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August 11, 2006

Ms. Catherine McGuire
Chief Counsel
Division of Market Regulation
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

Re: Request for Exemption from Rule 10b-10(a) for Wachovia Securities

Dear Ms. McGuire:

On behalf of Wachovia Securities, LLC ("WSLLC") and Wachovia Securities Financial Network, LLC ("WSFN") (together, "Wachovia Securities"), we request an exemption, pursuant to Rule 10b-10(f) of the Securities Exchange Act of 1934, as amended ("Exchange Act"), from the trade-by-trade confirmation delivery requirements of Rule 10b-10(a) for securities transactions in the accounts of the respective clients of each of WSLLC and WSFN in the Private Investment Management ("PIM"), Fundamental Choice ("FC") and Quantitative Choice ("QC") Programs (collectively, "Program Clients"). WSLLC and WSFN request this relief to permit them to send requesting Program Clients, in lieu of trade-by-trade confirmations, a periodic statement not less often than quarterly that contains all of the information required by Rule 10b-10(a).

WSLLC and WSFN are affiliated broker-dealers registered with the Securities and Exchange Commission ("Commission") under Section 15(b) of the Exchange Act. WSLLC is a member of all principal national securities exchanges and the NASD, Inc. ("NASD"), and WSFN is a member of the NASD. WSLLC and WSFN are also affiliated investment advisers, each registered under the Investment Advisers Act of 1940, as amended (the "Advisers Act"). As registered investment advisers, each of WSLLC and WSFN are fiduciaries for their respective Program Clients.

The PIM, FC and QC Programs

WSLLC and WSFN make available to their respective clients the PIM, FC and QC Programs (hereinafter "Programs").¹ The Programs are investment advisory programs, wherein WSLLC

¹ WSFN has entered into an agreement with WSLLC, pursuant to which WSLLC will act as service provider to WSFN with respect to the Programs. WSFN, however, will act as the sole investment adviser and executing broker for securities transactions in the accounts of its own Program Clients.

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or WSFN acts as the sole investment adviser and executing broker for any resulting securities transactions in their respective Program Clients' accounts. A Program Client, therefore, receives portfolio management, execution, asset allocation and administrative services for one "wrap fee" based on assets under management.

All Program Clients open and maintain a securities brokerage account at WSLLC or WSFN and are subject to WSLLC's or WSFN's respective account opening procedures, including execution of client agreements, new account forms, and other documentation. New Program accounts are subject to supervisory review and approval. All Program Clients also execute a PIM, FC or QC Client Agreement ("Client Agreement") as well as an Account Profile/Investment Policy Questionnaire specifying investment objectives and other required information. Program Clients also receive disclosures and brochures applicable to advisory clients and investment advisory programs. In the Client Agreement, each client gives either WSLLC or WSFN, as applicable, complete investment discretion to purchase or sell any security in a manner consistent with the client's investment objectives. WSLLC and WSFN disclose all fees charged for advisory and brokerage services, and each Program Client specifically agrees to these fees in the Client Agreement. The "wrap fee" includes charges for investment advisory services, brokerage commissions, custodian services, and the issuance of quarterly reports.

WSLLC and WSFN, as applicable, currently send an immediate confirmation to each respective Program Client following the purchase or sale of any security in a Program account. For each cash movement or securities transaction in a Program account, WSLLC's and WSFN's systems automatically generate an entry on the Program Client's monthly statement sent to the client at month-end detailing all securities transactions and fund movements during the period. On a quarterly basis, WSLLC and WSFN send to each respective Program Client the Quarterly Performance Report, which provides a comprehensive review of securities positions.

Program Clients Requests to Waive Receipt of Immediate Confirmations

Because Program Clients retain either WSLLC or WSFN as a fiduciary to manage their funds on a discretionary basis, some do not wish to receive immediate confirmation statements on a trade-by-trade basis. These clients are willing to expressly instruct WSLLC or WSFN, in writing, not to send immediate confirmation statements for trades in Program accounts.

WSLLC's and WSFN's Proposal

WSLLC and WSFN propose to confirm Program account transactions to their respective clients through the use of quarterly statements, which will contain the information otherwise required by Rule 10b-10(a) in lieu of delivering separate, trade-by-trade confirmations for each such transaction. In implementing this proposal, WSLLC and WSFN would do the following:

1. WSLLC and WSFN would provide all Program Clients, at or prior to account opening, and at least annually thereafter offer to provide, a brochure describing the products, services, and fees of the Programs, consistent with Advisers Act Rule 204-3.

2. WSLLC and WSFN would develop a form of written or electronic consent that will be prominent, clear and easily understandable for Program Clients who request not to receive trade-by-trade confirmations and, in lieu thereof, receive a periodic statement that contains the same information that would have been in the trade-by-trade confirmation for each transaction. New Program Clients would elect to receive a periodic statement in lieu of trade-by-trade confirmations by initialing a separate signature line specifically providing for such consent (or by executing a separate electronic consent to receive periodic statements in lieu of trade-by-trade confirmations), contained in the client's account opening documentation.
3. Program Clients electing not to receive trade-by-trade confirmations could later change their minds and request, for no additional cost, trade-by-trade confirmations for any transaction since the date of the last periodic statement, as well as for all subsequent transactions. WSLLC and WSFN would also inform their respective Program Clients that they could request, for no additional fee, trade-by-trade confirmations for previous transactions effected for up to a one-year period preceding the last periodic statement.
4. WSLLC and WSFN would send all information required by Rule 10b-10 to Program Clients in a periodic statement on at least a quarterly basis.
5. Program Clients would have access to either WSLLC's or WSFN's website, as applicable, and will be able to view, in no event later than the next business day after trade date (T+1), all information required by Rule 10b-10. Program Clients would also be able to obtain all information required by Rule 10b-10 either by telephoning their account representative or by requesting the trade-by-trade confirmation for the particular transaction.
6. WSLLC and WSFN would each continue to generate and send trade-by-trade confirmations to those Program Clients who do not elect to receive periodic statements in lieu of trade-by-trade confirmations.
7. WSLLC and WSFN would each also continue to generate and retain, in accordance with Exchange Act Rules 17a-3 and 17a-4, trade-by-trade confirmations for Program Clients who elect to receive periodic statements in lieu of trade-by-trade confirmations.
8. Neither WSLLC nor WSFN would require or request that their respective Program Clients elect not to receive trade-by-trade confirmations, but each would make information available on how such clients could make such an election. WSLLC and WSFN client communications would inform existing and new Program Clients about their ability to receive confirmations on a trade-by-trade basis or in periodic statements, but would not suggest which choice is better. Such client communications also would inform Program Clients that, if interested, they should contact a WSLLC or WSFN representative, as applicable, to obtain more informa-

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tion or to obtain a copy of a written or electronic consent to request a periodic statement in lieu of trade-by-trade confirmations. These client communications would not suggest that such an election is required for Program accounts or that the clients would incur additional costs if they did not elect to receive periodic statements in lieu of trade-by-trade confirmations.

9. Neither WSLLC nor WSFN would act as principal in transactions with their respective Program Clients.

10. Consistent with the wrap fee program concept of no transaction fees, no Program Clients would be charged a mark-up, mark-down or commission for transactional services, or pay a sales load in connection with transactions in mutual fund shares.²

Wachovia Securities believes it is appropriate for the Commission to grant the requested relief to permit WSLLC and WSFN to confirm client transactions in quarterly statements according to written client authorization as described in this letter. Under the terms of the proposed exemption, the Program Clients will be provided the investor protections contemplated by Rule 10b-10, without obligating such clients to receive trade-by-trade confirmations they do not want and have asked not to receive. Moreover, Wachovia Securities believes that the relief requested is consistent with the procedures authorized for other investment advisory programs.³

Should you have any further questions or require additional information, please feel free to contact either Jack Drogin at 202.739.5380 or me at 202.739.5946. On behalf of Wachovia Securities, we appreciate the staff's consideration of this request.

Very truly yours,

John V. Ayanian

² In the event WSLLC or WSFN charges Program Clients a mark-up or mark-down in connection with a principal transaction or charges a sales load in connection with a mutual fund transaction, the broker-dealer will send a trade-by-trade confirmation in connection with the transaction.

³ See e.g., *Donaldson, Lufkin & Jenrette Securities Corporation* (August 21, 1997), *Scudder Investor Services, Inc.* (February 11, 1998), *Advest, Inc.* (July 19, 1999), *Sanford Bernstein & Co., LLC* (April 18, 2005), and *Morgan Keegan & Co., Inc.* (April 21, 2005).