May 1, 2006

VIA E-MAIL

Ms. Nancy M. Morris
Secretary
Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549-1090

Re: File Number 4-511

This submission is in response to the request by the Securities and Exchange Commission ("SEC") and the Public Company Accounting Oversight Board ("PCAOB") for comment on experiences with complying with the Section 404 requirements of the Sarbanes-Oxley Act of 2002 ("Section 404"). We appreciate the opportunity to share our views.

Our comments relate to a situation where an SEC registrant wholly owns another SEC registrant and the two registrants share the same system of internal control over financial reporting. We believe that this is common in the insurance industry because national organizations frequently establish specific purpose insurance companies to operate within a particular state (e.g., New York). In this situation, Rule 12h-5(a) of the Securities Exchange Act of 1934 (the "'34 Act") may be unavailable because certain state insurance laws indirectly prohibit a parent insurance company from guaranteeing its 100%-owned operating subsidiary's securities, as permitted by Rule 3-10(c) Regulation S-X. As such, both insurance companies are required to file periodic reports under the '34 Act and to independently comply with Section 404's requirements.

We believe that this situation creates an inefficiency that is costly to the subsidiary registrant and outweighs any benefit to investors in the securities of these small subsidiary issuers. In this situation, the wholly-owned subsidiary's independent compliance with Section 404 is required in spite of the following circumstances:

- the financial and accounting operations of the parent and subsidiary are fully integrated
- the subsidiary is a small company.

Under these circumstances, independent compliance with Section 404 at both the parent and subsidiary level imposes a significant expense and disproportionate resource burden on the small-company subsidiary, and is one that in our opinion outweighs any benefit to purchasers of the subsidiary's registered products.

In spite of the fact that the internal control over financial reporting for the two entities is highly integrated, significant duplicative work and expense will be incurred by the companies to comply with Section 404. Most notably, the small-company subsidiary will incur a significant additional cost to pay its external auditors to conduct a Section 404 attestation. In addition, the two companies will be required to create, evaluate and maintain the necessary documentation to support two distinct management attestations on the same system internal control over financial reporting.

Accordingly, we respectfully request that the SEC and PCAOB consider this particular parent-subsidiary situation in connection with its evaluation of inefficiencies prompted by Section 404's requirements. We believe that a carefully crafted exemption for small, wholly-owned subsidiary registrants where such subsidiary's parent is also an SEC registrant and the registrants share an integrated internal control structure can provide significant economic relief to the small-company subsidiary while providing reasonable assurance to the subsidiary's investors that the subsidiary is part of a well-controlled organization.

Sincerely,

Robert C. Salipante
President

Gary Corsi
Vice President and Chief Financial Officer