

November 12, 2007

From: Chad Rue

RE: File Number S7-20-07; Concept Release On Allowing U.S. Issuers To Prepare Financial Statements In Accordance With International Financial Reporting

Dear Sirs and Madams:

As an accounting graduate student and future practitioner in the accounting field, I do agree that having a single set of high quality globally accepted accounting standards could benefit both the global capital markets and investors. Therefore, I also agree with the initiatives of the 2002 Norwalk Agreement, which was made between the Financial Accounting Standards Board (FASB) and the International Accounting Standards Board, to converge U.S. Generally Accepted Accounting Principles (GAAP) and International Financial Reporting Standards (IFRS).

Although I support the harmonization of U.S. GAAP and IFRS, I do not believe that the Securities and Exchange Commission (SEC) should allow U.S. issuers to have a choice between filing their financial statements following GAAP or IFRS at this present time. I believe that permitting extended periods of choice between GAAP and IFRS will add to the complexity of our reporting system. I agree with the proposal and response of the FASB and Financial Accounting Foundation to develop a transition plan for moving U.S. public companies to IFRS. If U.S. issuers were to start using IFRS now, the present auditing standards, education systems, and licensing requirements have not had ample time to properly plan for this significant change in accounting practices. IFRS should not be adopted until the FASB and IASB have converged U.S. GAAP and IFRS; there is a risk that GAAP and IFRS will never converge even though it is unlikely.

Allowing U.S. issuers to use IFRS before the completion of convergence and proper preparation will cause an abrupt disruption in our current reporting system, auditing standards, licensing requirements and education systems. These potentially disrupted parties need the proper amount of time to make the necessary adjustments for the use of IFRS. However, these parties will have to make the proper adjustments again after convergence is completed. Why go through this costly process twice? Such parties should not have to make changes now because U.S. issuers are allowed to use the current IFRS and then also make changes after convergence was completed. Allowing the choice to use IFRS now would be more chaotic and confusing than beneficial. There must be a proper plan in place to make the transition as smooth as possible before IFRS is allowed. I believe that the proper time is after the complete convergence of GAAP and IFRS.

Thank you for allowing me to comment on this matter,

Chad Rue

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