



January 15, 2007

Financial Accounting Standards Board 401 Merritt 7 P.O. Box 5116 Norwalk, Connecticut 06856-5116

Attn: Technical Director - File Reference No. 1510-100

Dear Sirs:

In response to your request for comments on the Proposed Statement of Financial Accounting Standards entitled "Disclosures about Derivative Instruments and Hedging Activities an amendment to FASB Statement No. 133," my comments are as follows:

- 1) I agree with the Board that these additional disclosures should help describe various derivative positions and company policies with greater transparency for financial statement users.
- 2) I do not agree with the exposure drafts' requirement that these expanded disclosures be required in **interim** financial statements. I believe providing these disclosures on an annual basis is sufficient for the reader of the financial statements to understand the company's derivative strategies and accounting policies/positions.

In light of the shortened reporting due date requirements for public company interim financial statements, the increase in costs inherent with additional interim disclosures and the continuing increases in other required interim disclosures, I believe this additional derivative disclosure should only be required in annual financial statements. If there are significant changes to the annual derivative disclosures after year-end then it would be appropriate to update interim disclosures to describe those significant changes. As you know, this level of interim disclosure updating is already required for other footnote items, such as debt.

I appreciate the opportunity to provide you with my comments on your exposure draft. I would like to add one additional comment about derivative accounting, which I believe should be addressed in future FASB guidance. I believe that the accounting for derivatives has become overly prescriptive, and in fact sometimes results in the accounting not matching the underlying economics of a transaction. This is particularly true when it comes to some of the form over substance documentation requirements. I hope the Board will continue to address the entire derivative accounting model to enable the economics of transactions to be reported, instead of following perspective and overly form driven rules.

Very truly yours,

Larry Freedman

Vice President – Finance and Controller