

- [Subscribe Now](#)
- [RSS](#)
- [Sign up](#)
- [Log In](#)

## Senior Market Advisor



INSURANCE LEADS.COM®

GET UP TO \$200 WORTH OF FREE INSURANCE LEADS

800-647-2164

Thoughts and comments of **Daniel Williams**,  
Editor of Senior Market Advisor

### 151A Update: Major insurer speaks out on court ruling

Posted July 30, 2009 From The Editor's Blog

Since the court ruling [last week](#) that sent 151A back to the SEC for further analysis, there's been no shortage of opinions on the topic. One of the more interesting pieces that hit my desk this week was a commentary from Allianz.

The company holds to the belief that FIAs are insurance products and do not meet the standards to be securities. With that in mind, Gary C. Bhojwani, president and CEO of Allianz Life, revealed his thoughts on the topic.

"We are pleased the Appeals Court recognizes that the ramifications of Rule 151A have not been fully vetted. A thorough analysis will reveal it will have a chilling effect on the industry and its distribution channel.

"Perhaps the SEC had a negative misconception about FIAs when it originally filed the rule, but their concerns should be allayed by the proven financial protection FIAs continue to give during the economic crisis. Millions of people have protected their retirement savings because they own fixed annuities. In fact, not one of our FIA customers has lost a penny due to the crisis.

"We must keep FIAs as options for consumers. In the last two years, Americans have lost \$2 trillion from their defined contribution retirement accounts. Pensions have been scaled back, social security benefits now exceed payroll taxes, and market investing is riskier than once thought. On the bright side, annuities are the only products that provide both guaranteed income for life and principal protection.

"Standard insurance requirements, such as minimum guaranteed floors on account values, are more likely to have real-world benefits than adding federal securities laws. Overlapping, inconsistent regulation doesn't make any sense. It would be counterproductive to our shared goal of providing the best, most transparent forms of consumer protection.

"What consumers and the industry need is a uniform set of industry standards, such as those employed by Allianz. Our practices exceed current requirements in most areas and are recognized by state regulators and industry associations for their strong focus on consumer protection. This approach can be achieved by the states rather than an expensive, complicated federal regulatory apparatus."

---

[About Us](#) | [Privacy Policy](#) | [Contact Us](#) | [Advertise / Media Kit](#) | [RSS](#) | [Press Room](#) | [Free Product Information](#) | [Site Map](#)



(c) 2008 Senior Market Advisor. A Summit Business Media publication. All rights reserved. [www.summitbusinessmedia.com](http://www.summitbusinessmedia.com)