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September 3, 2008

VIA FACSIMILE TRANSMISSION

The Honorable John P. Sarbanes
United States House of Representatives
626 Cannon House Office Building
Washington, D.C. 20515

Dear Representative Sarbanes:

I would like you to review the attached letter to Chairman Cox of the SEC, signed by nineteen of your colleagues, including twelve serving on the House Committee on Financial Services. A letter from our Maryland Insurance Commissioner, Ralph Tyler, is also attached. These letters express concern about proposed SEC Rule 151A and request an extension of at least ninety (90) days to the public comment period, which will expire next Wednesday, September 10. I am asking you:

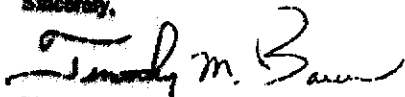
- to add your concern to theirs,
- to act by supporting their request for the extension,
- to review the issues surrounding this proposed rule, and
- to hold the SEC accountable for responsible decisions.

I have worked in the financial services industry for 32 years. I know many people who are retired and living on fixed incomes. There is a place for both investment and insurance products in today's environment, and I wholeheartedly support responsible sales practices and full disclosure already required in each industry. In a time of great unrest in the financial markets, the proposed Rule 151A would:

- **Create redundant regulation.** Equity-indexed annuities are already regulated by state insurance departments. Licensed agents are already accountable at the state level. Requiring registration adds unnecessary burdens to agents, issuers, and distribution channels.
- **Disadvantage consumers.** In the event of disputes, consumers are far better represented by their state insurance offices that work with them directly to address concerns.
- **Limit customer choice.** Requiring registration to sell equity-indexed annuities would substantially limit the menu of choices independent life and annuity agents could offer clients. There is a difference between the guarantees in insurance products and the risks inherent in investing.
- **Be expensive.** The proposed rule would add compliance, processing, review, approval, and administrative costs at all levels. These higher costs would be priced into the products, with the consumer ending up the ultimate loser.

Representative Sarbanes, I am keenly aware of timelines. The SEC will close the public comment period one week from today. This proposed ruling by the SEC will have far-reaching and long-lasting consequences both in Maryland District 3 and across the country. I urge you to act quickly, and thank you for your attention to this matter.

Sincerely,


Timothy M. Bauer

JOHN P. SARBANES
3RD DISTRICT, MARYLAND

COMMITTEE ON
EDUCATION AND LABOR

COMMITTEE ON
OVERSIGHT AND
GOVERNMENT REFORM

COMMITTEE ON
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September 30, 2008

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Ms. Jane Cobb
Director of Legislative Affairs
Securities And Exchange Commission
100 F St. NE
Washington, DC 20549-2001

Office of Legislative and Intergovernmental Affairs

Dear Ms. Cobb:

Enclosed, please find a copy of correspondence from several of my constituents.

These individuals have expressed some concerns about proposed Securities and Exchange Commission Rule 151A. I would appreciate it if you would carefully review their comments and provide a response to the concerns.

Thank you for your attention to this matter.

Sincerely,



John P. Sarbanes
Member of Congress

JPS/rc