

SUPPORTING STATEMENT FOR NEW FORM 15F

Pursuant to the Paperwork Reduction Act of 1995, 44 U.S.C. Section 3501 et seq., this submission consists of this supporting statement and the following exhibits:

1. Adopting Release; and
2. Statutory Authority.

A. JUSTIFICATION

1. Necessity of Information Collection

On March 27, 2007 the U.S. Securities and Exchange Commission ("Commission") published Release No. 34-55540 ("Adopting Release"), which adopted amendments to the rules that govern when a foreign private issuer may terminate the registration of a class of equity securities under section 12(g) of the Securities Exchange Act 1934 ("Exchange Act") and the corresponding duty to file reports required under section 13(a) of the Exchange Act, and when it may cease its reporting obligations regarding a class of equity or debt securities under section 15(d) of the Exchange Act. In particular, the Commission adopted new Exchange Act Rule 12h-6, which would make it easier for a foreign private issuer to exit the Exchange Act registration and reporting regime when there is relatively little U.S. investor interest in its securities. As a result, the adopted rule amendments would remove a disincentive for foreign private issuers to register initially their securities with the Commission by lessening their concern that the Exchange Act registration and reporting system is difficult to leave once an issuer joins it.

We expect most of the effects of the adopted rule amendments to occur during the initial one year phase-in period following the effective date. During this initial one year period, we expect the rule changes could result in a net decrease in the number of foreign private issuers filing Exchange Act reports due to their choosing to terminate their Exchange Act registration and reporting obligations under new Exchange Act Rule 12h-6.

Form 15F is the form that a foreign private issuer must to file when terminating its Exchange Act reporting obligations under Exchange Act Rule 12h-6. Form 15F requires a filer to disclose information that helps investors understand the foreign private issuer's decision to terminate its Exchange Act reporting obligations and assist Commission staff in assessing whether the Form 15F filer is eligible to terminate its Exchange Act reporting obligations pursuant to Rule 12h-6.

The statutory authority for the adopted rule amendments is Sections 6, 7, 10 and

19 of the Securities Act¹ and Sections 3(b), 12, 13, 23 and 36 of the Exchange Act.²

2. Purposes of, and Consequences of Not Requiring, the Information Collection

Under Exchange Act Rules 12g-4 and 12h-3,³ the current rules that govern when an issuer may exit the Exchange Act registration and reporting regime, a foreign private issuer may exit the Exchange Act registration and reporting regime if the class of the issuer's securities has less than 300 record holders who are U.S. residents. Under these rules, a foreign private issuer may find it difficult to terminate its Exchange Act registration and reporting obligations despite the fact that there is relatively little investor interest in the United States. Moreover, currently a foreign private issuer can only suspend, and cannot permanently terminate, a duty to report arising under Exchange Act section 15(d). In light of the increased internationalization of the U.S. securities markets that has occurred since the adoption of these rules, adopted new Exchange Act Rule 12h-6 would allow a foreign private issuer to:

- terminate its registration of a class of equity securities under Exchange Act section 12(g) and its resulting section 13(a) reporting obligations or terminate, and not merely suspend, its section 15(d) reporting obligations regarding a class of equity securities as long as the issuer meets specified criteria designed to measure the relative U.S. market interest for that class of securities, and which is not based on a record holder count; and
- terminate, and not merely suspend, its section 15(d) reporting obligations regarding a class of debt securities as long as it meets conditions similar to the current requirements for suspending its reporting obligations relating to that class of debt securities.

The Commission also has adopted the exemption under Exchange Act Rule 12g3-2(b)⁴ to a foreign private issuer immediately upon its termination of Exchange Act registration and reporting regarding a class of equity securities pursuant to Rule 12h-6. A foreign private issuer must to publish in English the home country materials required by Rule 12g3-2(b) on its Internet web site or through an electronic information delivery system that is generally available to the public in its primary trading market. The purpose of this extension of Rule 12g3-2(b) is to provide U.S. investors with access to material information in English about an issuer of equity securities following its termination of reporting under Rule 12h-6. Such access will assist U.S. investors who are interested in trading the issuer's securities on its home country exchange. The extension of the Rule 12g3-2(b) exemption also will enable an issuer to maintain a sponsored facility for

¹ 15 U.S.C. 77f, 77g, 77h, 77j, and 77s.

² 15 U.S.C. 78c, 78l, 78m, 78w, and 78mm.

³ 17 CFR 240.12g-4 and 240.12h-3.

⁴ 17 CFR 240.12g3-2(b).

American Depositary Receipts ("ADRS") with respect to its securities in the United States.

By making it easier for a foreign private issuer to exit our Exchange Act reporting system if it so chooses, the adopted rule amendments should help encourage more foreign companies to initiate participation in U.S. public capital markets. Therefore, while the adopted rule amendments could result in a net decrease in the number of foreign Exchange Act reporting companies during the initial one year period following their date of effectiveness, they could also encourage some foreign companies to enter the Exchange Act registration and reporting regime for the first time, thereby resulting in a net increase in the number of foreign private issuers filing Exchange Act reports in subsequent years, to the benefit of U.S. investors.

3. Role of Improved Information Technology and Obstacles to Reducing Burden

As a condition to receiving the Rule 12g3-2(b) exemption after terminating its Exchange Act registration and reporting obligations under Rule 12h-6, a foreign private issuer must to publish electronically on its Internet web site in English its annual report and other documents that it is required to publish under its home country laws and regulations. A foreign private issuer will also have to publish electronically its Form 15F by filing it using the Commission's Electronic Data Gathering, Analysis and Retrieval ("EDGAR") system. Moreover, while an Exchange Act reporting company, a foreign private issuer must file electronically its Exchange Act reports, including Forms 20-F, 40-F and 6-K, with the Commission through EDGAR.

4. Efforts to Identify Duplication

We have amended Exchange Act Rules 12g-4 and 12h-3 to eliminate those provisions that duplicate any of Rule 12h-6's provisions. The provisions that require a foreign private issuer to have less than 300 record holders who are U.S. residents or on a worldwide basis are being eliminated. Rule 12h-6 has a substantially similar provision that provides an alternative basis for a foreign private issuer to terminate its Exchange Act reporting obligations if it meets certain other conditions, we have eliminated the "300 record holder" provisions under Exchange Act Rules 12g-4 and 12h-3. Since Rule 12h-6 is new, there are no other sources that would authorize a foreign private issuer to terminate its Exchange Act registration and reporting obligations on the same grounds as those posited under Rule 12h-6. Similarly, there are no other sources for the information required by new Form 15F.

5. Effect on Small Entities

The Commission has certified that the adopted rule amendments will not have a significant economic impact on a substantial number of small entities. This certification is set forth in Part VI of the Proposing Release.

6. Consequences of Less Frequent Collection

While the adopted rule amendments could cause a net decrease in the number of foreign private issuers filing Form 20-Fs, Form 40-Fs and Form 6-Ks during the first year following their effective date, the amendments could also result in net increases in the number of foreign private issuers filing Exchange Act reports in subsequent years. We do not expect the number of foreign private issuers terminating their Exchange Act registration and reporting obligations pursuant to adopted Rule 12h-6 in subsequent years to be of the same magnitude as those electing such termination during the initial phase-in year. Moreover, because the new rule amendments should lessen the concerns of foreign private issuers that the Exchange Act reporting regime is difficult to leave once an issuer joins it, we expect that each year some foreign private issuers will choose to join the Exchange Act registration and reporting regime as a consequence of the proposed rule amendments. Accordingly, in years subsequent to the first year, the adopted rule amendments could result in a net increase in the number of foreign private issuers filing Exchange Act reports.

7. Inconsistencies with Guidelines in 5 CFR 1320.6

Not applicable.

8. Consultations Outside the Agency

The rule amendments were subject to a 60-day public comment period.

9. Payment or Gift to Respondents

Not applicable.

10. Assurance of Confidentiality

Not applicable.

11. Sensitive Questions

Not applicable.

12. and 13. Estimate of Respondent Reporting Burden and Annualized Cost Burden

The estimated effects of the adopted rule amendments reflect the initial phase-in period of the Exchange Act termination process under Rule 12h-6 and under Form 15F during the first year of use. We expect that most, if not all, of these estimated effects will occur on a one time, rather than a recurring, basis. While we expect that some foreign private issuers will terminate their Exchange Act reporting under Rule 12h-6 and file Form 15F in subsequent years, we do not expect the resulting burdens and costs to be of the same magnitude as the burdens and costs currently expected during the first year. We intend to monitor the frequency of Form 15F filings at the end of the first year following the adopted rule amendments' date of effectiveness, and at the end of subsequent years as necessary, in order to assess the accuracy of the adopted rule amendments' expected effects on the collections of information discussed below.

We have based our estimates of the effects that the adopted rule amendments would have on Forms 20-F, 40-F, and 6-K and on adopted Form 15F primarily on our review of the most recently completed PRA submissions for Forms 20-F, 40-F and 6-K, on those forms' requirements and on the adopted requirements of Form 15F, and on relevant information, for example, concerning comparative trading volume and public float for numerous filers of those forms. However, we derived these estimated effects solely for the purposes of the Paperwork Reduction Act and not from a comprehensive survey or study of the burdens or costs of Commission rules and forms.

d. Proposed Form 15F

Rule 12h-6 will require a foreign private issuer seeking to terminate its Exchange Act reporting obligations to file a Form 15F. Form 15F will require a foreign private issuer to provide information regarding several items, including its Exchange Act reporting history, its primary trading market, and its U.S. securities market.

It is possible that as many as 351 foreign private issuers may file Form 15F during the initial 1 year period. We estimate that it will take approximately 30 burden hours on average to produce each Form 15F. The filing of 351 Forms 15F would take a total of 10,530 burden hours. We estimate that foreign private issuers would incur 25% of this burden or approximately 2,632.5 burden hours to produce the Form 15Fs. We further estimate that outside firms, including legal counsel, financial analysts and other advisors, would account for 75% of the burden required to produce the Form 15Fs at an average cost of \$400 per hour for a total cost of \$3,159,000.

14. Estimate of Cost to the Federal Government

The estimated cost to the federal government of preparing the rule amendments was approximately \$70,000.

15. Explanation of Changes in Burden

Not applicable.

16. Information Collections Planned for Statistical Purposes

Not applicable.

17. Explanation as to Why the Expiration Date Will Not Be Displayed

Not applicable.

B. Collection of Information Employing Statistical Methods

Not applicable.