



Frank Keating

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December 7, 2007

Melanie Lubin
OAG, Securities Division
200 Saint Paul Place
Baltimore MD 21202-2020

Rex Staples
NASAA
750 First Street NE
Suite 1140
Washington DC 20002

Re: Proposed Adoption of a NASAA Model Rule on the Use of Senior-Specific Certifications and Professional Designations

Dear Ms. Lubin and Mr. Staples:

The American Council of Life Insurers (ACLI) represents three hundred seventy-three (373) member companies operating in the United States, of which three hundred sixty-four (364) are legal reserve life insurance companies, and nine (9) are fraternal benefit societies. These 373 member companies account for 93 percent of total assets, 91 percent of the life insurance premiums, and 95 percent of annuity considerations in the United States.

Thank you for taking on the challenge of curbing the use of misleading and fraudulent credentials and professional designations. ACLI supports suitable sales of life insurance products, and efforts by regulatory bodies to stop abusive practices, particularly those targeting seniors. ACLI is working with our industry's regulators (the National Association of Insurance Commissioners (NAIC)) to formulate a strong response to the use of inappropriate credentials and professional designations. While we have serious reservations with any pre-approved mechanism, the industry has urged the NAIC to consult with you regarding any list of credentialing organizations.

In the life insurance space, we believe there exists adequate enforcement tools, which if properly applied and enforced, will go a long way toward stopping the use of misleading and empty credentials and professional designations. ACLI also supports robust consumer education. ACLI similarly supports reminders to both companies and producers that misleading credentials and professional designations are prohibited under existing insurance laws and regulations, and that these laws and regulations will be strictly applied. ACLI has several additional comments regarding the NASAA draft, which are addressed below.

ACLI Urges Careful Consideration of The American College Comments

Many life insurance products are sold by producers who have earned designations administered and bestowed by The American College. As you are aware, The American College is a significant provider of financial services education and is in the best position to understand the process of academic

Melanie Lubin, OAG
Rex Staples, NASAA
December 7, 2007
Page two

accreditation at both the national and regional levels. We urge NASAA to carefully consider the input of The American College, as well as LIMRA/LOMA and other respected program providers. The input of these organizations is crucial to the creation of a model rule that protects consumers while allowing the use of legitimate professional designations and certifications. ACLI also asks that deference be given to proprietary designations developed in cooperation with accredited academic institutions.

Coordination with Insurance Regulators

The NAIC is currently examining the issue of senior-targeted improper designations and certifications. Because many investment advisors are also life insurance producers, we believe it is critical that NASAA coordinate its rule-making activities with those of the NAIC. Absent such coordination there exists the very real risk that a professional designation or certification will be deemed appropriate by one regulatory body, and the same designation or certification proscribed by another. This would create a confusing situation for consumers, and a very unfair result for the professional holding that particular designation or certification.

Deference for Insurance Regulation

As you are aware, many professionals are licensed as both insurance producers and investment advisors. The sweeping nature of the proposed model rule may have the effect of regulating the use of credentials and professional designations by all individuals, regardless of the license(s) they hold. We urge you to coordinate your actions with those of the NAIC. Uniformity is essential to the efficiency of the marketplace, and will also benefit consumers by avoiding potentially contradictory regulations. Collaboration among regulators will endure the best outcome for all concerned.

Thank you again for taking on this difficult issue. ACLI looks forward to working with you and our own regulators in seeking effective solutions.

Sincerely,

A handwritten signature in black ink, appearing to read "F Keating". The signature is stylized and written in a cursive-like font.

Frank Keating

cc: Dr. Larry Barton
President & CEO, The American College