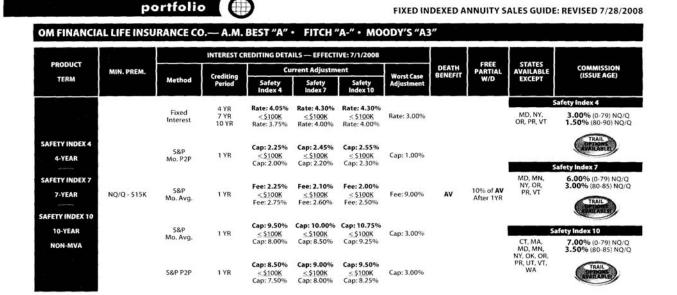
Here is a prime example of why Index Annuities need to be more stringently regulated. The following is a page from an annuity wholesalers monthly newsletter. I have been appaled at the box highlighted that lists their "Best of the Best" products, particularly their "Best Commissions" section. I am sure there are agent out there using that box to determine what products to sell to their cleints and prospects. The Best Bonus and Best Commissions products are all Index Annuities.

The surrender charges, as noted in this publication, for the Best Bonus products are 10 years + and MVA and 15 years respectively. In the Best Commissions section they are 13 years, 14 years, 10 years + MVA, 10 years + MVA, and 7 years. The argument that Index Annuities should not be considered a security because you cannot lose money is wholley dependant on when you need to remove funds from the account. Having to access funds in excess of the penalty free withdrawal (when the penalty exists for 10 years or more, including a possible reduction for the Market Value Adjustment) should like a loss to me. The excessive commissions and surrender periods have been allowed to continue under the current regulation and the insurance commissioners don't seem to want to do anything about that. Combine that with a formula that, as I have previously stated, exists in bonds and cd's that require a security license to offer make this product look and act like a security. The SEC already regulates variable annuities and life insurance, index products are not that dissimilar.

* Annuity Wholesalers' indentity has been removed.



"Best of the Best"		
Best Rate Guarantee		
RBC Insurance Guarantee Master 3+3 (MVA)	5.50% GTD for 3 Years!	
American National Palladium MYG 6	4.75% GTD for 6 years!	
American General AG Horizon Select 7	5.25% GTD for 7 Years!	
Lincoln Financial New Directions 6	4 60% CTD for 6 years	
Best Bonus Annuities		
American Investors Income Select Bonus	10.00% Premium Bonus (Years 1 – 2)	
NWL [®] Ultra Future	10.00% Premium Bonus (Year 1)	
Best Commissions	والمحكمة المحكمة المحكمة المحكمة المحكمة المحكمة المتحاد المحكمة المحكمة المحكمة المحكمة المحكمة المحكمة المحكم	
NWL Ultra Classic®	13.00% Commission**	
OM Spectrum Choice Bonus	10.00% Commission**	
RBC Choice 10	10.00% Commission**	
American Investors Life Income Select Plus	8.50% Commission**	