



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

Re: File Number S7-14-08

To whom it may concern;

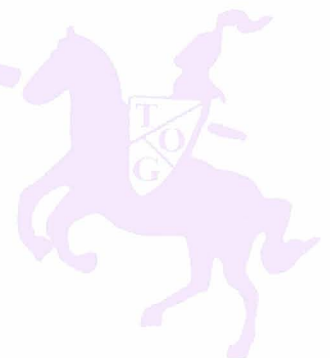
The purpose of this letter is to provide my comment and insight on proposed SEC regulation 151A, and to request an extension of the comment deadline.

I am a financial professional with over 28 years of experience helping middle class Americans to save money and protect their future through the use of safe and guaranteed financial products offered by life insurance companies. My particular area of expertise is in the long-term care and retirement planning markets. I work in the Albany / Capital Region area of upstate New York and have clients in many other parts of the state and others who have moved to other parts of the country. I am writing to request an extension of the comment period, but also to provide the following opinions regarding fixed indexed annuities and fixed annuity products.

Fixed annuities have been an excellent tool for many of my clients who are averse to market risk and volatility. In many cases, these clients have turned to me for help because they are concerned about a number of issues relative to the safety of their nest egg and the experiences that many of them have had with invested assets. While I do not offer investment advice and do not encourage clients who are happy with an investment portfolio to switch to a fixed annuity, many of them approach the subject after reading articles about the positive attributes of fixed and fixed indexed annuities in highly regarded financial magazines and journals such as Smart Money Magazine, Kiplingers Retirement Report, and The Wall Street Journal. In fact, in recent months many of these publications have written articles promoting the use of fixed immediate and deferred annuities as a viable and worthwhile investment vehicle. Fixed annuities are excellent financial tools because of their many advantages to the consumer including protection against market risk, and income tax deferral. During the recent experience of the economic downturn when securities have decreased significantly in value, fixed annuities have provided millions of Americans with safety of principle and interest crediting while millions of others have lost significant amounts of their retirement savings due to market losses.

255 Washington Ave Ext, Suite 205 • Albany, NY 12205

Phone: (518) 389-2092 • Fax: (518) 452-8753



Should proposed rule 151A be implemented, it will create a significant and in my opinion an unnecessary layer of regulation that will certainly cause consumer confusion and economic disruption. State regulation of fixed annuities has worked well for decades. Should the SEC assume the regulatory role that it seeks, it will undoubtedly cause confusion to the people who would most benefit from a fixed annuity, those seeking safety of principle, to become even more concerned about what exactly constitutes market risk, and in fact may lead them to accept a premise that any product is equally secure. This of course is not the case with fixed annuities since the product offers guarantees of principle in addition in my state to minimum interest rate guarantees.

Because annuitants receive an insurance contract when purchasing fixed annuities, I feel it necessary to comment also that there is no legal support for the product to be regulated by the SEC since consumers bear no possibility of market loss. The protections provided under contract law do not exist with investment products as they do with fixed annuities. This would create undue confusion on the part of the consumer.

The proposed rule has appeared quite unexpectedly and with an extremely short comment period. In addition, it represents a significant potential impact on the financial services industry. In light of this, both the industry and consumers deserve adequate time to analyze and examine this proposed regulation to determine the extent of its impact.

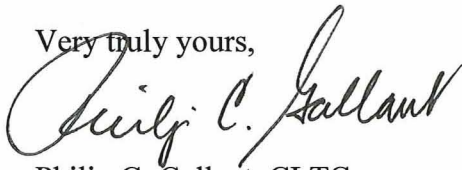
It appears that this rush to act on the part of the SEC is in response to media criticism of the fixed indexed annuity product and some documented cases of market abuses. These abuses are similar to those which have on occasion occurred for all financial products including those regulated by the SEC. The abuses in the fixed index annuity industry have been addressed and largely corrected by state regulators who have worked hard to put logical controls in place, and the products themselves have evolved to further meet consumer needs. State regulators already have resources in place to respond to consumer concerns and provide local and thorough investigations of these complaints. To involve SEC regulation is both unnecessary and unwarranted.

Finally, the law stipulates that the SEC is required to take into account the benefits and costs of the regulation. The benefits listed by the SEC include; (1) enhanced disclosure of information needed to make informed investment decisions about indexed annuities; (2) sales practice protections would apply with respect to those indexed annuities that are outside the insurance exemption; (3) greater regulatory certainty with regard to the status of indexed annuities under the federal securities law; and, (4) enhanced competition. While the SEC's release included a brief overview of their assumptions on cost, it did not set out a thorough economic impact analysis regarding duplicate regulation and the promotion of efficiency, competition and capital formation. An extension of the comment deadline is essential to develop a complete analysis.

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I respectfully request that you support this extension, and in light of my comments which I am sure will be echoed by thousands of other financial services professionals who are trying to honestly help those individuals who turn to us for a complete understanding of the advantages of fixed and fixed indexed annuities.

Very truly yours,

A handwritten signature in cursive script that reads "Philip C. Gallant". The signature is written in black ink and is positioned above the printed name.

Philip C. Gallant, CLTC
Managing Partner