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September 20, 2008

SEC Headquarters  
100 F Street, NE  
Washington, DC 20549

SEC Mail Processing  
Section

SEP 29 2008

RE: Comment on SEC Announced Regulation of Fixed Annuities

Washington, DC  
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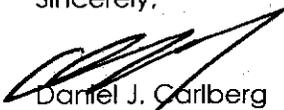
Gentlemen:

I am appalled at the proposed announcement by the SEC of their intention to regulate the sale of Fixed Annuities. First, the industry is already one of the most highly regulated with design, sales, suitability, and disclosure completely controlled by the State which in most instances is substantially more restrictive than those of the SEC. Second, unlike securities, Fixed Annuities offer absolute guarantee of principal with no market risk of loss, and no individual investment security selection. Of course, I realize Index Annuities offer annuitants allocation alternatives, but their choice is merely a mandate to the company to use premiums for the purchase of "Futures". Never is there any risk of loss unless an individual elects to surrender a contract early which initiates applicable Non-Forfeiture fees being clearly disclosed in the contract which I might add are substantially easier to understand than any SEC Prospectus I ever reviewed. Third, I find it difficult to understand why anyone would want to transfer the public's trust to the SEC when it cannot even police its current sphere of authority. I am unaware of any annuity contract in the recent past where annuitants suffered losses other than early termination penalties. Where was the SEC when it came to policing Bear Sterns, Leheman Brothers, and Merrill-Lynch and the list goes on and on? They should concentrate on cleaning up their own house before getting involved in a state's rights issue. Granted, there are numerous complaints about unscrupulous sales practices, but state law already has enforcement safeguards in place, and based upon current performance are a lot more successful at policing offenders. How many insurance companies have defaulted under their watch? Even AIG Insurance and Annuity Division continue to be solvent and profitable.

Fixed annuity products offer guarantees and have no business being controlled by an organization that cannot even control itself.

Thank you for your attention to this matter.

Sincerely,



Daniel J. Carlberg

DJC/dc