Scott R. Lewis
Senior Vice President and Controller
The Hartford Financial Services Group, Inc.
One Hartford Plaza
Hartford, CT 06155

December 4, 2014

Technical Director
File Reference No. 2014-250
Financial Accounting Standards Board
401 Merritt 7
PO Box 5116
Norwalk, CT 06856-5116
Via e-mail to director@fasb.org

Reference: Proposed Accounting Standards Update: Interest – Imputation of Interest (Subtopic 835-30)

Dear Technical Director:

The Hartford Financial Services Group Inc. ("The Hartford" or "we") appreciates the opportunity to comment on the Financial Accounting Standards Board's Proposed Accounting Standards Update ("ASU") concerning *Interest – Imputation of Interest (Subtopic 835-30) Simplifying the Presentation of Debt Issuance Cost*. The Hartford provides property and casualty and group benefits insurance, as well as investment products to both individual and business customers in the United States of America. We also continue to manage life and annuity products previously sold. As of September 30, 2014, The Hartford carried $6.1 billion in total debt.

We agree with the proposed ASU's requirement to present debt issuance costs as a deduction from the carrying amount of the debt liability. The presentation of debt issuance costs similar to a debt discount will reduce complexity in financial reporting. However, we would like to make two suggestions to further simplify the guidance.

In the Basis for Conclusions paragraph BC3, the Board acknowledges that certain debt issuance costs will not have an associated debt liability (e.g. issuance costs in connection with securing an untapped revolving credit facility), and that those costs would be reported as deferred charges until the debt liability is recorded. While we agree with the conclusion that debt issuance costs should be reported as deferred charges until the debt liability is recorded, paragraph 835-30-45-1A seems to contradict that guidance. Paragraph 835-30-45-1A states "Similarly, issue costs shall be reported in the balance sheet as a direct deduction from the face amount of the note. The discount, premium, or issue costs shall not be classified as a deferred charge or deferred credit." We suggest that 835-30-45-1A allow issuance costs to be reported as a deferred charge until a debt liability is recorded.

The transition guidance in the proposed ASU requires entities to apply the guidance retrospectively to all prior periods. We believe that in many cases, debt issuance costs would not be material. For example, reclassifying debt issuance costs would reduce The Hartford's total debt by approximately 0.8% at September 30, 2014. We suggest that the transition guidance allow entities to apply the guidance using a modified retrospective approach by adjusting the opening (prior year end) balance sheet in the period of adoption. A modified retrospective approach would allow entities to present debt issuance costs as a deduction to the debt liability in the period of adoption without having to restate prior periods or to evaluate the materiality. The disclosures could include the amount reclassified from assets to the debt liability.

Thank you for the opportunity to provide input on the proposal. Please contact me at 860-547-4848 or scott.lewis@thehartford.com if you would like to discuss our suggestions.

Sincerely,

Scott R. Lewis