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VIA ELECTRONIC MAIL

September 20, 2010

Mr. Russell Golden
Technical Director
File Reference No. 1840-100
Financial Accounting Standards Board of the Financial Accounting Foundation
401 Merritt 7
P.O. Box 5116
Norwalk, Connecticut 06856-5116

Re: Proposed Accounting Standards Update – Contingencies (Topic 450) – Disclosure of Certain Loss Contingencies

Dear Mr. Golden:

Enterprise Holdings, Inc. ("Enterprise" or "we") appreciates the opportunity to respond to the Financial Accounting Standards Board ("FASB" or the "Board") regarding the Proposed Accounting Standards Update – Contingencies (Topic 450) – Disclosure of Certain Loss Contingencies (the "Proposed Statement"). Enterprise, together with its domestic and international subsidiaries, is the world's largest car rental company, operating under the Enterprise Rent-A-Car, National Car Rental and Alamo Rent-A-Car brand names. We are a privately held company with operations in the United States, Canada, the United Kingdom, Ireland, Germany, Asia Pacific, Latin America, and the Caribbean.

We acknowledge and appreciate the Board's consideration of the comments received from the initial Proposal Statement issued in June, 2008. It is clear the Board contemplated these comments in this latest revision and has made meaningful improvements to the Proposal Statement in an effort to align with investors and other financial statement users (collectively referred to as "Investors") needs. However, as stated in our comment later provided in August, 2008, we respectfully disagree with the Board's opinion that a majority of Investors do not believe the existing contingencies guidance in Topic 450 is adequate. Although our financial statements are not available to the public, our statements are required to be distributed to certain Investors, at a minimum annually, due to various contractual relationships. We have not encountered any situation in which an Investor raised a concern regarding the sufficiency of our disclosures surrounding loss contingencies.

Topic 450 has been in existence for three decades and represents an excellent example of a principle-based accounting standard. We believe the loss contingencies model of accounting, specifically litigation, is sufficient and capable of high quality application and audit. Litigation is inherently unpredictable and constantly evolving and does not readily lend itself to estimation. As a result, assessments of potential litigation outcomes are highly subjective

and difficult to provide with any degree of precision. Topic 450 contemplated the dynamic and transitory nature of the litigation environment as it required disclosure of items that are at least "reasonably possible" or "probable." These criteria acknowledge litigation only comes into focus over a lengthy process of discovery and the relevant factors for making the determination frequently change and often bear no resemblance to those presented in the initial filing. Within the framework of Topic 450, management is allowed judgment when determining the timing and extent of disclosures to provide regarding contingencies. As subsequently discussed, we believe that expanding the number of contingencies requiring disclosure and disclosure requirements will lead to Investor confusion. Also, Investor's decisions regarding the likelihood, timing, and amount of future cash flows associated with loss contingencies will be based upon their limited view of the issue, which may not be sufficient to make an accurate assessment. We have difficulty imagining this expanded information being useful to an Investor.

The Proposed Statement expands the scope of loss contingencies that must be disclosed to include, as described in Topic 450-20-50-1D, "asserted but remote loss contingencies...due to their nature, potential magnitude, or potential timing (if known) to inform users about the entity's vulnerability to a potential severe impact." The Proposed Statement further states, "an entity shall not consider the possibility of recoveries from insurance or other indemnification arrangements." Asserted contingencies are generally categorized as remote if the contingency lacks merit, the contingency will be substantially recovered from insurance or other indemnification arrangements, or if sufficient information does not exist, i.e. due to its infancy, for a company to make a reasonable assessment. Under the Proposed Statement, a company will be required to disclose information surrounding remote contingencies even though these contingencies are expected to result in insignificant net cash outflow to the operations or lack sufficient information for a company to reasonably assess the potential impact. As a result, Investors will be forced to analyze information of minimal value and will be able to place little or no reliance upon the information disclosed about remote contingencies. This will only prevent Investors from focusing on the key risks of a company and their progress. A company is in a much better position to assess risk and disclose claims that are reasonably possible as required by current contingency literature. This is due to the existence and sufficient development of relevant factors in a particular contingency, including, but not limited to, an interpretation of facts, analysis of applicable law, application of the law to the known facts, the expected litigation strategy of the adversary, and the company's assessment of the court or jury.

For loss contingencies exceeding the disclosures threshold, the Proposed Statement requires a company to disclose publicly available and non-privileged information, specifically, publicly available information, such as the amount claimed by the plaintiff or the damages indicated by expert testimony; other non-privileged information that is relevant to an understanding of the potential magnitude of the loss; and where it has been provided to the plaintiff, is discoverable by the plaintiff or a regulatory agency or relates to a recognized receivable for recoveries, information about recoveries from insurance or other sources. In general, we believe additional disclosures encompassing the above requirements would provide insignificant incremental value to an Investor and more than likely would be detrimental as well as cause a company to incur significant time and costs accumulating the data to satisfy the disclosure requirements. Furthermore, this information may prejudice the company's

interests as it will allow adversaries and claimants to glean insights on management's opinions and litigation posture. To further elaborate, often proceedings involve a number of "experts" with the plaintiff and defendant trying to validate the opinions of their "expert" and discredit the opposing "expert." Also, amounts claimed by plaintiff's are often egregiously high and frequently bear no resemblance to the final settlement, if any. We believe providing information surrounding "expert" testimony or damages claimed will litter the disclosure with incomplete, confusing, and one-sided perspectives about a company's exposure to a loss contingency. Additionally, disclosure of possible recoveries from insurance and other sources could attract additional claimants to the respective contingency seeking to take part in an insurance settlement. Lastly, a company will incur significant cost and effort to accumulate all publicly available and non-privileged information. This will require personnel gathering data for litigation purposes to work in concert with financial statement preparers, neither of which will have the same objectives. This could lead to confusion, resulting in disclosures not accurately reflecting a company's position or objectives. Without a prejudicial exemption, the quantitative disclosures required in the Proposed Statement will inevitable have a damaging impact to a company and its Investor's, which is clearly contrary to the Board's intentions.

Under Topic 450-20-50-1B of the Proposed Statement, a company may aggregate disclosures about similar contingencies by class or type, but a company must consider the "nature, terms, and characteristics" of contingencies in its evaluation of whether aggregation is appropriate. The Proposed Statement suggests it may not be appropriate to aggregate litigations with "significantly different timings of expected future cash flows" or "litigations in jurisdictions that have different legal characteristics that could affect the potential timing or the potential magnitude of the loss." Additionally, as discussed in the preceding paragraph, the Proposed Statement requires expanded disclosures for loss contingencies, which will further limit a company's ability to aggregate contingencies. Although we support the concept of aggregation, we feel the restrictions the Board has placed on aggregation result in a company gaining minimal utility from its implementation. Given the wide variety of claims, domestically and international, coupled with extensive procedural and substantive issues that could impact the outcome, creating an aggregation framework would be an exhaustive effort and will likely lead to fairly disaggregated disclosures as many contingencies will not contain characteristics lending themselves to aggregation pursuant to the Proposal Statement. Furthermore, as a claim develops over time, its classification could change, making periodto-period comparisons difficult. We feel the aggregation concept could be effectively implemented if the Board considered reducing the number of contingencies requiring disclosure as well as the volume of information requiring disclosure for a contingency.

Topic 450-20-50-1F requires tabular rollforward reconciliations, by class, for recognized loss contingencies for every annual and interim period. As previously mentioned, given the application of the aggregation exception will not be effective in practice, a company will likely be required to disclose contingency-specific information in the tabular rollforward reconciliation. This coupled with the Proposed Statement omitting an exemption for disclosures that would be prejudicial to a company's litigation posture, could allow an adversary to gain insights into a company's defense for a contingency, providing a one-sided advantage, and exposing a company to losses that previously would not have existed. This disclosure, in essence, would establish the minimum for any litigation settlement, impairing

their defense strategy. Given we are a privately held company, under the Proposed Standard we would be exempt from the tabular rollforward reconciliation requirement. However, considering our competitors' financial records are available to the public, a potential claimant could leverage from information disclosed by our competitors to file a claim against Enterprise, minimizing the benefit of our filing status.

Lastly, as drafted, differences exist between the disclosure requirements of the Proposed Statement and the current standard under International Financial Reporting Standards 37, *Provisions, Contingent Liabilities and Contingent Assets.* With the impending convergence of global accounting and reporting standards, we believe it would be helpful for the two standard-setting bodies to be in agreement before any final decisions are made.

In conclusion, we feel the framework and criteria outlined in Topic 450 has worked well historically and remains an excellent example of principle based accounting. The requirements are well understood by all relevant parties (i.e. counsel, management, and auditors) and allow for timely and appropriate disclosures of contingencies that provide valuable information to Investors. As opposed to assisting Investors in assessing the likelihood, timing, and amount of future cash flows associated with loss contingencies, we believe the Proposed Statement will only lead to confusion and uncertainty regarding a company's litigation exposure. Furthermore, the requirements of the Proposed Statement will be costly for the company to implement and could impair a company's litigation posture.

Thank you for your consideration.

Respectfully,

Steven J. Brackney

Senior Vice President and Corporate

Controller