



August 28, 2006

James Dolan
BISYS Fund Services
100 Summer Street, Suite 1500
Boston MA 02110

Reference: **FR2006-0531-0268/H**

Org Id :00015634

REVIEW LETTER

1. VSA Educational Presentation--A Retirement Planning Review (#2006- May - VSA - BISYS)
Rules: 2210, SEC 482, VARIABLE
12 pages Fee: \$120
2. VSA Educational Presentation--A Lesson in Life Insurance (#2006- May - VSA - BISYS)
Rules: 2210, SEC 482, VARIABLE
15 pages Fee: \$150
3. VSA Educational Presentation--The Role of Life Insurance in Retirement Planning (#2006- May - VSA - BISYS)
Rules: 2210, SEC 482, VARIABLE
10 pages Fee: \$100
4. VSA Educational Presentation--Retirement Income Protection (#2006- May - VSA - BISYS)
Rules: 2210, SEC 482, VARIABLE
8 pages Fee: \$100
5. VSA Educational Presentation--A Deferred Annuity Review (#2006- May - VSA - BISYS)
Rules: 2210, SEC 482, VARIABLE
14 pages Fee: \$140
6. VSA Educational Presentation--An Immediate Income Annuity Review (#2006- May - VSA - BISYS)
Rules: 2210, SEC 482, VARIABLE
11 pages Fee: \$110



7. VSA Educational Presentation--Traditional IRA/Roth IRA (#2006- May - VSA - BISYS)
Rules: 2210, SEC 482, VARIABLE
17 pages Fee: \$170
8. VSA Educational Presentation--TDA (#2006- May - VSA - BISYS)
Rules: 2210, SEC 482, VARIABLE
11 pages Fee: \$110
9. VSA Educational Presentation--A Lesson in Life Insurance (#2006- May - VSA - BISYS)
Rules: 2210, SEC 482, VARIABLE
13 pages Fee: \$130
10. VSA Educational Presentation--A Lesson in Annuities (#2006- May - VSA - BISYS)
Rules: 2210, SEC 482, VARIABLE
18 pages Fee: \$180
11. VSA Educational Presentation--A Lesson in Variable Annuities (#2006- May - VSA - BISYS)
Rules: 2210, SEC 482, VARIABLE
16 pages Fee: \$160
12. VSA Educational Presentation--A Lesson in Fixed Interest and Indexed Annuities (#2006- May - VSA - BISYS)
Rules: 2210, SEC 482, VARIABLE
17 pages Fee: \$170
13. VSA Educational Presentation--A Deferred Fixed Interest and Indexed Annuity Review (#2006- May - VSA - BISYS)
Rules: 2210, SEC 482, VARIABLE
14 pages Fee: \$140
14. VSA Educational Presentation--A Lesson in Indexed Annuities (#2006- May - VSA - BISYS)
Rules: 2210, SEC 482, VARIABLE
15 pages Fee: \$150



15. VSA Educational Presentation--"Stretch" IRA (#2006- May - VSA - BISYS)
Rules: 2210, SEC 482, VARIABLE
12 pages
Fee: \$120
16. VSA Educational Presentation--Reverse Mortgages (#2006- May - VSA - BISYS)
Rule: 2210
11 pages
Fee: \$110
17. VSA Educational Presentation--Insured Stock Redemption Buy-Sell Plan for Corporations (#2006- May - VSA - BISYS)
Rules: 2210, SEC 482, VARIABLE
14 pages
Fee: \$140
18. VSA Educational Presentation--Insured Section 303 Stock Redemption Plan (#2006- May - VSA - BISYS)
Rules: 2210, SEC 482, VARIABLE
13 pages
Fee: \$130
19. VSA Educational Presentation--Business Split Dollar Life Insurance Plan (#2006- May - VSA - BISYS)
Rules: 2210, SEC 482, VARIABLE
14 pages
Fee: \$140
20. VSA Educational Presentation--A Charitable Trust Review (#2006- May - VSA - BISYS)
Rules: 2210, SEC 482, VARIABLE
16 pages
Fee: \$160
21. VSA Educational Presentation--A Lesson in Charitable Giving (#2006- May - VSA - BISYS)
Rules: 2210, SEC 482, VARIABLE
20 pages
Fee: \$200
22. VSA Educational Presentation--Charitable Gifts of Life Insurance (#2006- May - VSA - BISYS)
Rules: 2210, SEC 482, VARIABLE



11 pages

Fee: \$110

- 23. VSA Educational Presentation--A Lesson in Qualified Retirement Plans (#2006- May - VSA - BISYS)
Rule: 2210
18 pages
Fee: \$180
- 24. VSA Educational Presentation--An Owner Only 401 (K) Plan (#2006- May - VSA - BISYS)
Rule: 2210
12 pages
Fee: \$120
- 25. VSA Educational Presentation--Human Life Value Report (#2006- May - VSA - BISYS)
Rule: 2210
3 pages
Fee: \$100
- 26. VSA Educational Presentation--Survivor Cash Needs Report (#2006- May - VSA - BISYS)
Rule: 2210
4 pages
Fee: \$100
- 27. VSA Educational Presentation--Survivor Income Needs Report (#2006- May - VSA - BISYS)
Rule: 2210
3 pages
Fee: \$100
- 28. VSA Educational Presentation--Survivor Cash and Income Needs Report (#2006- May - VSA - BISYS)
Rule: 2210
8 pages
Fee: \$100
- 29. VSA Educational Presentation--Retirement Analysis Report (#2006- May - VSA - BISYS)
Rule: 2210
9 pages
Fee: \$100



- 30. VSA Educational Presentation--Cost of Raising a Child (#2006- May - VSA - BISYS)
Rule: 2210
3 pages
Fee: \$100

- 31. VSA Educational Presentation--Do You Still Have Enough Life Insurance (#2006- May - VSA - BISYS)
Rules: 2210, SEC 482, VARIABLE
3 pages
Fee: \$100

- 32. VSA Educational Presentation--Do You Still Have Disability Income Insurance (#2006- May - VSA - BISYS)
Rule: 2210
3 pages
Fee: \$100

- 33. VSA Educational Presentation--Business Valuation Report (#2006- May - VSA - BISYS)
Rule: 2210
6 pages
Fee: \$100

- 34. VSA Educational Presentation--Key Employee Valuation Report (#2006- May - VSA - BISYS)
Rule: 2210
8 pages
Fee: \$100

- 35. VSA Educational Presentation--Pre-Tax Profit Equivalent Report (#2006- May - VSA - BISYS)
Rule: 2210
3 pages
Fee: \$100

- 36. VSA Educational Presentation--After-Tax Corporate Cost Report (#2006- May - VSA - BISYS)
Rule: 2210
3 pages
Fee: \$100

- 37. VSA Educational Presentation--Cost of Group Term Life Insurance Report (#2006- May - VSA - BISYS)



Rule: 2210
4 pages

Fee: \$100

38. VSA Educational Presentation--Estimated Corporated Alternative Minimum Tax Report (#2006- May - VSA - BISYS)

Rule: 2210
4 pages

Fee: \$100

39. VSA Educational Presentation--Self-Employed Qualified Retirement Plan Contribution Report (#2006- May - VSA - BISYS)

Rule: 2210
4 pages

Fee: \$100

40. VSA Educational Presentation--Federal Estate Tax Report (#2006- May - VSA - BISYS)

Rule: 2210
7 pages

Fee: \$100

41. VSA Educational Presentation--Compensation and Benefit Statement (#2006- May - VSA - BISYS)

Rule: 2210
3 pages

Fee: \$100

Total Fee: \$5040

Attention: James Dolan

Revisions are necessary for the following material to comply with applicable standards.

Unless otherwise indicated, the following comments are applicable to all of the above referenced filings.

Pursuant to NASD Conduct Rule 2210 (d)(2)(C)(i), the member's name must be prominently disclosed. We note that the member name is omitted from each presentation. Thus, please revise accordingly.



Please note that these reviews do not cover the merits of estate planning, business valuation, insurance or tax advice presented in each module. It is your firm's responsibility to ensure that the information given in each of these presentations is accurate and can be substantiated pursuant to Rule 2210 (d)(1)(B).

A Retirement Planning Review

Pursuant to Rule 2210 (d)(1)(A), we offer the following comments:

1. Given that the presentation emphasizes and highlights the concept of tax-deferred investing and solicits interests in variable annuities, to provide a fair and balanced presentation, the material must be revised to disclose that annuities do not provide any tax deferral advantage over other types of investments offered through qualified plans or IRAs.
2. The data on page #4 regarding the odds of living to retirement age and life expectancy is sourced to a 2001 Commissioners' Standard Ordinary Mortality Table and thus, appears to be outdated. Given that the use of stale data may be misleading, for a fair presentation, the data must be updated to reflect more recent information.
3. The table on page 7, "Capital Required at Various Interest Rates" does not provide the length of time on which the calculations are based. Thus, the material must be revised to address this concern.
4. To provide a sound basis for evaluation, the hypothetical illustrations on pages 8 and 9 should be revised to disclose that (i) rates will vary over time, particularly for long-term investments; and (ii) the illustrations do not take into consideration any investment fees or expenses, which would lower performance.
5. We note that the entire section on page 11 omits material information regarding the features of these products. For example, regarding annuities, there is no discussion of the different types of annuities or death benefits. In addition, there is no discussion of fees or charges for any product. Therefore, the material must be revised to include this information.

Prospectus Offering Statement Issues



1. We note the inclusion of a prospectus offering statement. However, there is no discussion of the investments and risks characteristics of these products. To provide a sound basis and a complete presentation, the material must be revised to address this concern.
2. The prospectus offer on page 2 does not offer a prospectus for the variable insurance product as required by SEC Rule 482 and, hence, the material must be revised. For additional guidance, we refer you to the Federal Register Vol. 68 No. 193, page 57766, where it states that a variable insurance product advertisement should direct investors to both the contract prospectus and the underlying fund prospectuses. Currently, the prospectus offering suggests that the reader only consider the investment objectives, risks, charges, and expenses of the underlying investment option, not the *variable product*.
3. The prospectus offer is incomplete contrary to SEC Rule 482(b)(1)(i), as it does not identify a source from which an investor may obtain a prospectus. Please revise accordingly.

A Lesson in Life Insurance (with variable products)

1. We note that the material regarding Equity Indexed Universal Life Insurance, Variable Life Insurance, and Variable Universal Life Insurance, is incomplete, as material information is omitted from the presentation. For example, there is no discussion of fees and charges. In addition, the repeated references to “strong markets” and “positive market performance” are not balanced with the risks associated with poor market performance. Therefore, pursuant to Rule 2210 (d)(1)(A), the material must be revised to address these concerns.
2. The prospectus offer on page 2 does not offer a prospectus for the variable insurance product as required by SEC Rule 482 and, hence, the material must be revised. For additional guidance, we refer you to the Federal Register Vol. 68 No. 193, page 57766, where it states that a variable insurance product advertisement should direct investors to both the contract prospectus and the underlying fund prospectuses. Currently, the prospectus offering suggests that the reader only consider the investment objectives, risks, charges, and expenses of the underlying investment option, not the *variable*



product.

3. The prospectus offer is incomplete contrary to SEC Rule 482(b)(1)(i), as it does not identify a source from which an investor may obtain a prospectus. Please revise accordingly.

A Lesson in Life Insurance

We note that the material regarding Equity Indexed Universal Life Insurance is incomplete, as material information is omitted from the presentation. For example, there is no discussion of fees and charges. In addition, the reference to “strong markets” is not balanced with the risks associated with poor market performance. Therefore, pursuant to Rule 2210 (d)(1)(A), the material must be revised to address these concerns.

The Role of Life Insurance in Retirement Planning

NASD Rule 2210 (d)(2)(B) requires that a communication disclose all material differences when comparing different investment options. As presented, the comparison between Regular IRAs, Roth IRAs and Cash Value Life Insurance on page 10 is incomplete and oversimplified, as it omits material information pertaining to the investment characteristics and risks of the different options (including associated fees and charges.) Therefore, please revise accordingly.

Prospectus Offering Statement Issues

1. We note that a prospectus offer for variable life insurance is located on page 2; however, there is no discussion specifically relating to variable life. In addition, the material discusses “cash value life insurance” without identifying or explaining any specific product that would be available to an investor. Therefore, pursuant to Rule 2210 (d)(1)(A) to provide a sound basis for evaluation, the material must be revised to address these concerns.
2. The prospectus offer on page 2 does not offer a prospectus for the variable insurance product as required by SEC Rule 482 and, hence, the material must be revised. For additional guidance, we refer you to the Federal Register Vol. 68 No. 193, page 57766, where it states that a variable insurance product advertisement should direct investors to both the contract prospectus and the underlying fund prospectuses. Currently, the



prospectus offering suggests that the reader only consider the investment objectives, risks, charges, and expenses of the underlying investment option, not the *variable product*.

3. The prospectus offer is incomplete contrary to SEC Rule 482(b)(1)(i), as it does not identify a source from which an investor may obtain a prospectus. Please revise accordingly.

A Retirement Income Protection Review

Pursuant to Rule 2210 (d)(1)(B), we offer the following comments:

1. We note that the “Cost to You in Lost Pension Benefits” section of the hypothetical example on page 5 is potentially misleading given that (i) only one “cost” scenario is highlighted; (ii) the “cost” is based only on the earner’s life expectancy; and (iii) the section does not factor in the additional benefits to the spouse. Thus, the “Cost” section must be revised or deleted.
2. The statement, “Retirement Income Protection Is the Answer!” on page 6 is exaggerated and unwarranted and must be revised or deleted.

In a related matter, the overall suggestion that life insurance is the answer for every investor without regard to suitability or an investor’s overall financial situation is misleading and contrary to Rule 2210 (d)(1)(B). We urge you to also consider the suitability standards set forth in Rule 2310.

Furthermore, NASD Conduct Rule 2210 (d)(2)(B) requires that a communication disclose all material differences when comparing different investment options. As presented, the comparison Joint and Survivor Annuity Payout Option and Retirement Income Protection Funded with Life Insurance on page 7 is incomplete, unbalanced and oversimplified, as it omits material information pertaining to the investment characteristics and risks of the different options. Therefore, the comparison must be revised to address these concerns.

Prospectus Offering Statement Issues

1. We note that a prospectus offer for variable life insurance is located on page 2; however, there is no discussion specifically relating to variable life. In addition, the material



discusses “life insurance” without identifying or explaining the different types of life insurance. Furthermore, the discussion of life insurance is incomplete, as the material does not provide any overall explanation of the characteristics, benefits, fees, or risks. Therefore, pursuant to Rule 2210 (d)(1)(A) to provide a sound basis for evaluation and a balanced presentation, the material must be revised to address these concerns.

2. The prospectus offer on page 2 does not offer a prospectus for the variable insurance product as required by SEC Rule 482 and, hence, the material must be revised. For additional guidance, we refer you to the Federal Register Vol. 68 No. 193, page 57766, where it states that a variable insurance product advertisement should direct investors to both the contract prospectus and the underlying fund prospectuses. Currently, the prospectus offering suggests that the reader only consider the investment objectives, risks, charges, and expenses of the underlying investment option, not the *variable product*.
3. The prospectus offer is incomplete contrary to SEC Rule 482(b)(1)(i), as it does not identify a source from which an investor may obtain a prospectus. Please revise accordingly.

A Deferred Annuity Review

We direct your attention to “The Power of Tax-Deferred Annuity Growth in Action” chart on page 9. To provide a sound basis for evaluation and a fair and balanced presentation pursuant to Rule 2210 (d)(1)(A), the chart must be revised to include the following information:

1. The chart must disclose, either directly beneath it or next to it, the existence of the mortality and expense charges, sales charges, and administrative fees typically found in variable annuities.



2. A legend accompanying the illustration should disclose that withdrawals prior to age 59 ½ are subject to a 10% tax penalty.
3. Disclosure that rates will vary over time, particularly for long-term investments.

We urge you to read NASD Member Alert titled "NASD Reminds Members of Their Responsibilities Regarding Hypothetical Tax-Deferral Illustrations in Variable Annuity Communications" issued May 10, 2004, for further guidance.

In addition, material information regarding Equity Indexed Annuities is omitted from the presentation on page 10. Specifically, to provide a fair and balanced presentation also pursuant to Rule 2210 (d)(1)(A), the discussion must be revised to explain the risks associated with an equity indexed annuity. Furthermore, the following material information should be disclosed (i) an investment in an indexed annuity is not a stock market investment; and (ii) it is possible for an individual to lose money.

We note the statement on page 7, "An annuity provides financial protection against the risk of living too long or of being without sufficient assets during retirement." While an annuity may guarantee lifetime income, there is no guarantee that it will provide sufficient assets during retirement. Thus, pursuant to Rule 2210 (d)(1)(B), to avoid a misleading presentation, the sentence must be revised or deleted.

Prospectus Offering Statement Issues

1. The prospectus offer on page 2 does not offer a prospectus for the variable insurance product as required by SEC Rule 482 and, hence, the material must be revised. For additional guidance, we refer you to the Federal Register Vol. 68 No. 193, page 57766, where it states that a variable insurance product advertisement should direct investors to both the contract prospectus and the underlying fund prospectuses. Currently, the prospectus offering suggests that the reader only consider the investment objectives, risks, charges, and expenses of the underlying investment option, not the *variable*



product.

2. The prospectus offer is incomplete contrary to SEC Rule 482(b)(1)(i), as it does not identify a source from which an investor may obtain a prospectus. Please revise accordingly.

An Immediate Income Annuity Review

Pursuant to Rule 2210 (d)(1)(A), we offer the following comments:

1. The descriptions of the different annuities in the “Types of Income Annuities” are incomplete, as material information is omitted from the presentation. Specifically, there is no mention of any death benefit. Thus, to provide a sound basis for evaluation, the material must be revised to address these issues.
2. To provide balance, the presentation must be expanded to include the insurance-related fees and charges associated with investing in annuities on page 11.
3. Given that the presentation illustrates the concept of tax-deferred investing and solicits interests in variable annuities, to provide a fair and balanced presentation, the material must be revised to disclose that annuities do not provide any tax deferral advantage over other types of investments offered through qualified plans or IRAs.

Prospectus Offering Statement Issues

1. The prospectus offer on page 2 does not offer a prospectus for the variable insurance product as required by SEC Rule 482 and, hence, the material must be revised. For additional guidance, we refer you to the Federal Register Vol. 68 No. 193, page 57766, where it states that a variable insurance product advertisement should direct investors to both the contract prospectus and the underlying fund prospectuses. Currently, the prospectus offering suggests that the reader only consider the investment objectives, risks, charges, and expenses of the underlying investment option, not the *variable product*.



2. The prospectus offer is incomplete contrary to SEC Rule 482(b)(1)(i), as it does not identify a source from which an investor may obtain a prospectus. Please revise accordingly.

A Traditional IRA/Roth IRA Review

Pursuant to Rule 2210 (d)(1)(A), to provide a sound basis for evaluation and a balanced presentation, we offer the following comments:

1. The hypothetical illustrations on pages 6, 7 and 9 should be revised to disclose that rates will vary over time, particularly for long-term investments.
2. The underlying assumptions used to calculate the “Annual After-Tax Distribution” in the chart on page 9 must be provided.
3. The material must be revised to include the risks of investing. Specifically, the material should disclose that an investor may lose money.

Finally, we note that the material includes a prospectus offer for a variable annuity on page 2. Given that the material does not discuss variable annuities, to avoid a misunderstanding pursuant to IM-2210-1 (3), the prospectus offer should be deleted from the presentation.

A Tax-Deferred Annuity (TDA) Review

Pursuant to Rule 2210 (d)(1)(A), to provide a sound basis for evaluation and a balanced presentation, we offer the following comments:

1. The hypothetical illustrations on pages 6 and 8 should be revised to disclose that rates will vary over time, particularly for long-term investments.
2. The material must be revised to include the risks of investing. Specifically, the material should disclose that an investor may lose money.

Finally, we note that the material includes a prospectus offer for a variable annuity on page 2. Given that the material does not discuss variable annuities, to avoid a misunderstanding pursuant to IM-2210-1 (3), the prospectus offer should be deleted from the presentation.



Understanding Annuities

Pursuant to Rule 2210 (d)(1)(B), we offer the following comments:

1. We note the statement on page 5, “An annuity provides financial protection against the risk of living too long or of being without sufficient assets during retirement.” While an annuity may guarantee lifetime income, there is no guarantee that it will provide “sufficient” assets during retirement. Thus, to avoid a misleading presentation the sentence must be revised or deleted.
2. The prospectus offer on page 2 does not offer a prospectus for the variable insurance product as required by SEC Rule 482 and, hence, the material must be revised. For additional guidance, we refer you to the Federal Register Vol. 68 No. 193, page 57766, where it states that a variable insurance product advertisement should direct investors to both the contract prospectus and the underlying fund prospectuses. Currently, the prospectus offering suggests that the reader only consider the investment objectives, risks, charges, and expenses of the underlying investment option, not the *variable product*.
3. The prospectus offer is incomplete contrary to SEC Rule 482(b)(1)(i), as it does not identify a source from which an investor may obtain a prospectus. Please revise accordingly.

A Lesson in Variable Annuities

A Lesson in Fixed Interest and Indexed Annuities

1. We note the statement on page 5, “An annuity provides financial protection against the risk of living too long or of being without sufficient assets during retirement.” While an annuity may guarantee lifetime income, there is no guarantee that it will provide “sufficient” assets during retirement. Thus, pursuant to Rule 2210 (d)(1)(B), to avoid a misleading presentation the sentence must be revised or deleted.
2. The prospectus offer on page 2 does not offer a prospectus for the variable insurance product as required by SEC Rule 482 and, hence, the material must be revised. For additional guidance, we refer you to the Federal Register Vol. 68 No. 193, page 57766, where it states that a variable insurance product advertisement should direct investors to



both the contract prospectus and the underlying fund prospectuses. Currently, the prospectus offering suggests that the reader only consider the investment objectives, risks, charges, and expenses of the underlying investment option, not the *variable product*.

3. The prospectus offer is incomplete contrary to SEC Rule 482(b)(1)(i), as it does not identify a source from which an investor may obtain a prospectus. Please revise accordingly.

A Deferred Fixed Interest and Indexed Annuity Review

We direct your attention to “The Power of Tax-Deferred Annuity Growth in Action” chart on page 9. To provide a sound basis for evaluation and a fair and balanced presentation pursuant to Rule 2210 (d)(1)(A), the chart must be revised to include the following information:

1. The chart must disclose, either directly beneath it or next to it, the existence of the mortality and expense charges, sales charges, and administrative fees typically found in annuities.
2. A legend accompanying the illustration should disclose that withdrawals prior to age 59 ½ are subject to a 10% tax penalty.
3. Disclosure that rates will vary over time, particularly for long-term investments.

Furthermore, material information regarding Equity Indexed Annuities is omitted from the presentation on page 10. Specifically, to provide a fair and balanced presentation also pursuant to Rule 2210 (d)(1)(A), the discussion must be revised to explain the risks associated with an equity indexed annuity. Furthermore, the following material information should be disclosed (i) an investment in an indexed annuity is not a stock market investment; and (ii) it is possible for an individual to lose money.

In addition, we note the statement on page 5, “An annuity provides financial protection against the risk of living too long or of being without sufficient assets during retirement.” While an annuity may guarantee lifetime income, there is no guarantee that it will provide “sufficient” assets during retirement. Thus, pursuant to Rule 2210 (d)(1)(B), to avoid a misleading presentation the sentence must be revised or deleted.



Finally, we note that the material includes a prospectus offer for a variable annuity on page 2. Given that the material does not discuss variable annuities, to avoid a misunderstanding pursuant to IM-2210-1 (3), the prospectus offer should be deleted from the presentation.

A Lesson in Indexed Annuities

1. We note that the material overwhelmingly emphasizes the benefits of equity indexed annuities, without discussing the risks associated with the product. Specifically, the material does not explain that an individual may lose money. Therefore, pursuant to Rule 2210 (d)(1)(A), to provide a fair and balanced presentation, the material must be revised to include the associated risks.
2. Pursuant to Rule 2210 (d)(1)(B) and IM-2210-1 (3), the unqualified reference to “protecting” in the statement on page 7, “An indexed annuity provides the opportunity to benefit from potential gains in the equity markets, while protecting your investment from loss of principal if equity market performance falls below a stated minimum interest rate” must be revised or deleted, as it is unwarranted and fails to reflect the inherent risks of investing.
3. We note the statement on page 5, “An annuity provides financial protection against the risk of living too long or of being without sufficient assets during retirement.” While an annuity may guarantee lifetime income, there is no guarantee that it will provide “sufficient” assets during retirement. Thus, pursuant to Rule 2210 (d)(1)(B), to avoid a misleading presentation the sentence must be revised or deleted.
4. We note that the material includes a prospectus offer for a variable annuity on page 2. Given that the material does not discuss variable annuities, to avoid a misunderstanding pursuant to IM-2210-1 (3), the prospectus offer should be deleted from the presentation.

A “Stretch IRA Review”

The discussion of “Stretch IRAs” is incomplete, as it does not provide the reader with a sound basis for evaluating the strategy. Specifically, the IRS program under which designated beneficiaries are able to inherit or “stretch” distributions is complex. We note that the discussion



does not (i) explain all of the factors that may impact the ability to “stretch” funds; (ii) disclose that the investment used to fund the IRA may also have certain tax limitations or withdrawal restrictions; (iii) discuss any eligibility requirements, additional costs, or timing factors that may affect the ability to stretch or liquidate an account; (iv) disclose the tax assumptions (i.e. “Stretching” is based upon current tax law. If these laws change in the future, an investor’s ability to maintain estimated distributions may be effected); or (v) provide language to the effect that lengthy distribution periods expose an investor to significant market risk. Therefore, pursuant to Rule 2210 (d)(1)(A), the material must be revised to address these concerns. For additional guidance regarding Stretch IRAs, please refer to the Regulatory and Compliance Alert (RCA), “Compliance Focus: Disclosure in “Stretch IRA” Sales Material” Summer 2001, and NASD Investor Alert “Stretch IRAs-Too Much of a Stretch For You?” August, 2001, located at www.nasd.com.

Finally, we note that the material includes a prospectus offer for a variable annuity on page 2. Given that the material does not discuss variable annuities, to avoid a misunderstanding pursuant to IM-2210-1 (3), the prospectus offer should be deleted from the presentation.

A Reverse Mortgage Review

We note the repeated statement, “Reverse mortgages are expensive if the loan is repaid within a few years of closing” is not clearly explained. Thus, pursuant to IM-2210-1 (3), the material must be revised to address this concern.

A Corporate Insured Stock Redemption Buy-Sell Plan

An Insured Section 303 Stock Redemption Plan

A Business Split-Dollar Life Insurance Plan

A Charitable Trust Review

A Lesson in Charitable Giving

Charitable Gifts of Life Insurance

Do You Still Have Enough Life Insurance?

1. We note that a prospectus offer for variable life insurance is located on page 2; however, there is no discussion specifically relating to variable life in the presentation. Therefore, pursuant to Rule 2210 (d)(1)(A) to provide a sound basis for evaluation and a balanced



- presentation, the material must be revised to address this concern.
2. The prospectus offer does not offer a prospectus for the variable insurance product as required by SEC Rule 482 and, hence, the material must be revised. For additional guidance, we refer you to the Federal Register Vol. 68 No. 193, page 57766, where it states that a variable insurance product advertisement should direct investors to both the contract prospectus and the underlying fund prospectuses. Currently, the prospectus offering suggests that the reader only consider the investment objectives, risks, charges, and expenses of the underlying investment option, not the *variable product*.
 3. The prospectus offer is incomplete contrary to SEC Rule 482(b)(1)(i), as it does not identify a source from which an investor may obtain a prospectus. Please revise accordingly.

Alternatively, if variable life insurance is not a product targeted with this presentation, to avoid a misunderstanding pursuant to IM-2210-1 (3), the prospectus offer should be deleted.

Sincerely,

A handwritten signature in black ink, appearing to read "Stephanie A. Gregory".

Stephanie A. Gregory
Senior Analyst

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This year's Advertising Regulation Conference will be held on September 28-29 in Washington, D.C. For more information and to register online, please view our online brochure at: www.nasd.com/advregconf.

NOTE: As an NASD member, you are responsible for determining whether any communication with the public, including material filed with the Department, complies with all applicable requirements. The views expressed herein are solely advisory and do not constitute findings of compliance with, or violations of NASD or SEC rules. It is assumed that the material does not



omit material facts, contain statements that are not factual, or offer opinions that do not have a reasonable basis.