

THE FINANCIAL SERVICES ROUNDTABLE

Impacting Policy. Impacting People.



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November 13, 2007

VIA EMAIL

Ms. Nancy Morris, Secretary
Securities and Exchange Commission
100 F Street NE
Washington DC 20549-1090

RE: File number S7-20-07: Concept Release on Accounting Standards

Dear Ms. Morris:

The Financial Services Roundtable¹ (“Roundtable”) submits this letter in support of the Securities and Exchange Commission’s (“SEC”) Concept Release to allow U.S. issuers the option of preparing financial statements in accordance with International Financial Reporting Standards (“IFRS”). The IFRS is a high quality set of accounting standards whose application results in high quality financial reporting. Further, IFRS rapidly is becoming the global standard with over 100 countries having accepted them. We think that FASB Chairman Bob Herz’s request for a national plan to transition to IFRS must be fully considered by a group, led by the SEC, of all federal and state government regulatory entities that utilize US GAAP financial information.

The Roundtable *encourages* the SEC to offer this approach as an option for U.S. issuers. We particularly support allowing U.S. companies with foreign parent companies that file audited IFRS financial statements (either in the U.S. or in another country) to be in the first stage permitted to use the option. These entities already have the infrastructure to support IFRS and are reporting results to analysts in accordance with IFRS.

The SEC recently issued a proposed rule permitting foreign issuers to prepare statements according to the IFRS without reconciling to US GAAP.² We believe allowing U.S. issuers to utilize IFRS would further enhance U.S. competitiveness by making it easier for those issuers to raise capital and possibly reducing their cost of capital through increased comparability with other non-US issuers that utilize IFRS. In particular, the U.S. standards would be consistent with other nations that have permitted the financial statements to be prepared in accordance with IFRS and ultimately, would help narrow the regulatory gap between U.S. accounting standards

¹ The Financial Services Roundtable represents 100 of the largest integrated financial services companies providing banking, insurance, investment products and services to the American consumer. Roundtable member companies provide fuel for America’s economic engine accounting directly for \$18.3 trillion in managed assets, \$678 billion in revenue and 2.1 million jobs.

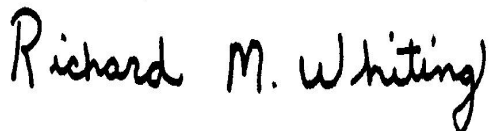
² The Roundtable has filed comments on this proposed rule with the SEC, which can be found at: http://www.fsround.org/policy/regulatory/pdfs/Roundtablecomments_foreignreporting_final.pdf.

and international accounting standards, as well as accelerate the momentum toward a single set of internationally accepted standards.

As noted in our letter to you dated September 24, 2007 regarding File Number S7-13-07: Financial Reporting Standards, we view the elimination of the reconciliation requirement as a step towards the larger goal of accounting convergence, which would result in a single, high quality set of global accounting standards. In working toward accounting convergence, the SEC should continue to monitor the development of a new insurance accounting model, since IFRS 4, *Insurance Contracts*, does not establish one standard for the recognition and measurement of insurance contracts. Therefore, with regard to insurance companies, IFRS 4 may not offer the same level of transparency to investors as other IFRS standards applicable to other sectors of the financial services industry.

Thank you again for the opportunity to share our views with you on this subject. If you have any questions, please feel free to contact me or Melissa Netram at 202-289-4322.

Sincerely,

A handwritten signature in black ink that reads "Richard M. Whiting". The signature is written in a cursive, slightly slanted style.

Richard Whiting
Executive Director and General Counsel