



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

DIVISION OF
CORPORATION FINANCE

June 20, 2008

Robert F. Wise, Jr., Esq.
Davis Polk & Wardwell
450 Lexington Avenue
New York, NY 10017

Re: In the Matter of Banc of America Investment Services, Inc. and Columbia Management Advisors, LLC, Administrative Proceeding File No. 3-13030—Waiver Request under Regulation A and Rule 505 of Regulation D

Dear Mr. Wise:

This responds to your letter dated today, written on behalf of Banc of America Investment Services, Inc. ("Banc of America") and Columbia Management Advisors, LLC (together, the "Respondents"), 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. You requested relief from disqualifications from exemptions available under Regulation A and Rule 505 that may have arisen by virtue of the order entered May 1, 2008 by the Securities and Exchange Commission in In the Matter of Banc of America Investment Services, Inc. and Columbia Management Advisors, LLC, Release No. 33-8913 (the "Order"). The Order ordered Banc of America under Section 15(b)(4) of the Securities Exchange Act of 1934 ("Exchange Act") to pay a civil monetary penalty of \$2,000,000. In addition, the Order, which cited Section 203(e) of the Investment Advisers Act of 1940 as authority for its issuance as well as Section 15(b)(4) of the Exchange Act, ordered Respondents to comply with the undertakings contained in Section III.F of the Order. The Order also provided for other sanctions that could not be interpreted to result in disqualification under Rule 262 or Rule 505.

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 also have assumed that the Respondents will 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 that it is not necessary under the circumstances to deny the exemptions available under Regulation A and Rule 505 by reason of entry of the Order. Accordingly, pursuant to delegated authority, and without necessarily agreeing that any such disqualifications arose by virtue of entry of the Order, the Respondents are granted relief from any disqualifications from exemptions otherwise available under Regulation A and Rule 505 that may have arisen as a result of entry of the Order.

Very truly yours,

A handwritten signature in black ink that reads "Gerald J. Laporte".

Gerald J. Laporte
Chief, Office of Small Business Policy

DAVIS POLK & WARDWELL

450 LEXINGTON AVENUE
NEW YORK, NY 10017

212 450 4000
FAX 212 450 3800

MENLO PARK
WASHINGTON, D.C.
LONDON
PARIS
FRANKFURT
MADRID
TOKYO
BEIJING
HONG KONG

ERIC B. HALPER
212 450 4703
ERIC.HALPER@DPW.COM

June 20, 2008

Re: **In the Matter of Sales Practices by Certain Broker-Dealers
Concerning Mutual Funds (HO-09949) (Banc of America Investment
Services, Inc. (HO-09370))**

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:

This letter is submitted on behalf of our clients, Banc of America Investment Services, Inc. (“BAISI”) and Columbia Management Advisors, LLC (“CMA”), in connection with the settlement of the above-referenced matter arising out of an investigation by the Enforcement Division of the Securities and Exchange Commission (the “Commission”).

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”), BAISI and CMA below request a waiver of any disqualification from exemptions under Regulation A and Rule 505 of Regulation D that may be applicable to BAISI, CMA and any of their affiliates as a result of the entry of the Settlement Order (as defined below). 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.¹ It is our understanding that the Enforcement Division does not object to the grant of the requested waivers by the Division of Corporation Finance.

¹ We understand that the Commission has delegated authority to grant this waiver to the Division of Corporation Finance.

BACKGROUND

The Commission staff, BAISI, and CMA negotiated a settled resolution of the investigation covered by the above referenced docket title and number and on May 1, 2008, the Commission entered an Order (the "**Settlement Order**"), which instituted an administrative action against BAISI and CMA for violations related to BAISI and CMA's selection of funds in BAISI's discretionary wrap fee program. The Settlement Order alleged that between July 2002 and December 2004, BAISI selected at least two affiliated funds (Nations Funds) for inclusion in BAISI's wrap fee program using a methodology that favored Nations Funds and was inconsistent with the objective methodology previously disclosed to clients. The Settlement Order further alleged that BAISI's affiliate, CMA, earned additional fees as a result because its management fees were based, in part, on Nations Funds' asset size. BAISI and CMA consented to the entry of the Settlement Order with the reservation that they neither admitted nor denied the allegations (apart from jurisdiction).

Among other things, the Settlement Order charged that BAISI violated (and CMA aided and abetted BAISI's violations of) sections 17(a)(2) and 17(a)(3) of the Securities Act and sections 206(2) and 206(4) of the Investment Advisers Act of 1940 in that BAISI made misrepresentations about the research process and failed to disclose conflicts of interest inherent in the selection of funds for BAISI's discretionary clients between July 2002 and December 2004. Under the terms of the Settlement Order, BAISI was ordered to pay disgorgement of \$3,310,206, prejudgment interest of \$793,773 and a civil monetary penalty of \$2,000,000. CMA was ordered to pay disgorgement of \$2,143,273, prejudgment interest of \$516,382 and a civil monetary penalty of \$1,000,000. Additionally, the Settlement Order included a cease and desist with respect to all of the violations; a censure; and certain undertakings as to adoption of policies and procedures designed to prevent further violations.

DISCUSSION

BAISI and CMA understand that the entry of the Settlement Order could disqualify BAISI, CMA and their 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 have caused BAISI and CMA to be subject to an order of the Commission entered pursuant to sections 15(b), 15B(a), or 15B(c) of the Securities Exchange Act of 1934. 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). BAISI and CMA request 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 BAISI, CMA or their affiliates on the following grounds:

BAISI and CMA's conduct addressed in the Settlement Order does not relate to offerings under Regulation A or D.

To the extent BAISI and CMA engaged in the conduct alleged in the Settlement Order, they have undertaken to cease and desist from any further violations as provided in the Settlement Order.

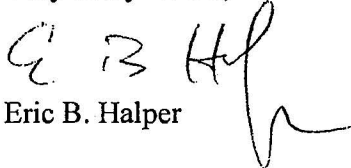
The violations alleged against BAISI and CMA are unlikely to recur. The conduct that is the subject of the Settlement Order occurred between July 2002 and December 2004 entirely within BAISI and CMA, and is limited to disclosures about the selection methodology for affiliated funds in BAISI's discretionary wrap fee program. Since that time, disclosures have been enhanced, certain of the senior managers involved in the conduct have left, and restructuring has occurred to address the alleged conflict of interest. Furthermore, pursuant to the Settlement Order BAISI has agreed to certain undertakings as to adoption of additional policies and procedures designed to prevent further violations.

Disqualification from the exemption under Regulation A and Rule 505 of Regulation D would have an adverse impact on third parties that retain BAISI or CMA in connection with transactions that rely on the exemption.

Disqualification from the exemption under Regulation A and Rule 505 of Regulation D would be unduly and disproportionately severe, given the nature of the violations, the circumstances cited above, and the agreement by BAISI and CMA to settle the matter. The Settlement Order and agreed relief reflects a negotiated resolution deemed to be a satisfactory conclusion of the matter by the Enforcement Division staff. Disqualification would impose a substantial additional penalty on BAISI and CMA without furthering any particular enforcement goal or enhancing investor protection.

In light of the foregoing, BAISI and CMA believe that disqualification is not necessary, in the public interest or for the protection of investors, and that BAISI and CMA have shown good cause that relief should be granted. Accordingly, BAISI and CMA request that the Commission, pursuant to Rule 262 of Regulation A and Rule 505(b)(2)(iii)(C) of Regulation D, waive the disqualification provisions in Regulation A and Rule 505 of Regulation D to the extent they may be applicable to BAISI, CMA and any of their affiliates as a result of the entry of the Settlement Order.²

Very Truly Yours,


Eric B. Halper

cc: Matthew Finnegan, Esq.
Senior Counsel
Division of Enforcement
Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549-8549

² 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., Smith Barney Fund Management LLC, SEC No-Action Letter, 2005 SEC No-Act. LEXIS 694 (May 31, 2005); Legg Mason Wood Walker, Inc., SEC No-Action Letter, 2005 SEC No-Act. LEXIS 775 (Sept. 21, 2005); Citigroup Global Markets, Inc., SEC No-Action Letter, 2005 SEC No-Act. LEXIS 691 (Mar. 23, 2005); Legg Mason Wood Walker, Inc., SEC No-Action Letter, 2004 SEC No-Act. LEXIS 755 (Feb. 12, 2004); Credit Suisse First Boston Corp., SEC No-Action Letter, 2003 SEC No-Act. LEXIS 780 (Oct. 31, 2003); Credit Suisse First Boston Corp., SEC No-Action Letter, 2002 SEC No-Act. LEXIS 71 (Jan. 29, 2002); Dain Rauscher, Inc., SEC No-Action Letter, 2001 SEC No-Act. LEXIS 743 (Sept. 27, 2001); Dain Rauscher, Inc., 2000 SEC No-Act. LEXIS 650 (Apr. 6, 2000); William R. Hough & Co., SEC No-Action Letter, 2000 SEC No-Act. LEXIS 651 (Apr. 6, 2000); Credit Suisse First Boston Corp., SEC No-Action Letter, 1998 SEC No-Act. LEXIS 483 (Apr. 8, 1998).