

August 23, 2008

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AUG 28 2008

OFFICE OF THE SECRETARY

Ms. Nancy M. Morris, Secretary

Securities and Exchange Commission

100 F Street NE

Washington, D. C. 20549-0609

RE: File number S7-14-08—Proposed regulation of sales of annuity products by the SEC

Dear Madam Secretary:

I am enclosing documentation on four Variable Annuity contracts I purchased from Met Life Inc. in the last two years.

The sales process involved lack of disclosure and significant deceptive sales practices, including the promises of sales people of "guaranteed annual return rates" and failure to disclose that the full principal would be subject to loss in the stock market. This is especially true with regard to the Met Life policies. Further, the two Sun Life Policies also sold through Met Life were sold with no disclosure about the way the investments would be managed and that the Sun Life insurer could reverse trades within the policy owner's account after hours.

There is also the issue described where the stock broker deliberately delayed instructions of the policy holder (investor) with regard to close out of positions. The Met Life policies were sold as being "the same as Certificates of Deposit with a guaranteed annual percentage return. There were no such guarantees in the actual policies. The actual return could not be realized until after ten years and then it was not accessible by withdrawal. It could only be used as a "base" for payout at much lower rates and over a number of years such that the investor's reasonable lifetime would result in the Annuity selling firm getting essentially all of the investor's principal at his death.

I certainly agree that the sale of these policies should be subject to the same regulations as sale of stocks and other investments that are not "wrapped" inside insurance policies. The life insurance industry enjoys many regulatory protections and claims many tax advantages over regular brokerage accounts for the investor to buy equity investments. The sales staff in these instances held dual licenses to sell Life Insurance Products as well as Securities (stockbroker) licenses. The policies were quite simply sold as "tax advantaged" and more secure means of investing in the stock market. The training these sales

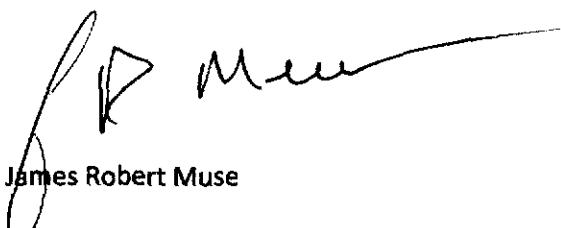
persons have received was either inadequate or they were practicing deliberately deceptive sales practices to sell these products.

As an example, I recently had occasion to open some FDIC insured bank accounts with the Met Life Bank and was told by the manager of the Met Life office that I should consider a better alternative of an annuity that would guarantee a twelve percent (12.0 rate of return) in the first year and not less than six percent annual return on investment compounded after the first year. This was even after my complaints to the Met Life Company about these sales practices.

These life insurance companies (even the best like Met Life) are not able to control the sales practices in their offices. It is too bad the government has to step in. The problem seems to be that the States regulate insurance and the Federal level regulates securities sales. These two cannot be separated any more as these life insurance e and securities companies cross the line daily in their sales tactics.

Thank You for your work on this issue. I am enclosing documentation about four specific annuity products that will provide ample examples if you need them to provide evidence of the need to better supervise sale of Variable Annuity product design and sales which are just another way to sell stocks and bonds.

Sincerely,



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