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October 30, 2003

Mr. Lawrence Smith
Director of Technical Application and Implementation Activities
Financial Accounting Standards Board
401 Merritt 7
P.O. Box 5116
Norwalk. Connecticut 06856-5116

Re: Proposed FASB Staff Position No. FAS 150-d, Issuers' Accounting for Employee Stock Ownership Plans under FASB Statement No. 150, Accounting for Certain Financial Instruments with Characteristics of Both Liabilities and Equity

Dear Mr. Smith:

PricewaterhouseCoopers LLP appreciates the opportunity to respond to the proposed FASB Staff Position (the "Proposed FSP"). "Issuers' Accounting for Employee Stock Ownership Plans under FASB Statement No. 150 (FAS 150), Accounting for Certain Financial Instruments with Characteristics of both Liabilities and Equity". With the exception of the proposed transition provision noted below, we agree with the Proposed FSP and believe that a final FSP should be issued as soon as possible.

The proposed transition provision states that if this guidance results in changes to previously reported information, the cumulative effect should be reported in the first period *ending after* the final FSP is posted to the FASB website. We suggest that the transition provision be changed so that entities have to report the cumulative effect in the first period *beginning after* the final FSP is posted to the FASB website. Our suggested change is consistent with (1) the approach followed for the transition of guidance in many Derivatives Implementation Group issues, (2) paragraph 29 of FAS 150, and (3) the transition guidance in FSP No. FAS 150-1 and 150-2.

If you should have any questions regarding our comments, please feel free to contact John Althoff at (973) 236-7288, Deidre Schiela at (973) 236-7222, or Bob Bhave at (201) 521-3058.

Sincerely,

PricewaterhouseCoopers LLP