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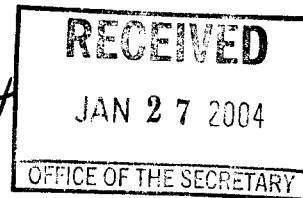


January 21, 2004

Secretary  
Securities and Exchange Commission  
450 Fifth Street, NW  
Washington, DC 20549-0609

Dear Sirs:

SR-NASD-2003-104



**Re: Proposed revisions to Rule 3010(g)(2)**

Our organization represents over 3,000 financial advisors in the United States, most of whom are licensed insurance professionals and variable products/mutual funds salespersons. We are writing because the NASD's proposal to revise the definition of "branch office" in Rule 3010(g)(2) will have a significant impact on our business.

The financial expense and administrative burdens that will be caused by the change in status of the offices of our members from a non-branch location to a branch office may result in it no longer being economically feasible to offer variable products and mutual funds to the clients we serve. This will have a harmful impact on consumers since their access to these products, which often constitute an important part of our clients' overall financial planning, will be reduced or eliminated.

The NASD proposal will have a disproportionate impact on the limited purpose broker-dealers affiliated with the life insurance companies that our members represent. Broker-dealers affiliated with insurance companies perform a much narrower range of activities than full service broker-dealers. These companies have structured their operations based on the current "branch office" definition, and they would be presented with significant new economic and administrative costs in order to comply with the new definition - without any corresponding benefit to the public.

For these reasons, we are urging the SEC to reject the NASD proposal to revise the definition of "branch office" and to keep in place the current definition. In the alternative, the proposal should be amended to:

- (i) waive the filing fee for any non-branch location which becomes a branch office as a result of the proposal, and
- (ii) the number of permitted transactions in the exclusion found in section 3010(g)(2)(E) should be very substantially increased.

Thank you for your consideration,

Edwin P. Morrow, CLU, ChFC, CFP, RFC  
President and CEO