



The European Insurance CFO Forum
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Sir David Tweedie
Chairman
International Accounting Standards Board
30 Cannon Street
London
EC4M 6XH

3 September 2010

Dear Sir David,

Response to Exposure Draft: Presentation of Items of Other Comprehensive Income

We are taking this opportunity to comment on your exposure draft – Presentation of Items of Other Comprehensive Income (the “ED”). This letter has been drafted by the European Insurance CFO Forum, which is a body representing the views of 20 of Europe’s largest insurance companies. Accordingly, it represents the consensus views of a significant element of the European insurance industry.

We acknowledge the work the boards are undertaking to address the significant issues surrounding the reporting of performance. As insurers we are experiencing this work in both the wider Financial Statement Presentation (“FSP”) project and in the specific consideration of presentation of performance of insurance contracts. Given the complexities involved we understand the decision by the boards to spend more time focusing on the FSP project and we support the additional outreach activities planned.

We believe that issues such as the definition of net income and the use of OCI are of higher priority and of fundamental importance to the FSP project and should be addressed before considering the presentation issues covered by this exposure draft. Accordingly, we do not believe that the presentation of OCI should be separated out for early exposure at this stage and should instead be considered as part of the wider FSP outreach activities.

Notwithstanding the point above, we do not believe that the impact of the presentation proposals can be fully assessed until a principle is established to determine what the components of OCI should be. Such a principle should address the nature and characteristics of items to be accounted for in OCI, including consideration of whether they should later be reclassified into profit or loss or not (“recycled”). In this respect, we agree with the alternative view set out in paragraph AV3 of the ED.

If you have any queries or questions that you would like to raise in relation to the matters raised in this letter, please feel free to contact me.

Yours sincerely

A handwritten signature in black ink, appearing to read "Dieter Wemmer". The signature is fluid and cursive, with a prominent initial "D" and a long, sweeping underline.

Dieter Wemmer
Chairman – European Insurance CFO Forum