

September 17, 2010

Mr. Russell G. Golden
Technical Director
Financial Accounting Standards FASB
Norwalk, CT 06856-5116

**Re: File Reference No. 1840-100, Proposed Accounting Standards Update,
“Disclosure of Certain Loss Contingencies”**

Dear Mr. Golden:

The undersigned organizations represent thousands of businesses across all industries that are both users and preparers of financial information. We are committed to promoting effective and transparent financial reporting that serves the interests of businesses, investors, and the U.S. capital markets and appreciate the opportunity to comment on “Disclosure of Certain Loss Contingencies” (the “proposal”) as released by the Financial Accounting Standards Board (“FASB”).

While we commend the FASB for removing some of the most harmful aspects from the June 2008 Exposure Draft, the current proposal is flawed. We respectfully request that the FASB withdraw the proposal because it is prejudicial to the legal defenses of defendants, fails to provide any benefit to investors and imposes burdensome costs on businesses without providing any increase in meaningful disclosure.

In particular, the current draft continues to require registrants to unnecessarily provide plaintiffs’ lawyers with non-public information that will impede preparers’ ability to mount legal defenses in ongoing litigation. Indeed, the proposal itself could lead to increased litigation or the threat of litigation. This would significantly harm preparers, and thus directly injure the financial interests of the very shareholders that the disclosure requirements are intended to protect.

The proposal fails to promote investors interests and any benefits are unclear and uncertain. Although the FASB states that it has consulted with investors and that these investors perceive benefits from the proposed requirements, it has not revealed which investors—or even which categories of investors—were consulted nor does it identify the interests that supposedly are being addressed through this proposal. Such a failure in transparency in the development of an accounting standard is troubling at

best, and the failure to articulate how investor's interests are promoted goes against the core mission of FASB itself.

Additionally, the proposal imposes extremely burdensome and costly requirements that cannot be justified. These costs are especially unwarranted given the current economic environment and the large number of other new, and expensive, disclosure obligations that preparers will be required to undertake in the very near term. For example, the Dodd-Frank Wall Street Reform and Consumer Protection Act and the current proposals to revise accounting standards imposes new disclosure costs on companies. Moreover, in addition to imposing additional costs and requirements on companies, the proposal would overload investors with unnecessary information rather than providing transparent accounting standards.

The proposal fails to clearly identify even the most minimal benefit to balance against these significant costs. Consequently, we urge the FASB to consider the litigation risks and cost burdens that will be borne by registrants in making its cost-benefit determination. The FASB should insist on a very substantial benefit in order to justify imposing yet another substantial burden on preparers.

Because of the significant concerns outlined above, we respectfully request that the proposal be withdrawn. Thank you in advance for considering our request.

Sincerely,

**American Council of Life Insurers
American Financial Services Association
American Petroleum Institute
Association of Corporate Counsel
Commercial Real Estate Finance Council
Ductile Iron Pipe Research Association
Group of North American Insurance Enterprises
Financial Executives International
Independent Community Bankers of America
Institute of International Bankers
Mortgage Bankers Association
National Association of Manufacturers
National Association of Real Estate Investment Trusts
National Association of Wholesaler-Distributors
National Mining Association**

National Petrochemical & Refiners Association
Property Casualty Insurers Association of America
Retail Industry Leaders Association
The Financial Services Roundtable
The Real Estate Roundtable
U.S. Chamber of Commerce
U.S. Chamber of Commerce, Institute for Legal Reform
Valve Manufacturers Association