



HORIZON PLANNING

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MISSION STATEMENT

To help individuals and families live their lives on purpose. We do so by developing programs to achieve life's objectives by design rather than leaving success to chance.

We devise strategies to ...

- Educate children
- Attain financial freedom
- Reduce or eliminate taxes
- Eliminate debt
- Provide for the unexpected
- Support your favorite charity
- Provide funds for future expenses
- Customize objectives

Chuck Woodson
CA DOI 0614510
Elaine Woodson
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SERVICES

- Asset Management
- Audit Representation
- College Planning
- Debt Counseling
- Estate Planning
- Financial Planning
- Insurance Planning
- Investment Advice
- Notary Public
- Payroll Services
- Portfolio Review/Design
- Retirement Planning
- Tax Preparation/Planning
- Trust Portfolio Design

PRODUCTS

- Mutual Funds
- Annuities
- Stocks, Bonds, UITs

Insurance

- Health
- Life
- Long Term Care
- Disability

Tax Advantaged Investing

- IRA, SEP-IRA plans
- S.I.M.P.L.E. plans
- Keogh plans
- 401(k) plans
- Tax Sheltered Annuities
- Tax Credit programs

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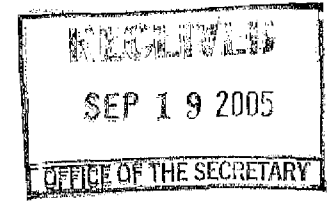
September 9, 2005

Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-9303

Attention: Jonathan G. Katz, Secretary

Reference: File Number SR-NASD-2004-183

Dear Mr. Katz,



I am disturbed by the general content of the proposed rules regarding variable annuity suitability. While I understand that the best interests of the customer is the driving force behind product regulations, the extent to which this new proposal goes is far beyond anything else that could truly help our customers.

For example, the proposal would allow the NASD to determine that a product is unsuitable based solely on some vague "long-term investment objective." There is nothing in the proposal to indicate what "long-term" means or how it would be applied to any given situation. This is tantamount to telling the advisor community that they can never determine in advance what is suitable – and the NASD is free to penalize the advisor on their own whim after the fact. Please tell me how that helps the customer.

This proposal imposes requirements well beyond the most complex securities, e.g., options, currency warrants and other futures products. Why has the deferred variable annuity been singled out as more complex than these?

The proposed rule requires the broker/dealer to establish certain specific suitability standards without providing any guidelines or directions. The proposed rule doesn't appear to require that the standards be the same for every broker/dealer. Broker/dealer review is one thing; asking for a deal to be suspended (apparently indefinitely) until the NASD decides what is "right" is ridiculous! I suppose the NASD is ready to replace the individual representative and sell direct to the customer!!

The training that is currently required in order to sell variable annuities is already detailed and extensive. The proposed rule should provide for consistency and uniformity in the training process but not add undue additional requirements.

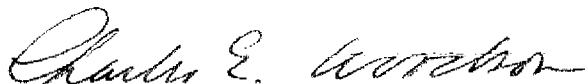
I agree with the proposed rule's requirement to improve communications and disclosure to the customer. That should be imposed on the insurance company, however, so that the disclosure is uniform and complete. Individual representatives, even at their best, will occasionally overlook an issue during presentations. Prospectuses are too complex already; no client wants to read them and, in fact, most try to trash the document on their way out my door!

It seems that one of the main targets of this proposed rule is abusive sales practices. Unfortunately, the proposed solution seems more interested in eliminating the product rather than eliminating the abusive sales practices. I am certain that a narrow minority of sales abuse is driving a wedge into the ability of legitimate and ethical representatives to provide real and economically worthwhile solutions to financial objectives.

The biggest gripe I have with the current NASD mindset is that they overlook the fact that the costs associated with variable annuities are an insurance cost. These costs have no counterpart in any other investment, so why is it the NASD tries so hard to make the comparison? Comparing apples to oranges would be easier, I think.

I certainly don't dispute the need for regulatory oversight to correct problems. But this is more a process that throws the baby out with the bath water. Let's implement strategies to eliminate the minority of unethical sales jockeys and quit interfering with the ability of ethical advisors to help customers.

Yours truly,

A handwritten signature in cursive script that reads "Charles E. Woodson".

Charles E. Woodson, EA, PFP

cc: file