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October 8, 2025

Via SEC Comment Portal

Secretary
Securities and Exchange Commission
100 F Street NE
Washington D.C. 20549-1090

Re: File No. SR-FINRA-2025-003
Notice of Filing of Amendment No. 1 and Order Instituting Proceedings to Determine Whether to Approve or Disapprove a Proposed Rule Change, as modified by Amendment No. 1, to Amend FINRA Rule 3220 (Influencing or Rewarding Employees of Others)

Dear Secretary:

We are submitting this letter on behalf of the Committee of Annuity Insurers (the "Committee"),[1] in response to FINRA's Notice of Filing of Amendment No. 1 (the "Notice") and the SEC's Order Instituting Proceedings to Determine Whether to Approve or Disapprove a Proposed Rule Change, as modified by Amendment No. 1, to Amend FINRA Rule 3220 (Influencing or Rewarding Employees of Others).[2] The Committee appreciates the opportunity to submit comments in response to the Notice.

On June 11, 2025, FINRA filed with the SEC a proposed rule change to Rule 3220 (the "Proposal") that proposed three major changes.[3] First the gift limit in Rule 3220 (with attendant changes to Rules 2310, 2320, 2341, and 5110) would be raised from $100 per person, per year to $250 per person, per year. Second, FINRA's past interpretive guidance would be incorporated as Supplementary Material to the Rule. Third, language would be added to Rule 3220 allowing FINRA to grant exemptive relief from the Rule. The Committee filed a comment letter in response to the Proposal asking, in part, that the proposed $250 gift limit be either raised to $300 or include a formalized recalculation on some periodic basis based on the annual rate of inflation as calculated by the Consumer Price Index (or some similar metric).[4]

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[1] The Committee is a coalition of many of the largest and most prominent issuers of annuity contracts. The Committee's 32 member companies represent approximately 80% of the annuity business in the United States. The Committee was formed in 1981 to address legislative and regulatory issues relevant to the annuity industry and to participate in the development of insurance, securities, banking, and tax policies regarding annuities. For over four decades, the Committee has played a prominent role in shaping government and regulatory policies with respect to annuities at both the federal and state levels, working with and advocating before the SEC, CFTC, FINRA, IRS, Treasury Department, and Department of Labor, as well as the NAIC and relevant Congressional committees. A list of the Committee's member companies is available on the Committee's website at www.annuity-insurers.org/about-the-committee/.

[2] *See* Securities Exchange Act Release No. 34-103958 (Sep. 12, 2025) 90 FR 44855 (Sep. 17, 2025), available here.

[3] *See* Securities Exchange Act Release No. 34-103226 (June 11, 2025) 90 FR 25674 (June 17, 2025) (Notice of Filing of File No. SR-FINRA-2025-003), available here.

[4] The Committee's July 8, 2025 comment letter on the Proposal is posted here.

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On September 12, 2025, FINRA filed the Notice with the SEC, which amends the Proposal to: (1) raise the gift limit to $300 (from the $250 originally proposed); and (2) incorporate additional guidance regarding bereavement gifts. The Committee supports the amendments set forth in the Notice, particularly FINRA's decision to raise the gift limit to $300, which will provide for future inflation through 2035. The Committee urges the SEC to approve the Proposal, as amended, to ensure that Rule 3220 remains appropriately responsive to current economic conditions.

CONCLUSION

The Committee appreciates the opportunity to provide these comments on the Notice. Please do not hesitate to contact Clifford Kirsch (212.389.5052 or CliffordKirsch@eversheds-sutherland.com) or Eric Arnold (202.383.0741 or EricArnold@eversheds-sutherland.com) with any questions or to discuss this comment letter.

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Respectfully submitted,

EVERSHEDS SUTHERLAND (US) LLP

BY: _____
Clifford Kirsch

BY: _____
Eric Arnold

FOR THE COMMITTEE OF ANNUITY INSURERS