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July 18, 2007

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

Re: File No. S7-24-06
Release Nos. 33-8811

Dear Ms. Morris:

KPMG appreciates this opportunity to respond to the Securities and Exchange Commission's (the Commission) request for additional comment on the definition of the term "significant deficiency," as it is used in the Commission's rules implementing Sections 302 and 404 of the Sarbanes-Oxley Act. Disclosure by management to the issuer's audit committee and the independent auditors of all identified significant deficiencies in internal control over financial reporting represents an important step in promoting continued improvements to internal control and financial reporting.

Defining the term significant deficiency in the Commission's rules will assist issuer managements in their Exchange Act Rules 13a-14 and 15d-14 compliance efforts, and further the Commission's objective of improving implementation of the provisions of Sarbanes-Oxley. We believe that the proposed definition provides for the exercise of appropriate judgment by management to cost-effectively determine those deficiencies in internal control over financial reporting that are important enough to merit attention by those responsible for oversight. Further, we believe that a consistent definition of significant deficiency in the Commission's rules and in the PCAOB's auditing standards is imperative, and will promote effective and efficient compliance by managements and by independent auditors with their respective responsibilities to communicate and respond to significant deficiencies in internal control.

If you have any questions regarding information included in this letter, please do not hesitate to contact Sam Ranzilla, (212) 909-5837, sranzilla@kpmg.com, or Craig W. Crawford, (212) 909-5536, ccrawford@kpmg.com.

Very truly yours,

KPMG LLP



Office of the Secretary

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cc: SEC Commissioners
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Mr. Roel C. Campos
Ms. Kathleen L. Casey
Ms. Annette L. Nazareth

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