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February 21, 2006

Securities and Exchange Commission
100 F Street, NE
Washington, D.C. 20549-9303
Attn: Jonathan G. Katz, Secretary

RE: Release No. 34-53020 (File No. S7-12-05)

Ladies and Gentlemen:

This letter of comments is being submitted in response to the Commission's invitation in Release No. 34-53020 for comments on its proposal to amend the rules allowing a foreign private issuer to terminate the registration of a class of equity securities under section 12(g) of the Securities and Exchange Act of 1934 and to cease its reporting obligations regarding a class of equity or debt securities under section 15(d) of the Exchange Act.

In general, we agree that the current exit process from registration of foreign private issuers is outdated and now acts as a disincentive for such issuers to access the U.S. public capital markets. Consequently, we strongly support the objectives of Release No. 34-53020 to encourage foreign private issuers to enter the Commission's reporting system by lowering its cost and reducing the outdated obstacles to exiting the system under appropriate circumstances. In particular, we want to comment on two aspects of the Commission's proposed rules which we believe will be very helpful in achieving these objectives, the first of which we believe should be extended more broadly to other Commission rules affecting foreign private issuers in comparable circumstances.

Independent Information Services Provider

Proposed Rule 12h-6(e)(4) provides that a foreign private issuer may rely in good faith on the assistance of an independent information services provider when calculating the number of its U.S. resident security holders for purposes of Rule 12h-6. As noted in Release No. 34-53020, this "safe harbor" reliance is appropriate because of the difficulties associated with determining levels of U.S. ownership of securities, and because requiring foreign private issuers to determine the level of U.S. ownership of their securities with absolute certainty would be overly burdensome and costly. We agree with that assessment, and believe that independent information services providers should provide the appropriate level of certainty with respect to such determinations. We note, however, what we assume may be a drafting oversight in proposed Rule 12h-6(e)(4). A foreign private issuer faces the same difficulties in ascertaining the percentage of securities held in the U.S. as in ascertaining the number of U.S. resident holders. Consequently, we believe that a foreign private issuer should be able to rely on independent information services providers for determination of percentages of securities held by U.S. residents as well as the number of U.S. resident security holders, and

that proposed Rule 12h-6(e)(4) should be expanded to permit reliance for the percentage determinations in addition to the number determinations.

For the same reasons that we believe "safe harbor" reliance on independent information services providers is appropriate in the context of Rule 12h-6 and the termination of a foreign private issuer's registration, we believe that this "safe harbor" should also be included in the proposed amendments to Rule 12g3-2, which also call for a foreign private issuer to ascertain the number of its U.S. resident security holders. Similarly, although the Commission has not invited comments with respect to these Rules, we believe that "safe harbor" reliance on independent information service providers is an important concept that should be included (presumably through an amendment to Rule 12g3-2(a)) in Rule 800 under the Securities Act and Rules 13e-4 and 14d-1 under the Exchange Act. It is our experience that the adoption and amendment of those Rules in 2000 has not been nearly as effective as intended in encouraging "issuers and bidders to extend tender and exchange offers, rights offerings and business combinations to the U.S. security holders of foreign private issuers" (Release Nos. 33-7759, 34-42054, 39-2378, International Series Release No. 1208) precisely because of the overly burdensome and costly nature of assessing U.S. ownership with absolute certainty.

Web Site Postings

As proposed, foreign private issuers that terminate the registration of their securities pursuant to the new Form 15F would be able to maintain their Rule 12g3-2(b) exemptions through posting informational materials on their Web sites, but foreign private issuers which have not registered under the Exchange Act would continue to be required to submit such materials in paper to the Commission. With the significant developments in informational technology and increased usage of such Web sites, it is our experience that such information is much more readily accessible on the Web sites of foreign private issuers than from paper filings with the Commission, and the costs of compliance and of obtaining the information are significantly less. Consequently, we are supportive of the proposal for foreign private issuers who have terminated registration to be able to maintain the exemption through appropriate Web site postings, and for the same reason we would suggest that this method of compliance be extended to all foreign private issuers complying with Rule 12g3-2(b).

We very much appreciate this opportunity to comment on the Commission's proposals with respect to adapting its rules to accommodate the concerns of foreign private issuers.

Sincerely yours,

Charles F. Niemeth