



BNY MELLON

July 16, 2010

Sir David Tweedie, Chairman
International Accounting Standards Board
30 Cannon Street, First Floor
London, EC4M 6XH
United Kingdom

**Re: Exposure Draft ED/2010/2 - Conceptual Framework for Financial Reporting:
The Reporting Entity**

Dear Sir David:

The Bank of New York Mellon Corporation (“BNY Mellon”) appreciates the opportunity to comment on the International Accounting Standards IASB’s (“IASB”) Exposure Draft ED/2010/2, *Conceptual Framework for Financial Reporting: The Reporting Entity* (the ED). BNY Mellon is a global financial institution with \$220 billion in assets and \$1,100 billion in assets under management. BNY Mellon is very supportive of the standards setting achievements of the IASB, and we welcome every opportunity to participate in the standards setting process with the IASB.

While we agree with the IASB and the FASB (“the Boards”) that the main purpose of the conceptual framework is to aid in developing standards, which implies that concepts come first, we are concerned that some of the concepts described in the ED are developed and presented at the level of more detailed standards setting. As we believe the standards setting activities of the Boards receive more due process and attention from constituents, many constituents may not be aware of the implications of some of these proposed concepts on their financial reporting obligations.

Specifically, with the IASB’s project on consolidations already underway, we are concerned that its course may be altered by this ED unnecessarily. The decisions to date on the consolidations project should not be reopened upon the issuance of the conceptual framework ED. Accordingly, we recommend that this ED be deferred and re-exposed for comments after the completion of the urgent consolidations project.

In addition, the ED may cause unnecessary financial reporting (with attendant audit requirements) at a high cost to corporations where new "Reporting Entities" are identified. We believe that the concept of an "Entity" should be defined in the ED separately from the concept of which entities should be subjected to financial reporting requirements. We believe that established laws, regulations and contractual requirements would determine which entities would be required to produce financial reports.

Thank you for considering the comments provided in this letter. If you have any questions, please contact me at 212-635-7080.

Sincerely yours,



John Park