

DEPARTMENT OF COMMERCE  
DIVISION OF SECURITIES

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July 21, 1993

Mr. Daniel J. Leffell  
Paul, Weiss, Rifkind, Warton & Garrison  
1285 Avenue of the Americas  
New York, New York 10019

Re: Donaldson, Lufkin & Jenrette File #002-1947-20/A18276-21

Dear Mr. Leffell:

This letter is in response to your letters dated March 1, 1993 and April 14, 1993, regarding your request for a no-action letter pursuant to § 61-1-25 of the Utah Uniform Securities Act, ("Act"), and Division Rule R164-25-5 on behalf of Donaldson, Lufkin & Jenrette Securities Corporation ("DLJ"). Your request for no-action is in conjunction with an issuance of an Order Instituting Proceedings pursuant to Section 15(b) of the Securities and Exchange Act of 1934, and the resulting Imposing of Remedial Sanctions and Cease and Desist Order (the "Order") issued by the Securities and Exchange Commission.

In your letters you have requested relief from the disqualifying provisions pursuant to Division Rule R164-14-2n(F)(3)(b). This Rule provides for disqualification of an issuer or underwriter from offerings pursuant to Section F of Rule 164-14-2n, if certain persons are "subject to an order of the Securities and Exchange Commission entered pursuant to Section 15(b) ... of the Exchange Act." Rule R164-14-2n(F)(3)(e) provides that the Division may waive this disqualification upon showing of good cause.

Based on the following good cause the Division has reviewed the request for waiver of disqualification pursuant to Rule R164-14-2n(F)(3)(b):

- (a) Based on a showing of good cause, the Securities and Exchange Commission has waived any disqualifications that might otherwise have resulted from the Order with respect to SEC Regulations A, B, D and E.

- (b) The conduct specified in the Order related to a single, isolated underwriting. There was no findings suggesting that DLJ's underwriting practices are generally reckless, negligent or deficient in any way. Furthermore, there is no order requiring DLJ to modify or adopt any identified practices or procedures with respect to underwriting generally.
- (c) There is no finding of any knowing violation, or any knowing misrepresentations or omissions, by DLJ.
- (d) The conduct described in the Order did not involve the offering of non-registered securities pursuant to SEC Regulation A or Regulation D.
- (e) DLJ has cooperated fully with the Utah Securities Division and the Securities and Exchange Commission in this matter.


Based upon the facts presented, the Division will not recommend any enforcement action. Accordingly, DLJ's application for relief from the disqualifying provisions of Division Rule R164-14-2n(F)(3)(b) is granted. This waiver applies only to the disqualifications arising from the above mentioned Order.

Because this position is based upon the representations made to the Division of Securities it should be noted that any different facts or conditions of a material nature might require a different conclusion. Further, this response does not purport to express any legal conclusion on the questions presented.

Please note that this no-action letter relates only to the referenced Securities and Exchange Commission Order and shall have no value for future similar circumstances.

Very truly yours,

**DIVISION OF SECURITIES  
UTAH DEPARTMENT OF COMMERCE**

  
Steven J. Nielsen  
Director of Registration