



**Frank Keating**  
President & Chief Executive Officer

October 8, 2008

Ms. Florence E. Harmon, Acting Secretary  
Securities and Exchange Commission  
101 F Street, N.E  
Washington, DC 20549

RE: Amended SEC Emergency Order under Section 12(k)(2) of the Securities Exchange Act of 1934  
Taking Temporary Action to Respond to Market Developments

Dear Ms. Harmon:

The American Council of Life Insurers<sup>1</sup> greatly appreciates the SEC's action on October 2, 2008, to extend its emergency order that prohibited short selling in the securities of financial institutions. This extension was a significant mechanism to stabilize the market's unprecedented turmoil. Significantly, however, the SEC's emergency order will expire at midnight today, October 8, 2008<sup>2</sup>.

The life insurance industry strongly encourages further extension of the order for a reasonable amount of time beyond October 8, 2008, because the market for financial service institutions' stock continues to experience rapid movement. Financial service regulators should use every tool at their disposal to stabilize the financial markets. The urgent circumstances confronting financial service institutions warrant, indeed demand, that the SEC exercise its authority under the Exchange Act to grant a further reasonable extension of the emergency short sale order.

We agree with the SEC's view that precipitous price declines may trigger questions about the financial condition of public companies, which can cause a crisis of confidence without a fundamental foundation. A further extension of the order will allow a brief hiatus so that market conditions can be further examined and addressed in a responsible fashion. As the SEC's initial release notes, these developments could impair the liquidity and viability of public companies, with broad market consequences.

We greatly appreciate your attention to our views. If you have any questions, please let me know.

Sincerely,



Frank Keating

<sup>1</sup> ACLI is a national trade association with 353 members that account for 93 percent of the industry's total assets, 93 percent of life insurance premiums, and 95 percent of annuity considerations. A significant majority of our members are public companies registered under the federal securities laws with the SEC.

<sup>2</sup> The October 2, 2008 order extended the short selling limitations until the earlier of (i) three business days from the President's signing of the Emergency Economic Stabilization Act of 2008 (H.R. 1424), or (ii) 11:59 p.m. E.D.T. on Friday October 17, 2008.