April 17, 2009

Harry J. Weiss, Esq.
Wilmer Cutler Pickering Hale and Dorr LLP
1875 Pennsylvania Avenue, NW
Washington, DC 20006

Re: In the Matter of American Skandia Investment Services, Inc.
Investment Advisers Act Release No. 2867
Waiver Request under Regulation A and Rule 505 of Regulation D

Dear Mr. Weiss:

This responds to your letter dated April 17, 2009, written on behalf of American Skandia Investment Services, Inc. ("ASISI"), and constituting an application for relief under Rule 262 of Regulation A and Rule 505(b)(2)(iii)(C) of Regulation D under the Securities Act of 1933. You requested relief from any disqualification from exemptions available under Regulation A and Rule 505 that may have arisen by reason of the administrative order entered under section 203(e) of the Investment Advisers Act of 1940 on April 17, 2009 by the Securities and Exchange Commission in In the Matter of American Skandia Investment Services, Incorporated, Release No. IA-2867 (the "Order").

Certain orders entered under section 203(e) result in such disqualification. The portion of the Order ordering ASISI to comply with certain undertakings, insofar as it was entered under section 203(e), may be such a provision. The Order also includes a cease-and-desist order and imposes other remedial sanctions on ASISI, which do not result in disqualification under Rule 262 or Rule 505.

For purposes of this letter, we have assumed, as facts, the representations set forth in your letter and the findings supporting entry of the Order. We also have assumed that ASISI will comply with the Order.

On the basis of your letter, I have determined that you have made showings of good cause under Rule 262 and Rule 505 that it is not necessary under the circumstances to deny the exemptions available under Regulation A and Rule 505 by reason of entry of the Order.
Accordingly, pursuant to delegated authority, and without determining whether or not any such disqualification arose by virtue of entry of the Order, ASISI and other persons subject to any disqualification from exemptions otherwise available under Regulation A and Rule 505 that arose by reason of entry of the Order are granted relief from such disqualification.

Very truly yours,

Gerald J. Laporte
Chief, Office of Small Business Policy
April 17, 2009

BY E-MAIL AND MESSENGER

Gerald J. Laporte, Esq.
Chief, Office of Small Business Policy
Division of Corporate Finance
U.S. Securities and Exchange Commission
100 F Street, N.E., 3rd Floor
Washington, D.C. 20549-3628

Re: In the Matter of American Skandia, Inc. (C-03827-A)

Dear Mr. Laporte:

This letter is submitted on behalf of our client, American Skandia Investment Services, Inc. ("ASISI"), the settling respondent in administrative proceedings arising out of the above-captioned investigation by the Securities and Exchange Commission (the "Commission").\(^1\) ASISI hereby requests, pursuant to Rule 262 of Regulation A and Rule 505(b)(2)(iii)(C) of Regulation D of the Commission promulgated under the Securities Act of 1933 (the "Securities Act"), waivers of any disqualifications from relying on exemptions under Regulation A and Rule 505 of Regulation D that may be applicable to ASISI and any of the issuers described below as a result of the entry of an Order Instituting Administrative and Cease-and-Desist Proceedings Pursuant to Sections 203(e) and 203(k) of the Investment Advisers Act of 1940, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order (the "Order"), which is described below. ASISI requests that these waivers be granted effective as of April 17, 2009, the date of the entry of the Order. It is our understanding that the Staff of the Chicago Regional Office does not object to the grant of the requested waivers.

BACKGROUND

The Staff of the Chicago Regional Office engaged in settlement discussions with ASISI in connection with the administrative proceedings arising out of the above-captioned investigation, which were brought pursuant to Sections 203(e) and 203(k) of the Investment Advisers Act of 1940 ("Advisers Act"). As a result of these discussions, ASISI submitted an executed Offer of Settlement (the "Offer") that was presented by the Staff to the Commission.

In the Offer, solely for the purpose of proceedings brought by or on behalf of the Commission or in which the Commission is a party, ASISI agreed to consent to the entry of the Order, without admitting or denying the findings contained therein (other than those relating to the jurisdiction of the Commission, which are admitted). The Order, which was entered on April 17, 2009, concerns market-timing-related misconduct by ASISI as investment adviser to the

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\(^1\) ASISI now is known as AST Investment Services, Inc.
American Skandia Trust ("AST") portfolios (hereafter referred to as "sub-accounts") that serve as funding vehicles for variable annuities issued by American Skandia Life Assurance Corporation ("ASLAC"). The Order found that, from at least January 2000 through in or around September 2003, ASISI accommodated widespread market timing in certain AST sub-accounts. The Order also found that during said period ASISI negligently failed to investigate credible complaints from the investment advisers hired to sub-advise certain of the sub-accounts that market timing was having a detrimental effect and negligently failed to inform the AST Board of Trustees of such complaints. In addition, the Order found that as a result of ASISI's conduct, the AST Board of Trustees lacked information to give informed consideration to whether the sub-accounts had adequate policies and procedures in place with respect to market-timing and as to whether performance in certain sub-accounts was adversely affected by market-timing. As a result of such conduct, the Order found that ASISI willfully violated Section 206(2) of the Advisers Act by engaging in transactions, practices, or courses of business that operated or would operate as a fraud or deceit upon clients or prospective clients. The Order censured ASISI and ordered ASISI to: cease and desist from committing or causing any violations and any future violations of Section 206(2) of the Advisers Act; comply with ASISI's undertakings set forth in the Order; and pay disgorgement of $34 million and a civil money penalty of $34 million.

DISCUSSION

ASISI understands that the entry of the Order may disqualify it, affiliated entities, and other issuers from certain exemptions under Regulation A and Rule 505 of Regulation D promulgated under the Securities Act, insofar as the Order causes ASISI to be subject to an order of the Commission entered pursuant to Section 203(e) of the Advisers Act. ASISI is concerned that, should it be deemed to be a general partner, promoter, or underwriter of the securities, of an "issuer" for the purposes of Securities Act Rule 262(b)(3), ASISI, its issuer affiliates, and other issuers with which it is associated in one of those listed capacities and which rely upon or may rely upon these offering exemptions when issuing securities would be prohibited from doing so. The Commission has the authority to waive the Regulations A and D exemption disqualifications upon a showing of good cause that such disqualifications are not necessary under the circumstances. See 17 C.F.R. §§ 230.262 and 230.505(b)(2)(iii)(C).

ASISI requests that the Commission waive any disqualifying effects that the Order may have under Regulation A and Rule 505 of Regulation D with respect to ASISI, its issuer affiliates, or third-party issuers on the following grounds:

2 ASISI became an indirect subsidiary of Prudential Financial, Inc. ("PFI") on May 1, 2003. Thus, most of the alleged misconduct described in the Order occurred before PFI acquired ASISI.

3 The Order requires ASISI to comply with its undertaking, among others, to undergo a compliance review by a third party, who is not an interested person of ASISI and who must issue a report of its findings and recommendations concerning ASISI's supervisory, compliance, and other policies and procedures designed to prevent and detect breaches of fiduciary duty, breaches of the code of ethics, and federal securities law violations by ASISI and its employees.
1. ASISI's conduct addressed in the Order does not pertained to Regulation A or D.

2. The disqualification of ASISI, any of its issuer affiliates, or third-party issuers with which it is associated in one of the capacities listed above from relying on the exemptions under Regulation A and Rule 505 of Regulation D would be unduly and disproportionately severe given the nature of the violation addressed in the Order and the extent to which disqualification may affect the business operations of ASISI, its issuer affiliates, or such third-party issuers by impairing their ability to issue securities pursuant to these exemptions to raise new capital or for other purposes. In addition, the disqualification of ASISI, its issuer affiliates, or third-party issuers from the regulatory exemptions may place ASISI or those issuers at a competitive disadvantage with respect to third parties that might seek to invest in securities that rely on the regulatory exemptions.

3. The disqualification of ASISI, any of its issuer affiliates, or third-party issuers from the exemptions under Regulation A and Rule 505 of Regulation D also would be unduly and disproportionately severe, given that: (a) the Order relates to activity that will be addressed in the administrative proceedings; and (b) ASISI must pay a significant civil money penalty pursuant to the Order, along with disgorgement.

In light of the grounds for relief discussed above, we believe that disqualification is not necessary, in the public interest, or for the protection of investors, and that ASISI has shown good cause that relief should be granted. Accordingly, we respectfully urge the Commission to waive, effective as of April 17, 2009, the disqualification provisions in Regulation A and Rule 505 of Regulation D to the extent they may be applicable to ASISI, any affiliated issuers, and certain third-party issuers described above, as a result of the entry of the Order.4

If you have any questions regarding this request, please contact me at 202-663-6993.

Very truly yours,

[Signature]
Harry J. Weiss