

S7-14-08 1918



STATE OF INDIANA

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JAMES ATTERHOLT, Commissioner

August 20, 2008

Christopher Cox, Chairman
U.S. Securities and Exchange Commission
100 F Street N.E.
Washington, D.C. 20549-1090

RE: Request to Extend Time for Comments Regarding Release Nos 33-8933 & 34-58022 (File No S7-14-08) Proposed Rule 151 A.

Dear Mr. Cox:

On behalf of the Indiana Department of Insurance I respectfully request the Securities and Exchange Commission to extend the time period for filing comments regarding Release Nos 33-8933 and 34-58022 (File No S7-14-08) by one hundred and twenty days, through and including January 8, 2009.

The additional time is necessary for the various states to formulate their response and to process the implications of File No. S7-14-08, which removes from the states their authority to aggressively continue the enforcement of suitability requirements in the sale of indexed annuities.

This file would reverse the success that several states have achieved by pooling their resources and clout to bring timely recourse to consumers. For example, in May 2007, NASD and state regulators from North Dakota, Iowa and Minnesota announced a joint statement supporting a new rule to require that insurance companies and agencies recommend only suitable annuity products to their customers. All four are members of the Annuity Working Group, which was established by the Minnesota Department of Commerce and NASD in 2006 to evaluate regulatory standards for annuities in a number of areas, including suitability. Formation of the working group followed an Annuity Roundtable sponsored by the two regulatory bodies, to open a cross-jurisdictional dialogue on the regulatory framework under which annuities are marketed and sold.

More important these rules would withdraw the authority for states to individually and jointly contribute considerable resources to assertively pursue the interest of the consumer in the purchase of annuities.

Moreover, states hope to have the opportunity to communicate further with the SEC regarding the bases and implications of the proposed rule, and the rationale for the proposed rule, in order to provide an informative comment that will assist the SEC in this very important decision.

ACCREDITED BY THE
NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS

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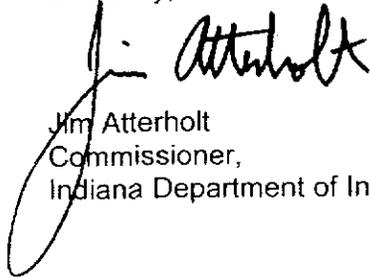
Fundamentally, the period for states to submit their comments is very short. The Commission announced the Proposed Rule 151 A on June 25th, 2008. The comment period is currently scheduled to close on September 10, 2008. This schedule allows only seventy-seven days (less than 3 months) for states to prepare and submit comments for the Commission's consideration. It is unclear why the proposed rule should be rushed through the notice and approval process.

State regulators need a reasonable time period to analyze proposed rule 151 A's implications to the state regulation already in place, while avoiding unintended consequences in the Release. There is no apparent need for haste and great risk if the proposed rule is adopted over the concerns of state regulators. In the meantime, indexed annuities continue to be regulated by the states.

With so many open issues to be addressed, and so much at stake for consumers, state regulators, and the insurance industry, the Indiana Department of Insurance respectfully requests that the Commission extend the comment period through January 8, 2009.

If you have any questions or wish to discuss this matter further, please contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Jim Atterholt". The signature is written in a cursive style with a large, looping initial "J".

Jim Atterholt
Commissioner,
Indiana Department of Insurance