



September 29, 2004

Director, TA&I - FSB
Financial Accounting Standards Board
401 Merritt 7
P.O. Box 5116
Norwalk, CT 06856-5116

Letter of Comment No: 33
File Reference: EITF03-1
Date Received: 09/29/04

Dear Sir or Madam:

The American Council of Life Insurers (ACLI) would like to offer our comments on FSP EITF Issue 03-1-b regarding the deferral of EITF Issue 03-1, The Meaning of Other-Than-Temporary Impairment (Issue 03-1). ACLI is the principal trade association of life insurance companies, representing 368 members that account for, in the aggregate, 71 percent of the assets of legal reserve life insurance companies in the United States.

ACLI intends on providing, within the comment deadline period, a detailed comment letter on FSP EITF Issue 03-1-a. That letter will detail our position on each of the three questions addressed by the FASB and respond to the FASB staff's request for response on the definition of minor impairments and the limitation of the notion of minor impairments to debt securities evaluated for impairment pursuant to paragraph 10 of Issue 03-1. The purpose of this letter is to request the FASB to expand the deferral provisions of FSP Issue EITF 03-1-b to include securities that fall under the guidance of paragraph 10 of Issue 03-1.

We will request in our letter addressing FSP EITF Issue 03-1-a that paragraph 10 securities receive consistent treatment in the definition of intent and ability to hold and in the notion of minor impairments as paragraph 16 securities receive. The deferral of the implementation date of paragraph 10 securities will ensure proper due process to allow us and other companies and trade associations to address paragraph 10 issues prior to the effective date.

Thank you for the opportunity to provide comments on this very important issue to the life insurance industry.

Sincerely,

A handwritten signature in black ink that reads 'James F. Renz'. The signature is written in a cursive style with a large, stylized 'J' and 'R'.

James F. Renz
Director, Accounting Policy