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June 29, 2009

VIA E-MAIL

Marcia E. Asquith
Office of the Corporate Secretary
FINRA
1735 K Street, NW
Washington, DC 20006-1506

Re: Regulatory Notice 09-25: "Proposed Consolidated FINRA Rules Governing Suitability and Know-Your-Customer Obligations"

Dear Ms. Asquith:

This letter is being submitted on behalf of the Association for Advanced Life Underwriting ("AALU"). AALU is a nationwide organization of life insurance agents, many of whom are engaged in complex areas of life insurance such as business continuation planning, estate planning, charitable planning, retirement planning, deferred compensation and employee benefit planning. AALU represents approximately 2,000 life insurance agents and financial advisors nationwide.

AALU is pleased to have the opportunity to offer its comments in response to the request by the Financial Industry Regulatory Authority ("FINRA") in Regulatory Notice 09-25 for comments on proposed consolidated FINRA rules governing suitability and know-your-customer obligations.

AALU appreciates FINRA's work in consolidating current rules. However, in response to FINRA's request for comments about whether, in the future, FINRA should consider proposing that such rules be extended to non-securities products, AALU strongly opposes this extension.

In addition to there being serious questions whether FINRA has the authority to take such a step, this action seems unwise and potentially harmful. If oversight were to extend beyond securities, the scope could be extremely broad—involving banking, loans, non-securities life insurance products, and many other arenas. Broker-dealers and FINRA lack the expertise and resources to make such oversight practical or helpful to customers. It would also create the potential that FINRA could make judgments that conflict with those of regulators which have very extensive information, resources, rules and expertise to oversee the use of non-securities products, such as the extensive state structure for insurance regulation. Finally, extending FINRA and broker-dealer oversight to non-securities products would likely decrease the level and quality of consumer protection for securities products. In light of the above, AALU believes that extension of FINRA and broker-dealer oversight to non-securities products would detract from, rather than enhance, consumer protection.

Please contact Tom Korb, AALU Vice President of Policy & Public Affairs, at 703-641-8120, if we can provide further information or input.

Respectfully Submitted,

Robert R. Carter, CLU, ChFC
AALU President

David J. Stertz, FLMI
AALU CEO