

Jonathan G. Katz  
Secretary  
U.S. Securities and Exchange Commission  
100 F Street, NE  
Washington, D.C. 20549-3628

Strasbourg, February 21<sup>st</sup>, 2006

**SEC Release No. 34-53020; International Series Release No. 1295; File No. S7-12-05**

Dear Mr. Katz,

We respectfully submit the following comments to the Commission regarding SEC Release No. 34-53020 (the "Release"), which proposes amendments to the rules allowing a foreign private issuer to terminate the registration of securities and to cease its reporting obligations under the Securities Exchange Act of 1934.

As a general matter, we strongly support the SEC's efforts to facilitate deregistration by foreign private issuers for which U.S. investor interest is limited. The burden of compliance with U.S. securities regulations for foreign private issuers, in terms of both management time and financial cost, has substantially increased in recent years, and it is thus appropriate to reconsider the conditions for terminating reporting obligations when there is limited U.S. market interest.

The purpose of this comment letter is to request that the SEC consider extending to companies that have filed, or will file, a Form 15 prior to the adoption of a new Form 15F ("Form 15 Filers"), the same status with respect to SEC reporting obligations as granted to companies that file a new Form 15F ("Form 15F Filers"). As stated in the Release, one of the purposes of the proposal is to enable foreign private issuers to "terminate" their reporting obligations, not merely to "suspend" them, and to be able to establish the Rule 12g3-2(b) exemption immediately upon the effectiveness of termination. However, as further explained below, although Form 15 Filers have, or will have, satisfied the limited market interest conditions contemplated by the SEC for exiting reporting company status, they will be ineligible under the proposed rule change for the benefits which the new rules are intended to confer.

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**Form 15 Filers satisfy the market conditions for terminating their reporting obligations.**

First, it is clear that foreign private issuers that have, or will have, satisfied the conditions of Rule 12h-3 and filed a Form 15 have, or will have, met the “limited market interest” conditions contemplated under the proposed rules for terminating their reporting obligations. By filing a Form 15, Form 15 Filers certify that they have less than 300 U.S. holders. Form 15 Filers would thus also meet or have met the U.S. market interest requirement set forth under proposed Rule 12h-6(a)(6)(ii), namely that their record holders include “less than 300 persons resident in the United States”.

**However, Form 15 Filers will not be eligible to file Form 15F.**

Under the proposed rule change, and in particular proposed Rule 12h-6(a)(1), in order to be eligible to file the Form 15F, a foreign private issuer must:

- (i) have had reporting obligations for the two years preceding the filing of the Form 15F. However, a Form 15F Filer will have already effected the “suspension” of its reporting obligations under Rule 12g-4, and thus may be deemed to not satisfy this condition; and
- (ii) have filed or furnished all reports required for this two-year period. However, if any period of time has elapsed since the filing of the Form 15, it is highly unlikely that the Form 15 Filer would have continued to file or furnish all reports to the SEC, and it will thus also fail to satisfy this condition.

Foreign private issuers that have, or will have, satisfied the conditions of Rule 12h-3 -- and thus also the limited market interest conditions of the proposed rule -- and filed a Form 15 will thus nevertheless continue to have their reporting obligations “suspended” only, and they will therefore remain ineligible for the exemption under Rule 12g3-2(b).

**The resulting situation is inequitable and creates market confusion.**

We recognize that the SEC’s perspective in proposing the rule change is forward-looking, and, as previously stated, we support the SEC’s initiative in this regard. However, foreign private issuers that have, or will have, already filed a Form 15 prior to the adoption of the new rules will find themselves disadvantaged compared to the Form 15F Filers without cause on their part and without the possibility of achieving the same status and benefits. This result would be an inequitable, and possibly unintended, consequence of the proposed rules.

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In addition, by creating two regimes for foreign private issuers that are no longer subject to on-going reporting obligations, through either the "suspension" or the "termination" of those obligations, the proposed rules will introduce an element of market confusion. Going forward in time, investors will no longer know the reporting regime to which a non-reporting foreign private issuer is subject, without researching historical records to determine whether the issuer had previously been a reporting company and, if so, whether a Form 15 or Form 15F had been filed.

**Our request: Grant Form 15 Filers the same status as Form 15F Filers.**

In order to avoid the inequitable consequences described above, and to enable the SEC's proposed rule changes to be adopted without creating market confusion or unnecessary regulatory complexity, we request that the SEC consider granting Form 15 Filers the same status as Form 15F Filers. Specifically, we request that under the new exit regime, Form 15 Filers:

- will have their reporting obligations "terminated", as would be the case for Form 15F Filers, upon the date of adoption of the new rules, and not just "suspended"; and
- if they have maintained a listing in their home country, will be automatically entitled to rely on the Rule 12g3-2(b) exemption under the same conditions as Form 15F Filers.

We believe that granting Form 15 Filers the same status as Form 15F Filers will provide the simplest and most equitable transition into a new exit regime without in any way diminishing investor protection.

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We thank the SEC in advance for its consideration of our comments. Please feel free to contact the undersigned at +33-3-8827-9103, or by e-mail at [gilleron@transgene.fr](mailto:gilleron@transgene.fr), to discuss any of the matters raised above.

Very truly yours,

  
Ghislaine Gilleron  
Company Secretary