

*Nancy Morris, Secretary
Securities and Exchange Commission*

Regarding the above referenced proposed rules regulating the sale of variable annuities, I would like to make the following comments.

*I believe that the current rules provide plenty of protection for the consumer and need only to be enforced. However, in the interest of the investor having "adequate disclosure" I would like to suggest that you consider having each company develop a summary of the basic provisions of their contract that would be no longer than two pages yet spelling out the basic costs and features of the proposed investment. Perhaps this could be done by filling out the application forms on-line. Based on the contract and features selected it would create the disclosure document appropriate for **this** particular purchase in a standardized way. In turn the client and the registered representative would sign off on it. This would provide a summary that would spell out the key provisions and of course reference them to the prospectus for more detailed discussions of each applicable subject.*

I know that the intent of the SEC is to provide consumer protections but the paperwork and disclosure has gotten so substantial that many people are not reading the information anyhow. Why not give a more practical, concise tool that will disclose the key provisions of their purchase and reference where in the prospectus more detailed discussion can be found on each subject that applies. As a nation and industry we are drowning in paper and too much of it is wasted. Why not seek disclosure that is more relevant for the consumer. Perhaps there could also be a one business day "cooling off period" where the paperwork would have to be held by the registered representative before submitting it to the insurance company for action. This would enable the client to take a copy of the disclosure document home with them and be sure that they are comfortable proceeding. By the end of that business day, absent notice by the customer, the paperwork could be processed and forwarded onto the insurance company for action.

To put more language into the regulations that may serve the purposes of an attorney examining the sale for lawsuit purposes, rather let's approach this issue with the idea of truly shedding a clear light on the transaction that a client is about to enter into. This should not be about punitive things but

rather about what information does a client need to know to make an informed decision. Where significant abuses occur, representatives should be banned from the industry, period. I believe the process outlined above would better serve the consumer and in the end provide appropriate information for making buying decisions.

*Michael J. Lavery
Investment Planners Inc.
531 South 8th Street
Quincy, Illinois 62301
(217)228-4433*