

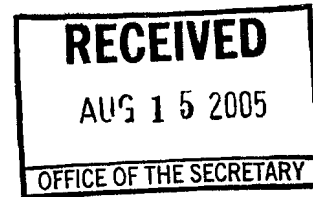
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August 8, 2005

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



RE: File Number SR-NASD-2004-183

Dear Sir:

I am licensed for securities, life and variable life insurance products. I was highly surprised to find out about NASD proposal Rule 2821. The principal review requirements and redundant suitability standards are only "red tape" that will not be of help to consumers or registered representatives. NASD rules are already in place that pertain to the sale of all securities, including variable annuities. Rule 2821 will only duplicate rules that are already in place.

Is there a bias against these products? I have been securities licensed since 1969 and have not seen what I would consider an abuse regarding a variable annuity in that length of time, yet I see abuse from other securities on a regular basis. Why pick on variable annuities? Adequately police the existing laws that are already in place. The paperwork involved in the sale of securities is already burdensome and is causing some good reps to leave the industry.

Many of the people who are getting hurt in this process are the lower to middle income consumers, because the paperwork in handling small accounts is causing many of these people to be neglected. Due to cost and time consumption issues, smaller accounts become a liability rather than an asset!!

Annuities were given some favorable tax treatment to encourage savings, so that people will be independent and not dependent on society. I am against abuse, but I only see proposal Rule 2821 creating a problem rather than a solution because of redundancy and extra work.

I would like to urge the SEC to disapprove NASD proposal Rule 2821. Thank you for considerations of my comments.

Sincerely,

A handwritten signature in black ink, appearing to read "Larry D. Newman".

Larry D. Newman, CLU, ChFC

LDN/ws