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May 2, 2008

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



LETTER OF COMMENT NO. 30

RE: Proposed FSP No. FAS 132(R)-a

Dear Mr. Golden:

PricewaterhouseCoopers LLP appreciates the opportunity to provide comments to the Financial Accounting Standards Board (the "Board") on its proposed FASB Staff Position No. FAS 132(R)-a (the "proposed FSP").

It is our understanding that the proposed FSP is intended to provide financial statement users with additional decision-useful information about an employer's pension and other postretirement benefit plan assets. In our experience, disclosures about benefit plan assets are primarily used to assess a company's potential future cash outflows associated with the plan. As discussed below, we believe the requirements of the proposed FSP are generally consistent with that objective. In our view, it is important for financial statement users to understand the level and types of risks that impact the benefit plan assets of a company, as a significant decrease in the value of plan assets may require significant future cash outflows by the company in order to meet funding requirements. In addition, we believe that disclosure of the composition of the plan assets would provide useful information about diversification and can help readers in assessing whether the company is exposed to a greater concentration of risk.

Therefore, we support disclosure of the additional asset categories presented in the proposed FSP as well as the requirement to disclose concentrations of risk arising within or across those categories of assets. We recommend, however, that the final FSP be drafted in a manner that encourages preparers to exercise professional judgment when determining appropriate asset categories for disclosure. Specifically, we recommend that the FSP acknowledge that, depending on the facts and circumstances, it may be appropriate to disclose additional "major categories" of assets and that use of an "other" asset category may be appropriate for assets that, in the aggregate, are de minimis, regardless of type. We also note that the proposed amendments to FAS 132(R) as written in the proposed FSP do not include definitions of the additional asset categories to supplement the "debt security" and "equity security" definitions currently included in the FAS 132(R) glossary. We believe preparers and financial statement users would find definitions useful and that standardized definitions would increase the consistency of a preparer's asset classification.

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With regard to the disclosures of fair value measurements of plan assets, given the complexity of the current disclosures for pensions and other postretirement benefits, it is critical that the additional disclosures about fair values provide benefits that outweigh the related cost. There may be cases, particularly for non-U.S. benefit plans, where the preparation of the additional disclosures will require excessive costs and preparation time. We also note that because of the requirement in the proposed FSP to prepare a roll forward of plan assets falling within Level 3 of the fair value hierarchy, such disclosures would be required as of the beginning of the year; prior to the effective date of FAS 157. Although companies with U.S. pension plans will be required to provide FAS 157 asset disclosures in 2008 plan financial statements filed in 2009, these financial statements are generally not required to be filed until June (with regard to Form 11-K filed with the Securities and Exchange Commission for calendar-year companies) or October (with regard to Form 5500 filed with the Department of Labor). Accordingly, we recommend that the Board defer the effective date of the fair value measurement disclosures related to plan assets until years ending after December 15, 2009. This would provide preparers with additional time to address any potential issues related to data accumulation and better align the timing of the proposed fair value measurement disclosures with the effective date of FAS 157.

With regard to the roll forward of Level 3 plan assets, the proposed FSP requires the actual return on plan assets to be separately reported for assets still held at the reporting date and those sold during the period. We do not believe that the separate identification of these amounts provides incremental value to the financial statement user and may create confusion. Tracking the realized and unrealized return on plan assets will also require the preparer to incur additional costs. We also note that the roll forward required by FAS 157 for other Level 3 assets does not require such a differentiation. We therefore recommend that the Board require disclosure of the total return on plan assets by major category without identifying the amount of return related to the assets sold and held during the period.

If you have questions regarding our comments, please contact Michael Gostkowski (973-236-5579) or Valerie Wieman (973-236-5887).

Sincerely,

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