

Topic: Prohibited Transaction Exemption for Provision of Investment Advice to Individual Retirement and Similar Plans

I am responding on behalf of Mark Zesbaugh, to whom your inquiry was addressed.

Allianz Life of North America sells individual annuity products through independent agents and broker/dealers to individuals who may wish to include an annuity as part of their IRA. Your request asked for "information regarding the experience of financial institutions that use a computer model to provide investment advice to participants and beneficiaries of IRAs." We do not directly market to either companies or individuals to provide investment advice or retirement programs through the use of an IRA, though we do provide products that can be sold by independent professionals for such a purpose. While the independent advisors may use a computer model or [projection.to](#) show possible future states or outcomes, we would be concerned if the computer model was used as the source of the investment advice without the filtering of the assumptions and the results by someone familiar with the limitations and purpose of the software (such as a trained professional). Current computer models do an excellent job of projecting future possibilities based on many simplifying assumptions, but should not be the source of investment advice. Please feel free to contact us if you have any further questions on this issue.

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