

August 25, 2008

To the Secretary, Securities and Exchange Commission:

It has been brought to my attention that SEC intends to pass Proposed Rule 151A regarding regulation of fixed and indexed annuities as securities transactions, thus requiring all those involved to be licensed securities representatives and dealers.

I would hope that the SEC with all of its power to please consider delaying its decision on passing the above mentioned Rule until it has completed its investigation as to the far reaching detrimental economic effects on insurance industry, as well as the negative impact on consumers' ability to trust their agents to provide a quality product and make an informed investment decision. This Rule would, without any justification, take away an insurance company's ability to govern its own practices with respect to suitability requirements for the applicant and also would unduly further complicate the process of allowing a person to make an expeditious investment decision regarding their personal retirement income portfolio.

I have a law degree, a masters in taxation and I have been a licensed health and life agent in the Commonwealth of Pennsylvania for 4 years and I can tell honestly say that the first thing I tell my clients and prospects is that I am not offering them investment advice when proposing a fixed and indexed annuity as part of their retirement planning. In fact, when I explain to my client or prospect that the product has a modest tax deferred upside and that it does not participate in market losses and that their principal and gains are protected and that there is long term security for retirement income in the future, it makes sense to them.

More and more people in our country, especially the growing segment of self employed individuals, who don't otherwise have a 401(k) or other retirement plans that are offered mostly by larger companies are concerned with retirement income and are looking for safety first and foremost in protecting their life savings. They are looking for an alternative to an IRA or Roth IRA that has NO market downturns. The volatility of the market in times of war, natural disasters and the like has created not only uncertain times ahead, but also doubt in the minds of our hard working nation.

It therefore prudent to allow for reputable, financially sound insurance companies that are already regulated by each states' insurance commissioner to be able to offer a viable alternative to the huge segment of (self employed) people without having to worry about a layer of government regulation that will undoubtedly create unnecessary confusion for those trying to invest monies wisely and appropriately.

Therefore, I respectfully request that the SEC postpone its decision on passing Rule 151A and its implementation until it has fully investigated the economic impact on all those parties involved on the sale of indexed annuities. I can honestly and unequivocally say that it was of the best products on the market today without market risk and it allows the consumer to grow their retirement portfolios on a tax deferred basis.

The insurance companies and their agents have taken every precaution to explain the benefits as well as any possible negative implications on the purchase and ownership of these relatively safe investments.

Your attention to this matter is greatly appreciated and I trust that the SEC will further review its decision until all of the facts have been studied carefully.

Sincerely, Steven Mendelsohn
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Willow Grove, PA