



August 27, 2007

Ms. Nancy M. Morris
Secretary
U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington D.C. 20549

Re: Revisions to Eligibility Requirements for Primary Securities Offerings on Forms S-3 and F-3; File Number S7-10-07; (72 FR 35118)

Dear Ms. Morris:

America's Community Bankers¹ ("ACB") is pleased to comment on the proposal by the U.S. Securities and Exchange Commission ("SEC") to amend the eligibility requirements of Form S-3 and Form F-3. The proposed amendments would allow issuers, domestic and foreign, to conduct primary securities offerings under the Securities Act of 1933 by using Form S-3 and Form F-3, respectively, without regard to the size of the issuer's public float or debt rating. To be eligible to use Form S-3 and Form F-3 an issuer may i) not have been a shell company for at least 12 calendar months prior to filing a registration statement; ii) not sell more than 20 percent of its public float over any 12 calendar month period; iii) have a class of securities registered under sections 12(b) or 12(g) of the Securities and Exchange Act of 1934 ("Exchange Act"); and iv) have been subject to the reporting requirements and have timely filed all material reports required to be filed under the Exchange Act for at least 12 months prior to filing the registration form with the SEC.

ACB Position

ACB strongly supports the SEC's proposal to extend the use of Form S-3 to all domestic issuers regardless of public float or debt rating.² We believe that this proposal will help smaller public companies raise capital in the public markets with less burden and cost. We applaud the SEC's consideration and proposed implementation of the recommendations made by its Advisory Committee on Smaller Public Companies ("Advisory Committee") to permit all size companies that are current in their Exchange Act Reporting obligations to be eligible to use Form S-3.

¹ America's Community Bankers is the national trade association committed to shaping the future of banking by being the innovative industry leader strengthening the competitive position of community banks. To learn more about ACB, visit www.ACB.us.

² Form F-3, which parallels Form S-3, is available for eligible foreign private issuers. ACB has no members that are foreign private issuers and, therefore, we do not have a position on the proposal as to Form F-3.

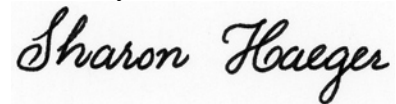
Background

Form S-3 is a streamlined registration form that is used by domestic issuers to register securities offerings with the SEC. Form S-3 is particularly useful because it permits an issuer to incorporate by reference reports filed under the Exchange Act to satisfy the form's disclosure requirements. More importantly, Form S-3 permits incorporation by reference of subsequently filed Exchange Act reports and allows for automatic updating of the registration statement, which is not available under other registration forms. Without the incorporation by reference of future filings, issuers would have to continuously update the information in the registration statement and file new or amended registration statements with the SEC for review. Form S-3 also permits issuers to offer shelf-registered securities in one or more tranches in reaction to market conditions without further SEC approval. The availability of this integrated disclosure system simplifies the registration process and reduces the burden and cost of securities registration.

Under current SEC rules, issuers with over \$75 million in public float may use Form S-3 in primary offerings of securities. The SEC's Advisory Committee considered the eligibility requirements of Form S-3 and the impact on smaller public companies. According to the Advisory Committee, the public float threshold prevented smaller public companies from taking advantage of the efficiencies that can be realized from Form S-3 and limited the ability of these companies to raise capital in the public markets. The Advisory Committee recognized that Exchange Act reporting companies below the threshold have the same reporting obligations as the largest public companies and just like the largest companies provide sufficient public disclosures for the use of Form S-3.

ACB appreciates the opportunity to comment on this important proposal, which, if adopted, should benefit smaller public companies. If you have any questions about this letter or would like to discuss our position, please contact Patricia Milon at (202) 857-3121 or pmilon@acbankers.org, or the undersigned at (202) 857-3186 or shaeger@acbankers.org.

Sincerely,

A handwritten signature in black ink that reads "Sharon Haeger". The signature is written in a cursive, flowing style.

Sharon A. Haeger
Regulatory Counsel