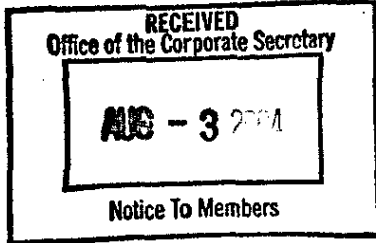




July 30, 2004



Barbara Z. Sweeney
NASD
Office of the Corporate Secretary
1735 K Street, NW
Washington, D.C. 20006-1500

RE: Suitability & Disclosure Requirements for Deferred Variable Annuities

Dear Ms. Sweeney:

I am a licensed insurance professional and variable product sales agent. I am writing to you because of the suitability standards contained in NASD's proposal to impose specific suitability and disclosure requirements on the sale of variable annuities that are unnecessary and provide no meaningful protection to consumers.

I firmly believe that people who engage in misleading sales practices should be aggressively prosecuted and subject to meaningful sanctions. However, your proposal would duplicate requirements already in place. NASD rules already contain a general suitability rule that applies to all sales of securities including variable annuities. Likewise, variable annuity prospectuses, which are already reviewed by the SEC already, discuss the fees, risks and expenses associated with variable annuities. A separate disclosure document would duplicate information already found in the prospectus. NASD should focus its efforts on making the prospectus more easily readable. I believe this information regarding risk, fees, expenses associated with variable annuities should all be on one page near the front of the prospectus and that NASD should focus its efforts in getting consumers to carefully read the prospectus they receive.

Finally, NASD disciplinary actions concerning NASD's governing variable annuity sales and the people who sell Vas have constituted roughly 8% of NASD's total annual disciplinary actions, despite the fact that registered representatives working for broker/dealers affiliated with life insurers, i.e. variable products salespeople make up over 50% of the total population of registered representatives. I do not think the available data supports NASD's claims that the level of sales problems in the variable annuity marketplace calls for the adoption of the proposed rule. For these reasons, I urge NASD to withdraw the proposed rule.

Thank you for your consideration of my views on this matter.

Sincerely,

Handwritten signature of Marlene R. Meyer

Marlene R. Meyer

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