

Members of the SEC:

Please consider withdrawal of Proposed Rule 151(A). The proposal has serious flaws, including, but not limited to:

Fixed indexed annuities are well-designed products that give consumers guarantees, flexibility, tax-deferral, and many other advantages. The recent downturn in the stock market highlights the very strength and value of FIAs.

Proposed Rule 151A is ill-conceived. Many securities lawyers find the proposal to be completely unsupported by judicial precedents on what constitutes an “annuity” exempt from securities laws. Beyond that, it defies common sense that a product which has no market-related downside risk should be considered a security in the same manner as mutual funds or variable products where investors truly bear risk for market losses, including risk of loss of principal due to market declines.

The SEC proposal has not been appropriately vetted for comment – and appears to be being rushed to adoption. With virtually no forewarning, the SEC unveiled this proposal on June 25th and has allowed for comments only until September 10th. This means a proposal with profound effects on the insurance industry could become law within just a couple months even though the general public has had minimal opportunity to evaluate, comment, and possibly offer alternative approaches to address any valid concerns. Fair play demands that a proposal of this magnitude not be rushed or adopted hastily.

I have built an insurance business over many years and fixed indexed products have been an important part of my business success. I have played by the rules and have tried to provide my clients with quality products and outstanding service. And suddenly, along comes the SEC with this proposal that endangers my business, my livelihood, and my clients’ interests – it’s preposterous. **PLEASE RECONSIDER AND WITHDRAW THIS PROPOSAL!**

Sincerely,

Earl E. Runcan, RFC