



December 19, 2008

LETTER OF COMMENT NO. 21

Mr. Russell G. Golden
Technical Director
Financial Account Standards Board
401 Merritt 7
P.O. Box 5116
Norwalk, CT 06856-5116

File Reference No. 1240-100

Dear Mr. Golden,

We appreciate the opportunity to comment on the Financial Accounting Standards Board (the "FASB" or "Board") Exposure Draft of the proposed Statement of Financial Accounting Standards, *Earnings per Share: An Amendment of FASB Statement No. 128* (the "Exposure Draft"). Huron Consulting Group helps clients address complex challenges that arise in litigation, disputes, and investigations. Huron provides services to a wide variety of organizations, including Fortune 500 companies, medium-sized businesses, leading academic institutions, healthcare organizations, and the law firms that represent these various organizations.

We agree with the FASB's objective to converge the guidance in FASB Statement No. 128, *Earnings per Share*, with the International Accounting Standards Board's proposed revisions to the guidance in International Accounting Standard 33, *Earnings per Share*. We also agree that the proposed revisions to require companies to use end-of-period share prices will simplify the computation of earnings per share and will at least make that component of the calculation comparable between companies applying Statement 128 and companies applying IAS 33.

We believe the Board should explain the principle behind the "little-or-no-cost" criterion discussed in paragraphs 2(a) and 2(b) of the Exposure Draft further. Paragraph 3 of the Exposure Draft offers a clear example of circumstances where there would be little or no cost to the holder of a warrant to become a common shareholder. However, we believe further background on the principle will be useful to financial statement preparers evaluating circumstances that are not as clear. In particular, it is not clear how that guidance applies to mandatorily convertible financial instruments where the holder of the financial instrument would have to forego a return in excess of a normal return for a financial instrument that did not require conversion. While the financial instrument will convert at a date-certain, assuming conversion at an earlier date seems to ignore the fact that the holder would have to surrender an economic benefit in order to convert at a date prior to the mandatory conversion date.

We would be pleased to discuss any of our comments with the Board or the FASB staff. Please direct any questions or comments to Jeff Ellis at 312-880-3019.

/s/ Jeffrey H. Ellis

Jeffrey H. Ellis
Managing Director