



8 September 2008

Secretary
Securities and Exchange Commission
100 F Street, N.E.
Washington, DC 20549
United States of America

Dear Sir/Madam

Proposed Amendments to Rule 15a-6 [File No. S7-16-08]

The Australian Financial Markets Association (AFMA) appreciates the opportunity to provide comments on the Commission's proposed amendments to Rule 15a-6. AFMA represents the interests of participants in the Australian wholesale banking and financial markets on regulatory issues that affect their business. Our members are industry leaders and comprise both Australian and foreign owned institutions, including investment banks, securities companies and traders in specialised financial services.

Australia has a well-developed and rigorous policy for unilateral recognition of overseas regulators who supervise the business of foreign entities that offer financial services to wholesale clients in Australia. This has contributed positively to the performance of our financial markets by providing efficient access for Australian investors to global markets and a range of related products and services. This has been achieved while upholding the high standard of market integrity and investor protection expected in our markets.

We expect that the proposed changes to Rule 15a-6 should similarly benefit US investors by allowing them increased access to global markets and products, while maintaining strong regulatory protection for these investors.

The recently announced mutual recognition arrangement between the SEC and the Australian Securities and Investments Commission (ASIC) is welcome and should benefit business and investors by smoothing the regulatory pathway and promoting capital flows between the US and Australian economies. This illustrates the long run potential to minimise regulatory overlap and barriers to global market integration.

The proposed changes to Rule 15a-6 will complement the mutual recognition arrangement with ASIC by improving access to the US market by subsidiaries of Australian entities based in, and supervised by regulators in, third countries. This is considered a worthwhile development and, therefore, AFMA supports the proposed changes to Rule 15a-6.

Yours sincerely

Duncan Fairweather
Executive Director