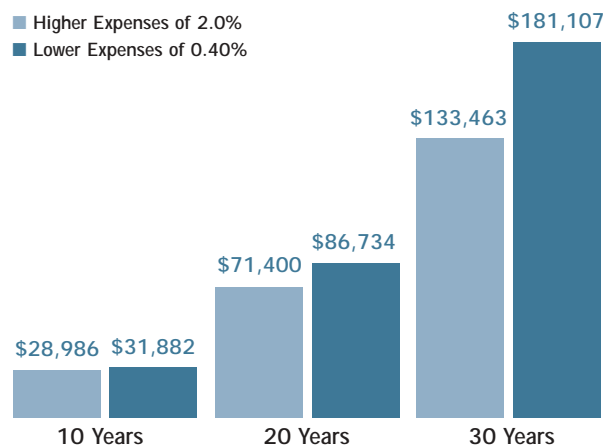
"You can't buy a stock based on financial statements alone. You have to know the company's products, competitive environment, management, and long-term prospects."

— Greg Luttrell,
Managing Director,
CREF Investments



What Low Expenses Can Mean for You

This chart compares the long-term effects of different expense levels. It shows how a \$200 monthly retirement plan contribution might grow in two accounts: one with lower annual expenses of 0.40%, and another with higher annual expenses of 2.0%. Each earns a hypothetical average annual return of 6%. Expenses are taken out at year-end, based on year-end assets.



This chart is presented for illustrative purposes only. It does not reflect actual investment performance or tax consequences, nor does it predict the future results of the TIAA and CREF variable annuities, whose returns will fluctuate. The total expense deductions for the CREF variable annuities currently range from 0.34% to 0.46%, and TIAA Real Estate Account expenses are currently 0.64%.



For a look at our investment record, expense levels, and current rates for TIAA Traditional, visit the *Financial Performance: Retirement Investments* section at www.tiaa-cref.org.

A lifetime partnership



A retirement plan that can move with you

You can usually continue your contributions at any of the more than 13,000 institutions offering TIAA-CREF-funded retirement plans, so you'll have an investment program that can move with you if you change jobs.

Transfers and Rollovers—If you (or you and a spouse or partner) would like to move existing retirement assets to TIAA-CREF, you can use the Direct Transfer form in the front pocket. You have two possible alternatives: bringing assets directly into your TIAA-CREF Retirement Account, or starting a Rollover IRA. Before making a transfer, be sure to consider any surrender charges the other company may deduct.



If you need help in deciding which approach might be best for you, call us at 800 842-2888.

We'll be there when you need us

Many companies can help you invest for the future, but a retirement specialist like TIAA-CREF can also help you plan ahead for retirement. Throughout your working years, we'll help you adjust your investments to reflect changes in your strategy or your financial situation. We can help you chart your progress, so you'll know how your accumulations can translate into income. And when the time comes, we can help you plan for a smooth transition from work to retirement. We offer toll-free telephone counseling from professional retirement planning specialists (not commissioned salespeople), and a full menu of services through our Web Center.

“This variable annuity behemoth accounts for nearly one-quarter of the entire [variable annuity] industry’s assets, yet it uses its power for the forces of good: consumer education, service, and most importantly, low fees.”

—Morningstar Principia Variable Annuities/Life, May 2000

TIAA-CREF is a nationwide system you can count on throughout your career. When you contact us, you'll get someone who knows how your retirement plan works, and who can help you make educated decisions—both before and during retirement.



“Everyone has unique goals and financial concerns. When I’m helping someone make a decision, I always start by listening.”

**—Rosemary G. Markowski,
TIAA-CREF
Consulting Officer**

Customized payment options

Whether you're planning a career change or setting up your retirement income, TIAA-CREF has the distribution options to meet your needs:

Cash Withdrawals pay out your accumulation in a single sum or in a series of payments.*

Systematic Withdrawals enable you to set up your own custom payment plan.*

Lifetime Payments provide you with a regular income for as long as you live, and if you choose, for the life of an annuity partner as well.†

Plus, you can receive ***Minimum Distribution Payments, TIAA Interest-Only Payments, and several other options.***

* The availability of these income options varies from employer to employer.

† Payments under the TIAA Traditional Annuity and the TIAA Real Estate Account are subject to TIAA's claims-paying ability. Payments under the CREF annuities and the TIAA Real Estate account will vary.

We offer a full range of products to help you save for the future.

In addition to retirement plans, TIAA-CREF and its subsidiaries offer products and services to help you meet almost any financial goal you may have. We offer:

Tax-Deferred Annuities (SRAs)

Roth and Classic IRAs

529 State Tuition Savings Programs

Mutual Funds

Life and Long-Term Care Insurance

Rollover IRAs

Education IRAs

After-Tax Annuities

Trust Products and Services



Our Fixed and Variable Annuity Accounts*

Transfers to
Other Accounts Risk Level

GUARANTEED

TIAA Traditional Annuity—a fixed annuity account that invests in publicly traded bonds, mortgages, loans and real estate. Backed by TIAA's claims-paying ability, it guarantees your principal and a 3% minimum interest rate, plus it offers an additional growth opportunity through dividends which TIAA has declared every year since 1948.

In annual installments over a 10-year period

Very Low

EQUITIES

CREF Stock Account—a variable annuity account that invests in a broadly diversified range of U.S. and foreign stocks, using a variety of investment techniques. A portion of the portfolio uses quantitative methods to reflect the overall U.S. stock market. The remainder is actively managed, divided fairly equally between U.S. and foreign stocks. (Foreign markets are subject to additional risks from changing currency values, interest rates, government regulations, and political and economic conditions.)

Yes

Moderate

CREF Global Equities Account—a variable annuity account that invests at least 40% of its assets in foreign stocks and at least 25% in U.S. securities. The portfolio combines individual stock selection with quantitative methods designed to reflect a broadly based index of U.S. and foreign stocks. (Foreign markets are subject to additional risks from changing currency values, interest rates, government regulations, and political and economic conditions.)

Yes

Moderate

CREF Growth Account—a variable annuity account that combines individual stock selection with quantitative methods. The stock selection component of the account invests in individually selected stocks we believe are poised for superior growth in light of economic and market conditions. A second portfolio component uses quantitative methods to reflect a broadly based index of U.S. growth stocks.

Yes

Moderate-to-High

CREF Equity Index Account—a variable annuity account that is designed to track the overall market for common stocks traded in the U.S. This account uses indexing to reflect the returns of the Russell 3000^{®,**} a broadly based index of U.S. common stocks.

Yes

Moderate

REAL ESTATE

TIAA Real Estate Account—a variable annuity account that is targeted to invest 70% to 95% of its assets in income-producing properties, such as office buildings, retail centers, and residential complexes, as well as in real estate-based securities. The remainder is held in liquid assets such as money market instruments. (Real estate has specific risks, including fluctuations in property value, higher expenses or lower income than expected, and environmental problems and liability.) This account is not available in California.

Can be made once per calendar quarter

Moderate

FIXED INCOME

CREF Money Market Account—a variable annuity account that invests in securities and other instruments that will mature in the near future and therefore tend to reflect changes in current interest rates. The account is neither insured nor guaranteed by the Federal Deposit Insurance Corp. or any other U.S. government agency.

Yes

Very Low

CREF Bond Market Account—a variable annuity account that holds primarily high- and medium-quality bonds of many different companies and government agencies—all with varying maturities. The bonds are often actively bought and sold rather than held to maturity.

Yes

Low-to-Moderate

CREF Inflation-Linked Bond Account—a variable annuity account that seeks a long-term rate of return that will outpace inflation. It focuses on U.S. Treasury Inflation-Indexed Securities and similar bonds whose principal or interest is adjusted to track the inflation rate.

Yes

Low-to-Moderate

EQUITIES & FIXED INCOME

CREF Social Choice Account—a variable annuity account that invests in stocks, bonds and money market instruments primarily from companies included in the Russell 3000^{®***} stock index that pass two kinds of social screens. First, the portfolio excludes certain companies based on revenues derived from alcohol, tobacco, gambling, weapons production, or nuclear power. The remaining companies are then evaluated and selected based on additional criteria, such as respect for the environment, diversity, charitable giving, fair labor and governance practices, quality products, and leadership in research and development. The account also invests in government securities.

Yes

Low-to-Moderate

* Some accounts may not be available under your employer's plan.

**The Russell 3000[®], compiled by the Frank Russell Company, is an unmanaged index of the stocks of the 3,000 largest U.S. companies traded on the New York Stock Exchange, other U.S. exchanges, and over the counter (i.e., stocks such as those listed on the NASDAQ). Each stock in the index is weighted by its relative market value. The CREF Equity Index Account and CREF Social Choice Account are not promoted by or sponsored by or affiliated with the Frank Russell Company, which is not responsible for any representations about these accounts. You cannot purchase shares in the index. The Russell 3000 is a registered trademark of the Frank Russell Company.

This booklet must be accompanied or preceded by current prospectuses for the CREF and TIAA Real Estate Accounts. You can obtain additional copies by calling 800 842-2733, ext. 5509.

TIAA-CREF Individual and Institutional Services, Inc., distributes the CREF and TIAA Real Estate Account variable annuities. Teachers Personal Investors Services, Inc. distributes the variable Personal Annuities, mutual funds and tuition savings agreements. TIAA (Teachers Insurance and Annuity Association), New York, NY, and TIAA-CREF Life Insurance Co., New York, NY, issue insurance and annuities. TIAA-CREF Trust Company, FSB, provides trust services. **Investment products are not FDIC insured, may lose value and are not bank guaranteed.** For more complete information on securities products, please call 800 842-2733, ext. 5509, to request prospectuses. Read them carefully before you invest. TIAA-CREF Investment Management serves as investment manager to CREF.

The testimonials in this brochure express individual opinions and are not intended to characterize the experience of everyone.

© 2002 Teachers Insurance and Annuity Association–College Retirement Equities Fund (TIAA-CREF), New York, NY



730 Third Avenue
New York NY 10017-3206

*Managing money for people
with other things to think about.SM*