



*A leading distributor of
Annuities, Life Insurance &
Long Term Care Insurance*

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MEMORANDUM

TO: SECURITIES EXCHANGE COMMISSION

FROM: RON W. RAWLINGS

DATE: 09/09/08

RE: PROPOSED RULE 151A

Thank you for the opportunity to comment on Proposed Rule 151A. I am confident the proposed rule was well intended, but I adamantly oppose adoption of Proposed Rule 151A in current form.

I have been involved with the marketing of index annuities since their inception in 1995. Over the years I have done due diligence on most index annuities that entered the market. As with any insurance product, there are some index annuities I endorse and others that I do not recommend.

I also buy the insurance products that I sell. My wife & I own (31) annuities. (21) of our annuities are index annuities issued by many different insurance companies. We are savers, not investors.

We are concerned more about the return of our principal than the return on our principal. If you make index annuities available only thru registered representatives, savers like me will be forced to purchase index annuities exclusively thru advisors having very limited interest in selling them.

This exclusive distribution has potential to harm consumers. Countless times over the past 20 years I have seen senior savers sold inappropriate equity investments. Many registered reps are more interested in selling securities than meeting the safety and guarantee concerns of seniors.

Personally I am very pleased to have no losses on my index annuities in a year when the stock market is down 14%. As Baby Boomers age and retirement income sources are more private and less public, I believe restricting access to these insurance products would be very harmful.

State departments of insurance have responded to market conduct and suitability issues. Greater measures have been established to protect all clients from unethical sales practices and unsuitable products. Many independent marketing organizations, such as the firm I represent, have implemented new background checks to further guard against poor agent selection.

Insurance companies are developing consumer centric index annuities with shorter surrender periods and lower numerical surrender charges. Most insurance companies in the index annuity market also require mandatory index annuity training before accepting business from an agent.

I have read many of the comments on your website. A solid case has been established against the adoption of Proposed Rule 151A in its present form. At a minimum I request that you extend the comment period before taking action that will adversely affect so many clients and agents.

The insurance industry has a track record of serving the American public well for decades. Give us sufficient opportunity to correct issues created by a small minority. There is nothing wrong with the insurance industry that cannot be corrected by what is right with the insurance industry.

Thank you for your consideration.