

**SECURITIES AND EXCHANGE COMMISSION**

**17 CFR PART 240**

**[Release No. 34-58047; File No. S7-16-08]**

**RIN 3235-AK15**

**Exemption of Certain Foreign Brokers or Dealers**

**AGENCY:** Securities and Exchange Commission.

**ACTION:** Proposed rule.

**SUMMARY:** The Securities and Exchange Commission (“Commission” or “SEC”) is proposing to amend a rule under the Securities Exchange Act of 1934 (“Exchange Act”), which provides conditional exemptions from broker-dealer registration for foreign entities engaged in certain activities involving certain U.S. investors. To reflect increasing internationalization in securities markets and advancements in technology and communication services, the proposed amendments would update and expand the scope of certain exemptions for foreign entities, consistent with the Commission’s mission to protect investors, maintain fair, orderly and efficient markets and facilitate capital formation.

**DATES:** Comments should be received on or before September 8, 2008.

**ADDRESSES:** Comments may be submitted by any of the following methods:

Electronic comments:

- Use the Commission’s Internet comment form (<http://www.sec.gov/rules/proposed.shtml>); or
- Send an e-mail to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include File Number S7-16-08 on the subject line; or













































































































































































































































