



April 26, 2004

Mr. Donald T. Nicolaisen  
Chief Accountant  
Securities and Exchange Commission  
450 5<sup>th</sup> Street Northwest  
Washington D.C. 20549

Dear Mr. Nicolaisen,

The Committee on Corporate Reporting (CCR) of Financial Executives International (Canada) is writing to request clarification of an issue with respect to certain fees paid to auditors that we believe to be unique to Canadian companies having securities trading on United States stock exchanges. The following remarks are made on behalf of the Committee and do not necessarily represent the views of FEI Canada or its members.

Securities laws in Canada require that public issuers prepare their financial statements and related documents in both of Canada's official languages, English and French. In a majority of cases, the company's auditors translate the documents since it is efficient and cost-effective. The issue is whether the fees charged for the translation services should be reported as part of audit fees or other services. CCR is aware that companies in Canada are using both categories to report such fees, although the majority report them as audit fees. The amounts can be significant. CCR believes that these fees should be reported as audit fees since translation is a regulatory requirement. In addition, auditors are required to review the translated version of the financial statements prior to sign-off in order to ensure that no misinterpretations arise as a result of the translation.

The SEC's views on this matter would be appreciated so that disclosure of these fees by Canadian companies is consistent.

Yours truly,

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

Karyn A. Brooks, CA  
Chair