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VIA ELECTRONIC DELIVERY

September 18, 2008

Ms. Florence E. Harmon
Acting Secretary
U.S. Securities and Exchange Commission
100 F Street, NE
Washington, D.C. 20549-1090

RE: Comments to Proposed Rule Regarding Indexed Annuities and Certain Other Insurance Contracts (File No. S7-14-08)

Dear Ms. Harmon:

New York Life Insurance Company (“NYL”) respectfully submits this comment letter in response to the request by the Securities and Exchange Commission (the “Commission”) in Release No. 33-8933 (the “Release”)¹ for comments on proposed rule 151A that would deem certain annuity contracts as not an “annuity contract” or “optional annuity contract” under Section 3(a)(8) of the Securities Act of 1933 (the “1933 Act”)². The Release notes that proposed rule 151A is “intended to clarify the status under the federal securities laws of indexed annuities, under which payments to the purchaser are dependent on the performance of a securities index.”

NYL appreciates the Commission’s efforts to provide protection under the federal securities laws for prospective purchasers of equity indexed annuities. We believe that there is no place for inappropriate or abusive sales practices regarding any form of annuity, and we agree with the Commission that equity indexed annuities should be deemed securities and therefore subject to registration under the 1933 Act. In this way, the Commission can ensure that with respect to equity indexed annuities, “[i]nvestors would be entitled to all the protections of the federal securities laws, including full and fair disclosure and sales practice protections.” This would be an important supplement to the requirements of state insurance law.

We also think, however, that the definition contained in proposed rule 151A is overly broad and could have the unintended consequence of sweeping in certain other types of annuities traditionally regulated under state insurance laws.

¹ Indexed Annuities and Certain Other Insurance Contracts, Rel. No. 33-8933 (June 25, 2008). All quotations included in this letter have been taken from the Release.

² Section 3(a)(8) excludes from regulation under the 1933 Act annuity or optional annuity contracts that are subject to state regulation.

Comments on Proposed Rule 151A

As drafted, proposed rule 151A would exclude from Section 3(a)(8) annuities where “amounts payable by the issuer under the contract are calculated in whole or in part by reference to the performance of a security, including a group or index of securities.” Thus, the proposed rule could, if interpreted broadly, apply to unregistered fixed annuities with adjustment features that are tied to Treasury security rates, as well as declared rate fixed annuities where excess interest is determined by reference to the performance of the general account, which typically includes securities holdings.

While we agree with the Commission that equity indexed annuities should be deemed securities subject to registration under the 1933 Act, the products noted above have traditionally and customarily been considered insurance, and not securities requiring registration. These products are not marketed as securities and do not shift investment risk to the purchaser. If the products noted above are deemed to be subject to registration under the 1933 Act, then the exemption contained in Section 3(a)(8) may not have much significance. We think any rule that proposes to determine the scope of annuities that are not entitled to the Section 3(a)(8) exemption should clearly distinguish equity indexed annuities that would be subject to registration under the 1933 Act from annuity products that traditionally have been deemed to fall within the Section 3(a)(8) exemption and/or the Rule 151 “safe harbor.” We are considering the precise contours of a rule that would draw the appropriate distinction between equity indexed annuities and these types of fixed annuities and will offer further comments on this point in the near future.

Use of Form N-4 to Register Equity Indexed Annuities

In the Release, the Commission requested comments regarding whether insurance companies should be allowed to register annuities that would become subject to the proposed rule on Form N-4. We think that it would be appropriate to use Form N-4 to register such products because it includes the types of disclosures that an investor would deem material in order to make an informed purchase decision.

Proposed Rule 151A Effective Date

We respectfully suggest that the effective date of the rule be at least 24 months after publication in the Federal Register. Issuers of annuities that would become subject to registration will be required to prepare and file registration statements and prospectuses. Also, annuities that would become subject to registration could only be distributed by registered broker-dealers. This would create the need for issuers to put into place new distribution arrangements for annuities that are not now subject to registration. Rule 151A as drafted will likely require substantial revisions to the operations of issuers and distributors of products that would be subject to the proposed rule.

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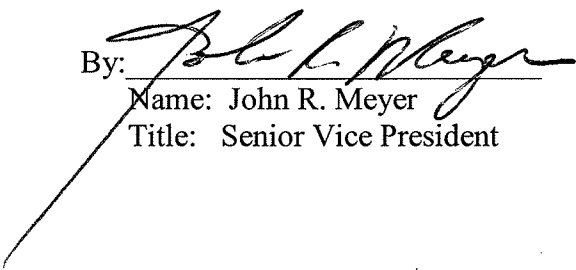
Conclusion

NYL appreciates the opportunity to comment on the Release and respectfully requests that the Commission consider our comments with regard to the consequences that proposed rule 151A may have for issuers of certain fixed annuity products.

Respectfully submitted,

NEW YORK LIFE INSURANCE COMPANY

By:


Name: John R. Meyer

Title: Senior Vice President