

Rule-comments@sec.gov

File Number S7-14-08

Thank you for the opportunity to express my views and concerns regarding Proposed Rule 151a.

As an independent insurance agent, I strongly disagree with rule 151a.

I have been an insurance agent for four years and help my protect my client's assets, create income for life, and pass their funds on to their heirs.

My clients have been pleased that they have not lost any money in this period of financial calamity with the annuities they currently hold in their portfolio. One client, when he saw the market sinking, contacted me after liquidating all holdings in the market, to set up another annuity (he had two annuities that he had purchased previously.) He chose to do this before leaving the country on vacation. The bonus he received nearly made him whole from the loss he had suffered from the previous month.

Where is the evidence to support the Commission's claim that widespread abuses exist in the sales of fixed indexed annuities? Although the Commission cites its concern over improper sales practices as the primary basis for proposing Rule 151A, they provide no study, research findings or statistical information to demonstrate or suggest that the abuses are endemic or pervasive.

What would the effect of Rule 151A have if passed? I surmise the restriction of access to a product that offers many benefits and protections for the client. We see what has happened to so many portfolios with "securities licensed professionals". And we are seeing how fixed indexed annuities have protected those who had the foresight to purchase them."

My husband's securities broker thinks fixed indexed annuities should be outlawed. He obviously doesn't understand how they work and why these products are preferable to securities for a portion of his portfolio. I don't have my securities license, and I don't want a securities license. I don't want to do what a securities broker does, and he obviously doesn't want to do what I do.

Fixed Indexed Annuities are not an investment – they are a "safe" money place. They are not subject to the risk seen in stocks, bonds and mutual funds. Annuities are subject to state insurance regulation and each state decides which insurance products to approve. Often we hear of insurance products being issued, and we have to wait for the insurance regulators to approve the products.

Agents who violate codes of conduct or are fraudulent can have their licenses revoked. Oversight does exist and I have personally reported an agent who did not have their client's best interests at heart. But how many licensed brokers could be accused of the same thing? How many have lost fortunes for their clients?

Rule 151A is NOT necessary. Fixed Indexed annuities are not securities; they are insurance products subject to state insurance laws.

If you want to curb abusive sales practices, and incompetence, I suggest you look into the securities brokers who have lost thousands and millions of dollars for their clients. THAT, I would say is where true abuse lies.

Respectfully,

Diane R. Hussey