

### **The Retirement Income Industry Association (RIIA) Introduces Statement of Principles for Industry Standards in Developing Retirement Income Planning Tools**

Boston, MA (August 10, 2007) The Retirement Income Industry Association (RIIA) recently introduced its Statement of Principles for creating industry standards for the development of retirement income calculators, tools, and illustrations that promote retirement income products and strategies, announced Richard Fullmer, CFA, Chair of RIIA's Methodologies Committee and Senior Portfolio Strategist for Russell Investment Group.

"A significant number of retirement income projection models have been introduced into the marketplace over the years, and RIIA believes that many of these models may need improvements in disclosing key underlying assumptions or limitations," explains Fullmer.

"In addition, the output of various projections differs widely even with consistent input. This may lead to confusion among the public which threatens a loss of confidence in the financial services industry," he continues.

Because of these concerns and inconsistencies, the RIIA Methodologies Committee took on the task of establishing a Statement of Principles as the first step in creating industry standards for developing illustrations, calculators, and other materials necessary for retirement income planning and promotions. The Principles seek to promote the use of clear and effective modeling techniques, explanation and communications through complete disclosure of assumptions and the use of consistent terminology. To view the Statement of Principles, go to [www.riia-usa.org](http://www.riia-usa.org).

RIIA's Methodologies Committee also intends to provide:

- A set of guidelines to these Principles which will provide guidance on meeting the RIIA standards.
- A set of "calibration points" by which model developers can compare their assumptions and results against.

"As the baby boomers march into retirement, their shift from focusing on accumulating retirement savings to creating a secure retirement income makes consistency, clarity and understanding of income modeling more urgent than ever," contends Francois Gadenne, Founding Chairman of RIIA and CEO of Retirement Engineering, Inc.

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“RIIA is an organization that succeeds because of its members’ active leadership and participation. The members of our Methodologies Committee felt strongly that RIIA take responsibility for improving projection models because a failure to do so is a disservice to both the retirement income industry and the clients we serve. It is gratifying to see the early results of their important work,” says Gadenne.

Members of the Methodologies Committee include:

Richard Fullmer	Russell Investment Group
Anna Abaimova	IFID Centre
Ben Williams	Retirement Engineering
Bob Padgette	Klein Decisions
Kazi Ariff	Bank of America
Kim McSheridan	Symetra Financial
Lowell Aronoff	Cannex Financial Exchanges
Moshe Milevsky	IFID Centre
Peng Chen	Ibbotson Associates
Phil Edwards	Standard & Poors
Pirooz Vakili	Boston University
Thomas Idzorek	Ibbotson Associates

A full report on the Statement of Principles as well as updates from the other RIIA Committees will be provided at the upcoming RIIA Annual Meeting and Awards Dinner on September 17, 2007 at the Royal Sonesta Hotel Boston in Cambridge, MA. To learn more or register for the event, please go to [www.riia-usa.org](http://www.riia-usa.org).

### **About the Retirement Income Industry Association**

RIIA ([www.riia-usa.org](http://www.riia-usa.org)) is a national, not-for-profit organization whose members are defining the future of retirement security in the United States. The vortex of innovation in the retirement income business, RIIA provides a non-biased forum for sharing information, strategies and research. RIIA members receive quantitative and qualitative analyses of trends in the manufacture, distribution and usage of retirement income products and services. The association facilitates understanding of retirement income issues through educational programs and training.

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