



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

DIVISION OF
CORPORATION FINANCE

August 1, 2005

Brandon Becker, Esq.
Wilmer Cutler Pickering Hale and Dorr LLP
2445 M Street, N.W.
Washington, D.C. 20037

Re: In the Matter of Edward D. Jones & Co., L.P.—Waiver Request under Regulation A and Rule 505 of Regulation D

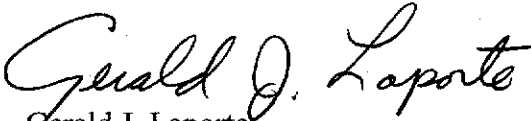
Dear Mr. Becker:

This is in response to your letter dated August 1, written on behalf of Edward D. Jones & Co., L.P. ("Edward Jones") 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 ("Securities Act"). You requested relief from disqualifications from exemptions available under Regulation A and Rule 505 of Regulation D that may have arisen by virtue of the order entered against Edward Jones as respondent on December 22, 2004 by the Securities and Exchange Commission, pursuant to Section 8A of the Securities Act and Sections 15(b)(4) and 21C of the Securities Exchange Act of 1934 ("Exchange Act"), censuring Edward Jones, ordering Edward Jones to cease and desist from committing or causing any violations and any future violations of Section 17(a)(2) of the Securities Act, Section 15B(c)(1) of the Exchange Act and Rule 10b-10 thereunder and Municipal Securities Rulemaking Board Rule G-15, ordering Edward Jones to pay disgorgement and prejudgment interest of \$37.5 million and a civil monetary penalty of \$37.5 million, and ordering that Edward Jones comply with undertakings set forth in the order, Securities Act Rel. No. 8520 (File No. 3-11780, December 22, 2004) (the "Order").

For purposes of this letter, we have assumed as facts the representations set forth in your letter and the findings supporting entry of the Order. We have also assumed that Edward Jones has complied and will continue to comply with the Order.

On the basis of your letter, I have determined that you have 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 entry of the Order. Accordingly, pursuant to delegated authority, and without necessarily agreeing that such disqualifications arose by virtue of entry of the Order, Edward Jones is granted relief from any disqualifications from exemptions otherwise available under Regulation A and Rule 505 of Regulation D that may have arisen as a result of entry of the Order.

Very truly yours,


Gerald J. Laporte
Chief, Office of Small Business Policy

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BY MESSENGER

Gerald J. Laporte, Esq.
Chief, Office of Small Business Policy
Division of Corporation Finance
U.S. Securities and Exchange Commission
Third Floor
100 F Street, N.E.
Washington, D.C. 20549

Re: In the Matter of Edward Jones & Co. (C-03797)

Dear Mr. Laporte:

This letter is submitted on behalf of our client, Edward D. Jones & Co., L.P. ("Edward Jones"), the settling respondent in administrative proceedings arising out of the above-captioned investigation. Edward Jones hereby requests, pursuant to Rule 262 of Regulation A and Rule 505(b)(2)(iii)(C) of Regulation D of the Securities and Exchange Commission (the "Commission") promulgated under the Securities Act of 1933 (the "Securities Act"), waivers of any disqualifications from exemptions under Regulations A and D that may be applicable to Edward Jones and any of its affiliates as a result of the entry of the Order Instituting Administrative and Cease-and-Desist Proceedings, Making Findings, and Imposing Remedial Sanctions and a Cease-and-Desist Order Pursuant to Section 8A of the Securities Act of 1933 and Sections 15(b) and 21C of the Securities Exchange Act of 1934 (the "Order"), which is described below. Edward Jones requests that these waivers be granted immediately.

BACKGROUND

The staff of the Commission engaged in settlement discussions with Edward Jones in connection with the administrative proceedings arising out of the above-captioned investigation pursuant to Section 8A of the Securities Act and Sections 15(b) and 21C of the Securities Exchange Act of 1934 (the "Exchange Act"). As a result of these discussions, Edward Jones submitted an executed Offer of Settlement of Edward D. Jones & Co., L.P. (the "Offer") that was presented by the staff to the Commission.

In the Offer, solely for the purpose of the proceedings and any other proceedings brought by or on behalf of the Commission or to which the Commission is a party, Edward Jones

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consented to the entry of the Order without admitting or denying the findings contained therein (other than those relating to the jurisdiction of the Commission, which are admitted). In the Order, which was entered on December 22, 2004, the Commission accepted the Offer and made findings, among others, that Edward Jones: entered into revenue sharing arrangements with seven mutual fund families that Edward Jones designated as Preferred Mutual Fund Families ("Preferred Families"); and did not disclose, on its public website or anywhere else, that it received financial incentives in the form of revenue sharing to sell the funds of the Preferred Families. Based on these findings, the Order: censured Edward Jones; ordered it to cease-and-desist from violating or causing any violations and future violations of Securities Act Section 17(a)(2), Exchange Act Section 15B(c)(1) and Rule 10b-10 thereunder, and MSRB Rule G-15; ordered it to make a payment of \$75 million, consisting of -- in equal amounts -- disgorgement and prejudgment interest thereon and a civil monetary penalty, which was required to be paid into an escrow account within 90 days of the entry of the Order; and ordered it to comply with its undertakings set forth in the Order.

DISCUSSION

Edward Jones understands that the entry of the Order may disqualify it and affiliated entities from certain exemptions under Regulation A and Rule 505 of Regulation D promulgated under the Securities Act, insofar as the Order causes Edward Jones to be subject to an order of the Commission entered pursuant to Section 15(b)(4) of the Exchange Act. The Commission has the authority to waive the Regulations A and D exemption disqualifications upon a showing of good cause that such disqualifications are not necessary under the circumstances. See 17 C.F.R. §§ 230.262 and 230.505(b)(2)(iii)(C).

Edward Jones seeks waiver of the exemption disqualifications on the following grounds:

1. Edward Jones's conduct addressed in the Order does not pertain to Regulation A or D.
2. Edward Jones consented to the entry of the Order that requires it to comply with its undertakings to improve its policies and procedures by retaining an Independent Consultant to conduct a comprehensive review of the adequacy of the policies and procedures that Edward Jones is required to devise and implement under the Order and to submit an Initial Report that shall include, among other things, its recommendations for modifications and additions to the policies and procedures devised and implemented by Edward Jones, which will help prevent recurrence of the conduct at issue.
3. The disqualification of Edward Jones from the exemptions under Regulations A and D would be unduly and disproportionately severe given the nature of the violations addressed in the Order and the extent to which disqualification may affect the business operations of Edward Jones. In addition, the disqualification of Edward Jones from the regulatory exemptions may place it at a competitive disadvantage with respect to third parties that might seek to retain Edward Jones in connection with transactions that rely on the regulatory exemptions.
4. The disqualification of Edward Jones from the exemptions under Regulations A and D

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also would be unduly and disproportionately severe, given that: (a) the Order relates to activity that already has been addressed pursuant to Edward Jones's undertakings and (b) Edward Jones has paid disgorgement and a significant civil monetary penalty pursuant to the Order.

* * *

In light of the grounds for relief discussed above, we believe that disqualification is not necessary, in the public interest, or for the protection of investors, and that Edward Jones has shown good cause that relief should be granted. Accordingly, we respectfully urge the Commission to waive the disqualification provisions in Regulations A and D to the extent they may be applicable to Edward Jones and any of its affiliates as a result of the entry of the Order.¹

If you have any questions regarding this request, please contact me at the above-listed number or my colleague Kevin McEnery at (202) 663-6596.

Sincerely,



Brandon Becker

¹ We note in support of this request that the Commission has granted relief under Rule 262 of Regulation A and Rule 505(b)(2)(iii)(C) of Regulation D for similar reasons. *See, e.g.*, Sybaris Clubs Int'l, Inc., S.E.C. No-Action Letter (pub. avail. July 1, 1996); The Cooper Companies, Inc., S.E.C. No-Action Letter (pub. avail. Dec. 20, 1994); Michigan Nat'l Corp., S.E.C. No-Action Letter (pub. avail. Dec. 17, 1993); General Electric Co., S.E.C. No-Action Letter (pub. avail. May 24, 1988); *see also* Prudential Securities Inc., S.E.C. No-Action Letter (pub. avail. July 10, 2003); Credit Suisse First Boston Corporation, S.E.C. No-Action Letter (pub. avail. Jan. 29, 2002); Dain Rauscher, Incorporated, S.E.C. No-Action Letter (pub. avail. Sept 27, 2001); Legg Mason Wood Walker, Incorporated, S.E.C. No-Action Letter (pub. avail. June 11, 2001); Prudential Securities Inc., S.E.C. No-Action Letter (pub. avail. Jan 29, 2001).