

Securities and Exchange Commission  
100 F. Street. N.E.  
Washington, D.C. 20509

RE: S7-14-08

To Whom It May Concern:

The SEC regulation Rule 151A of Index Annuities seems to have many, many problems. To name a few:

1. It would create an unnecessary layer of securities regulations and costs on an insurance product that has no risk to it in the market. The costs of doing such an illogical regulation, would ruin the products as they are now.
2. It would mingle two large markets — securities and insurance — into one bucket, therefore completely eliminating over a hundred years of purposeful separation of product and ideas to benefit the customers.
3. The consumer would lose greatly. We all know and understand there are times for risks and there are times for safety. This co-mingling would make that concept extinct.
4. The consumer would lose on the quality of the products because of the tremendous layers of regulation, legislation and cost, therefore making it a less valuable product with more expenses.
5. More regulations does not mean better sales tactics. Example: The variable annuities had 600 complaints in 2007, while the index annuity had only 300.
6. Legislation never changes character. Just like “professional designations” do not change the morality of a person
7. The Fixed Index Annuity (FIA) products are heavily regulated by the state insurance departments and we are already going through huge upgrades of suitability and sales practices. Why double it?
8. Most of the sales are made by good, honest, hardworking people making a career out of helping seniors and their financial concerns. Most of the criticism comes from a group of people who don’t understand what we do, or they want a “piece of the pie” or they are fearful of their own industry’s stability. They are all greatly exaggerated.

We too are happy to purge those that mean harm. However, I don’t see the need of another entirely different industry coming in and setting up new rules and regulations that don’t even apply to the safety, simplicity or security of the FIA.

In conclusion, the SEC proposal has not been appropriately vetted for comment — and they appear to be rushing the adoption. Please extend the September 10th comment deadline for a complete review for the industry.