



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

DIVISION OF  
CORPORATION FINANCE

May 31, 2006

Sharon Katz, Esq.  
Davis Polk & Wardwell  
450 Lexington Avenue  
New York, NY 10017

**Re: Banc of America Securities LLC, Administrative Proceeding File No. 3-12310—  
Waiver Request under Regulation A and Rule 505 of Regulation D**

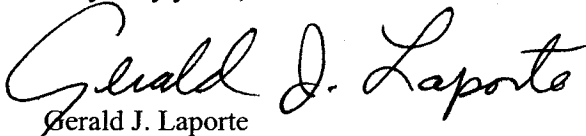
Dear Ms. Katz:

This is in response to your letter dated today, written on behalf of Banc of America Securities LLC ("Banc of America") 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 arose by virtue of the entry of an order dated today against Banc of America and others as respondents by the Securities and Exchange Commission in the referenced administrative proceeding (the "Order"). The disqualifications arose because the Order was issued under Section 15(b) of the Securities Exchange Act of 1934 and contained paragraphs numbered IV.D and IV.E, which ordered Banc of America, among other things, to provide written descriptions of its material auction practices and procedures for auction rate securities. The order also was issued under Section 8A of the Securities Act and also censured Banc of America, ordered Banc of America to cease and desist from committing or causing any violations and any future violations of Section 17(a)(2) of the Securities Act, and ordered Banc of America to pay a civil money penalty in the amount of \$750,000.

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 against Banc of America. We have also assumed that Banc of America has complied and will continue to comply with the Order.

On the basis of your letter, I have determined that Banc of America has made a showing 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 against Banc of America. Accordingly, pursuant to delegated authority, Banc of America is granted relief from any disqualifications from exemptions otherwise available under Regulation A and Rule 505 of Regulation D that arose as a result of entry of the Order against it.

Very truly yours,

  
Gerald J. Laporte  
Chief, Office of Small Business Policy

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SHARON KATZ  
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May 31, 2006

Re: **In the Matter of Certain Auction Rate Securities Practices, File No.  
HO-09954**

Gerald J. Laporte, Esq.  
Chief, Office of Small Business Policy  
Division of Corporation Finance  
Securities and Exchange Commission  
100 F Street, N.E.  
Washington, D.C. 20549-3628

Dear Mr. Laporte:

We submit this revised letter on behalf of our client, Banc of America Securities LLC ("BAS"), in connection with the settlement of the above-referenced matter arising out of an investigation by the Securities and Exchange Commission (the "Commission") into certain auction rate securities practices at BAS and several other broker-dealers.

BAS below requests, pursuant to Rule 262 of Regulation A and Rule 505(b)(2)(iii)(C) of Regulation D of the Commission promulgated under the Securities Act of 1933 (the "Securities Act"), a waiver of any disqualification from exemptions under Regulation A and Rule 505 of Regulation D that may be applicable to BAS and any of its affiliates, in particular, Bank of America Corporation, a reporting company registered under Section 12 of the Securities Exchange Act of 1934, as amended, as a result of the entry of the Settlement Order dated May 31, 2006. We understand that only the Commission or an individual Commission employee to whom appropriate authority has been delegated in accordance with 17 C.F.R. § 200.30-1 may grant this waiver request. BAS also requests that these waivers be granted effective upon entry of the

Settlement Order. It is our understanding that the Division of Enforcement does not object to the grant of the requested waivers by the Division of Corporation Finance.

### BACKGROUND

The Commission Staff and BAS have agreed to a settlement in connection with the above-referenced matter. This agreement includes a Cease and Desist Order (the "Settlement Order"). The Settlement Order alleges that, in connection with BAS's auction rate securities practices, BAS committed a violation of Section 17(a)(2) of the Securities Act. Prior to the entry of the Settlement Order, BAS will consent to the entry of such order, while neither admitting nor denying the allegations in such order (apart from jurisdiction). Additionally, the Settlement Order requires BAS to pay seven hundred fifty thousand dollars in settlement of the matters addressed in the Settlement Order, and to comply with the undertakings set forth in the Settlement Order.

### DISCUSSION

BAS understands that the entry of the Settlement Order could disqualify Bank of America Corporation, BAS and its other affiliated entities from participating in certain offerings otherwise exempt under Regulation A and Rule 505 of Regulation D promulgated under the Securities Act, insofar as the Settlement Order may be deemed to cause BAS to be subject to an order of the Commission entered pursuant to section 15(b), 15B(a), or 15B(c) of the Securities Exchange Act. The Commission has the authority to waive the Regulation A and Rule 505 of Regulation 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). BAS requests that the Commission waive any disqualifying effects that the Settlement Order may have under Regulation A and Rule 505 of Regulation D with respect to Bank of America Corporation, BAS or its other affiliates on the following grounds:

1. BAS's conduct addressed in the Settlement Order does not relate to offerings under Regulation A or D.
2. To the extent BAS has engaged in such actions, it has undertaken to cease and desist from all such action as delineated in the Settlement Order.
3. BAS's chief executive officer or general counsel will certify to the Commission, no later than 6 months after the Settlement Order, that BAS has implemented procedures that are reasonably designed to prevent and detect failures by BAS to conduct the auction process in accordance with the auction procedures disclosed in the disclosure documents any supplemental disclosures.

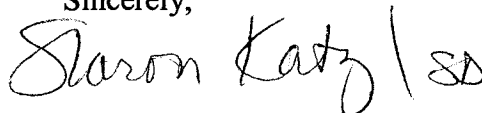
4. The disqualification of BAS from the exemptions under Regulation A and Rule 505 of Regulation D would, we believe, have an adverse impact on third parties that have retained Bank of America Corporation, BAS and its other affiliates in connection with transactions that rely on these exemptions.

5. The disqualification of BAS from the exemptions available under Regulation A and Rule 505 of Regulation D would be unduly and disproportionately severe, given that the Commission staff has negotiated a settlement with BAS and reached a satisfactory conclusion to this matter that will require BAS to pay seven hundred fifty thousand dollars in settlement of the matters addressed in the Settlement Order and will require BAS's chief executive officer or the general counsel to certify that BAS has implemented procedures that are reasonably designed to prevent and detect any failures by BAS to conduct the auction process in accordance to the disclosed process.

In light of the foregoing, we believe that disqualification is not necessary, in the public interest or for the protection of investors, and that BAS has shown good cause that relief should be granted. Accordingly, we respectfully request the Commission, pursuant to Rule 262 of Regulation A and Rule 505(b)(2)(iii)(C) of Regulation D, to waive, effective upon entry of the Settlement Order or any related disqualifying order, judgment, or decree of a U.S. state or territorial court based on the same facts and addressing the same conduct as is addressed in the Settlement Order, the disqualification provisions in Regulation A and Rule 505 of Regulation D to the extent they may be applicable to Bank of America Corporation, BAS and any of its other affiliates as a result of the entry of the Settlement Order and any such order, judgment, or decree.<sup>1</sup>

If you have any questions concerning this request, please feel free to call me.

Sincerely,

A handwritten signature in black ink that reads "Sharon Katz" followed by a vertical line and the initials "so".

Sharon Katz

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<sup>1</sup> We note in support of this request that the Commission has in other instances granted relief under Rule 262 of Regulation A and Rule 505(b)(2)(iii)(C) of Regulation D for similar reasons. See, e.g., Credit Suisse First Boston Corporation, S.E.C. No-Action Letter (pub. avail. Oct. 31, 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. Jun. 11, 2001); In the Matter of Certain Market-Making Activities, S.E.C. No-Action Letter (pub. avail. Jan. 11, 1999); Stephens Incorporated, S.E.C. No-Action Letter (pub. avail. Nov. 23, 1998).

Gerald J. Laporte, Esq.

4

May 31, 2006

cc: Kenneth R. Lench  
Assistant Director  
Division of Enforcement  
Securities and Exchange Commission  
100 F Street, N.E.  
Washington, D.C. 20549-8549