

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP

FOUR TIMES SQUARE
NEW YORK 10036-6522

TEL: (212) 735-3000
FAX: (212) 735-2000
www.skadden.com

FIRM/AFFILIATE OFFICES

BOSTON
CHICAGO
HOUSTON
LOS ANGELES
PALO ALTO
SAN FRANCISCO
WASHINGTON, D.C.
WILMINGTON
BEIJING
BRUSSELS
FRANKFURT
HONG KONG
LONDON
MOSCOW
MUNICH
PARIS
SINGAPORE
SYDNEY
TOKYO
TORONTO
VIENNA

April 23, 2008

DIRECT DIAL
+61 2 9253 6055
DIRECT FAX
+61 29253 6044
EMAIL ADDRESS
CHRIS.KELL@SKADDEN.COM

Nancy M. Morris, Secretary
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-9303
VIA EMAIL: rule-comments@sec.gov

RE: Release No. 34-57350; ISR 1307; File No. S7-04-08

Dear Ms. Morris:

We are pleased to submit this comment letter to the Securities and Exchange Commission (the "SEC" or the "Commission") in response to the SEC's solicitation of comments on its proposed amendments to Rule 12g3-2(b) regarding Exemption from Registration under Section 12(g) of the Securities Exchange Act of 1934 (the "Exchange Act") for Foreign Private Issuers, Release No. 34-57350; ISR 1307; File No. S7-04-08 (the "Release").

We support Commission's initiative to eliminate paper submission requirements for foreign private issuers to obtain the exemption under Exchange Act Rule 12g3-2(b) by automatically granting the exemption to a foreign private issuer that meets specified conditions, which do not depend on a count of the issuer's United States security holders and which would require an issuer to publish electronically in English specified non-United States disclosure documents. We agree that the proposed amendments would make it easier for U.S. investors to gain access to a foreign private issuer's material non-United States disclosure documents and make better informed decisions regarding whether to invest in that issuer's equity securities through the over-the-counter market in the United States or otherwise, thereby fostering increased efficiency in the trading of the issuer's securities for U.S. investors while maintaining appropriate U.S. investor protections.

In particular, we agree that the proposed amendments, enabling foreign private issuers to claim the exemption automatically without regard to the number of their U.S. shareholders, would encourage more foreign private issuers to claim the Rule 12g3-2(b) exemption, which in turn would enable the establishment of additional ADR facilities, make it easier for broker-dealers to

fulfill their obligations under Exchange Act Rule 15c2-11 to investors with respect to the equity securities of a non-reporting foreign company, and facilitate the resale of a foreign company's securities to QIBs in the United States under Securities Act Rule 144A, thereby fostering the increased trading of a foreign private issuer's securities in the U.S. over-the-counter market.

We believe that the adoption of an exemptive scheme that does not depend on an issuer's determination of the number of its worldwide or U.S. shareholders, but instead requires a foreign private issuer to satisfy the U.S. trading volume standard as set forth in the proposed amendment, meet the specified foreign listing requirement and electronically publish the specified material non-U.S. disclosure documents in English facilitates the achievement of the Commission's stated goals of fostering increased efficiency in the trading of foreign private issuers' securities for U.S. investors while maintaining appropriate U.S. investor protections.

Proposed Duration of the Amended Rule 12g3-2(b) Exemption (Section II, F of the Release)

In the last of the Commission's requests for comments following the discussion of the "Proposed Duration of the Amended Rule 12g3-2(b) Exemption", the issue is raised as to whether there is a point when the percentage of outstanding shares owned by U.S. investors becomes as or more important than relative U.S. trading volume as a measure of U.S. market interest for determining the duration of the Rule 12g3-2(b) exemption.

We believe that adding a test based on the percentage of outstanding shares owned by U.S. investors as a condition to the maintenance of the exemption in addition to the trading volume standard set forth in the proposed amendment would defeat the purpose of the proposed amendments. Such an additional test would require a foreign private issuer to continue to undertake to determine on a periodic basis which of its shareholders are U.S. shareholders and in addition to determine the number of its shares held by those U.S. shareholders. As noted in the Release, the trading volume standard provides a more direct and less costly measure of relative U.S. market interest in an issuer's securities and trading volume information is more easily obtainable than information regarding a foreign private issuer's U.S. shareholders.¹

¹ We have been advised that a third-party information services provider may charge US\$20,000 or more for each survey of record holdings by U.S. residents that it performs in connection with an issuer's assessment of its compliance with a U.S. public float benchmark or the current 300 holder condition. In contrast, trading volume data for international listed securities markets is readily available at limited or no cost from commercial suppliers of information (e.g., Bloomberg) and/or on the Internet from market operators' Web sites.

Nancy M. Morris, Secretary
April 23, 2008
Page 3

We believe that U.S. trading volume provides a sufficient quantitative test for determining the duration of the 12g3-2(b) exemption because it provides an adequate test of U.S. market interest and because it allows a foreign private issuer to determine in a simple and clear manner whether or not it exceeds the applicable threshold, using publicly available information that is relatively easy to obtain.

Conclusion

In our view, the adoption of the proposed revised exemptive scheme which does not depend on an issuer's determination of the number of its worldwide or U.S. shareholders will have a significant impact on the perception that foreign companies have of the U.S. capital markets while at the same time adhering to the public policy goal of protecting U.S. investor interests.

* * * *

Please contact Christopher J. Kell in our Sydney office at 011-61-2-9253-6055 or Robert M. Chilstrom in our New York office on (212) 735-2588 with any questions relating to this comment letter.

Very truly yours,

Skadden, Arps, Slate, Meagher & Flom LLP
Skadden, Arps, Slate, Meagher & Flom LLP