



By E-Mail: rule-comments@sec.gov

Jonathan G. Katz
Secretary
Securities and Exchange Commission
100 F Street, NE

Washington, D.C. 20549-0609

Zurich, April 19th 2006
Our reference: SWX-KTR-COR-20060308/E

Proposed Rules for Permitting Termination of a Foreign Private Issuer's Registration of a Class of Securities under Section 12(g) and Duty to File Reports under Section 15(d) under the Securities Exchange Act of 1934 (Release No. 34-53020; International S)

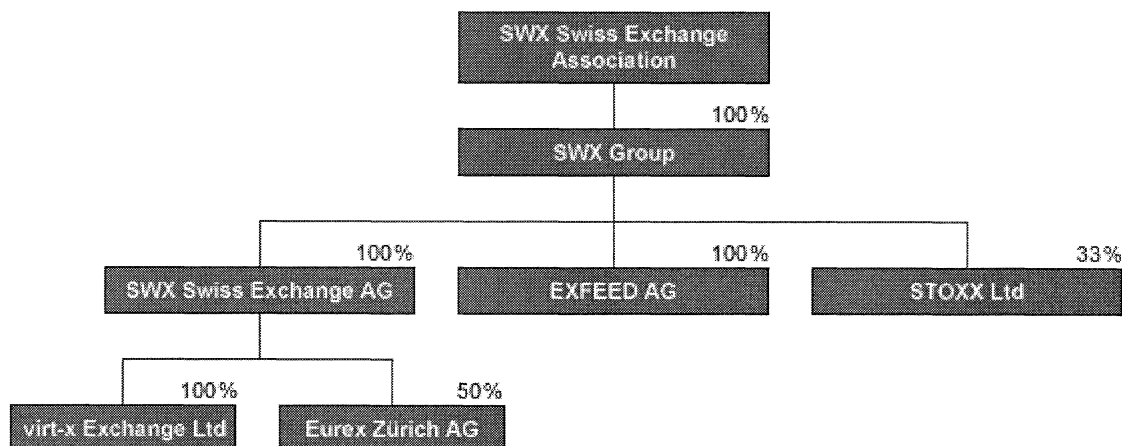
Dear Mr. Katz

On behalf of the SWX Swiss Exchange (the "SWX") we submit this writing to comment on the releases identified above (the "Proposal"), by reference both to the text of the proposed amendments (the "Proposed Rules") and to the Commission's commentary on the Proposed Rules (the "Commentary").

Concerning the Proposal, we would like to point out issues that are of particular interest to foreign private issuers organized in Switzerland with a class of equity securities listed on the SWX and admitted to trading on virt-x Exchange Limited ("virt-x").

Background

The Association SWX Swiss Exchange owns 100 percent of the SWX Group, which as a holding company does not perform any operational activities of its own. The SWX Group is the parent company of the wholly-owned SWX which in turn holds 100 percent of virt-x, a cross border electronic trading platform based in London.



The core business of the SWX Group includes both the SWX and virt-x, and is conducted in differing regulatory environments. SWX is a full-service securities exchange incorporated in Switzerland and supervised by the Swiss Federal Banking Commission. virt-x, governed by British law as a Recognised Investment Exchange ("RIE") for the purposes of the Financial Services and Markets Act 2000 in the United Kingdom, is overseen by the UK Financial Services Authority ("FSA") and constitutes a regulated market under the Investment Services Directive ("ISD").

An equity security which has been listed on the SWX may be included by the SWX in the Swiss Market Index (the "SMI"), which consists of the 30 largest and most liquid equity securities listed on the SWX. An equity security included in the SMI is automatically admitted to trading on virt-x, and is no longer traded through the SWX's Swiss trading platform.

Due to the developments in EU legislation, two segments for shares of SMI issuers listed in Switzerland and traded on virt-x have been created: the EU Regulated Market Segment for issuers who satisfy additional disclosure requirements of the applicable EU Directives, and the UK Exchange Regulated Market Segment, where the issuers' listing and continuing obligations continue to be based solely on Swiss law and the SWX Listing Rules.

The Home Country Listing Condition

According to the wording of the Proposed Rules, it may be unclear whether issuers whose shares are listed on the SWX and admitted to trading on virt-x would be able to meet the home country listing condition and, therefore, be permitted to terminate registration and reporting under the Exchange Act.

Under Proposed Rule 12h-6(a)(3), one condition to an issuer being able to terminate registration of a class of its securities would be that the issuer has maintained "a listing of the subject class of securities for the preceding two years on an exchange in its home country, which constitutes the primary trading market for the securities".

Proposed Rule 12h-6(d)(5) defines "home country" by reference to General Instruction F to Form 20-F, to mean the "jurisdiction in which the company is legally organized, incorporated or established and, if different, the jurisdiction where it has its principal listing". For companies organized in Switzerland and listed on the SWX, the "home country" generally would be Switzerland.

As proposed, the term "primary trading market" would mean "that at least 55 percent of the trading in the foreign private issuer's securities took place in, on or through the facilities of a securities market in a single foreign country during a recent 12 months period". For component companies of the SMI, the "primary trading market" may be virt-x, and trading on virt-x might be viewed as trading through facilities of a securities market in the United Kingdom, where virt-x is based. As a result, the proposed rule could be interpreted so that these companies would not satisfy the "home country condition" because their home country does not constitute the primary trading market for their securities.

As specified in the Commentary, the objective of the home country condition is to permit a foreign private issuer to terminate registration and reporting under the Exchange Act only when there exists a significant "likelihood that the foreign company will be subject to a body of reporting and other securities regulatory requirements in its home jurisdiction" following deregistration. "Consequently, for a company meeting these requirements, there should be less interruption in the flow of material information about the company once it exits the Exchange Act reporting system".

Given the substantial supervisory role of the SWX, and the additional oversight of issuers admitted to the EU Regulated Market Segment by authorities in the United Kingdom and the European Union, we respectfully submit that, in the final rules, the "home country listing condition" should be clarified so that there is no ambiguity as to whether companies listed on the SWX would be permitted to deregister even

though their shares are traded primarily on virt-x. If this clarification complicates the final rules, we respectfully submit that the Securities and Exchange Commission confirms that companies listed on the SWX fulfil the "home country listing condition" permitting them to deregister under the final rules.

Yours sincerely

SWX Swiss Exchange

A handwritten signature in black ink, appearing to be 'D. Keist', written in a cursive style.

Daniel Keist
Member of the Management Committee

A handwritten signature in black ink, appearing to be 'M. Brändle', written in a cursive style.

Markus Brändle
Head of Listing