

July 28, 2011

The Honorable Hans Hoogervorst
Chairman,
International Accounting Standards Board
20 Cannon Street
London, EC4M 6XH
United Kingdom

Dear Chairman Hoogervorst:

The Financial Instruments Reporting and Convergence Alliance (“FIRCA”) is a coalition of nine trade organizations—American Council of Life Insurers, CRE Finance Council, Council of Federal Home Loan Banks, National Association of Real Estate Investment Trusts, Group of North American Insurance Enterprises, Mortgage Bankers Association, Property Casualty Insurance Association of America, The Financial Services Roundtable, The Real Estate Roundtable, and The U.S. Chamber of Commerce— representing all sectors of the economy and areas of the financial services arena in the United States and around the world. FIRCA recognizes that accurate and transparent financial reporting is a cornerstone of our capital markets in the United States and globally. Businesses are both preparers and *users* of financial reports for investment, managerial and competitive reasons.

We write to you today to congratulate you on your ascension to the Chair of the International Accounting Standards Board and look forward to working with you in the development of effective global financial reporting. As such we would like to introduce you to the coalition and its principles and invite you to attend a FIRCA meeting in Washington, DC.

In short, the mission of FIRCA is:

- To support the adoption of joint International Accounting Standards Board (“IASB”)-Financial Accounting Standards Board (“FASB”) international high quality robust accounting standards. These standards should be decision-useful, reliable, and relevant. Additionally, these standards should

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present financial information in a manner that is reflective of the business operations of an entity. Appropriately crafted standards should transparently provide information and not drive economic activity.

- To assist standard setters in providing a wide range of input to insure the proper consideration of business operations and potential unintended consequences in the development and implementation of accounting standards.
- Recognizing that the financial crisis is global in scope and magnitude, to work with standard setters and decision makers to insure that these projects are conducted jointly to insure a comprehensive response to financial reporting policies.

To achieve this mission, FIRCA collectively and its members individually have commented and provided input to IASB and FASB on the convergence projects, as well as communicating with the policy development leaders of the G-20 nations on financial reporting matters.

We believe that much progress has been made and that much remains to be done. The convergence projects represent crucial concrete steps in creating the financial reporting system for the next generation. Due process, dialogue and thoughtful deliberation are needed in order to attain that end. With the completion of the process, stakeholders must have full faith and confidence that accounting standards transparently and accurately report economic activity.

We look forward to your leadership and collaboration and hope to meet with you to start that dialogue.

Sincerely,

American Council of Life Insurers
Council of Federal Home Loan Banks
CRE Finance Council
Group of North American Insurance Enterprises
Mortgage Bankers Association

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National Association of Real Estate Investment Trusts
Property Casualty Insurers Association of America
The Financial Services Roundtable
The Real Estate Roundtable
U.S. Chamber of Commerce