July 14, 2008

Dear SEC,

As a licensed insurance professional the debate over indexed annuities should come down to what is best for the client. Yet it appears decisions may be made based on who receives commissions and fees – brokers or licensed insurance professionals. sIt's all about the money for securities professionals who do not want to compete and change to provide the best products to their customers. Most would rather provide the same old tired products that give them predictable incomes regardless of the impact to their clients. This is the exact reason I choose not to complete the securities licensing process. The expenses do not justify the benefit and the securities industry is refusing to change, but rather looks quash the best products for their customers – indexed annuities.

Both securities and insurance are heavily regulated and there is much oversight from the companies I represent, the marketing organizations and my states department of insurance. Nonetheless, now the SEC is looking to rule in the best interest of whom? Let's review some facts:

- Indexed annuities have been successful because the nature of the product meets the needs of the saving public

- Indexed annuities are risk - adverse savings vehicles - they are NOT high-risk investment products where a consumer can lose his or her principal!

- Indexed annuities offer consumers important protections, namely: (1) the guarantee of premiums paid; and (2) guarantee of interest credited

- Indexed annuities provide underlying interest guarantees required by state law

- There is little difference in the risk to a policyholder for a traditional fixed annuity versus an indexed annuity. Under both forms of annuities, the policyholder is at risk to the insurer's annual interest rate declaration, whether it is an expressed percentage amount or a formula relating to changes in an index.

- The sales practices and suitability safeguards needed for index annuities are the same safeguards needed for all life and annuity products.

- The proper supervision needed for traditional fixed annuities, indexed annuities, and life insurance can be, and is being, performed according to state insurance department rules.

- The results of the SEC's proposed rule will not be to benefit savers but to:

1. Reduce the number of agents who can offer a product that is beneficial to many savers;

2. Burden indexed annuities with unneeded additional expenses (for filing, regulation, and supervision), the cost which will be borne by savers;

3. Damage financially many individuals, small businesses, and smaller insurance companies; and

4 Give Broker/Dealers the ability to suppress a viable, valuable, and successful form of retirement savings which has and would continue to provide strong competition to those retirement savings offerings traditionally made by Broker/Dealers.

One last note; any licensed insurance or security professional who intentionally does not follow the current regulations should loose their license.

Please consider the words above; they represent my and my client's views.

Respectfully,

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