

COUNCIL OF INSTITUTIONAL INVESTORS

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Via Email

July 31, 2008

Florence E. Harmon
Acting Secretary
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090

Re: File Number 4-564

Dear Ms. Harmon:

I am writing on behalf of the Council of Institutional Investors (“Council”) to thank the U.S. Securities and Exchange Commission (“Commission”) for hosting the August 4, 2008 roundtable on analyzing the performance of International Financial Reporting Standards (“IFRS”) and U.S. Generally Accepted Accounting Principles (“U.S. GAAP”) during the recent period of market turmoil (“Roundtable”). I also want to express our appreciation to the Commission for inviting the Council to participate at the Roundtable.

The Council is a nonprofit association of more than 140 public, union and corporate pension funds with combined assets that exceed \$3 trillion. Council member funds are major long-term shareowners with a duty to protect the retirement assets of millions of American workers. The Council strives to educate its members and the public about good corporate governance, shareowner rights and related investment issues, and to advocate on our members’ behalf.

The press release announcing the Roundtable indicates that the Commission is interested in better understanding how IFRS and U.S. GAAP performed in the context of the current pressures in the marketplace, including the performance of those standards relating to fair value accounting.¹ For your information, the Council recently commissioned Stephen G. Ryan, Professor of Accounting and Peat Marwick Faculty Fellow, Stern School of Business, New York University, to prepare a white paper explaining and evaluating some of the potential issues with fair value accounting that some have raised in connection with the subprime crisis.

The resulting attached white paper, entitled *Fair Value Accounting: Understanding the Issues Raised by the Credit Crunch*, provides some suggestions about how the implementation of existing fair value accounting standards under U.S. GAAP might be improved. Importantly, the white paper concludes that, although some of the recent criticisms about fair value accounting might be valid, fair value accounting provides more useful information to investors than other existing approaches.

¹ Press Release, U.S. Securities and Exchange Commission (July 28, 2008), <http://www.sec.gov/news/press/2008/2008-150.htm>.

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We would respectfully request that the white paper be made a part of the public record of the Roundtable. If you have any questions regarding the white paper, or if we can be of any assistance to the Commission or its staff on this or any other matter, please do not hesitate to contact me at jeff@cii.org or 202.261.7081.

Sincerely,

A handwritten signature in cursive script that reads "Jeff Mahoney".

Jeff Mahoney
General Counsel

Attachment