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State of Utah Department of Commerce

Division of Securities

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Executive Director

THAD LEVAR
Deputy Director

WAYNE KLEIN
Director of Securities

May 24, 2007

Pamela A. Morone
Wolf, Block, Schorr, and Solis-Cohen LLP
1650 Arch Street, 22nd Floor
Philadelphia, PA 19103-2097

Re: Advanta Corp. No-Action Request

Dear Ms. Morone:

The Utah Division of Securities ("Division") has reviewed your request for a no-action letter concerning Advanta Corp. ("Advanta"). Your request for a no-action letter from the Division is authorized by Section 61-1-25(5) of the Utah Uniform Securities Act ("Act") and Utah Administrative Code Rule R164-25-5.

Your letter requests that the Division take a no-action position with respect to the licensing as issuer-agents certain employees of Advanta or its wholly-owned subsidiaries ("Advanta employees"), who sell debt securities issued by Advanta, which are further described in your letter. While your inquiry is styled as a no-action request, it essentially asks for a written representation that the Division will 1) take affirmative action with regard to two Advanta employees who have applied for licensure in Utah as issuer-agents; and 2) allow similar licensure for Advanta employees in the future.

Specifically, you request that the Division agree to license such employees, notwithstanding the requirements of Section 61-1-11(11) of the Act that issuer-agent licenses may only be granted to a partner, officer, or director of the company, or a person occupying a similar status or performing similar functions. Your letter indicates that the Advanta employees do not meet any of those "principal" criteria. In support of your request, however, you refer to past representations made to you by Division staff, as well as the "grandfathering" of other Advanta issuer-agents.

The Division Staff declines to grant the relief you have requested for several reasons.

The express language of the Act specifies the narrow circumstances under which a person may be licensed as an issuer-agent. Utah Code Ann. § 61-1-11(11) states:

- (a) Except as otherwise provided in Subsection (b), an issuer may only employ or engage an agent to effect or attempt to effect transactions in its securities who is licensed under this chapter and associated with a licensed broker-dealer.
- (b) A partner, officer, or director of an issuer, or a person occupying a similar status or performing similar functions may act as an agent of the issuer to effect or attempt to effect transactions in its securities, provided the person is licensed under this chapter and receives no commission or other remuneration, directly or indirectly, for effecting or attempting to effect the transactions.

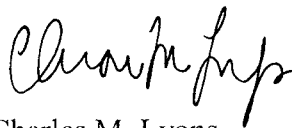
The Advanta employees are not associated with a licensed broker-dealer. Accordingly, Subsection (b) sets forth the requirements applicable for licensure. Those requirements include the “principal” requirement which you have acknowledged the Advanta employees do not satisfy.

Despite this statutory limitation on issuer-agents, you have indicated that Advanta relied on prior representations from the Division. In fact, since 2003, the Division licensed seven Advanta employees as issuer-agents, although those agents did not meet the “principal” requirement. As you are aware, because the Division has since decided to insist on the statutory licensing requirements for issuer-agents, in 2006 the Division agreed to “grandfather” issuer-agents already licensed by the Division. Therefore, the Division would continue to renew the licenses of those seven Advanta employees. The Division Staff, however, cannot agree to replace agents who have left with new issuer-agents. Rather, we will consider those applicants as any new applicant for licensure. As we are certain you understand, to do otherwise would render the Division’s interpretation of issuer-agent licensing requirements meaningless.

For these reasons, the Division Staff will not grant the relief you have requested.

Very truly yours,

UTAH DIVISION OF SECURITIES



Charles M. Lyons
Securities Analyst

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March 16, 2007

VIA FEDERAL EXPRESS

Utah Division of Securities
160 East 300 South
2nd Floor
Salt Lake City, UT 84111
ATTN: Wayne Klein, Director

Re: Advanta Corp.

Dear Sir/Madam:

We represent Advanta Corp., a Delaware corporation (the "Company"). On behalf of the Company, we are requesting a no-action letter from the Utah Division of Securities (the "Division"), under Section 61-1-25(5) of the Utah Uniform Securities Act, as amended (the "Utah Securities Act"), and Rule 164-25-5 of the Utah Administrative Code, that employees of the Company or its wholly-owned subsidiaries may apply for licensure, and be licensed, as issuer agents for the sale of the Company's debt securities in Utah, even though none of such employees is a partner, officer, or director of the Company, or a person occupying a similar status or performing similar functions, provided that each such person is otherwise qualified for licensure under the Utah Securities Act and receives no commission or other remuneration, directly or indirectly, for effecting or attempting to effect such transactions.

Background

The Company is a public company with its common stock listed on the NASDAQ Global Select Market. The Company owns Advanta Bank Corp., an industrial bank located in Draper, Utah that issues business purpose credit cards to small businesses and business professionals.

The Company has registered, on a registration statement on Form S-3 (File No. 333-136724), under the federal Securities Act of 1933, as amended (the "Securities Act"), the offer and sale of \$350,000,000 aggregate principal amount of its senior unsecured debt securities (the

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Wolf, Block, Schorr and Solis-Cohen LLP, a Pennsylvania Limited Liability Partnership

“Debt Securities”). The Company offers and sells the Debt Securities directly to the public without the use of any underwriter or broker-dealer, only in selected states and in compliance with applicable state securities law requirements. While the Company has offered and sold the Debt Securities in Utah since April 2003, it and its predecessor have offered and sold senior unsecured debt securities in other select states since 1951. In accordance with the requirements of the federal securities laws, offers are made by prospectus only and, prior to investing in the Debt Securities, an investor receives the base prospectus, together with the applicable pricing supplement setting forth the interest rates then being offered. The Debt Securities are not listed on any exchange.

In September 2002, prior to the Company commencing offers and sales of Debt Securities in Utah in April 2003, we spoke to a representative of the Division and confirmed our understanding that, in order for the Company to offer and sell its Debt Securities directly to the public, the Company would be required to register one or more issuer-agents to effect the transactions. At that time, we specifically discussed with the representative whether it was necessary for the individual(s) who would be registering as issuer-agents of the Company to have any particular role or title at the Company in order to qualify to be licensed by the state. After indicating that she had verified the information with a supervisor, the representative confirmed to us that there was no requirement that the registered issuer-agent be a principal of or hold any particular position with the Company, notwithstanding the language of Sections 61-1-11(a) and (b) of the Utah Securities Act which provide:

11(a) Except as otherwise provided in subsection (b), an issuer may only employ or engage an agent to effect or attempt to effect transactions in its securities who is licensed under this chapter and associated with a licensed broker-dealer.

(b) A partner, officer, or director of an issuer, or a person occupying a similar status or performing similar functions may act as an agent of the issuer to effect or attempt to effect transactions in its securities, provided the person is licensed under this chapter and receives no commission or other remuneration, directly or indirectly, for effecting or attempting to effect the transactions.

In reliance on our conversations with Division staff, a total of seven employees of the Company or its subsidiaries applied for and were granted issuer-agent licenses by the State of Utah between March 12, 2003 and January 1, 2007. Each of the seven employees passed the Series 63 examination administered by the NASD prior to applying for his or her issuer-agent license.

In January 2007, the Company submitted applications to register two new issuer-agents in Utah. The Company seeks to license the two new individuals as issuer-agents in Utah because two previously licensed issuer-agents of the Company have accepted new positions within the

Company's organization and will no longer be functioning in their issuer-agent roles on a day-to-day basis.

On January 19, 2007, Michele Black of the Division contacted Sue Giusti at the Company and advised Ms. Giusti that the applications could not be processed until each of the individuals confirmed in writing her status as "partner, officer, or director" of the Company. Ms. Black referenced Sections 61-1-11(a) and (b) of the Utah Securities Act, the same "principals" requirement provisions that were the subject of our inquiry in 2002, as discussed above.

On February 5, 2007, Liane Browne, Senior Counsel for the Company, contacted Ms. Black of the Division for further clarification on the issuer-agent "principals" requirement. Specifically, Ms. Browne asked for additional information on why it was being applied to the current applicants but had not been applied to the Company's earlier issuer-agents despite the fact that the pertinent language of Sections 61-1-11(a) and (b) was the same at all relevant times. Ms. Black advised Ms. Browne that this provision recently received new attention by the Division and that the "principals" requirement is now being enforced notwithstanding that it had not always been enforced in the past. Ms. Black also advised that while new issuer-agent license applicants must meet the principals requirement in order to be licensed in Utah, due to the recency of the change in the enforcement of the principals requirement, previously registered issuer-agents are grandfathered and can renew their licenses even if they do not meet the requirement of being an officer, director, partner or person occupying a similar status or performing similar functions. Ms. Browne asked to speak with a supervisor to determine if there was any alternative certification or assurance that the Company or the applicants could give in place of meeting the "principals" requirement. She then spoke with George Robinson of the Division who suggested that the Company submit a request for no-action as to the new applicants.

Discussion

In April 2003, the Company commenced offering and selling its Debt Securities in Utah directly through the Company's issuer-agents licensed by the State of Utah and without the use of underwriters or broker-dealers. The Company did so in reliance upon the advice it received from the Division that its issuer-agents did not need to meet the principals requirement, provided the issuer agents otherwise meet the requirements for, and receive, licensure. Accordingly, the Company respectfully requests a no-action letter to the effect that employees of the Company or its wholly-owned subsidiaries, including but not limited to the two current applicants, may apply for licensure, and be licensed, as issuer-agents for the sale of the Company's debt securities in Utah, even though none of such employees is a partner, officer, or director of the Company, or a person occupying a similar status or performing similar functions, provided that each such person is otherwise qualified for licensure under the Utah Securities Act and receives no commission or other remuneration, directly or indirectly, for effecting or attempting to effect such transactions.

The Company is a large publicly traded entity with a complex business and organizational structure such that its principals, officers and directors could not, as a practical matter, and would not perform the day-to-day functions of offering and selling the Company's Debt Securities in Utah or elsewhere. If the Company were required to have its principals, officers and/or directors take the necessary NASD examinations, otherwise qualify for and obtain licensure as issuer-agents in Utah, and undertake the day-to-day duties involved in offering and selling the Company's Debt Securities in order to continue to be permitted to sell directly to the public in Utah, the Company would be forced to cease offering the Debt Securities in Utah. In that event, Utah residents would be unable to invest in the Debt Securities and existing Utah holders of Debt Securities would be unable to invest further, including by capitalization of interest or by allowing maturing term Debt Securities to "roll over" into new Debt Securities.

We respectfully submit that the investing public in Utah would be adequately protected if the requested no-action relief is granted because, consistent with the circumstances under which the Company has offered and sold its Debt Securities in Utah over the past four years: the individuals for whom the Company seeks registration otherwise meet (and any persons for whom the Company may seek registration in the future will at the time of application otherwise meet) the requirements for licensure as issuer-agents as set forth in the Utah Securities Act and the related provisions of the Utah Administrative Code; such persons will receive no commission or other remuneration, directly or indirectly, for effecting or attempting to effect transactions in the Debt Securities; the offer and sale of the Debt Securities has been and will be registered under the Securities Act; and the offer and sale of the Debt Securities will be made only pursuant to a prospectus that explains the Debt Securities and the risks associated with them.

The Company represents that, other than the applications pending for licensure, as described above, and this request for no-action relief, there is no legal action, judicial or administrative, which relates, directly or indirectly to the facts set forth in this letter.

We trust that the information contained in this letter is sufficient and hope that you will be able to provide the Company with the requested no-action relief. If you are unable to grant the requested no-action relief based on the information set forth herein, or if you require further information, we request the opportunity to discuss the matter further in person or by telephone.

Utah Division of Securities
March 16, 2007
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Kindly acknowledge receipt of this letter by date-stamping the extra copy and returning it to me in the self-addressed, postage-paid envelope provided for that purpose.

Sincerely,



Pamela A. Morone
For WOLF, BLOCK, SCHORR and SOLIS-COHEN LLP

PAM/smg

cc: Mr. George Robinson (via Fed Ex)
Liane Browne, Esquire