



DIVISION OF
CORPORATION FINANCE

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

March 14, 2007

Mr. Robert F. Wise, Jr.
Davis Polk & Wardwell
450 Lexington Avenue
New York, N.Y. 10017

Re: In the Matter of Banc of America Securities LLC, HO-9280
Waiver Request of Ineligible Issuer Status under Rule 405 of the Securities Act

Dear Mr. Wise:

This is in response to your letter dated February 9, 2007, written on behalf of Banc of America Securities LLC (Company), and constituting an application for relief from the Company being considered an "ineligible issuer" under Rule 405(1)(vi) of the Securities Act of 1933 (Securities Act). The Company requests relief from being considered an ineligible issuer under Rule 405, due to the entry on March 14, 2007, of a Commission Order (Order) pursuant to Sections 15(b)(4) and 21C of the Securities Exchange Act of 1934 (Exchange Act) naming the Company as a respondent.

Based on the facts and representations in your letter, and assuming the Company complies with the Order, the Commission, pursuant to delegated authority has determined that the Company has made a showing of good cause under Rule 405(2) and that the Company will not be considered an ineligible issuer by reason of the entry of the Order. Accordingly, the relief described above from the Company being an ineligible issuer under Rule 405 of the Securities Act is hereby granted. Any different facts from those represented or non-compliance with the Order might require us to reach a different conclusion.

Sincerely,

A handwritten signature in cursive script that reads "Mary Kosterlitz".

Mary Kosterlitz
Chief, Office of Enforcement Liaison
Division of Corporation Finance

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ROBERT F. WISE, JR.
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February 9, 2007

Re: **In the Matter of Banc of America Securities LLC, HO-9280**

Mary Kosterlitz, Esq.
Chief, Office of Enforcement Liaison
Division of Corporation Finance
Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549-7553

Dear Ms. Kosterlitz:

This letter is submitted on behalf of our clients, Bank of America Corporation ("BAC"), a reporting company registered under section 12 of the Securities Exchange Act of 1934, and Bank of America Securities LLC ("BAS"), a registered broker-dealer and a wholly owned subsidiary of BAC, to request that the Division of Corporation Finance, on behalf of the Commission, determine that BAC and BNY should not be considered "ineligible issuers" as defined in amended Rule 405 ("Rule 405") under the Securities Act of 1933 as a result of a proposed order (the "Order") to be entered in connection with settlement of an administrative action by the Commission against BAS in the above-captioned matter. We request the determination be made effective upon entry of the Order. We understand that the Division of Enforcement does not object to such determination.

BACKGROUND

BAS and the Enforcement Division Staff have been negotiating a settled resolution of the investigation and have reached agreement on the terms of the Order, which would institute an administrative action against BAS for violations

related to BAS research activities. BAS is prepared to consent to the entry of the Order with the reservation that it neither admits nor denies the allegations (apart from jurisdiction).

Among other things, the Order will charge that BAS violated section 15(c) and of the Securities Exchange Act of 1934 and Rule 15c1-2(a) thereunder in connection with its issuance between 1999 and 2001 of certain research reports on publicly traded issuers that allegedly did not reflect the true opinions of the analysts who issued them. The cited provisions are included among the antifraud provisions referred to in Rule 405. Under the terms of the Order, BAS will pay \$10 million as a penalty and \$10 million as disgorgement with respect to the section 15(c) charge. BAS will pay an additional \$6 million penalty in settlement of a non-fraud policies and procedures violation under section 15(f) of the Exchange Act. Additionally, the Order includes a cease and desist with respect to all of the violations; a censure; and certain undertakings, both as to adoption of policies and procedures designed to prevent further violations and as to retention of an independent consultant with respect to the non-fraud section 15(f) policies and procedures charge.

DISCUSSION

As recently amended by the Securities Offering Reform proposals adopted by the Commission, the Securities Act rules provide certain benefits for "well-known seasoned issuers" in connection with the registration process. The Securities Act rules also permit certain issuers to use a "free writing prospectus" in connection with a registered offering of securities. *See* Rule 164 and Rule 433 under the Securities Act. These benefits, however, are unavailable to issuers defined as "ineligible issuers" pursuant to Rule 405.

Rule 405 defines "ineligible issuer" to include any issuer which itself or which one of its subsidiaries had within the past three years been "made the subject of any...administrative...order arising out of a governmental action that...[r]equires that the person cease and desist from violating the anti-fraud provisions of the federal securities laws." Notwithstanding the foregoing, paragraph (2) of the definition provides that an issuer "shall not be an ineligible issuer if the Commission determines, upon a showing of good cause, that it is not necessary under the circumstances that the issuer be considered an ineligible issuer." The Commission has delegated authority to the Division of Corporation Finance to make such determinations.¹

The Order might be deemed to render BAS, as well as BAC, ineligible issuers for a period of three years after it is entered. As an ineligible issuer, BAC

¹ *See* 17. C.F.R. § 200.30-1. *See also* note 215 in Release No. 33-8591 (July 19, 2005).

would be precluded from qualifying as a well-known seasoned issuer and having the benefit of automatic shelf registration and other provisions of the new rules for three years. This would impose a significant burden on BAC. BAC is a frequent issuer of registered securities that offers and sells securities under shelf registration statements. For BAC, the shelf registration process provides an important means of access to the U.S. capital markets, which are an essential source of funding for the company's global operations. Consequently, the ability to avail itself of automatic shelf registration and the other benefits available to a well-known seasoned issuer is very important to BAC.

As described above, Rule 405 authorizes the Commission to determine for good cause that a company shall not be an ineligible issuer, notwithstanding that it becomes subject to an otherwise disqualifying administrative order. BAC and BAS believe that there is a good cause for the Commission to make such a determination as to them with respect to the Order on the following grounds:

1. Designation of BAC or BAS as an ineligible issuer is not warranted given the nature of the violation found in the Order. The alleged conduct related primarily to BAS research activities in its capacity as a broker-dealer. The Order does not challenge BAC's or BAS's disclosures in their own filings with the Commission, nor does it allege fraud in connection with offerings by BAC or BAS of their own securities.
2. BAC and BAS have a strong record of compliance with the securities laws and voluntarily cooperated with the Division of Enforcement's inquiry into this matter. BAS has implemented policies and procedures designed to help prevent recurrence of the conduct that is the subject of the Order.
3. Designation of BAC or BAS as an ineligible issuer would be unduly and disproportionately severe. The Order will require BAS to pay civil money penalties in the amount of \$16 million and disgorgement in the amount of \$10 million. Loss of "well known seasoned issuer" privileges would impose an additional penalty beyond what the Order requires and is unnecessary to achieve its remedial purposes.

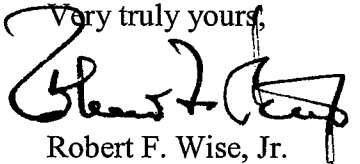
In light of the foregoing, subjecting BAC and BAS to ineligible issuer status is not necessary under the circumstances, either in the public interest or for the protection of investors, and good cause has been shown by BAC and BAS for grant of the requested relief. Accordingly, we respectfully request that the Division of Corporation Finance, on behalf of the Commission, pursuant to Rule 405, determine that under the circumstances BAC or BAS will not be considered an "ineligible issuer" within the meaning of Rule 405 as a result of the Order. We request that this determination be made for all purposes of the definition of "ineligible issuer," however it may now or hereafter be used under the federal securities laws and the rules thereunder.

Mary Kosterlitz, Esq.

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February 9, 2007

If you have any questions regarding this request, please contact the undersigned at (212) 450-4512.

Very truly yours,

Robert F. Wise, Jr.

cc: Kara N. Brockmeyer, Esq.
Assistant Director
Division of Enforcement
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-7553