



DIVISION OF
CORPORATION FINANCE

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

February 26, 2009

David S. Huntington, Esq.
Paul, Weiss, Rifkind, Wharton & Garrison LLP
1285 Avenue of the Americas
New York, NY 10019-6064

**Re: Wachovia Securities, LLC—Waiver Request under Regulation A
and Rule 505 of Regulation D**

Dear Mr. Huntington:

This is in response to your letter dated February 26, 2009, written on behalf of Wachovia Securities, LLC ("Wachovia") 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 disqualifications from exemptions otherwise available under Regulation A and Rule 505 of Regulation D that arose as a result of the entry of a Final Judgment dated February 17, 2009 by the United States District Court for the Northern District of Illinois in *SEC v. Wachovia Securities, LLC*, Civil Case No. 09 CV 743 (the "Judgment"). The Judgment permanently restrains and enjoins Wachovia from violating Section 15(c)(1) of the Securities Exchange Act of 1934 and orders Wachovia to comply with the undertakings and agreements set forth in the Consent incorporated into the Judgment. You also requested relief from disqualifications under Regulation A and Rule 505 of Regulation D that arise as a result of the entry of an injunction of a U.S. state or territorial court arising from the same facts and circumstances addressed in the complaint that resulted in the entry of the Judgment (the "Complaint").

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

On the basis of your letter, I have determined that Wachovia has made showings of good cause under Rule 262 and Rule 505(b)(2)(iii)(C) that it is not necessary under the circumstances to deny the exemptions available under Regulation A and Rule 505 of Regulation D by reason of the entry of the Judgment or any state or territorial court injunction addressing the same conduct and based on the same facts as the conduct and facts addressed in the Complaint. Accordingly, pursuant to delegated authority, relief from the disqualifying provisions of Regulation A and Rule 505 of Regulation D that deny such exemptions for such reasons is hereby granted.

Very truly yours,

A handwritten signature in cursive script that reads "Gerald J. Laporte".

Gerald J. Laporte
Chief, Office of Small Business Policy

PAUL, WEISS, RIFKIND, WHARTON & GARRISON LLP

1285 AVENUE OF THE AMERICAS
NEW YORK, NEW YORK 10019-6064

TELEPHONE (212) 373-3000
FACSIMILE (212) 757-3990

LLOYD K. GARRISON (1946-1991)
RANDOLPH E. PAUL (1946-1956)
SIMON H. RIFKIND (1950-1995)
LOUIS S. WEISS (1927-1950)
JOHN F. WHARTON (1927-1977)

2001 K STREET, NW
WASHINGTON, DC 20006-1047
TELEPHONE (202) 223-7300
FACSIMILE (202) 223-7420

FUKOKU SEIMEI BUILDING
2-2 UCHISAIWAICHO 2-CHOME
CHIYODA-KU, TOKYO 100-0011, JAPAN
TELEPHONE (81-3) 3597-8101
FACSIMILE (81-3) 3597-8120

UNIT 3601, FORTUNE PLAZA OFFICE TOWER A
NO. 7 DONG SANHUAN ZHONGLU
CHAO YANG DISTRICT
BEIJING 100020
PEOPLE'S REPUBLIC OF CHINA
TELEPHONE (86-10) 5828-6300
FACSIMILE (86-10) 6530-9070/9080

WRITER'S DIRECT DIAL NUMBER

212 373 3124

WRITER'S DIRECT FACSIMILE

212 492 0124

WRITER'S DIRECT E-MAIL ADDRESS

dhuntington@paulweiss.com

12TH FLOOR, HONG KONG CLUB BUILDING
3A CHATER ROAD, CENTRAL
HONG KONG
TELEPHONE (852) 2536-9933
FACSIMILE (852) 2536-9622

ALDER CASTLE
10 NOBLE STREET
LONDON EC2V 7JU, U.K.
TELEPHONE (44 20) 7367 1600
FACSIMILE (44 20) 7367 1650

February 26, 2009

MATTHEW W. ABBOTT
MARK H. ALCOTT
ALLAN J. ARFFA
ROBERT A. ATKINS
JOHN F. BAUGHMAN
LYNN B. BAYARD
DANIEL J. BELLER
MITCHELL L. BERG
MARK S. BERGMAN
BRUCE BIRENBOIM
H. CHRISTOPHER BOEHNING
ANGELO BONVINO
HENK BRANDS
JAMES L. BROCHIN
RICHARD J. BRONSTEIN
DAVID W. BROWN
SUSANNA M. BUEGEL
PATRICK S. CAMPBELL*
JEANETTE K. CHAN
YVONNE Y. F. CHAN
LEWIS R. CLAYTON
JAY COHEN
KELLEY A. CORNISH
CHARLES E. DAVIDOW
DOUGLAS R. DAVIS
THOMAS V. DE LA BASTIDE III
ARIEL J. DECKELBAUM
JAMES M. DUBIN
ANDREW J. EHRLICH
LESLIE GORDON FAGEN
MARC FALCONE
PETER L. FELCHER
ROBERTO FINZI
PETER E. FISCH
ROBERT C. FLEDER
MARTIN FLUMENBAUM
ANDREW J. FOLEY
HARRIS B. FREIDUS
MANUEL S. FREY
KENNETH A. GALLO
MICHAEL E. GERTZMAN
PAUL D. GINSBERG
ERIC S. GOLDSTEIN
ERIC GOODISON
CHARLES H. GOOGE, JR.
ANDREW G. GORDON
BRUCE A. GUTENPLAN
GAINES GWATHMEY, III
ALAN S. HALPERIN
CLAUDIA HAMMERMAN
GERARD E. HARPER
BRIAN S. HERMANN
ROBERT M. HIRSH
MICHELE HIRSHMAN
JOYCE S. HUANG
MEREDITH J. KANE
ROBERTA A. KAPLAN
BRAD S. KARP
JOHN C. KENNEDY
ALAN W. KORNBERG
DANIEL J. KRAMER
*NOT ADMITTED TO THE NEW YORK BAR

DAVID K. LAKHDHIR
JOHN E. LANGE
DANIEL J. LEFFELL
XIAOYU GREG LIU
JEFFREY D. MARELL
JULIA TARVER MASON
MARCO V. MASOTTI
EDWIN S. MAYNARD
DAVID W. MAYO
TOBY S. MYERSON
JOHN E. NATHAN
CATHERINE NYARADY
ALEX YOUNG K. OH
JOHN J. O'NEIL
KELLEY D. PARKER
ROBERT P. PARKER*
MARC E. PERLMUTTER
MARK F. POMERANTZ
VALERIE E. RADWANER
CAREY R. RAMOS
CARL L. REISNER
WALTER G. RICCIARDI
WALTER RIEMAN
RICHARD A. ROSEN
ANDREW N. ROSENBERG
PETER J. ROTHENBERG
JACQUELINE P. RUBIN
RAPHAEL M. RUSSO
JEFFREY D. SAFERSTEIN
JEFFREY B. SAMUELS
DALE M. SARRO
TERRY E. SCHIMEK
KENNETH M. SCHNEIDER
ROBERT B. SCHUMER
JAMES H. SCHWAB
STEPHEN J. SHIMSHAK
DAVID R. SICULAR
MOSES SILVERMAN
STEVEN SIMKIN
JOSEPH J. SIMONS
MARILYN SOBEL
TARUN M. STEWART
ERIC ALAN STONE
AIDAN SYNNOTT
ROBYN F. TARNOSKY
JUDITH R. THOYER
DANIEL J. TOAL
MARK A. UNDERBERG
LIZA M. VELAZQUEZ
MARIA T. VULLO
LAWRENCE G. WEE
THEODORE V. WELLS, JR.
BETH A. WILKINSON
STEVEN J. WILLIAMS
LAWRENCE I. WITDORCHIC
JORDAN E. YARETT
KAYE N. YOSHINO
TONG YU
TRACEY A. ZACCONE
T. ROBERT ZOCHOWSKI, JR.

FIRST CLASS MAIL AND EMAIL

Gerald J. Laporte, Esq.
Chief, Office of Small Business Policy
Division of Corporation Finance
Securities and Exchange Commission
100 F Street, N.E.
Washington, DC 20549-3628

Re: In the Matter of Auction Rate Securities Liquidity, Wachovia Securities, LLC (File No. C-7471); Securities and Exchange Commission v. Wachovia Securities, LLC (N.D.Ill. 2009) – Waiver Request under Regulation A and Rule 505 of Regulation D

Dear Mr. Laporte:

We submit this letter on behalf of our client Wachovia Securities, LLC (the "Settling Firm") in connection with a settlement between the Settling Firm and the Securities and Exchange Commission (the "Commission") in the above referenced civil proceeding relating to the Settling Firm's sale of auction rate securities to its customers.

The Settling Firm is an indirect subsidiary of Wells Fargo & Company ("Wells Fargo").¹ Through its direct and indirect subsidiaries, Wells Fargo offers banking,

¹ The Settling Firm is a subsidiary of Wachovia Securities Financial Holdings, LLC ("WSFH"), a joint venture between Wells Fargo (as a result of its merger with Wachovia Corporation) and Prudential Financial, Inc. ("Prudential"). Prudential's precise indirect ownership interest in WSFH, taking into account, among other things, Wachovia Corporation's 2007 acquisition of

brokerage, advisory and other financial services to institutional and individual customers worldwide.

The Settling Firm below requests, pursuant to Rule 262 of Regulation A and Rule 505(b)(2)(iii)(C) of Regulation D promulgated under the Securities Act of 1933, as amended (the "Securities Act"), a waiver of any disqualification from exemptions under Regulation A and Rule 505 of Regulation D that may be applicable to the Settling Firm, any of its affiliates or any issuer, offering participant or other person as a result of the entry of the Final Judgment (as defined below) or any related state or territory court injunction arising from the same facts and circumstances addressed in the Complaint (as defined below).² The Settling Firm also requests that these waivers be granted effective as of the entry of the Final Judgment.

BACKGROUND

The Settling Firm has engaged in settlement discussions with the staff of the Division of Enforcement in connection with the civil proceeding referenced above. As a result of these discussions, the Settling Firm has submitted an executed consent dated January 27, 2009 (the "Consent"). In the Consent, the Settling Firm has agreed to the entry of a judgment (the "Final Judgment") in the United States District Court for the Northern District of Illinois relating to a complaint (the "Complaint"), which was filed by the Commission on February 5, 2009. Under the terms of the Consent, the Settling Firm will neither admit nor deny the allegations in the Complaint or the findings in the Final Judgment, except as to jurisdiction.

The Complaint alleges that the Settling Firm violated Section 15(c) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), by selling auction rate securities to its customers without adequately disclosing the risks involved in purchasing these securities. As a result of widespread auction failures beginning in February 2008, many customers who thought they had acquired liquid securities (equivalent to cash) were left with no market for their auction rate securities and no means of realizing the par value of their auction rate securities. The Final Judgment, which was entered on February 17, 2009, enjoins the Settling Firm from future violations of Section 15(c) of the Exchange Act and requires the Settling Firm to take certain other remedial measures.

A.G. Edwards, Inc., is in the process of being determined. We request that any waiver granted apply to Prudential and its affiliates to the extent that Prudential and any of its affiliates are deemed affiliates of Wachovia Securities.

² The Settling Firm expects also to enter into settlement agreements regarding the activity referred to in the Complaint with certain states or territories. To the extent that any such settlement agreement may result in an injunction by a court of competent jurisdiction that would cause a disqualification under Regulation A or Regulation D, this request also covers any such resulting disqualification.

DISCUSSION

The Settling Firm understands that the Final Judgment disqualifies it, its affiliated entities and issuers, offering participants and other persons from participating in certain offerings otherwise exempt under Regulation A and Rule 505 of Regulation D promulgated under the Securities Act insofar as the Final Judgment is deemed an order, judgment or decree of a court of competent jurisdiction enjoining the Settling Firm from engaging in or continuing to engage in any conduct or practice in connection with the purchase or sale of a security. The Commission has the authority to waive the exemption disqualification under Regulation A and Rule 505 of Regulation D upon a showing of good cause that such disqualifications are not necessary under the circumstances. See Rule 262 of Regulation A and Rule 505(b)(2)(iii)(C) of Regulation D.³ The Settling Firm requests that the Commission waive any disqualifying effects that the Final Judgment and any related state or territory court injunction may have under Regulation A and Rule 505 of Regulation D with respect to the Settling Firm, its affiliates or any issuer, offering participant or other person on the following grounds:

1. The Settling Firm's conduct addressed in the Final Judgment does not relate to offerings under Regulation A or Rule 505 of Regulation D.
2. The Settling Firm and its affiliates have a strong record of compliance with the securities laws. In addition, the Settling Firm voluntarily cooperated with the Enforcement Division's investigation of this matter and agreed to pursue a comprehensive settlement at the request of the Enforcement Division.
3. The disqualification of the Settling Firm, its affiliates and other persons from the exemptions under Regulation A and Rule 505 of Regulation D would have an adverse impact on third parties that retain or provide services to the Settling Firm or any of its affiliates in connection with transactions that may need to be made in reliance on these exemptions.
4. The disqualification of the Settling Firm, its affiliates and other persons from the exemptions under Regulation A and Rule 505 of Regulation D would be unduly and disproportionately severe, given that the

³ We note in support of this request that the Commission has in other instances granted relief under Rule 262 of Regulation A and Rule 505(b)(2)(iii)(C) of Regulation D. See, e.g., Gabelli Funds, LLC, SEC Letter (pub. avail. Apr. 24, 2008); Bank of America Securities LLC, SEC Letter (pub. avail. May 31, 2006); Citigroup Global Markets, Inc., SEC Letter (pub. avail. May 31, 2006); J.P. Morgan Securities, Inc., SEC Letter (pub. avail. May 31, 2006); Wachovia Capital Markets, LLC, SEC Letter (pub. avail. May 31, 2006); American International Group, Inc., SEC Letter (pub. avail. Dec. 7, 2004); Goldman, Sachs & Co., SEC Letter (pub. avail. Oct. 30, 2003); Credit Suisse First Boston Corporation, SEC Letter (pub. avail. Jan. 29, 2002); Dain Rauscher, Incorporated, SEC Letter (pub. avail. Sept. 27, 2001); Legg Mason Wood Walker, Incorporated, SEC Letter (pub. avail. June 11, 2001).

Gerald J. Laporte, Esq.

Page 4

Commission staff has negotiated a settlement with the Settling Firm and reached a satisfactory conclusion to this matter.

In light of the foregoing, the Settling Firm believes that it has shown good cause that relief should be granted. Accordingly, we respectfully request the Commission, pursuant to Rule 262 of Regulation A and Rule 505(b)(2)(iii)(C) of Regulation D, to waive, effective as of the entry of the Final Judgment, the disqualification provisions in Regulation A and Rule 505 of Regulation D to the extent they may be applicable to the Settling Firm, any of its affiliates or any issuer, offering participant or other person as a result of the Final Judgment or any related state or territory court injunction.

Please do not hesitate to contact me at (212) 373-3124 regarding this request.

Sincerely yours,



David S. Huntington

Cc: Doug Kelly, Wachovia Securities, LLC
David Hebner, Wachovia Securities, LLC
Robert L. Lee, Wells Fargo & Company
Kathryn Quirk, Prudential Financial, Inc.
Kenneth J. Berman, Debevoise & Plimpton LLP