



ORGANIZATION FOR INTERNATIONAL INVESTMENT
INTERNATIONAL BUSINESS INVESTING IN AMERICA

TODD M. MALAN, PRESIDENT & CHIEF EXECUTIVE OFFICER

February 13, 2007

Ms. Nancy M. Morris
Secretary
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-9303

Re: Comments on File Number S7-12-05

Dear Ms. Morris:

The Organization for International Investment (OFII) appreciates the opportunity to submit comments on the reproposed rules for foreign private issuer deregistration.

The Securities and Exchange Commission has conducted an open and rigorous review of the rules governing terminating registration and reporting requirements. The Commission rightly recognizes that the current rules, many of which have been in place for decades, have faded in relevance in the face of the rapid advancement and sophistication of U.S. markets.

We commend the Commission for serious consideration of past comments and for reproposing rules that support the twin pillars of market flexibility and shareholder protection. The Commission is on the verge of a major decision that will send an important signal to global firms, impact the competitiveness of U.S. capital markets and potentially have profound impact on U.S. shareholders future ability to internationally diversify their portfolios.

OFII is largely supportive of the reproposed rules. The comments below are offered as constructive suggestions to advance your goals of improving the rules for foreign private issuer deregistration.

The 5% ADTV Threshold

- We strongly support the new ADTV condition to gauge U.S. investor interest in foreign-issued securities as an alternative to the 300 record holder criterion. While determining the right ADTV percentage in the U.S. market compared to the primary market is necessarily subjective, we believe that a significantly higher threshold could still capture a low level of U.S. investor interest in a foreign issuer's securities. In fact, the Commission's Office of Economic Analysis determined that the new rules would apply to less than one-third of 20-F filers. This falls short of the increased market flexibility sought by the Commission. We believe a higher ADTV would be more appropriate.

Calculation of the Threshold

- We favor basing the calculation on the number of securities traded, not the dollar value of trading volume. This would avoid cumbersome currency calculations and complex issues, such as what exchange rate to use and when it would be set. While the Commission notes that various markets may report trading volume differently, we believe that counting securities traded would be less costly and less complicated than introducing currencies into the calculation.

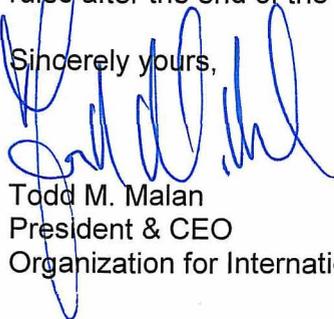
Alternative 300 Holder Condition

Consistent with many comments submitted to the Commission in 2006, we support raising the holder condition above 300. The Commission notes that retaining the 300 holder condition is meant to cover companies that would not meet the ADTV threshold. Yet, the number remains too small to provide a meaningful alternative.

When the 300 holder level was established in 1967, there were roughly 20 million shareholders in the U.S. In 2005, according to the Securities Industry Association, there were 91.1 million shareholders. In little less than forty years, the number of shareholders grew more than four-fold. With this rapid growth in stock ownership, the 300 shareholder threshold does not reflect the reality of today's markets.

The Commission's work on this important issue for U.S. and global financial markets has been of the highest quality, and we look forward to an expeditious adoption of the new rules after the end of the comment period. Thank you for your consideration.

Sincerely yours,



Todd M. Malan
President & CEO
Organization for International Investment (OFII)