WILLIAMS
SECURITIES LAW

Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090
Attention: Nancy M. Morris, Secretary

Re: File No. S7-10-07, Securities and Exchange Commission Release No. 33-8812, RIN 3235-AJ89, Revisions to the Eligibility Requirements for Primary Securities Offerings on Forms S-3 and F-3

Ladies and Gentlemen:

Williams Securities Law has the following comments on the Staff's proposed Revisions to the Eligibility Requirements for Primary Securities Offerings on Forms S-3 and F-3.

Our law firm represents primarily issuers in going public transactions and reporting companies after issuers have gone public.

We applaud the SEC and the Staff for putting forth a set of proposals that will be of significant benefit to our clients and other similarly situated small businesses.

In response to your request for comments, we respectfully request that you consider minor revisions to your proposal to harmonize it with other aspects of the existing and proposed regulatory structure.

The 20% Float Limitation

In connection with PIPE financing transactions, the Staff, after very careful consideration, has taken the position that allowing any issuer to register up to one-third of its public float for resale is reasonable. We see no reason that the amount of securities which can be registered in a primary offering under S-3 should not be equivalent to the amount of securities that the Staff permits in resale registrations.

Further, in the Release at page 31, second bullet point, the staff proposes the use a percentage of dollar trading volume as an alternative test for the amount of securities that could be shelf-registered. We believe there should be a market float test, but the amount of securities which can be registered in a primary offering under S-3 should a greater-of test, such that an issuer could raise in any 12 months the greater of one-third of its float or 25% of its annualized trading volume.

We agree with other commenters that this would positively address the needs of the more-liquid issuers for capital while addressing the Staff's concerns about large issuances by illiquid companies. We also agree with other commenters that the most appropriate look-back period for determining annualized trading volume should be the same 60 calendar day period used in the public float calculation, as we agree that both price and volume are equally potent indicators of market acceptance for a particular issuer's securities at a recent point in time.

Resale Registrations

We believe that resale registrations should also be eligible for registration on Form S-3/F-3. To address the Staff's concerns about indirect primary offerings and large amounts of securities "flooding" the market, the Staff could adopt the amount of securities limitation as described above but could require the issuer to include in the calculation of the maximum amount of securities that can sold on Form S-3/F-3 under this proposal the aggregate of primary and resale securities sold on Form S-3/F-3 during any 12 month period.

Shell Company Exclusion

The Rule 144 proposal in effect provides that non-affiliated shareholders of a former shell company can sell an unlimited amount of securities six months after a "Super 8-K" is filed. This indicates that the Commission now feels comfortable that sufficient information about the merged company has been disseminated within that time frame. To harmonize the provision of this S-3/F-3 proposal and the Rule 144 proposal, we recommend shortening the shell company exclusion for S-3/F-3 eligibility to a similar six month period.

Blue Sky Concerns

In order to address the points raise in the Release at page 35, second bullet point, concerning the lack of a Blue Sky exemption for OTC Bulletin Board issuers, we agree with other commenters that the Commission should assert its authority to make all S-3 (or F-3) registered securities covered securities for purposes of Section 18(b). Given the continuous disclosure requirements that now apply to all OTCBB companies, this would not in any way subvert the congressional intent behind Section 18(b).

Sincerely,

Michael T. Williams, Esq.