

On Your Side®

September 30, 2010

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

Re: File Reference No. 1790-100 – Proposed Accounting Standards Update – Statement of Comprehensive Income (Topic 220)

Dear Mr. Golden:

Nationwide Insurance Group appreciates the opportunity to comment on the Exposure Draft of the Proposed Accounting Standards Update, *Statement of Comprehensive Income (Topic 220)* (Proposed ASU). Nationwide Insurance Group (Nationwide) is comprised of three affiliated mutual insurance companies and their subsidiaries under common management. Nationwide is one of the largest diversified insurance and financial services organizations in the world with annual revenues of \$21 billion and assets totaling \$140 billion.

We agree and support the Financial Accounting Standards Board's (FASB) main objective to improve comparability, consistency, and transparency in financial reporting. In addition, although there are minor differences between the Proposed ASU and the exposure draft released by the International Accounting Standards Board (IASB), we support the overall convergence of future guidance between the two boards. Our comments are directed towards enhancing the effectiveness of the Proposed ASU. We believe the recommendation discussed below will provide improved comparability and consistency and help provide the financial statement users with transparent and meaningful financial information that reflects an entity's financial performance.

While we understand the Board's desire to improve comparability, consistency, and transparency in financial reporting, we believe that a continuous statement of financial performance that includes other comprehensive income does not result in comparability as the Proposed ASU does not impact the items reported in and could ultimately result in confusion to many financial statements users. Until FASB and IASB resolve the existing differences that exist in how other comprehensive income is reported, true comparability cannot be achieved. We therefore do not agree that enhancing the prominence of the components of other comprehensive income improves the understandability or comparability of comprehensive income. Also, the FASB and IFRS are currently participating in joint projects on financial instruments, insurance contracts, pension/postretirement (FASB's project on this topic is not active) and financial statement presentation, all of which may impact the volume and complexity of items reported in other comprehensive income and may have additional impacts on the classification of items reported in the proposed continuous statement of financial performance.

Currently, preparers are required under US GAAP and IFRS to present other comprehensive income as part of a continuous statement of operations, in a separate statement of comprehensive income that begins with net income, or in the statement of changes in equity (under US GAAP only). We agree with the Board's objective of achieving consistency by removing two of the three options and requiring one consistent presentation amongst all preparers. The majority of US preparers currently present total other comprehensive income as part of the statement of changes in equity with transparent disclosure of the components included in the footnotes to the financial statements. We recommend this option as the required presentation of other comprehensive income, as it would result in the least significant burden to the overall population of preparers and achieve the Board's objectives of consistency and comparability.

While we do believe the items presented in other comprehensive income may provide information considered useful to financial statement users, we do not believe financial statement users are significantly concerned with items included in other comprehensive income when assessing measures of an entity's financial performance. Through our interactions with investors, analysts, regulators, and rating agencies, these users place more focus on net income (or measures that use net income as a base) and other financial statement measures than other comprehensive income. In certain industries, such as the insurance industry, preparers' comprehensive income disclosures are extensive containing numerous captions and can be as lengthy as the preparers' statement of operations under the current guidance. Requiring other comprehensive income to be combined with all the components of net income on a new primary financial statement could confuse the users, as other comprehensive income and total other comprehensive income are not performance measures that are widely used or understood and would be a significant change from the presentation being used by the majority of preparers.

We believe the objectives of the Board can be fully achieved through requiring one consistent presentation of other comprehensive income in the statement of changes in equity.

Conclusions

As mentioned above, we agree and support the FASB's main objective to provide financial statement users with improved comparability, consistency, and transparency in financial reporting. Although there are minor differences between the Proposed ASU and the exposure draft released by the IASB, we support the overall convergence of future guidance between the two boards. We believe the recommendation discussed above will provide clarity and help provide the financial statement users with transparent and meaningful financial information that results in improved comparability and consistency and enhance the effectiveness of the Proposed ASU.

We hope these comments assist you during your redeliberations of the Proposed ASU. In the event that any Board or FASB staff member would like any further clarification of our positions, we are happy to explain them in greater detail.

Respectfully,

Imes Defenson

Senior Vice President, Enterprise Controller and Chief Accounting Officer

Nationwide Insurance