



March 28, 2018

Ms. Susan Coper
Technical Director
Financial Accounting Standards Board
401 Merritt 7
PO Box 5116
Norwalk, CT 06856-5116

Re: File Reference No. 2018-220

Dear Ms. Coper:

PricewaterhouseCoopers LLP appreciates the opportunity to respond to the FASB's Proposed Accounting Standards Update, *Derivatives and Hedging (Topic 815): Inclusion of the Overnight Index Swap (OIS) Rate Based on the Secured Overnight Financing Rate (SOFR) as a Benchmark Interest Rate for Hedge Accounting Purposes* (the "proposed Update").

We recognize the importance of the proposed Update given the Alternative Reference Rates Committee's (ARRC) current efforts to introduce a reference rate as an alternative to LIBOR.

We agree with the Board's proposal to include the overnight index swap (OIS) rate based on the Secured Overnight Financing Rate (SOFR) as an additional benchmark interest rate for purposes of applying hedge accounting.

We are aware, however, that the ARRC is developing additional rates for tenors greater than overnight as alternatives to LIBOR. If the current amendment adds only the OIS rate based on SOFR to the definition of benchmark interest rates, we believe it is critical for the Board to react quickly to make further amendments to the extent there is market and regulatory consensus on additional rates.

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If you have any questions regarding our comments, please contact David Schmid at (973) 236-7247, Donald Doran at (973) 236-5280 or Chip Currie at (973) 236-5331.

Sincerely,

A handwritten signature in black ink that reads "PricewaterhouseCoopers LLP". The signature is written in a cursive, flowing style.

PricewaterhouseCoopers LLP