

The design and the sale of annuities are already highly regulated by state insurance departments as are the companies who manufacture and sell them. State insurance regulations already cover suitability of insurance agent recommendations regarding annuities, annuity disclosure and advertising, agent licensing and training, unfair trade practices including misrepresentation of product terms and conditions, and enforcement actions and penalties for noncompliance with sales practices requirements. Guaranteed minimum values for annuities are also regulated through Standard Nonforfeiture Law and are applicable to all fixed annuities.

Indexed Annuities are fixed annuities that guarantee a minimum interest crediting rate and provide the opportunity to earn interest credits in excess of that guarantee. The crediting of excess interest depends on the performance of the company's overall investment portfolio. The indexed product offers the consumer a strong minimum guarantee backed by the insurance company and along with this the opportunity to earn excess interest that is hopefully higher than traditional principal-protection products.

The securities regulation will add little benefit to consumer protection. Many states already have NAIC Annuity Disclosure Model Regulation in place and most if not all of the major index annuity carriers have mandated the use of a disclosure statement of certificate describing all important terms and conditions of the annuity contract, including prominent disclosure of surrender charges. Suitability reviews are conducted by many major indexed annuity carriers of all sales in all states. Suitability reviews required of brokers under FINRA rules would not add meaningful protections over and above what are already being done.

Therefore, I am opposed to this Proposed Rule 151A. Thank you for your time.