

August 6, 2008

On June 25, 2008, the United States Securities and Exchange Commission proposed a new Rule 151A that would, in effect, define most indexed annuities as securities. I am writing to oppose this proposed regulation.

I am an independent insurance professional whose practice includes the sale of indexed annuities to my clients when they are suitable and in the clients' best interest. These products are an increasingly popular retirement savings tool for consumers who want a secure place for their money in these economically uncertain times. Such sales are highly regulated by our state's insurance commission and the insurance carriers involved. The SEC proposal would impose an additional, as well as wholly redundant and unnecessary, layer of regulation to my profession. As such, it will hurt my business without benefiting consumers if I can't help them any longer.

Such indexed annuity sales are regulated more than adequately by the state insurance commissions, the SEC's proposal merely adds to the governmental bureaucracy without providing consumers with additional protection. Suitability rules are in both the insurance industry and the securities industry mirror each other. Moreover, since dispute resolutions within the securities industry take much longer, are more complex and are much more costly for the consumer than those overseen by my department of Insurance, what is proposed will substantially hurt consumers rather than help them.

I want my clients and all consumers of insurance products to be protected from those in my profession who might do them. But the current proposal does not help them and may even hurt them. It also will have a negative impact upon me and my business. I take pride in providing a high quality of service to my clients which is rooted in ethics and their best interest. Proposed Rule 151A will not help me do that more effectively and will not provide consumers with any better or different protection.

I strongly urge that proposed Rule 151A not be enacted. It is unnecessary, redundant and counterproductive.

Respectfully submitted.