S7-14-08 1903

From: "nobody@www.senate.gov" <nobody@www.senate.gov>
Date: 7/28/2008 8:36:27 PM
To: webmail@kyl-iq.senate.gov
Subject: Oppose SEC Rule 151A

<IP>98.165.194.96</IP>
<APP>SCCMAIL
<PREFIX>Mr.</PREFIX>
<FIRST>Ken</FIRST>
<LAST>Leombruno</LAST>
<ADDR1>10017 N 1st Dr</ADDR1>
<ADDR2></ADDR2>
<CITY>Phoenix</CITY>
<STATE>AZ</STATE>
<ZIP>85021</ZIP>
<PHONE>602-971-5799</PHONE>

<EMAIL>ken4insurance@email.com</EMAIL>

<ISSUE>MISC</ISSUE>
<RSP>Y</RSP>
<MSG>Given the considerable influence Congress has with the Securities and Exchange Commission (SEC) it is imperative you be aware of and Oppose Rule 151A.

Please contact SEC Chairman Christopher Cox, SEC Commissioners, as well as the Chairpersons and members of the Senate Banking and House Financial Services Committees to express opposition to this rule.

Please help to protect an insurance product that provides valuable guarantees to consumers and the livelihoods of licensed insurance agents who help people with these products. Please do whatever it takes to stop this draft regulation from becoming law without closer review.

As a local insurance broker, made aware of this rule today, it is imperative to act now.

This rule would effectively redefine all fixed index annuities as securities, not insurance products as they are presently defined.

1) Fixed Indexed Annuities (FIAs) are excellent products that give consumer guarantees, flexibility, tax-deferral and many other advantages. They give consumers a unique combination of guaranteed protection and opportunity for higher accumulation than traditional fixed annuities.

2) FIA products are currently regulated by state insurance departments. The NAIC and state regulators have worked hard to establish suitability and disclosure requirements for FIA products. This work continues today and should not be derailed by the SEC's unilateral action.

3) While millions of Americans suffered financial losses as a result of a twenty percent plunge in the stock market, FIA-holders have not lost a penny in retirement savings because of market turmoil. FIA-holders have

peace of mind that market fluctuations do not adversely affect their account values. A product with no market-related downside risk should not be considered a security in the same manner as mutual funds or variable products which the investor bears the risk for market losses.

4) Proposed rule 151A is ill-conceived. Many observers think the SEC's proposed regulation—if adopted—is a slippery slope towards reclassifying many other annuity products as securities. This seems at odds with the Congressional intent.

5) The SEC proposal has not been appropriately vetted for comment—and appears to be rushed for adoption. The SEC unveiled this proposal on June 25 and only allows for comments until September 10. A proposal with profound effects on the insurance industry could become law within just a couple of months even though agents and insurers have had minimal opportunity to evaluate, comment and possibly offer alternative approaches to address any valid concerns. This sudden action comes ten years after the SEC first identified issues left dormant as the FIA market grew and evolved. Fair play demands that a proposal of this magnitude not be rushed or adopted hastily.

Thank you for your consideration and support. Best Regards- Ken Leombruno - Benefits Arizona - 602-971-5799</MSG>
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