October 6, 2006

Response of the Office of International Corporate Finance
Division of Corporation Finance

Re: Avago Technologies Limited
Incoming Letter dated October 6, 2006

Based on the facts presented, the Division will not raise any objection if Avago Technologies Limited does not comply with the registration requirements of Section 12(g) of the Exchange Act, with respect to options granted and to be granted pursuant to the company's Plans in the manner and subject to all terms and conditions set forth in your letter. Capitalized terms in this letter have the same meanings defined in your letter. This position will remain in effect until the date at which Avago Technologies Limited becomes subject to the Exchange Act registration or reporting requirements with respect to any other class of its securities or any subsidiary that employs U.S. residents who are option holders of Avago Technologies Limited becomes subject to the Exchange Act registration or reporting requirements.

In granting this relief, we note in particular that no subsidiary of Avago Technologies Limited that is subject to the Exchange Act registration or reporting requirements with respect to any class of its securities employs an option holder of Avago Technologies Limited.

This position is based on the representations made to the Division in your letter. Any different facts or conditions might require the Division to reach a different conclusion. Further, this response only represents the Division's position on enforcement and does not purport to express any legal conclusion on the question presented.

Sincerely,

Mary Cascio
Special Counsel

555 Eleventh Street, N.W., Suite 1000
Washington, D.C. 20004-1304
Tel: (202) 637-2200 Fax: (202) 637-2201
www.lw.com

LATHAM & WATKINS LLP

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October 6, 2006

Via Email and Facsimile

Paul M. Dudek, Esq.
Chief, Office of International Corporate Finance
Division of Corporation Finance
Securities and Exchange Commission
100 F St., N.E.
Washington, D.C. 20549

Re: *Avago Technologies Limited*

Dear Mr. Dudek:

On behalf of Avago Technologies Limited, a limited company organized under the laws of Singapore (the *"Company"*), we hereby apply for an exemption under Section 12(h) of the Securities Exchange Act of 1934, as amended (the *"Exchange Act"*), or in the alternative request that the Staff of the Division of Corporation Finance not recommend that the Securities Exchange Commission (the *"Commission"*) take enforcement action with respect to options to purchase shares the Company has issued or may issue in the future under the Company's Amended and Restated Equity Incentive Plan for Executive Employees of Avago Technologies Limited and Subsidiaries (the *"Executive Plan"*) and Amended and Restated Equity Incentive Plan for Senior Management Employees of Avago Technologies Limited and Subsidiaries (the *"Management Plan,"* and together with the Executive Plan, the *"Plans"*), in the manner and subject to the terms and conditions set forth below, to employees, non-employee directors and consultants of the Company and its subsidiaries selected to participate in the Plans by the Company's board of directors or the compensation committee of the Company's board of directors (*"Eligible Persons"*).

The Company is a "foreign private issuer" under Rule 3b-4 of the Exchange Act. Pursuant to its authority under Section 12(h) of the Exchange Act, the Commission adopted Rule 12g3-2, which exempts from the registration requirements of Section 12(g) of the Exchange Act any foreign private issuer with a class of equity securities held by less than 300 persons resident in the United States. Currently, there are 264 residents of the United States who hold options (*"Options"*) to purchase the ordinary shares of the Company (the *"Ordinary Shares"*) under the Plans. The Company desires to grant Options to additional Eligible Persons who are residents of the United States (the *"Proposed Options"*). If granted, the Proposed Options would result in a loss of the Company's exemption under Rule 12g3-2 and thus the Company would be required to register the Options under the Exchange Act unless the exemption or no-action relief from the registration requirements of Section 12(g) sought in this letter is granted. We believe that no-action relief is appropriate with respect to the Options due to the absence of both public investors and trading interest with respect to the Company's securities, and thus neither the public interest nor the protection of investors will be furthered by requiring the Company to register the Options. We also believe that the request made herein is consistent with a significant number of no-action letters pursuant to which the Staff has taken similar no-action positions.

I. Background

A. The Company and its Outstanding Ordinary Shares and Capitalization

The Company was formed in 2005 to acquire the semiconductor products business formerly operated by Agilent Technologies, Inc. ("*Agilent*"). The Company was incorporated and is based in Singapore and, together with its subsidiaries, is a leading global supplier of a broad range of primarily analog and mixed-signal semiconductor components and subsystems. As of August 31, 2006, the Company and its subsidiaries had approximately 6,200 employees, including approximately 1,940 in Singapore, 2,675 in Malaysia and 1,230 in the United States.

The Board of Directors of the Company (the "*Board*") has appointed a compensation committee to administer the Plans (the "*Committee*"). The Committee has the discretion to determine which Eligible Persons receive Options. As of August 31, 2006, Options to purchase an aggregate of 17,853,205 Ordinary Shares were outstanding under the Plans, being held by 784 optionholders worldwide including 288 residents of the United States. The Company's fiscal year ends on October 31, 2006. Options granted under the Plans were first held by 500 or more optionholders as of December 1, 2005; however, at no time has there been 300 or more optionholders who are residents of the United States. The principal purpose of the Company seeking the relief sought in this letter is to provide the Company the ability to grant Options to additional residents of the United States without being required to register the class of Options pursuant to Section 12(g) of the Exchange Act.

As of August 31, 2006, there were 139 holders of the Company's Ordinary Shares, including directors, executive officers and employees.[1] The holders of the Company's Ordinary Shares are entitled to one vote per share, to participate in dividends, if any, paid on the Ordinary Shares, and otherwise possess terms that resemble in all material respects those applicable to common stock issued by a U.S. corporation. Accordingly, we are of the opinion that the Ordinary Shares are not part of the same class of equity securities within the meaning of Section 12(g)(5) of the Exchange Act as the Options described in this letter. Accordingly, the scope of relief we are requesting on behalf of the Company does not include the Ordinary Shares but rather is limited to the Options.

While the Company may decide to become a reporting company under Section 12(g) of the Exchange Act at some time in the future, no plan or proposal and no dates have been set and the Company has not committed to ever becoming a public company. An indirect, wholly-owned subsidiary of the Company, Avago Technologies Finance Pte Ltd., a Singapore limited company, has issued debt securities in a Rule 144A private placement and expects to register such debt securities pursuant to an Exxon Capital A/B exchange offer with the Commission later in 2006 whereupon the subsidiary will become a registrant under Section 15(d) of the Exchange Act.[2]

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[1] As of August 31, 2006, the Company had 214,180,649 Ordinary Shares outstanding. Bali Investments S.à r.l. ("*Bali*"), a Luxembourg company, holds 172,676,402 Ordinary Shares; Seletar Investments Pte. Ltd., a Singapore limited company ("*Seletar*"), holds 22,670,917 Ordinary Shares; and Geyser Investments Pte. Ltd., a Singapore limited company ("*Geyser*"), holds 15,113,944 Ordinary Shares. The security holders in Bali are a limited number of institutional investors and one management consulting firm. Seletar and Geyser are investment vehicles affiliated with the Government of Singapore. In addition, employees and non-employee directors of the Company directly hold, in the aggregate, 3,719,386 Ordinary Shares.

[2] Avago Technologies Finance Pte Ltd. employs a total of 16 persons each of whom is resident in Singapore, two of whom hold Options under the Plans. Each of these optionees is employed in the global treasury department, is sophisticated in financial matters and has access on a daily basis to comprehensive financial data relating to the Company and its consolidated group.

The Company had approximately $2.52 billion in consolidated total assets as of April 30, 2006.

B. The Company's Equity Incentive Plans

1. The Plans

The Plans were initially adopted by the Board and approved by a majority of the Company's shareholders on November 23, 2005.[3] The Plans as amended and restated were adopted by the Board on April 14, 2006 with provisions related to an increase in the share reserve for the Plans and the addition of non-employee directors as Eligible Persons under the Management Plan, subject to shareholder approval prior to April 14, 2007.[4] The Company expects the Plans as amended to be approved by the shareholders at the next annual general meeting of the Company's shareholders. The Company has reserved 30,000,000 Ordinary Shares for issuance pursuant to awards granted under the Plans. The Plans allow for Options to be granted to Eligible Persons. In addition, the Plans also allow the Committee to permit Eligible Persons to purchase Ordinary Shares directly from the Company.[5] As indicated above, the relief sought herein relates solely to Options granted under the Plans.

The terms of the Plans permit Options to be granted to individuals who serve as consultants to the Company or its subsidiaries. The Company hereby confirms that any consultants who participate in the Plans are limited to those consultants who satisfy the definition of "consultants or advisors" set forth in Rule 701(c)(1) of the Securities Act of 1933, as amended (the "*Securities Act*"). Compensatory share awards to these individuals are intended to be exempt from the registration requirements set forth under Section 5 of the Securities Act by either (i) Rule 701 under the Securities Act, for consultants who are "U.S. persons" within the meaning of Rule 902 of the Securities Act ("*U.S. Persons*"), or (ii) Regulation S under the Securities Act, for those consultants who are not U.S. Persons. The Company hereby confirms that under either Rule 701 or Regulation S, it will satisfy the definition of "parent" under Rule 701 promulgated under the Securities Act so that the employees, non-employee directors and consultants of the Company who are U.S. Persons are also eligible to receive awards for which the Rule 701 exemption is available (assuming that all other relevant requirements of the Rule 701 exemption are satisfied) pursuant to Rule 701(c). The Company also hereby confirms that at all times all of its subsidiaries have satisfied the definition of "majority-owned subsidiary" under Rule 701 promulgated under the Securities Act so that the employees, non-employee directors and consultants of the Company's subsidiaries who are U.S. Persons are eligible to receive awards for which the Rule 701 exemption is available (assuming that all other relevant requirements of the Rule 701 exemption are satisfied) pursuant

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[3] The intent of the Plans is to provide a method by which selected individuals rendering services to the Company and its subsidiaries may be offered an equity interest in the Company, thereby increasing their personal interest in the growth and success of the Company. The Plans are also intended to aid in attracting persons of exceptional ability to become officers and employees of the Company and its subsidiaries.

[4] Non-employee directors are not eligible to participate in the Executive Plan.

[5] The Plans allow the Committee to grant rights to Eligible Persons to purchase Ordinary Shares similar to restricted stock in the United States. The Ordinary Shares issued under the Plans are subject to transfer restrictions, call rights, a right of first refusal, drag-along rights, tag-along rights, put rights (available only upon death or permanent disability) and for Ordinary Shares issued under the Executive Plan, registration rights. The restrictions prevent the transfer of the Ordinary Shares (except (i) by will or by the laws of descent and distribution upon death; (ii) through a donative transfer to a family trust, a spouse or a direct lineal descendant; or (iii) to the Company) prior to a change in control or the later of (a) the fifth anniversary of the date of purchase or (b), in the case of the Management Plan, the initial public offering ("*IPO*") of the Company's securities. Any shares transferred as provided by (i) through (ii) in the prior sentence subsequently may only be transferred back to the Company. The Company also holds a right of first refusal on the Ordinary Shares until a change in control or from five years following the date of purchase through an IPO of the Company's securities.

to Rule 701(c). Finally, so long as the Company is relying upon the relief granted in response to this request, the Company confirms that it will satisfy the definition of "parent" under Rule 701 promulgated under the Securities Act at the time that an Option is granted in the future to an employee, non-employee director or consultant of the Company who is a U.S. Person, and each of its subsidiaries will satisfy the definition of "majority-owned subsidiary" under Rule 701 promulgated under the Securities Act at the time that an Option is granted in the future to an employee, non-employee director or consultant of such subsidiary who is a U.S. Person.

2. Summary of the Options

While the Plans grant the Committee discretion to determine the specific terms of each Option granted within the range of terms permitted under the Plans, the Committee has determined that all Options should be granted on substantially uniform terms. Each Option is documented by a written option agreement, stating the terms and conditions thereof, including the number of Ordinary Shares subject to the option grant, the exercise price, the option term and vesting provisions.

The following is a summary of the material terms of the Plans, the option agreements and the Options that have been granted and that the Company intends to grant under the Plans:

(a) The number of Ordinary Shares subject to each Option is determined by the Committee at the time the Option is granted.

(b) The exercise price for each Ordinary Share subject to an Option is determined by the Committee at the time of grant and is not less than 100% of the fair market value per Ordinary Share on the date of grant of the Option, unless such Option is granted in substitution of another option in connection with a corporate transaction ("*Rollover Options*").[6] For the purposes of the Plans, fair market value is established by the Committee in good faith. The exercise price must be paid in full at the time of exercise and may be paid in cash or any other method approved by the Committee. The exercise price and any required withholding may also be paid through a cashless, net exercise upon an optionholder's termination of employment by the Company without cause, by the optionholder for good reason or because of death or permanent disability provided that it does not result in negative accounting treatment for the Company, does not violate the Company's debt agreements, does not violate Section 409A of the Internal Revenue Code and otherwise is not prohibited by the Internal Revenue Code (if applicable).

(c) Options granted to employees of the Company and its subsidiaries have a term of ten years. Options granted to non-employee directors and consultants have a term of five years. All Options are subject to earlier termination upon an optionholder's termination of employment or service with the Company or its subsidiaries or upon a change of control.

[6] Approximately 5% of the Options currently outstanding are Rollover Options. These Rollover Options were granted to 21 U.S. residents in substitution of Agilent options Eligible Persons forfeited in connection with the Company's purchase of the assets of Agilent's semiconductor products business in December 2005. These Rollover Options were intended to approximate the value and maintain the terms of the Agilent options forfeited. As such, each Rollover Option that was granted (a) had an exercise price of $1.25 per share which is lower than the fair market value of the Ordinary Shares on the date of grant, (b) had an average term of seven (7) years with an expiration date identical to the Agilent Option forfeited and (c) was fully vested on the date of grant. All other material terms of the Rollover Options are the same as other Options granted pursuant to the Executive Plan. Given their unique nature and the limited number granted, Rollover Options are excluded from the remainder of the discussion of the Options in this letter.

(d) Options granted pursuant to the Management Plan vest based on the passage of time and the continued employment or service of the optionholder.[7] Options granted pursuant to the Executive Plan vest based on the passage of time or the Company meeting objective financial targets and, in each case, the continued employment or service of the optionholder.[8]

(e) To the extent that an Option is vested, it will be exercisable until the earliest to occur of the following dates:

(i) the tenth anniversary of the date of grant in the case of an employee, or the fifth anniversary of the date of grant in the case of a non-employee director or consultant;

(ii) in the event of the optionholder's termination of employment as a result of death or disability, one year following the date of the optionholder's termination of employment;

(iii) ninety days following the date of the optionholder's termination of employment by the Company without cause (other than as a result of death or disability) or by the optionholder for any reason; and

(iv) the date of the optionholder's termination of employment by the Company for cause.

(f) The obligation of the Company to issue Ordinary Shares upon exercise of Options granted under the Plans is subject to compliance with all applicable laws, rules and regulations and such approvals by any governmental agencies as may be required, including, without limitation, the effectiveness of any registration statement required under the Securities Act if then required.

(g) The Board has the authority to make equitable adjustments to the Options upon a change in control of the Company. Transfer restrictions, the Company's right of first refusal and certain other rights of the Company and the Eligible Persons associated with Ordinary Shares purchased through the exercise of the Options lapse on a change of control.

(h) Options and Ordinary Shares issued pursuant to the exercise of Options are subject to a management shareholders agreement entered into among Bali, the Company and each optionholder (a "*Management Shareholders Agreement*") or to the terms of the Management Plan. The terms of the Management Shareholders Agreement includes restrictions on the transfer of any Ordinary Shares held by Eligible Persons until a change in control or the fifth anniversary of the date of grant. The Management Shareholders Agreement also includes a right of first refusal that provides the Company the right to purchase any Ordinary Shares an Eligible Person may attempt to transfer prior to a change in control and between the fifth anniversary of the date of grant and the date of an IPO of the Company's

[7] All Options granted under the Management Plan vest as to 20% of the shares subject thereto on each anniversary of the vesting reference date for such Option (the "*Time-Vesting Schedule*").

[8] A portion of each Option granted under the Executive Plan vests pursuant to the Time-Vesting Schedule, and a portion of each option cumulatively vests as to 20% of the shares subject to such portion on each anniversary of the vesting reference date based on the Company meeting objective financial targets as of each such anniversary ("*Performance Vesting Schedule*"). The portion of each Option subject to a Performance Vesting Schedule that has not vested five years following the vesting reference date for such Option is cancelled. No Option can vest following the termination of an optionholder's employment or services with the Company.

securities. The Management Plan includes restrictions on the transfer of any Ordinary Shares held by Eligible Persons until a change in control or the later of (i) the fifth anniversary of the date of grant or (ii) the date of an IPO of the Company's securities and a right of first refusal from the fifth anniversary of the date of grant through the date of an IPO or a change in control, if earlier. The Management Shareholders Agreement and the Management Plan also provide a call right[9] and drag-along right in favor of the Company and a put right[10] and, in the case of the Management Shareholders Agreement, a tag-along right and registration rights in favor of the Eligible Person. The Company agrees that the relief it seeks pursuant to this letter will cease and that it will promptly comply with the reporting requirements of the Exchange Act (i) at such time when the Company exercises its drag-along right or an Eligible Person exercises his tag-along right in connection with the sale of Ordinary Shares, or (ii) upon consummation of a transaction that results in a change in control of the Company. The Company undertakes that while it is relying on any relief granted in response to this request, it will exercise its right of first refusal or will assign such right to a director or other control person who will exercise such right. Furthermore, the Company undertakes that while relying on the relief granted in response to this request, it will not permit an optionholder who has exercised his or her Option to complete a transfer of any resulting Ordinary Shares except upon the holder's death, by means of a donative transfer to a family member within the meaning of Rule 701 or to the Company. The Company confirms that it possesses the authority under the terms of the Plans, the Management Shareholders Agreements and the agreements evidencing the Options granted thereunder to limit the transfer of any Ordinary Shares prior to an IPO of the Company's securities or a change in control to those circumstances listed in the preceding sentence.

(i) The holders of Options granted under the Plans will have no voting or other rights as shareholders of the Company prior to exercise of their Options.

(j) Options granted under the Plans are not transferable other than by will or by the laws of descent and distribution, and the Options may be exercised during the lifetime of an optionholder only by the optionholder. The Company will not permit the transfer of Options during the lifetime of the holder of an Option by such holder.

(k) Options granted under the Plans which are vested as of the date of the optionholder's termination of employment or service to the Company may be redeemed by the Company at its sole election.

(l) The Company undertakes that it will not amend any term of the restrictive provisions of the Plans, the Management Shareholders Agreements or the option agreements described in this letter so long as the Company is relying on the relief granted in response to this request.

The Division may rely upon the summary descriptions of the terms of the Plan, the Management Shareholders Agreement and the agreements evidencing the options granted under the Plan which are contained in this letter.

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[9] For five years following the grant date (or until a change in control, if earlier), the Company holds a call right whereby it can at its election purchase Ordinary Shares or Options from those that terminate service with the Company or one of its subsidiaries.

[10] The put right may only be exercised by an Eligible Person in the event of death or the permanent disability of such participant and then only during the twelve months following his or her termination of employment.

3. Rule 701 Disclosure

The exercise of Options granted under the Plans by U.S. Persons is exempt from registration under the Securities Act under Rule 701, because the aggregate exercise price of the Options granted to U.S. Persons under the Plans does not exceed approximately 2.41% of the total assets of the Company and the number of Ordinary Shares subject to Options granted to U.S. Persons is approximately 4.65% of the outstanding Ordinary Shares. However, as a result of having granted Options within twelve months to U.S. Persons having an aggregate exercise price of approximately $50.5 million, the Company is subject to the requirement under Rule 701(e) to provide certain disclosures to its optionholders within a reasonable period of time prior to exercise ("*Rule 701(e) Disclosure*"). Each U.S. Person must provide the Company at least ten business days' notice of his or her intent to exercise Options during which time the Company will provide such optionholder the Rule 701(e) Disclosure. A U.S. Person may not complete the exercise of his or her Options until he or she has had a reasonable period of time to review the Rule 701(e) Disclosure. The Company will update the Rule 701(e) Disclosure as necessary in order to comply with the requirements of Rule 701(e), particularly the requirement under Rule 701(e)(4) that financial statements required by Rule 701 must be as of a date no more than 180 days before the sale of securities in reliance on the exemption. The Company has relied on Regulation S for grants of Options to Eligible Persons who are not U.S. Persons. The Company represents that the Options that have been granted to date and will be granted in the future to both U.S. Persons and persons who are not U.S. Persons, in the aggregate, has not exceeded and will not exceed in the future the amounts that may be issued under Rule 701(d).

II. Discussion

A. Exchange Act Registration Requirements

As set forth in the authorities that follow, Congress intended to require Exchange Act registration by an issuer that had "publicly traded securities" or "securities traded in the over-the-counter market," and that these securities were the subject of "active investor interest in the over-the-counter market," or "active trading markets and public interest."

Pursuant to Section 12(h) of the Exchange Act, the Commission has promulgated Rule 12g-1, which exempts from the registration requirements of Section 12(g) any issuer whose total assets on the last day of its most recent fiscal year did not exceed $10 million. Issuers are required to comply with the registration requirements within 120 days after the last day of its first fiscal year when it meets the total asset and record holder tests.

Section 12(g) was added to the Exchange Act by Section 3(c) of the Securities Act Amendments of 1964, Pub. L. 88-467; 78 Stat. 565 (the *"1964 Amendments"*). Prior to the 1964 Amendments, the only securities required to be registered under the Exchange Act were those listed on a national securities exchange.

The purpose of Section 3(c) of the 1964 amendments has been expressed in various ways:

(a) The preamble to the legislation states that its purpose was "to extend disclosure requirements to the issuers of additional *publicly traded* securities."

(b) A report of the House Committee on Interstate and Foreign Commerce accompanying H.R. 6793, the version of the bill introduced in the House of Representatives states that

"Section 3(c) of the bill would ... provide for registration of *securities traded in the over-the-counter market* and for disclosure by issuers thereof comparable to the registration and disclosures in connection with listed securities." *H.R. 6793, U.S. Code Cong. and Admin. News, 88th Cong. 2d Sess., at pages 3027-3028.*

(c) A release of the Commission, citing a report on its study that made the legislative recommendations on the basis of which the 1964 amendments were enacted, describes the scope of the registration and reporting provisions of the Exchange Act as extending "to all issuers presumed to be the subject of *active investor interest* in the over-the-counter market." *Exchange Act Release No. 18189, October 20, 1981 (citing Report of the Special Study of Securities Markets of the Securities and Exchange Commission, House Committee on Interstate and Foreign Commerce, H.R. Doc. No. 95, pt. 3, 88th Cong. 1st Sess. (1963) at pages 60-62).*

(d) A later release of the Commission states that the numerical thresholds contained in Section 12(g) were selected because it was believed "that issuers in these categories had *sufficiently active trading markets and public interest* and consequently were in need of mandatory disclosure to ensure the protection of investors." *Exchange Act Release No. 23407, July 8, 1986.*

B. Authority to Grant Relief

Under Section 12(h) of the Exchange Act the Staff, pursuant to delegated authority, is able to grant exemptions from the registration requirements of Section 12(g) if it finds, "by reason of the number of public investors, amount of trading interest in the securities, the nature and extent of the activities of the issuer, income or assets of the issuer or otherwise, that such action is not inconsistent with the public interest or the protection of investors." For the reasons discussed below, we believe it would be appropriate for the Staff to grant the Company relief from the Section 12(g) registration requirements for Options granted or to be granted under the Plans.

C. Appropriateness of Exemption or Other Relief

Section 3(a)(11) of the Exchange Act defines "equity security" to include not only "any stock or similar security," but also "any warrant or right to subscribe for or purchase any stock or similar security." As a result, the Options would be deemed to be a class of equity security. Pursuant to Rule 12g3-2, at such time that at least 500 persons hold Options granted under the Plans and at least 300 of such persons are United States residents, the Company will be required to register the Options under Section 12(g) of the Exchange Act unless an exemption or other relief from these registration requirements is granted.

If the Company made the Proposed Option grants, the Company would become subject to the registration requirements of Section 12(g) as a result of the number of persons holding Options granted under the Plan. Even if the Company made the Proposed Options grants, however, there would still be no public investors in the Ordinary Shares or the Options, and none of the Ordinary Shares or the Options would be publicly traded. The history of the 1964 amendments makes clear that Congress did not intend Section 12(g) to require companies to register a class of equity security under these circumstances. Accordingly, we believe that it is appropriate for the Commission to grant the Company an exemption or no-action relief from the registration requirements of Section 12(g) for Options already granted or to be granted under the Plans.

1. Number of Public Investors

Section 12(h) specifies a number of factors the Staff should consider in reviewing an application for exemption from Section 12(g). The first of these factors is the number of public investors in the issuer. Not including the Options issued under the Plans, the Company currently has 139 holders of all classes of its equity securities. Each of these holders purchased the securities in private placements exempt from the registration requirements of the Securities Act by virtue of the exemption afforded by Rule 701 of the Securities Act in the case of employees and directors who are U.S. Persons; Regulation S of the Securities Act in the case of employees and directors who are not U.S. Persons; and Section 4(2) or Regulation S in the case of institutional investors.[11] None of the Company's securityholders are public investors. All of the Company's securities are restricted as to resale in accordance with the Securities Act and applicable state securities laws and legends to that effect are set forth on the certificates representing such securities held by U.S. Persons. Shares acquired upon exercise of an Option granted under the Executive Plan (*"Executive Plan Shares"*) will be subject to the restrictions, terms and conditions of a Management Shareholders Agreement. Under the terms of each Management Shareholders Agreement, a shareholder may not sell, assign, transfer, convey, pledge, or otherwise dispose of any Executive Plan Shares (except (i) by will or by the laws of descent and distribution upon death; (ii) through a donative transfer to a family trust, a spouse or a direct lineal descendant; or (iii) to the Company, and all shares transferred as provided by (i) through (ii) subsequently may only be transferred back to the Company) until a change in control or five years from the date of grant of the underlying Option. The Company holds a right of first refusal on the Executive Plan Shares until a change in control or from five years following the date of grant of the underlying option through the date of a qualified public offering of the Company's securities. Shares acquired upon exercise of an Option granted under the Management Plan (*"Management Plan Shares"*) will be subject to the restrictions, terms and conditions of the Management Plan itself. Under the terms of the Management Plan, a shareholder may not sell, assign, transfer, convey, pledge, or otherwise dispose of any Management Plan Shares (except (i) by will or by the laws of descent and distribution upon death; (ii) through a donative transfer to a family trust, a spouse or a direct lineal descendant; or (iii) to the Company, and all shares transferred as provided by (i) through (ii) subsequently may only be transferred back to the Company) until a change in control or the later of (a) five years from the date of exercise or (b) the date of an IPO of the Company's securities. The Company will not consent to any proposed sales or dispositions, other than by will or by the laws of descent and distribution upon death, in a donative transfer to a family trust, spouse or direct lineal descendant, or to the Company during the period the exemptive relief request by this letter is in effect.

Due to (a) the present lack of liquidity for the shares of the Company's Ordinary Shares purchasable under the Options, (b) the transfer restrictions contained in the Management Shareholders Agreement and Management Plan and (c) a relatively high exercise price,[12] the Company does not expect a substantial number of optionholders under the Plans to exercise their Options until after five years from the date of grant and only then if an IPO or other liquidity event is imminent or does in fact occur. To date, only one of the Company's optionholders, a resident of France, has exercised an Option. The Company notes that prior to the later of five years or an IPO of the Company's securities, all shares acquired upon exercise of Options will be subject to transfer restrictions and a right of repurchase in favor of the Company. The Company has undertaken not to consent to any transfer of Ordinary Shares issued pursuant to the exercise of Options (except (i) by will or by the laws of descent and distribution upon death; (ii) through a donative transfer to a family trust, a spouse or a direct lineal descendant; or (iii) to the Company, and all shares transferred as provided by (i) through (ii) subsequently may only be

[11] To date, the Company has not granted Options to consultants.

[12] All Options newly granted under the Plans through the date of this letter have been granted with an exercise price of $5 per share.

transferred back to the Company) and will at all times exercise its right of first refusal during the period for which it is relying upon relief granted by this no-action request. As a result, no market will develop for the resale of the shares acquired upon exercise of Options unless and until there is an IPO or other liquidity event. For these reasons, the Company does not expect that the currently outstanding Options and Options to be granted under the Plans will result in any significant number of investors in the Company until there is an IPO or other liquidity event.

2. Trading Interest

The second factor listed in Section 12(h) is the level of trading interest in a company's equity securities. The Plans have been structured to prohibit the trading of Options, specifically providing that Options are not transferable, except by will or the laws of descent and distribution. Transfers made in contravention of the Plans or the Management Shareholders Agreements are deemed void in each case thereunder. The Company has provided an undertaking not to consent to any proposed transfer other than by will or the laws of descent and distribution, or, in the case of Ordinary Shares issued upon exercise of Options, in a donative transfer to a family trust, spouse or direct lineal descendant or to the Company, during the period for which it is relying upon relief granted by this no-action request. The Company has also provided an undertaking not to consent to any subsequent transfer of Ordinary Shares issued upon exercise of Options except back to the Company. Accordingly, there will be no opportunity for any trading to take place or any trading interest in the Options or the Ordinary Shares issuable upon exercise of such Options to develop. In addition, the Company undertakes that so long as it is relying on no-action relief granted pursuant to this request, the Company will not issue any additional awards in connection with the Options. Thus, there will be no trading interest in any of the Company's equity securities.

3. Nature of Issuer

The last factor listed in Section 12(h) is the nature and extent of the activities of the issuer and the income or assets of the issuer. While the assets and income of the Company are not insubstantial, it remains a private company. The Ordinary Shares are not traded or tradeable on any securities exchange, quotation service or other public market of any sort. In order to maintain the status quo, institutional shareholders of the Company who hold approximately 98.3% of the outstanding Ordinary Shares are currently bound by a shareholder agreement (the *"Shareholder Agreement"*) which closely regulates share transfers and corporate control. All shares to be issued upon exercise of the Options granted under the Executive Plan will be subject to a Management Shareholders Agreement, pursuant to which the optionholder may not sell, assign, transfer, convey, pledge or otherwise dispose of any shares acquired upon exercise of an Option until a change in control or five years from the date of grant of the underlying option. All shares to be issued upon exercise of the Options granted under the Executive Plan will also be subject to the Company's right of first refusal until a change in control or from five years following the date of grant through the first qualified public offering of the Company's securities. All shares to be issued upon exercise of Options granted under the Management Plan will be subject to its terms, pursuant to which the optionholder may not sell, assign, transfer, convey, pledge or otherwise dispose of any shares acquired upon exercise of an Option until a change in control or the later of (a) five years from the date of exercise or (b) the date of an IPO of the Company's securities (except (i) by will or by the laws of descent and distribution upon death; (ii) through a donative transfer to a family trust, a spouse or a direct lineal descendant; or (iii) to the Company, and all shares transferred as provided by (i) through (ii) subsequently may only be transferred back to the Company). Since the Company has no public investors and no trading interest in its securities, we believe that the purposes for which Section 12(g) was enacted would not be advanced by requiring the Company to register the Options granted under the Plans.

4. Information Delivered or Available to Optionholders

So long as the Company is relying on the relief granted pursuant to this request, it undertakes to do all of the following:

(a) Deliver to the optionholders under the Plans and its other securityholders materially equivalent Exchange Act registration statement information as the Company would have provided had it registered the class of securities under Section 12 on Form 10, delivered promptly after the date on which relief requested herein is granted;

(b) Deliver to the optionholders under the Plans and its other securityholders an annual report containing information materially equivalent to that required to be contained in a Form 10-K, including audited annual financial statements of the Company and its consolidated subsidiaries prepared in accordance with generally accepted accounting principles (*"GAAP"*), delivered within the same time period as required of non-accelerated filers, commencing upon the end of the first fiscal year following the date that this request is granted;

(c) Deliver to the optionholders under the Plans and its other securityholders quarterly reports for the first three fiscal quarters of each fiscal year, containing the information materially equivalent to that required to be contained in a Form 10-Q, including unaudited quarterly financial statements of the Company and its consolidated subsidiaries prepared in accordance with GAAP, commencing for the first fiscal quarterly period ending after the date this request is granted, delivered within the same time period as required of non-accelerated filers;

(d) Deliver to the optionholders under the Plans and its other securityholders an information statement in the form required under the proxy disclosure rules containing any information pertaining to a future change in or amendment to the Plans that would otherwise require a shareholder vote;

(e) Make electronically available to optionholders under the Plans the current vesting status of all Options, and use reasonable efforts to otherwise provide such optionholder, so long as it receives reasonable notice of the optionholder's decision to terminate employment with the Company, with all material and relevant information that is necessary to the decision of whether to terminate employment and thereby forfeit the Options;

(f) Provide to the optionholders under the Plans and its other securityholders, certifications to the quarterly reports and annual reports equivalent to the certifications required under Item 601(b)(31) of Regulation S-K;

(g) Provide to optionholders under the Plans such other information as the Company may otherwise generally provide to its other securityholders; and

(h) Make available to each optionholder under the Plans upon request access to the Company's books and records, including corporate governance documents, to the same extent it is obligated to make such books and records available to the Company's other securityholders.

The above described information requirements will terminate once the Company becomes a reporting company under the Exchange Act, at which time the Company will comply with the information requirements contained in the Exchange Act and the rules promulgated thereunder.

D. Comparison to Prior Grants of Relief

The Staff has previously granted no-action relief to other applicants in a number of situations which, for analytical purposes, we believe are in all material respects the same as the Company's current situation, including among others Jazz Semiconductor, Inc. (November 21, 2005), Abetterwayhome Corp. (January 30, 2004), Seagate Removable Storage Solutions Holdings (March 7, 2003), Headstrong Corporation (February 28, 2003), DataCard Corporation (October 15, 2002), SI International, Inc. (February 4, 2002), Mitchell International Holding, Inc. (December 21, 2000), General Roofing, Inc. (April 5, 2000), Kinko's, Inc. (November 24, 1999) and BSG Corporation (August 1, 1995). We note in particular the following factual similarities between the Company's circumstances and those of the other applicants:

1. Options are granted under the Plans only to Eligible Recipients of the Company and its subsidiaries, within the meaning of Rule 701.

2. The Company has issued and will continue to issue Options under the Plans for compensatory purposes without cash or other tangible consideration, and at exercise prices not less than 100% of the fair market value of the Ordinary Shares on the date of grant of the Option, for the purposes of providing an incentive to Eligible Persons to work to improve the business of the Company.

3. Holders of Options are under no obligation to exercise those Options. Options will be exercisable only to the extent that they are vested on the date of exercise and, for U.S. Persons, only to the extent the optionholder has had a reasonable period of time to review the Company's Rule 701(e) Disclosure.

4. Prior to the date of exercise, Options granted under the Plans may not be transferred or disposed of in any manner, and the Plans provide that any attempt by an optionholder to do so will be void and of no effect (provided, however, that an Option is transferable by will or by the laws of descent and distribution). Therefore holders of Options should not be treated as "public" investors.

5. Shares acquired upon exercise of an Option shall be subject to the restrictions, terms and conditions of a Management Shareholders Agreement or the Management Plan. Under the terms of the Management Shareholders Agreement and the Management Plan, a shareholder may not transfer or otherwise dispose of any shares acquired through the exercise of an Option until the later of five years from the date of grant or the date of an IPO of the Company's securities (except (i) by will or by the laws of descent and distribution upon death; (ii) through a donative transfer to a family trust, a spouse or a direct lineal descendant; or (iii) to the Company, and all shares transferred as provided by (i) through (ii) subsequently may only be transferred back to the Company). The Company has provided an undertaking not to consent to any transfer in contravention of the preceding sentence during the period for which relief is relied upon pursuant to this no-action request. Furthermore, the Company has undertaken to exercise its right of first refusal when applicable. As a result, and as noted above, neither optionholders nor shareholders should be treated as "public" investors.

6. Upon an optionholder's termination of employment, any Options that have not yet vested on the date the optionholder's employment ends will be cancelled by the Company. Upon an optionholder's termination of employment, the optionholder will generally have a post-employment period of ninety days to one year in which to exercise the Option for any shares in which the optionholder is vested on the date the optionholder's employment ends.

7. The Company has made similar undertakings relative to providing optionholders with material information.

8. The relief requested is limited to Options to be granted under the Plans.

We note that in the March 31, 2001 Division of Corporation Finance Current Issues and Rulemaking Projects Quarterly Update, the Staff has announced that it would supplement its position developed in the no-action letters cited above (the *"No-Action Letters"*) as to the granting of exemptive relief from the registration of options to purchase shares under Section 12(g), and has described the additional circumstances under which it will grant such exemptive relief with respect to options granted under plans that have less restrictive features than the plans described in the No-Action Letters. An example of a less restrictive features is allowing options to be immediately exercisable. Since the Plans are equally if not more restrictive, with each of its material features corresponding to features of some or all of the plans discussed in the No-Action Letters, the Company is seeking relief consistent with the conditions under which relief has been granted in the No-Action Letters.

III. Conclusion

Because of the absence of both public investors and trading interest with respect to the Company's securities, we believe that neither the public interest nor the protection of investors will be furthered by requiring the Company to meet the registration requirements of the Exchange Act with respect to the Options already granted or to be granted under the Plans. We respectfully request that you take a no-action position, relieving the Company from the registration requirements of Section 12(g) of the Exchange Act with respect to the Options already granted and to be granted under the Plans.

We further request that this grant of no-action relief remain in effect until the date the Company first registers any class of its securities under the Securities Act or until the Company becomes subject to the reporting requirements of the Exchange Act with respect to any class of its securities. At that time, the Company will also file a Securities Act registration statement for the Ordinary Shares issuable upon exercise of the outstanding Options under the Plans.

In accordance with Release No. 33-6269, seven additional copies of this letter are enclosed. If for any reason you do not concur with our conclusions, we would appreciate the opportunity to confer with members of the Staff by telephone prior to any written response to this letter. If you need any additional information regarding this letter, or if we may otherwise be of assistance, please telephone the undersigned at (202) 637-2242.

Sincerely yours,

John J. Huber
of LATHAM & WATKINS LLP

cc: Mary Cascio, Esq.
Special Counsel
Office of International Corporate Finance
Securities and Exchange Commission