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Secretary, Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090

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Dear Sir/Madam:

Only recently have I heard that the SEC has proposed Rule 151A designed to treat Fixed Index Annuities as securities.

Why? Fixed Index Annuities do not have the market risk that securities have.

These annuities provide income tax deferral and include protection against downside market risk. How do these make it a security? As a Registered Representative with 20 years experience, a security transaction already is burdensome. Much of the paperwork is duplicative. However, seeing as how the documents are designed to inform clients about such things as cost and market risk, it can be justified somewhat. But when there is no market risk, why add the extra documentation and treat it as a security?

How will this affect the consumer? Is it a security or not? If we treat it as a security with its attendant risks, how do we explain that a Fixed Index Annuity does not share the same risks? Will consumers understand this?

If there are a few instances of abuse, let the states deal with it as they do with any other insurance related matter. Why should the SEC regulate it? What will be next, fixed rate annuities? Where will it stop?

It also is our understanding that the Rule is being rushed unto adoption. Such a major change affecting agents who are not securities licensed, insurance companies as well as their distribution channels needing to meet FINRA and SEC regulations should not be rushed into implementation. All affected parties should be given ample opportunity to discuss the pros and cons of such a controversial proposal.

We urge in the strongest possible terms that the process be slowed to allow for a thorough analysis including the costs of implementation at all levels versus the "expected" benefits.

Than you for your consideration.

Sincerely,

Jack Mossellem

John J. Mossellem, Jr., CLU®, ChFC®
JJM/ju