

September 3, 2008

I am a small business owner and independent contractor in the business of providing financial solutions to consumers in the market place.

I am writing in regards to the new changes the SEC is trying to imposed in our industry.

I was quite surprised when I first heard of this new proposal that the SEC wants to regulate. The SEC's regulation will add little benefit to consumer protection. Agents as a whole are already highly regulated by the NAIC Annuity Disclosure Model Regulation and most if not all major annuity carriers have mandated the use of a disclosure statement of certificate describing all important terms and conditions of an annuity contract. These disclosures include prominent disclosure of surrender charges.

As stated by some insurance carriers, both the design and sale of annuities are highly regulated by state insurance departments as are the companies who manufacture them. I highly agree with this. We as agents inform our clients of the many values and benefits of annuities. We also stress the importance of cons of annuities especially in the event the annuitant wants to access funds earlier than originally anticipated. An informed clients is a good client. That way there are little questions if the client has to or wants to change directions from what was originally agreed upon in the contract. That's what an annuity is.....a contract between the insurance company and the annuitant. Just like any contract, if it is breach in any way, there may be consequences that come along with that. Both the company and the client is aware of that.

the suitability reviews required of brokers under FINRA rules would not add any meaningful protections over and above what is already being done in the insurance industry. I feel strongly that the insurance industry has the necessary tools in place to make sure that suitability reviews are being done of all states in all states.

In closing, I'm encouraging the SEC to not impose any additional requirements in the sales process of annuities. The There is already enough regulation from both the state insurance departments as well as the companies who sell annuities. The additional requirements will be unnecessary and overkill and will impair the availability of fixed indexed annuities to millions of Americans who want to save for retirement in a vehicle with the features that the annuity offers.

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