August 4, 2005

Jonathan G. Katz, Secretary
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-9303

RE: File Number SR-NASD-2004-183

Dear Mr. Katz,

I strongly urge you to drop the revisions in your draft of the NASD proposed rule 2821, with the exception of the continued education and training for registered reps regarding the sale of variable annuities.

The mid-term investment horizon of annuities (5-7 years) still offer plenty of liquidity, normally 10-15% in annual distributions, which I find clients rarely withdraw more than that, and offer death benefit guarantees with no penalties. I believe age should not be a discriminatory factor for the free enterprise system to work for the American People. In fact, a client that is 75 or 80 years old has an even greater desire to keep their estate and financial plan intact by insuring the investments against loss.

We've had numerous clients that have gone through the stock market crash in 2000, 2001 and 2002. Upon the death of a client just last week, the insurance companies are now going to refund over $200,000 of real hard dollars to the client who suffered when their mutual fund sub-accounts dropped during the bear market. No other product can afford our clients the safety that they're looking for, along with a refund for the stock market or mutual fund market dropping, as a death benefit to their surviving spouse and/or their children.

We don’t have this type of unreasonable mid-term investment objectives for other investments that are similar, such as REITs and limited partnerships, tax credit programs, oil and gas direct participation programs, etc. I think that the proposed rule 2821 will ultimately harm the customer, the client, and have unintended consequences for the financial well being of the independent investor.

Thank you for your time.

Sincerely,

Larry LaBine
Registered Principal
Associated Securities Corp