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Letter of Comment No: 2
File Reference: FSPFAS129A

Ms. Suzanne Q. Bielstein
Director of Major Projects and Technical Activities
Financial Accounting Standards Board
401 Merritt 7
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Norwalk, CT 06856-5116

**Proposed FASB Staff Position No. 129a, "Disclosure Requirements
Under FASB Statement No. 129, *Disclosure of Information About Capital Structure*,
Relating to Contingently Convertible Financial Instruments"**

Dear Ms. Bielstein:

Ernst & Young appreciates the opportunity to comment on the Proposed FASB Staff Position No. 129a, "Disclosure Requirements Under FASB Statement No. 129, *Disclosure of Information About Capital Structure*, Relating to Contingently Convertible Financial Instruments" (the "Proposed FSP"). We believe that the additional disclosures required by the Proposed FSP are consistent with the requirements of Statement 129 and will provide the users of the financial statements with information that will enable them to better understand the terms of contingently convertible financial instruments, and the potential impact of their conversion. We have no recommendations to improve the usefulness of the requirements of the Proposed FSP.

Very truly yours,

Ernst & Young LLP