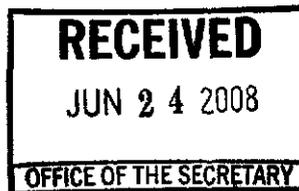


BY FEDERAL EXPRESS



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June 23, 2008

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

Re: Proposed Rule Change Relating to Sales Practice Standards and Supervisory Requirements for Transactions in Deferred Variable Annuities (File No. SR-FINRA-2008-019)

Dear Sir and Madam:

T. Rowe Price Investment Services, Inc. ("TRPIS") appreciates the opportunity to comment on the above-referenced proposed rule change. TRPIS is a registered broker/dealer under the Securities Exchange Act of 1934 and a FINRA member firm. It acts as principal distributor of the T. Rowe Price family of funds ("**Price Funds**"). The Price Funds are offered directly to retail investors as well as through financial intermediaries such as broker/dealers, insurance companies, banks and plan recordkeepers. As of March 31, 2008, the Price Funds held assets of \$230.5 billion. TRPIS also provides brokerage services to Price Fund shareholders and other retail customers as an introducing broker through its Brokerage Division and offers two proprietary no-load variable annuity products (a deferred and an immediate payout variable annuity) and Section 529 College Savings Plans for two different states. TRPIS does not make recommendations to its customers regarding its proprietary deferred variable annuity. TRPIS does not offer variable annuity products to its customers other than the T. Rowe Price no-load variable annuities.

TRPIS supports the proposed amendment that would apply Rule 2821 only to recommended purchases and exchanges of deferred variable annuities and recommended initial subaccount allocations. We agree with FINRA's determination to take an approach consistent with that taken in Rule 2310, FINRA's general suitability rule. We agree that this approach will not detract from the effectiveness of Rule 2821, especially when members implement reasonable measures to detect and correct circumstances where recommended transactions are characterized as non-recommended.

We appreciate FINRA's willingness to consider the comments it received on this point. We concur with FINRA's view that non-recommended transactions do not generally raise the same level of concern about potential or actual conflicts of interest or

June 23, 2008

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present the same need for heightened sales practice requirements. We also agree that the proposed rule change, if adopted, will promote competition.

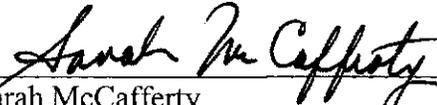
If you have any questions about our comments or need additional information, please do not hesitate to contact either of us at the telephone numbers listed below.

Sincerely,



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Darrell Braman  
Vice President and Associate Legal Counsel  
410-345-2013



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Sarah McCafferty  
Vice President and Chief Compliance Officer  
410-345-6638

cc: D. Oestreicher, Esquire