

September 17, 2007

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

Re: **File Number S7-15-07**, *Smaller Reporting Company Regulatory Relief and Simplification*

Dear Ms. Morris:

Deloitte & Touche LLP is pleased to respond to the request by the Securities and Exchange Commission (the “Commission”) for comment on the proposed rule, *Smaller Reporting Company Regulatory Relief and Simplification* (File Number S7-15-07). We believe that the Commission’s proposal will improve the reporting system by reducing its complexity and expanding the benefits of the scaled disclosure system while continuing to provide investors with needed information.

We support the Commission’s proposal to streamline the size-based classifications of companies by essentially combining “small business issuers” and “non-accelerated filers” into a new category — “smaller reporting companies.” Reducing the number of categories of companies subject to different rules will make the system easier to navigate both for preparers and for users. Aligning the size threshold of the scaled disclosure system with that of the accelerated filing rules is a reasonable approach to simplifying the system. We believe that the inclusion of both a revenue test and a public float test in the proposed new definition will allow it to be appropriately applied to different types of registrants (e.g., equity and debt-only issuers). If the Commission adopts an inflationary adjustment mechanism in the new definition of smaller reporting companies, we urge it to consider incorporating a parallel adjustment mechanism into the definitions of “accelerated filer” and “large accelerated filer” to maintain the alignment achieved by the current proposal.

We also support the Commission’s proposal to integrate Regulation S-B into Regulation S-K, which we believe will further simplify the system for preparers and users. Integrating each Regulation S-B requirement (other than the financial statement requirements in Item 310) as a new paragraph in the corresponding item in Regulation S-K will accomplish integration. Labeling these requirements with the heading “smaller reporting companies” will clearly identify the provisions that are different for smaller reporting companies.

We believe that the Commission’s proposal to allow smaller reporting companies to adopt an à la carte approach to disclosure requirements, in which the larger reporting company requirements are more rigorous, is also appropriate. As the Commission notes in the proposal, this approach

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would allow the smaller reporting company requirements to serve as a baseline while allowing companies to provide any additional disclosure they deem important to investors.

In the proposal, the Commission asks about the appropriate treatment for foreign private issuers under the proposed rules. We believe it is appropriate to allow foreign private issuers that take advantage of the requirements for smaller companies to file their financial statements on Form 20-F (in the issuer's home-country GAAP with a reconciliation to U.S. GAAP) in lieu of using U.S. GAAP. We note that the Commission has issued a proposal to accept financial statements of foreign private issuers prepared in accordance with International Financial Reporting Standards (IFRSs) without reconciliation to U.S. GAAP (Release No. 33-8818; File No. S7-13-07). If the Commission decides to adopt that proposal, we believe that eligible small business issuers should be able to take advantage of the same benefits of that proposal by filing financial statements using IFRSs. In these instances, the revenue test related to smaller company requirements should be based on IFRSs and not U.S. GAAP.

For the following two reasons, we also support the recommendation of the SEC Advisory Committee on Smaller Public Companies that smaller reporting companies should provide a second year of audited balance sheet data. First, we agree that comparability is important for investors and can be enhanced via this requirement. Second, unless otherwise exempted by a standard or interpretation, IFRSs require comparative financial information to be presented for all companies, regardless of size. This is an important opportunity to obtain further convergence.

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Again, we appreciate the opportunity to comment on the proposal, and we would be pleased to discuss it with you at your convenience. If you have any questions, please contact Jim Schnurr at (203) 761-3539 or Christine Davine at (202) 879-4905.

Yours truly,

/s/ Deloitte & Touche LLP

cc: Chairman Christopher Cox
Commissioner Paul S. Atkins
Commissioner Annette L. Nazareth
Commissioner Kathleen L. Casey
Conrad W. Hewitt, Chief Accountant
John W. White, Director, Division of Corporation Finance