

MEMO# 20060

May 19, 2006

NASD to Form Working Groups to Examine Annuity Products

©2006 Investment Company Institute. All rights reserved. Information may be abridged and therefore incomplete. Communications from the Institute do not constitute, and should not be considered a substitute for, legal advice. [20060] May 19, 2006 TO: VARIABLE INSURANCE PRODUCTS ADVISORY COMMITTEE No. 4-06 RE: NASD TO FORM WORKING GROUPS TO EXAMINE ANNUITY PRODUCTS As we previously informed you,¹ on May 5, 2006, the NASD and the Minnesota Department of Commerce co-sponsored an Annuity Roundtable in Washington, D.C. to discuss the regulatory framework under which annuity products are marketed and sold. In response to what the NASD states was the general consensus of Roundtable participants that investors purchasing fixed, variable or equity indexed annuities should be comparably protected, the NASD and the Minnesota Department of Commerce have announced that they will form working groups to compare regulatory standards in five areas - supervision, suitability, advertising, sales force training and disclosure requirements. It is anticipated that those working groups will be in place within 60 days. Ari Burstein Associate Counsel 1 Memorandum to Variable Insurance Products Advisory Committee No. 3-06 (May 15, 2006) [20050].

Copyright © by the Investment Company Institute. All rights reserved. Information may be abridged and therefore incomplete. Communications from the Institute do not constitute, and should not be considered a substitute for, legal advice.