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July 17, 2006

Ms. Nancy M. Morris, Secretary
Securities & Exchange Commission
100 F Street, NE
Washington, DC 20549-1090

Re: File #SR-NASD-2004-183, Amendment 2

Members of the Commission:

Please DO NOT APPROVE the proposed NASD rule affecting suitability and review requirements for deferred variable annuities. The proposed rule is ill-conceived, ill-advised, and will actively create unfavorable circumstances which will negatively affect the consumers whom you are charged to protect.

I entered the insurance business in 1977 and in 1985 decided to add investment products to the service I could provide to clients. I have considered investment products to be an important value-added service, but not my primary source of income. Perhaps to the chagrin of my OSJ and Broker/Dealer, I have long struggled to meet minimum production requirements. As a sole practitioner, I stress excellence in my work as opposed to volume.

The unfavorable circumstances which would surely develop if the proposed rule is implemented will include onerous additional documentation and processing time requirements which are unwarranted and unworkable.

Drawing on my experience as a local elected official, I can guarantee you that the tendency of regulators to protect their own positions by issuing more and more regulations is viewed as wasteful and not appreciated by the general public. I firmly believe such practice will act to eventually drive thousands of producers out of the business to the great detriment of their clients. In turn, this would leave tens—or even hundreds—of thousands of clients with no one to deal with but a Customer Service Representative at an 800 telephone number. No matter how well-trained or well-intentioned the CSR may be, they are still just a voice on a telephone. They cannot know the client as well as the local producer.



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A much better practice would be stronger and more uniform enforcement of existing rules and more active prosecution of abusers. In addition, a voluntary incentive program to encourage producers to acquire professional designations (with their associated ethical review boards) or advanced education credits would provide more lasting benefit to the investing public.

The variable annuity is a truly excellent tool that can be extremely flexible and very useful to a wide range of qualified clients. Yes, it is often more expensive than some other products due to the cost of the insurance guarantees. But these guarantees are precisely why the product can be so helpful to so many! Death benefits or living benefits are not always needed—but when they are, the variable annuity must be considered!

It is absurd and harmful to prevent any client from making use of a variable annuity product because the client has not attained some regulator's definition of "length of investment experience". Our clients trust us with their investment dollars because they expect us to have the knowledge/experience and because they TRUST US!

Existing checks and balances, properly enforced, are sufficient to protect the public interest. Incentives to enhance product knowledge and professional education would do more good than adding additional bureaucratic burdens.

I am wont to repeat my opening remark: Please DISAPPROVE the proposed NASD rule affecting suitability and review requirements for deferred variable annuities. The proposed rule is ill-conceived, ill-advised, and will actively create unfavorable circumstances which will negatively affect the consumers whom you are charged to protect.

Thank you for your attention and concern.

Respectfully,

A handwritten signature in black ink that reads "W. Greg Barney". The signature is fluid and cursive, with a large initial "W" and "B".

W. Greg Barney, MBA, CPCU, CLU, ChFC
Registered Representative and Investment Advisor Associate

Copies: Congressman Tom Osborne, Senator Chuck Hagel, Senator Ben Nelson