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May 8, 2009

Technical Director Financial Accounting Standards Board 401 Merritt 7 PO Box 5116 Norwalk, CT 06856-5116



LETTER OF COMMENT NO. 7



File Reference No. 1690-100

PricewaterhouseCoopers appreciates the opportunity to comment on the FASB's Proposed Statement of Financial Accounting Standards, The Hierarchy of Generally Accepted Accounting Principles, a replacement of FASB Statement No. 162 (the "proposed Statement").

Transition Provisions - Nonpublic Entities

We are not aware of any significant accounting issues that would arise from the Board's proposed transition provisions for nonpublic entities that had not previously applied the guidance in AICPA TIS Section 5100, paragraphs 38-76. Thus, we do not take any exception to the transition provision as proposed.

Proposed Statement's Effect on GAAP

We have interpreted the question proposed by the Board to include whether the proposed Statement and the Codification itself would change GAAP. We are not aware of any guidance included in the proposed Statement or in the Codification that would change GAAP, other than AICPA TIS Sections 5100 as mentioned by the Board in the proposed Statement. We recognize, however, in responding to this question that the Codification is not complete, and the FASB will continue to amend the Codification to include additional authoritative guidance, which presumably also will not change GAAP.

Effective Date

We are supportive of the July 1, 2009 effective date for the proposed Statement. We agree with the Board that an extended transition period is not necessary for this proposed Statement because it is not expected to change GAAP and users have been able to access and use the Codification since January 2008.

We recommend, however, that the FASB clarify the application of the proposed effective date of the Statement. We suggest that the Board clarify whether preparers should first begin applying the proposed Statement to financial statements issued after the effective date, or to financial statements for periods ending after the effective date. The following example illustrates two ways that a company could interpret the proposed effective date of this Statement, assuming its financial statements are for the period ended June 30, 2009 and the company issues the financial statements on July 31, 2009:



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- If a company assumes that the effective date is for financial statements issued after July 1, 2009, it would apply the guidance to its June 30, 2009 financial statements
- If a company assumes that the effective date is for financial statement periods ending after July 1, 2009, it would not apply the guidance to its June 30, 2009 financial statements

We appreciate the opportunity to express our views on the proposed Statement. If you have questions regarding our comments, please contact Susan Cosper at (973) 236-5156.

Sincerely,