



## IMPACT OF MARKET EVENTS ON VARIABLE PRODUCTS

*Impact of Market Events on Variable Products* is an intermediate level course designed for registered representatives and their supervisors involved in the recommendation and sale of variable products. The course assumes that students possess a basic understanding of variable insurance product suitability requirements and exchanges. The purpose of this course is to enable the properly-appointed and insurance-licensed registered representative to explain the role of risk in market events and the effect of such market events on the performance of variable products.

Variable products are hybrids of insurance and securities whose premiums and cash value can be allocated to the insurer's separate account by the policy owner or contract owner. Because premiums and cash value allocated to the insurer's separate account are invested in one or more variable subaccount investment portfolio(s), the products are subject to the full spectrum of market or performance risks.

The two products covered in *Impact of Market Events on Variable Products* are variable annuities (VA) and variable life (VL) insurance. To help familiarize you with the information your customers need to know when considering the purchase of a VA or VL insurance product, this course outlines the risk types, the effects of each risk type on each type of variable product, and applicable case studies. This course assumes that the student understands the basics of variable products and the determinations required for suitability.

This course provides:

- Basic information concerning the types of performance risks specific to variable insurance products
- Information concerning the effects of risk and market events on the performance of VL insurance and VAs
- The tools you need to help customers understand variable products