



September 28, 2009

International Accounting Standards Board  
1<sup>st</sup> Floor  
30 Cannon Street  
London, EC4M 6XH  
United Kingdom

Via [www.iasb.org](http://www.iasb.org)

Dear Board Members:

**Re: Discount Rate for Employee Benefits, Proposed amendments to IAS 19**

We appreciate the opportunity to comment on the exposure draft (ED) entitled “*Discount Rate for Employee Benefits, Proposed amendments to IAS 19*”. We fully support the Board’s efforts to eliminate the use of different rates for similar employee benefit plans.

FEI Canada is the all-industry professional membership association for senior financial executives. With eleven chapters across Canada and more than 2,000 members, FEI Canada provides professional development, thought leadership and advocacy services to its members. The association membership, which consists of Chief Financial Officers, Audit Committee Directors and senior executives in the Finance, Controller, Treasury and Taxation functions, represents a significant number of Canada’s leading and most influential corporations.

The Committee on Corporate Reporting (CCR) is one of two national advocacy committees of FEI Canada. CCR comprises more than 20 senior financial executives representing a broad cross section of the FEI Canada membership and of the Canadian economy who have volunteered their time, experience and knowledge to consider and recommend action on a range of issues related to accounting, corporate reporting and disclosure. In addition to advocacy, CCR is devoted to improving the awareness and educational implications of the issues it addresses, and is focused on continually improving the standards and regulations impacting corporate reporting.

We agree that the Board should eliminate the requirement to use government bond rates to determine the discount rate for employee benefit obligations when there is no deep market in high quality corporate bonds. When a deep market does not exist, judgment can be used to determine an appropriate discount rate based on government bond yields adjusted appropriately to reflect the risk characteristics of high-quality corporate bonds. We believe that this would be consistent with the approach taken under IAS 39 *Financial Instruments: Recognition and Measurement*.

We appreciate the opportunity to comment on the exposure draft. If you would like to further discuss any of our comments, please do not hesitate to contact me at (xxx) xxx-xxxx or (email).



Yours very truly,

A handwritten signature in black ink, appearing to read "Victor Wells", written in a cursive style.

Victor Wells  
Chair  
Committee on Corporate Reporting  
FEI Canada

Cc Peter Martin, CA  
Director, Accounting Standards  
Accounting Standards Board  
277 Wellington Street West  
Toronto, Ontario  
M5V 3H2