

September 4, 2008

Secretary, Securities and Exchange Commission;

I am a licensed insurance agent for the state of Missouri and oppose the proposed rule 151A by the SEC. Fixed index annuities are excellent products for consumers and offer many advantages such as being tax deferred and offer the opportunity to earn excess interest with no risk for loss of principle or prior credited interest. In summary, the consumer receives the upside of the market without the downside risk. Indexed annuities guarantee a minimum interest-crediting rate, which is regulated by the Standard Non-forfeiture Law. Indexed annuities allow for excess interest credits based on markets such as the S & P Index and the Dow Jones. In today's market, the consumer market needs a safe (with no downside market risk) venue to place their retirement income for future growth, now more than ever. The proposed rule 151A is an unnecessary federal regulation that ignores state insurance suitability requirements that are now in place. It would regulate fixed index annuities as securities, even though they have no matter of market risk. Once interest earned on an indexed annuity is credited it cannot be removed, additionally there is no downside market risk for loss because the insurance company guarantees the consumer's principle and interest.

The proposed rule has appeared quickly and is being rushed into place without the proper investigation and examination of the economic consequences associated. The SEC is using a new untested method to determine whether the index annuity should be considered a security. The test ignores the U.S. Supreme Court and other judicial decisions, which have clearly stated fixed index annuities should not be regulated as securities. This new rule would potentially take all regulation of annuities away from the states and make them all subject to securities regulation. Both the design and sale of annuities are highly regulated by state insurance departments. Current state insurance disclosure, suitability and sales practice protection laws, including regulations, are quite adequately protecting consumers and will continue to do so. Suitability reviews required of brokers under FINRA rules would add little if any benefit to consumer protection, beyond what is already being done now. Many states have adopted the NAIC Annuity Disclosure Model Regulation, and most major index annuity carriers have mandated the use of a disclosure statement or certificate describing the all-important terms and conditions of the annuity contract, including surrender charges.

The proposed rule would require individual agents, such as myself and small businesses such as myself that wish to remain in their chosen profession to acquire a securities license, which can be a very time consuming and an expensive process.

Thank you for time and consideration in advance,

Angela Hillis
Ascencea
Regional Manager
Missouri / Southern Illinois / Colorado