

March 25, 2008

Mr. Russell G. Golden
Director of Technical Application and Implementation Activities
Financial Accounting Standards Board
401 Merritt 7
P.O. Box 5116
Norwalk, CT 06856 - 5116



Re: Proposed FSP SOP 90-7-a

LETTER OF COMMENT NO. 3

Dear Mr. Golden:

PricewaterhouseCoopers LLP appreciates the opportunity to comment on proposed Financial Accounting Standards Board (FASB) Staff Position SOP 90-7-a, *Financial Reporting by Entities in Reorganization Under the Bankruptcy Code* ("the Proposed FSP").

We support the FASB's decision to eliminate the requirement in paragraph 38 of SOP 90-7 for entities to apply changes in accounting principles that will be required in the financial statements of an emerging entity within twelve months following the adoption of fresh-start reporting. We agree that removing this portion of paragraph 38 reduces complexity and improves comparability by allowing companies emerging from bankruptcy to elect early adoption of new accounting standards, if permitted, in the same manner available to companies not emerging from bankruptcy.

We note that the last sentence in paragraph 6 of the Proposed FSP could be interpreted as precluding a company emerging from bankruptcy from early adopting an accounting principle even if early adoption were permitted. We understand the intent of the FSP to be the establishment of consistent requirements for all companies. We therefore suggest that the language be clarified as follows:

"As a result of the amendment, an entity emerging from bankruptcy that uses fresh-start reporting ~~only~~ should follow the accounting standards in effect at the date of emergence, and the accounting standards for which the entity has elected early adoption, if permitted.

If you have any questions regarding our responses, please contact Larry Dodyk at (973) 236-7213.

Sincerely,

PricewaterhouseCoopers LLP