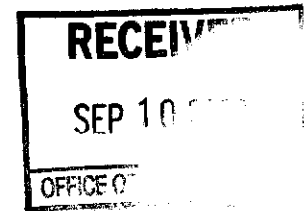


AUERBACH GRAYSON

September 9, 2008

Secretary
Securities and Exchange Commission
100 F Street N.E.
Washington, D.C. 20549-1090



Re: File Number 57-16-08

Dear Sir or Madam:

Auerbach Grayson & Company, Inc. (AGCO) appreciates the opportunity to comment on the changes the Commission has proposed to Securities Exchange Act Rule 15a-6 (Rule 15a-6).

AGCO is particularly qualified to comment on Rule 15a-6. It acts as the SEC registered broker-dealer correspondent for 121 foreign broker-dealers pursuant to Rule 15a-6(a)(3). These foreign broker-dealers come from 121 different countries and are knowledgeable and experienced in servicing the needs of U.S. institutional investors.

Our concern is with the proposed material reduction of the obligations under Rule 15a-6(a)(3). In the almost 20 years since Rule 15a-6 was adopted we are not aware of any enforcement action by the Commission against foreign broker-dealers who are not registered as broker-dealers with the SEC and are not operating in accordance with Rule 15a-6, yet publicly solicit U.S. institutional investor brokerage business. We have seen numerous foreign broker-dealers send representatives into the United States to call upon and solicit brokerage business from U.S. institutional investors. We are concerned that this easing of Rule 15a-6's obligations on a foreign broker-dealer will only encourage these foreign broker-dealers to expand their operations outside of the Rule in the solicitation of brokerage business from qualified investors.

We also urge the Commission to clarify the responsibilities of the SEC registered broker-dealers under the proposed amendments to Rule 15a-6(a)(3) and to provide guidance as to the registered broker-dealer's conduct so that the SEC registered broker-dealer would not be deemed to be aiding and abetting a foreign broker-dealer who does not meet its obligations under proposed Rule 15a-6(a)(3).

How would the broker-dealer discharge its responsibilities to assure compliance by the foreign broker-dealer with proposed Rule 15a-6(a)(3)(i)(B) [personnel not subject to a statutory disqualification], and (C) [maintain and furnish the SEC registered broker-dealer the Rule 17a-3(a)(12) personnel information]. We note that proposed Rule 15a-6(a)(3)(iii)(2)(C) calls on the SEC registered broker-dealer to obtain a representation as to the foreign broker-dealer's compliance with these two sections. Would a provision in the agreement between the registered broker-dealer and the foreign broker-dealer suffice?

Auerbach Grayson & Company Incorporated

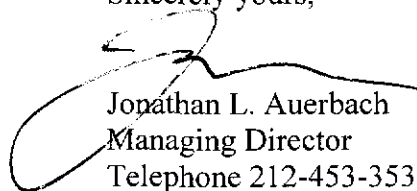
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Members National Association of Securities Dealers


Should proposed Rule 15a-6(a)(3)(iii)(A)(1)(ii) and (2)(i) require that the records maintained by the foreign broker-dealer be in the English language or would maintenance in the language of the foreign broker-dealer's home country suffice? Under proposed Rule 15a-6(a)(3)(iii)(A)(1)(ii) what constitutes a "reasonable determination" that the foreign broker-dealer will furnish promptly to the Commission the requested books and records? Would a provision to that effect in the agreement between the SEC registered broker-dealer and the foreign broker-dealer suffice? Proposed Rule 15a-6(a)(3)(iii)(A)(2)(C) requires the SEC registered broker-dealer to obtain a representation from the foreign broker-dealer as to compliance with (a)(3)(i)(B) and (c). This would call for a similar treatment in this section.

We appreciate the opportunity to submit these comments and would be glad to consult with the staff as to any questions they may have.

Sincerely yours,



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