UNUMPROVIDENT

February 26, 2007

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

Re: File Number S7-24-06

Dear Ms. Morris:

Thank you for the opportunity to provide comments concerning the Commission's proposed interpretive guidance for management regarding its evaluation of internal control over financial reporting. We fully support guidance for management to perform a top-down, risk-based evaluation of internal control over financial reporting which will assist companies in completing its annual evaluation in an effective and efficient manner.

In the appendix to this letter, we have commented on the questions from the Commission that are most pertinent to the views of our Company. We feel the interpretive guidance is beneficial and addresses the relevant topics for management's assessment. Specific examples included in the guidance would be welcomed and are discussed in the appendix.

Additionally, we feel it is critical that the Commission's proposed guidance and the PCAOB's proposed standard are aligned. Although the Commission's proposal would eliminate the auditor's opinion of management's assessment, which we fully support, external auditors may still place the same reliance on management's work, if not more, for the current year. If the proposals are not aligned, companies could potentially be forced to perform the same amount of work as in previous years to suffice the auditors. This would result in companies continuing to use the PCAOB's standard as opposed to the Commission's.

Once again, we appreciate the opportunity to comment on the proposed guidance. Should you have any questions, we would be happy to discuss them in more detail.

Sincerely,

Daniel J. Waxenberg
Assistant Vice President, Internal Controls
UnumProvident Corporation

Appendix

Below are questions that were in the "Request for Comment" sections of the Commission's proposed guidance. As stated in our above letter, the Company has only responded to those questions of which are most pertinent to UnumProvident.

1. **Will the proposed interpretive guidance be helpful to management in completing its annual evaluation process? Does the proposed guidance allow for management to conduct an efficient and effective evaluation? If not, why not?**

The proposed guidance will be helpful in completing the annual evaluation process. By emphasizing a more risk-based top down approach, the Company should be able to spend less time on low risk areas while still maintaining an adequate control environment.

2. **Are there particular areas within the proposed interpretive guidance where further clarification is needed? If yes, what clarification is necessary?**

The proposed guidance is appropriately based heavily on identification and analysis of risk. Financial reporting risk affects the design of the compliance effort and the sufficiency of evidence to obtain support for control operating effectiveness. The interpretive guidance states that management should use its knowledge and understanding of the business to identify and classify the various risks. Further clarification and more specific examples for not only identifying the various financial reporting risks but also identifying how management should document its identification and analysis of the relevant risk to support its effort would be beneficial.

The proposed guidance discusses the relationship of entity level controls to financial reporting elements stating that the more indirect the relationship, the less effective a control may be in preventing or detecting a misstatement. Examples of indirect relationships were given and are clearly understood. It would be beneficial for the Commission to provide specific examples of entity level controls which have direct relationships to financial reporting elements. If companies reduce lower level testing based on entity level control testing, adequate guidance must be available for discussions with external auditors. This guidance must also be present in the PCAOB standard.

The proposed guidance states that for lower risk areas, management may conclude that evidence from on-going monitoring is sufficient and that no direct testing is required. Specific examples of appropriate monitoring and the extent of testing which should be performed of the monitoring activities necessary to solely rely on the monitoring would be beneficial.

3. **Are there aspects of management's annual evaluation process that have not been addressed by the proposed interpretive guidance that commenters believe should be addressed by the Commission? If so, what are those areas and what type of guidance would be beneficial?**

Although we believe the significant areas of concern have been discussed in the standard, additional specific examples are needed for those areas to effectively implement the guidance. See comments above.

6. **Considering the PCAOB's proposed new auditing standards, An Audit of Internal Control Over Financial Reporting that is Integrated with an Audit of Financial Statements and Considering and Using the Work of Others In an Audit, are there any areas of incompatibility that limit the effectiveness or efficiency of an evaluation conducted in accordance with the proposed guidance? If so, what are those areas and how would you propose to resolve the incompatibility?**

As discussed above, the Commission's interpretive guidance allows companies to use their knowledge and understanding of the business to tailor the compliance effort. If the PCAOB standard does not align precisely with this language, the possibility of redundancies and/or companies not being able to appropriately reduce their testing may exist. Per our above letter, although there is a proposal to eliminate the auditor's opinion of the management's assessment which we fully support, the PCAOB urges external auditors to rely more on companies' work. Therefore, the auditor must determine if the work performed by management is adequate per the PCOAB standard. If companies reduce the evidence obtained for operating effectiveness from prior years based on risk factors, but the auditor deems this reduction not in alignment with the PCAOB standard, then the companies are faced either with performing the additional work for the auditor or the potential for increased audit fees since the auditor relied on the work in the prior year and can no longer do so since the company would not be performing the work.

14. **Is it appropriate to provide the proposed assurance in Rules 13a-15 and 15d-15 that an evaluation conducted in accordance with the interpretive guidance will satisfy the evaluation requirement in the rules?**

It is appropriate to provide assurance to companies that an evaluation conducted in accordance with the interpretive guidance will satisfy the evaluation requirements in the rules. Providing this assurance will give companies the needed option to follow this guidance and only this guidance.

15. **Does the proposed revision offer too much or too little assurance to management that it is conducting a satisfactory evaluation if it complies with the interpretive guidance?**

The assurance level offered is appropriate.

20. **Comment on the nature of the costs and benefits of the proposed amendments, including the likely responses of public companies and auditors concerning the introduction of new management guidance.**

We believe the proposed amendments are beneficial and will give companies the needed guidance to efficiently and effectively satisfy the evaluation requirements. In general, we hope this will result in lower costs. As stated above, there is still some concern that costly and time-consuming disagreements between the auditor and management could occur regarding the extent of documentation and testing when reliance discussions take place. Appropriately aligning the Commissions guidance and PCAOB's standards will address this concern.