

**From:** Byron Allen [ByronAllen@AmericanSavingsLife.com]  
**Sent:** Wednesday, June 24, 2009 1:53 AM  
**To:** Comments, Public  
**Subject:** FINRA Regulatory notice 09-25

DATE: June 23, 2009

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

RE: FINRA Regulatory notice 09-25

Dear Ms. Asquith,

I am the President of a small life insurance company and would like to voice my opinion on the proposed FINRA Regulatory notice 09-25.

I firmly believe that FINRA's authority should **NOT** be expanded to include non-securities products and services. There is a significant difference in the complexity and risk associated with securities products and non-securities related insurance products. It would be an inequitable burden on the sellers of non-securities related insurance products, such as our company, if we were to be subject to the same regulatory compliance expenses as those who sell the more complex and risky securities related products.

**It is vital that regulators weigh the cost of regulation with the hoped for benefit the public receives.** If excessive regulation is imposed on the small life insurance company industry, many companies will be forced out of business due to the increased regulatory costs, **thereby lessening the competitive market that provides the best possible value for the consumers;** the very consumers you are trying to protect.

Please consider this fact seriously. insurance and other non-securities products are already subject to comprehensive regulation at the state level. Significant state-regulated suitability standards are already in place for the sale of annuities and similar insurance products. To add an entire extra level of costly regulation through FINRA would very likely have the effect of choking off small life insurance companies, such as ours, thereby negatively affecting a large component of the current competitiveness in the insurance industry.

Small life insurance companies such as American Savings Life Insurance Company currently cannot afford to sell securities-related products, simply because **we do not have the scale to support the excessive regulatory expenses associated with such products**. If this regulatory overhead were to now include non-securities insurance products, then every small life insurance company will be burdened with an inequitable burden, where I am quite sure that the **ultimately the cost to the public through decreased competition will exceed the hoped-for increased protection through the increased regulation**.

For the reasons stated above, **I urge you not to expand FINRA's suitability obligations to include recommendations that do not involve securities**. Thank you for considering my views on this issue.

Most earnestly,

- *Byron Allen*

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Byron F. Allen, President

American Savings Life Insurance Company

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