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September 8, 2008

Chairman Cox
SEC Headquarters
100 F Street, NE
Washington, DC 20549

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OFFICE OF THE SECRETARY

RE: Reference File Number S7-14-08

Dear Chairman Cox:

We hope the SEC does not move forward requiring fixed index annuities become registered products sold only through broker-dealers and not by insurance agents. 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 consumer has no risk of loss on their premium or the interest earned (unless the policy is surrendered during the surrender period in which case a surrender charge may apply).

Both the design and sale of annuities are HIGHLY regulated by state insurance departments as are the companies who manufacture and sell them. State insurance regulations cover suitability of insurance agent recommendations regarding annuities, annuity disclosure, advertising, agent licensing and training including a minimum of 24 hours of credits which must be earned every two years, unfair trade practices including misrepresentation of product terms and conditions, and enforcement actions and penalties for noncompliance with sales practice requirements. In addition, guaranteed minimum value for annuities are regulated through the Standard Nonforfeiture Law and are applicable to all fixed annuities.

The securities regulation will add little benefit to consumer protection. Many states have already adopted the NAIC Annuity Disclosure Model Regulation. Suitability reviews required of brokers under FINRA rules would not add any meaningful protections over and above what is already being done.

The guarantees annuities provide offer consumers significant financial protection against investment risk, and as you know, the DJIA suffered a loss in one year in excess of 20%. Annuity investments have kept my clients in the black during this same period.

Thank you for your consideration.

Sincerely,

Andrea Firestone

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