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April 17, 2009

Ms. Elizabeth Murphy
Secretary
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090

**Re: Roadmap for the Potential Use of Financial Statements Prepared in Accordance With
International Financial Reporting Standards by U.S. Issuers
File Number S7-27-08**

Dear Ms. Murphy:

Verizon Communications Inc. (Verizon) is pleased to respond to the proposed rule drafted by the Securities and Exchange Commission (SEC) on a roadmap for the potential use by U.S. issuers for their filings with the SEC of financial statements prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) (the Roadmap). The following is an overview of our views on the proposed rule. Our responses to the individual questions included in the proposed rule are attached to this letter.

Verizon is a large telecommunications company with operations principally in the U.S. However, Verizon also has operations in over 40 countries principally through our acquisition of MCI, Inc. in early 2006. We have operating companies and assets in Europe, the Middle East, Africa, Asia, Australia, Latin America and Canada. Consequently, we have been increasingly involved with local statutory reporting (outside of the U.S.) in addition to selling to regional and global customers and participating in international capital markets. Just as our larger customers are more focused on their global capabilities in the markets they operate, so is Verizon. And we are increasingly comparing ourselves to global telecommunications providers like British Telecom, France Telecom, Deutsche Telekom and Telefonica rather than only other U.S.-based companies such as AT&T, Comcast and Sprint. Therefore, given our focus on global capital markets and competition as well as following the discussions at the SEC over the past six years regarding the potential for U.S. issuers to transition to IFRS, in mid-2008 we embarked on an initiative to better understand the implications of Verizon transitioning to IFRS in the near future. Our input to the proposed rule contained herein reflects our observations during that process as well as our experience in markets around the world.

Overall, we strongly support the direction of the SEC in establishing a framework for the transitioning of U.S. issuers to IFRS as issued by the IASB. We believe that the body of IFRS accounting literature is of sufficient quality, provides increased transparency (through expanded disclosures) and in a significant number of instances very comparable to U.S. generally accepted accounting principles (U.S. GAAP), such that a transition to IFRS is a reasonable and attainable objective over the next few years. However, there are a few provisions in the proposed rule that we believe should be highlighted for additional reconsideration by the SEC.

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We believe that the transition timeframe is directionally appropriate, particularly in allowing early adoption for larger companies. And we also believe a reconciliation to U.S. GAAP is required for the initial transition, such that financial statement users can understand the impact of moving to IFRS financial reporting from U.S. GAAP. But we believe that an ongoing reconciliation requirement is unnecessary, once companies have transitioned and educated users, and will ultimately be cost-prohibitive. Maintaining parallel financial reporting systems would be expensive and inefficient, as companies such as Verizon are looking for ways to automate manual processes, become more efficient and produce more timely financial information for management decision-making. We believe we can follow the model of European listed companies when they transitioned to IFRS in 2005 of providing guidance to financial statement users in advance of transitioning to IFRS such that users understood the differences between IFRS and previously issued local GAAP financial statements and could reset their expectations before the change to IFRS was implemented.

In addition, consistent with the notion of comparability among IFRS issuers around the world, we believe that the financial statements should contain the basic financial statements and footnotes for the current year and one comparable year, consistent with International Accounting Standard (IAS) 1, paragraphs 38 to 44. This is also consistent with the concept proposed by the SEC of adopting IFRS as issued by the IASB.

And lastly, given the timing of issuing a final rule once the SEC is able to review the responses, particularly considering the significance of this matter on U.S. issuers and users of financial information as well as the delay in the response deadline to April 20, 2009, early adoption would not appear likely for even the largest international companies in 2010, giving appropriate consideration to the transition provisions of IFRS 1. Therefore, 2011 would appear more reasonable for most early adoptions. However, the SEC has also proposed 2011 for the final determination of whether the milestones in the proposed rule have been met such that the transition can proceed (or decide no longer to transition to IFRS, or delay the transition). We believe a determination in 2011 is too late, and that a final determination by June 30, 2010 is reasonable, given the fact that IFRS is currently being used around the world, and has been for several years, the degree of convergence of IFRS and U.S. GAAP (which also has been occurring for several years) and global understanding of IFRS financial statements among financial statement users indicates that 2010 is a more reasonable date for the SEC to make its final determination of the transition to IFRS.

We would be pleased to discuss our views and specific comments related to this proposed rule at your convenience. You can contact me at (908) 559-1629 or Mark Kearns at (908) 559-2529 or mark.f.kearns@verizon.com regarding this matter.

Very truly yours,



Attachment
cc: E&Y (with attachment)

1. Do commenters agree that U.S. investors, U.S. issuers and U.S. markets would benefit from the development and use of a single set of globally accepted accounting standards? Why or why not? What are commenters' views on the potential for IFRS as issued by the IASB as the single set of globally accepted accounting standards?

We agree that a single set of globally accepted accounting standards will benefit preparers and users of financial information, given that globalization is increasingly impacting most industries and companies, as is international consolidation (acquisition activity), so having a single set of consistently applied accounting standards will make companies more comparable. In addition, the disclosure requirements of IFRS will ensure greater transparency. This has been effectively illustrated by listed companies in the European Union that transitioned to IFRS in 2005.

2. Do commenters agree that the milestones and considerations described in Section III.A. of this release ("Milestones to be Achieved Leading to the Use of IFRS by U.S. Issuers") comprise a framework through which the Commission can effectively evaluate whether IFRS financial statements should be used by U.S. issuers in their filings with the Commission? Are any of the proposed milestones not relevant to the Commission's evaluation? Are there any other milestones that the Commission should consider?

We believe that the milestones are reasonable; however, we believe that the decision in 2011 is too late for companies to effectively prepare for the change, as well as encourage any early adopters.

3. Do commenters agree with the timing presented by the milestones? Why or why not? In particular, do commenters agree that the Commission should make a determination in 2011 whether to require use of IFRS by U.S. issuers? Should the Commission make a determination earlier or later than 2011? Are there any other timing considerations that the Commission should take into account?

We strongly believe the SEC should make its determination by June 30, 2010. Given the progress to date with IASB governance (IASB Foundation), convergence of U.S. GAAP and IFRS and extensible business reporting language (XBRL) activities, among the other milestones, we believe a June 30, 2010 determination date is reasonable.

4. What are commenters' views on the mandated use of IFRS by U.S. issuers beginning in 2014, on an either staged-transition or non-staged transition basis? Should the date for mandated use be earlier or later? If the Commission requires the use of IFRS, should it do so on a staged or sequenced basis? If a staged or sequenced basis would be appropriate, what are commenters' views on the types of U.S. issuers that should first be subject to a requirement to file IFRS financial statements and those that should come later in time? Should any sequenced transition be based on the existing definitions of large accelerated filer and accelerated filer? Should the time period between stages be longer than one year, such as two or three years?

We believe that mandated transition to IFRS for public companies beginning in 2014 is a reasonable timeframe, and staged transition beginning with large accelerated

filers, and annually thereafter, is appropriate. However, early adoptions should be available to more large companies.

5. What do commenters believe would be the effect on convergence if the Commission were to follow the proposed Roadmap or allow certain U.S. issuers to use IFRS as proposed?

A mandatory transition to IFRS will not only quicken convergence, it will ensure that it happens. Without the mandatory deadline for public company transition to IFRS, there will be a continuation of efforts to try to converge standards, but there will be no closing the gap to fully reach converged standards. This is illustrated by the differences in standards issued recently by the FASB, including Statement on Financial Accounting Standards (SFAS) No. 163, *Accounting for Financial Guarantee Insurance Contracts*. SFAS No. 163 states, in part, that “the FASB addressed this project at the request of the staff of the Securities and Exchange Commission and identified an approach to address the diversity in practice by building on existing requirements (in Statement 60) without creating a comprehensive new model. Accordingly, the FASB decided to interpret existing U.S. GAAP insurance accounting literature for financial guarantee insurance contracts rather than create a new model. If the FASB subsequently adds a joint project on insurance contracts to its agenda, the accounting guidance in this Statement ultimately may change and be converged with IASB literature.”

Furthermore, the IASB and the FASB had been, until recently, jointly working on converging accounting for income taxes; however, that effort has not resulted in converged standards. In fact, on March 31, 2009 the IASB issued an exposure draft to amend and replace IAS 12, *Income Tax*, that addresses many of the differences between IAS 12 and SFAS No. 109, *Accounting for Income Taxes*. But several significant differences between IAS 12 and SFAS No. 109 will continue to exist if the IASB’s exposure draft on IAS 12 is adopted as proposed. And, while acknowledging those differences exist, the FASB has no immediate plans to address the differences.

6. Is it appropriate to exclude investment companies and other regulated entities filing or furnishing reports with the Commission from the scope of this Roadmap? Should any Roadmap to move to IFRS include these entities within its scope? Should these considerations be a part of the Roadmap? Are there other classes of issuers that should be excluded from present consideration and be addressed separately?

We believe no companies should be excluded.

7. Do commenters agree that these matters would affect market participants in the United States as described above? What other matters may affect market participants? Are there other market participants that would be affected by the use by U.S. issuers of IFRS in their Commission filings? If so, who are they and how would they be affected?

We agree that these matters will impact market participants in the United States.

8. Would a requirement that U.S. issuers file financial statements prepared in accordance with IFRS have any affect on audit quality, the availability of audit services, or concentration of market share among certain audit firms (such as firms with existing international networks)? Would such a requirement affect the competitive position of some

audit firms? If the competitiveness of some firms would be adversely affected, would these effects be disproportionately felt by firms other than the largest firms?

We believe there will be no impact on audits or audit quality, given the widespread use of IFRS around the world, particularly in the European Union for listed companies.

9. What are commenters' views on the IASB's and FASB's joint work plan? Does the work plan serve to promote a single set of high-quality globally accepted accounting standards? Why or why not?

The joint work plan is working to promote converged accounting standards; however, as the examples of SFAS No. 163 and IAS 12 illustrate, it does not ensure convergence, particularly without a mandatory transition deadline. See the response to question 5 above.

10. How will the Commission's expectation of progress on the IASB's and FASB's joint work plan impact U.S. investors, U.S. issuers, and U.S. markets? What steps should be taken to promote further progress by the two standard setters?

Further progress will be made by accelerating the decision timeframe to June 30, 2010. See the response to question 3 above.

11. The current phase of the IASB's and FASB's joint work plan is scheduled to end in 2011. How should the Commission measure the IASB's and FASB's progress on a going-forward basis? What factors should the Commission evaluate in assessing the IASB's and the FASB's work under the joint work plan?

The IASB and FASB appear to be increasingly working together effectively toward accounting convergence, as evidenced by the number of joint projects and recently issued joint exposure drafts and discussion papers, as well as recently observed interactions during a joint meeting on lease accounting. Furthermore, the IASB's conceptual framework project is a joint project, which further illustrates the importance of the relationship. The evaluation of their success should be the degree of jointly issued final standards, with few or no differences.

12. What are investors', U.S. issuers', and other market participants' views on the resolution of the IASB governance and funding issues identified in this release?

Our observations and the feedback of others (news articles, discussions, etc.) suggest that the IASB's governance and funding issues can be resolved. We see that the IASC Foundation is taking tangible steps toward the objective of establishing an appropriate funding mechanism and governance process. For example, a Monitoring Board was established in January 2009 to enhance public accountability of the IASC Foundation. The Monitoring Board includes representatives of several organizations, including the SEC.

13. What steps should the Commission and others take in order to determine whether U.S. investors, U.S. issuers, and other market participants are ready to transition to IFRS? How should the Commission measure the progress of U.S. investors, U.S. issuers, and other market participants in this area? What specific factors should the Commission consider?

Roadmap comment letter responses and a series of roundtables (perhaps quarterly, including roundtables with specific groups such as investment analysts, preparers, etc.), should provide the SEC with sufficient feedback as to whether preparers and users of financial information are ready for the transition to IFRS. One point to consider is that since the Roadmap was issued and after some of the comments have been sent to the SEC, several notable events have occurred at the IASB and the FASB, including issuing joint exposure drafts and discussion papers, the establishment of the Monitoring Board (see the response to question 12 above) and recent XBRL activities at the IASB, among others.

14. Are there any other significant issues the Commission should evaluate in assessing whether IFRS is sufficiently comprehensive?

We noted no other significant issues requiring evaluation by the SEC.

15. Where a standard is absent under IFRS and management must develop and apply an accounting policy (such as described in IAS 8, for example) should the Commission require issuers to provide supplemental disclosures of the accounting policies they have elected and applied, to the extent such disclosures have not been included in the financial statements?

We believe that IFRS already encompasses the described situation in IAS 1, *Presentation of Financial Statements*, paragraph 117 to 124 as well as IAS 8, as referenced by the SEC, such that no additional rules need to be adopted by the SEC to supplement IFRS disclosures.

16. Do commenters agree that certain U.S. issuers should have the alternative to report using IFRS prior to 2011? What circumstances should the Commission evaluate in order to assess the effects of early adoption on comparability of industry financial reporting to investors?

We strongly believe certain larger companies should be permitted, and encouraged, to early adopt IFRS in order for the SEC, as well as other users and preparers of financial statements, to get a more accurate and complete understanding of the impact of transition to IFRS on U.S. companies. This impact is in the form of costs, comparability and transparency of financial information. With a limited number of early adopters, the SEC, users and preparers will have the opportunity to compare results to other global companies, particularly European Union (and soon Canadian) companies. This will also provide the SEC, other users and preparers with visibility into the costs, time and effort of transitioning to IFRS.

17. Do commenters agree with the proposed criteria by which the comparability of an industry's financial reporting would be assessed? If not, what should the criteria be?

We agree.

18. Which eligible U.S. issuers have the incentive to avail themselves of the proposed amendments, if adopted? Are there reasons for which an issuer that is in a position to file IFRS financial statements under the proposed amendments would elect not to do so? If so, what are they?

We believe that globalization is increasingly making comparability more difficult where different accounting standards are applied. Industry peers are no longer principally in companies' home countries. For example, Verizon sees its peers as not only AT&T, but also British Telecom, France Telecom, Deutsche Telekom, Telefonica and other large telecommunication and entertainment companies. So most large companies (with or without international operations) could potentially benefit from using comparable financial information from other countries. And it is unreasonable to believe that, given advances in bandwidth (for transmitting large amounts of digital information), most companies will not take advantage of global financial information at some point in the future. However, companies will not willingly incur the cost and effort of transitioning to IFRS if there were barriers or other disincentives. Such disincentives include, but are not limited to, ongoing reconciliation requirements to U.S. GAAP and overlaying financial disclosure requirements.

19. Is limiting the proposal to the largest 20 competitors by market capitalization an appropriate criterion? Should it be higher or lower? Should additional U.S. issuers be eligible to elect to report in IFRS if some minimum threshold of U.S. issuers (based on the actual number or market capitalization of U.S. issuers choosing to report in IFRS) elects to report in IFRS under the eligibility requirements proposed? To the extent additional U.S. issuers are not permitted to report in IFRS even if such a minimum threshold is met, are such non-eligible U.S. issuers placed at a competitive disadvantage vis-à-vis U.S. issuers reporting in IFRS?

The Roadmap should allow for more voluntary early-adopters than the largest 20 competitors by market capitalization, particularly since foreign private issuers can file financial statements in the U.S. using IFRS. This criteria is somewhat limiting, and will disallow a large number of companies that are concentrated in the U.S. as well as large companies that may be in a better position of take advantage of applying IFRS, such as a company with a large international presence that currently uses IFRS for local operations. We believe the SEC should allow for a reasonable criteria such as a large accelerated filer with an additional compelling reason or reasons like significant international operations to appeal to the SEC for consideration to early-adopt.

20. Would the use of different industry classification schemes as proposed be unclear or create confusion in determining whether an issuer is IFRS eligible? Should we require that all issuers use a single industry classification scheme? Why or why not?

We believe the use of the standard industry classification codes is not necessary. See our response to question 19 above.

21. What impact will the Commission's determination to allow an industry to qualify as an "IFRS industry" without majority IFRS use have on the Commission's objective of promoting comparability for U.S. investors? How will this impact U.S. investors, U.S. issuers, and U.S. markets? Is the use of IFRS more than any other set of financial reporting standards the right criterion? Should it be higher or lower?

We believe the use of an "IFRS industry" is not necessary. See our response to question 19 above.

22. Should the Commission permit additional industries to qualify as IFRS industries, and thus additional U.S. issuers to become early adopters, as more countries outside the U.S.

adopt IFRS? Alternatively, should the group of potential industries and early adopters be limited to those that qualify at the time the Commission determines to permit early adoption?

We believe that more large U.S. companies should be able to early adopt IFRS. Consequently, we do not believe there is a need for any expansion of IFRS industries. See our response to question 19 above.

23. Do commenters have any suggestions about the procedural aspects of the proposed eligibility requirements, e.g., the procedure for obtaining a letter of no objection from the Commission staff or the minimum contents of the required submission? Is such a procedure necessary? Do commenters agree that such a procedure would assist both issuers and investors? Should the procedural aspects of the proposed eligibility requirements be less formal? Should the procedure be similar to that in the no action letter process regarding shareholder proposals under Rule 14a-8 of the Exchange Act? Should the letter of no objection be advisory only? Should obtaining a letter of no objection be optional? Is the method for calculating eligibility clear and appropriate or are there alternative suggestions that should be considered? Should the Commission publish standards or criteria to guide the staff's determination? What do commenters believe the respective role of the Commission and its staff should be in making these eligibility determinations? Should the Commission post on its Web site all submissions and responses, including those for which the staff does not issue a no-objection letter?

See our responses to questions 19 to 22 above. We believe obtaining a letter of no objection is reasonable; however, there should be less restrictive criteria than those presently in the Roadmap in order to encourage early adoption of IFRS by qualified companies that can commit the appropriate time and resources to completing the transition accurately and most efficiently, including making the necessary information technology system changes, training and education.

24. Currently, some public companies in the U.S. public capital market report in accordance with IFRS and others in accordance with U.S. GAAP. Today, however, this ability to report using IFRS exists only for foreign companies. What consequences, opportunities or challenges would be created, and for whom, of extending the option to use IFRS to a limited number of U.S. companies based on the criterion of improving the comparability of financial reporting for investors?

We believe there will be increasing opportunities for large companies to compare themselves to foreign companies, financially and operationally. Also, users of financial information (including investors) can analyze foreign companies more easily when the format and substance of financial information is more comparable.

25. Do commenters agree that the criterion of enhanced comparability is the correct one? Are there other criteria that should be used? For example, should issuers be eligible based on their size or their global activities? If a size criterion were used to include the largest U.S. issuers, what should the cut-off be? Should there be a criterion based on the absence of past violations of the federal securities laws or based on shareholder Approval?

We believe that enhanced comparability is one of several criterion that the SEC should evaluate, including size (but not size only), extent of international competition, international operations, extent of foreign investors (e.g., listed on foreign exchanges, etc.), complexity and/or sophistication of financial systems, demonstrated knowledge

of IFRS within the finance organization, a recommendation from their independent auditors as to readiness for conversion and Audit Committee approval. While several of these criteria are somewhat subjective, we believe they could be used in an evaluation of a potential early-adopter for purposes of a letter of no objection. However, as shareholders do not vote for other types or operational or accounting policy changes, we do not believe shareholder approval should be necessary or is appropriate.

26. Do commenters agree that the proposed required disclosures are appropriate? If not, what disclosures should be provided?

We agree with the proposed disclosure that the qualifying company has received a letter of no objection from the SEC in its first IFRS filing. However, there should be disclosures prior to its first IFRS filing in periodic reporting (e.g., Form 8-K, etc.) as the company prepares for transition.

27. What are commenters' views on the accounting principles that should be used by those U.S. issuers that elect to file IFRS financial statements if the Commission decides not to mandate or permit other U.S. issuers to file IFRS financial statements in 2011? Should the Commission require these issuers to revert back to U.S. GAAP in that situation?

We believe that companies should revert back to U.S. GAAP if the SEC determines that IFRS reporting by U.S. companies is not permitted. However, this transition back to U.S. GAAP should be orderly, over a reasonable period of time such as one to two years. If IFRS is permitted but not mandated, then any U.S. company should be allowed to continue to report using IFRS.

28. Is it appropriate to exclude investment companies, employee stock purchase, savings and similar plans and smaller reporting companies? Are there other classes of issuers or certain industries that should be excluded?

All public companies should be included in the transition to IFRS. However, investment companies, employee stock purchase, savings and similar plans can be the last to transition, perhaps in 2017.

29. Should we limit the first filing available to an annual report on Form 10-K, as proposed? If not, why not? Is the proposed transition date of fiscal years ending on or after December 15, 2009 appropriate? Should it be earlier or later, and why? What factors should be considered in setting the date?

We agree that the first filing should be an annual report on Form 10-K, since the Form 10-Q is an update of the prior Form 10-K, so changing the fundamental basis of accounting cannot be appropriately accomplished in a Form 10-Q. Given the delay in receiving comments on the Roadmap to April 20, 2009 and the amount of work necessary to prepare for IFRS, we do not believe 2009 is a practicable transition year. Instead, we believe a proposed transition date of fiscal years ending on or after December 15, 2010 is more realistic and appropriate.

30. Are there any considerations that may make it difficult for an eligible U.S. issuer to file IFRS financial statements? Are there considerations about filing IFRS financial statements that would weigh differently for an eligible U.S. issuer than they would for a foreign private issuer that files IFRS financial statements?

A significant difficulty associated with U.S. companies transitioning to IFRS is the changing state of U.S. GAAP and IFRS during the transition period. U.S. companies will need to identify accounting differences currently as well as forecast the impact of changing standards, such as the project on lease accounting. Another difficulty is the proposed requirement of three years of income statements and statements of cash flows at transition.

31. What difficulties, if any, do U.S. issuers anticipate in applying the requirements of IFRS 1 on first-time adoption of IFRS, including the requirements for restatement of and reconciliation from previous years' U.S. GAAP financial statements?

We do not believe there are any significant unique issues pertaining to U.S. companies transitioning to IFRS in applying IFRS 1

32. What would affect a company's willingness to use IFRS if it were eligible to do so? For example, some market indices, such as the S&P 500, currently only include issuers that report in U.S. GAAP. Are there other investment instruments or indices that would affect companies that would be eligible to use IFRS under the proposed criteria? Would the ability to be included in the S&P 500, or other instrument or index affect whether an eligible U.S. issuer decides to use IFRS? Would these indices be prepared to accept IFRS, and, if so, how long would it take for them to change their criteria? Would more issuers be likely to use IFRS after they do? Should these considerations influence our decision on whether or when to permit or require U.S. issuers to use IFRS in their Commission filings?

It is our assumption that as companies prepare for the eventual transition to IFRS (which is the direction of current thinking that generated the Roadmap), that indices such as the S&P 500 as well as regulatory agencies will adapt to accept IFRS, similar to what occurred in the European Union in 2004/2005. Consequently, any type of dual reporting (IFRS and U.S. GAAP) would not be required.

33. To facilitate the transition to IFRS, should we add an instruction to Form 10-K and Form 10-Q under which an issuer could file two years, rather than three years, of IFRS financial statements in its first annual report containing IFRS financial statements as long as it also filed in that annual report three years of U.S. GAAP financial statements? Under such an approach, an issuer could, during its third year after beginning its IFRS accounting, choose to file a Form 10-K/A with IFRS financial statements covering the previous two fiscal years. For the current (third) fiscal year, the issuer could then file quarterly reports on Form 10-Q using IFRS financial statements. For example, a calendar-year issuer that began its IFRS accounting for the 2010 fiscal year would use U.S. GAAP to prepare its Forms 10-Q and Forms 10-K for the 2010 and 2011 fiscal years. In 2012, that issuer would have the option of filing a Form 10-K or a Form 10-K/A with IFRS financial statements for 2010 and 2011, which would allow it to use IFRS in its quarterly reports during 2012, or continuing to use U.S. GAAP. In either case, the Form 10-K covering the 2012 fiscal year would include three years of IFRS financial statements.

We strongly believe the SEC should allow two years of financial statements rather than three years, in accordance with the concept of IFRS as issued by the IASB. IAS 1, paragraphs 38 to 44 establish that only one year of comparable financial information is required.

34. What are commenters' views on Proposals A and B relating to U.S. GAAP reconciling information? Which Proposal would be most useful for investors? Is there a need for the supplemental information provided by Proposal B? Would the requirement under Proposal B have an effect on whether eligible U.S. companies elect to file IFRS financial statements? To what extent might market discipline (i.e., investor demand for reconciliation information) encourage early adopters to reconcile to U.S. GAAP even in the absence of a reconciliation requirement?

We strongly support Proposal A, particularly for early-adopters. We do not believe U.S. companies should be required to prepare reconciliations to U.S. GAAP after transition. Maintaining parallel financial systems is time-consuming, inefficient and costly, particularly as companies like Verizon are looking for ways to automate manual processes, become more efficient and produce more timely financial information for management decision-making. We believe we can follow the model of European listed companies when they transitioned to IFRS in 2005 of providing guidance to financial statement users in advance of transitioning to IFRS such that users understood the differences between IFRS and previously issued local GAAP financial statements and could reset their expectations before the change to IFRS was implemented.

35. What role does keeping a set of books in accordance with U.S. GAAP play in the transition of U.S. issuers to IFRS? What impact will keeping U.S. GAAP books have on U.S. investors, U.S. issuers, and market participants?

Dual reporting is cumbersome and expensive for preparers. Maintaining parallel financial systems during transition to IFRS is necessary and important, but very impractical on an ongoing basis.

36. How valuable is reconciliation to U.S. investors, U.S. issuers, and market participants? How valuable is reconciliation to global market participants? Are there some financial statements (such as the statement of comprehensive income) which should not be required to be reconciled to U.S. GAAP?

We believe the reconciliation is of significant value to users and preparers of financial statements for a limited time. Once companies begin reporting on IFRS and users gain an understanding of financial information presented in accordance with IFRS, the value diminishes quickly. The European Union's transition to IFRS for listed companies in this regard is a good example for the U.S. to follow in that reconciliations ceased after transition to IFRS.

37. Under either Proposal, would investors find the U.S. GAAP information helpful in their education about IFRS or in being able to continue to make financial statement comparisons with U.S. (and non-U.S.) issuers that continue to prepare U.S. GAAP financial statements? Would one alternative be more helpful to U.S. investors, regulators, or others in understanding information prepared under IFRS or to continue to make comparisons with issuers who prepare U.S. GAAP financial statements?

We believe that investors would reset their focus and financial models using IFRS quickly once transition to IFRS begins, much the same way as investors in the European Union did.

38. Should we be concerned about the ability of U.S. issuers that elect the early use of IFRS to revert to U.S. GAAP? Would either Proposal be preferred to facilitate such a reversion, should that be appropriate or required as described above?

We believe, as a company that could potentially early-adopt, that reverting to U.S. GAAP could be accomplished relatively quickly, over no longer than a one- to two-year period. The differences in accounting would have been well understood and the system and process changes would be made with the possibility of reversion to U.S. GAAP.

39. Under Proposal B, should the proposed U.S. GAAP financial information be audited? Is the proposed role of the auditor appropriate? Should the proposed U.S. GAAP financial information be filed as an exhibit to the Form 10-K annual report, instead of as part of the body of the report? Is the proposed treatment of the information appropriate? For example, should the information be deemed “furnished” and not “filed” for purposes of Section 18 of the Exchange Act? Should we require that the supplemental U.S. GAAP information be contained in the annual report that is prepared pursuant to Exchange Act Rule 14a-3(b)? Should the supplemental U.S. GAAP information appear as a note to the financial statements? Is the proposed role of the auditor appropriate?

We do not support Proposal B. See our response to question 34 above.

40. Under either Proposal, should we provide more guidance as to the form and content of the information called for? Under either Proposal, should we require that additional information be provided, such as a “full reconciliation” as is required under Item 18 of Form 20-F? Is there an intermediate position between the reconciliation under Proposal B and the reconciliation under Item 18 of Form 20-F?

We do not believe additional guidance in addition to IFRS 1 is required, as we support Proposal A.

41. Under either Proposal, should we require that the issuer’s “Management’s Discussion and Analysis of Financial Condition and Results of Operations” prepared under Item 303 of Regulation S-K contain a discussion of the reconciliation and the differences between IFRS as issued by the IASB and U.S. GAAP?

We believe that it would be appropriate for companies’ management’s discussion and analysis of financial condition and results of operations to contain a discussion of the reconciliation and the differences between IFRS and U.S. GAAP.

42. Should we require supplemental U.S. GAAP information, such as that in Proposal B, for all quarterly periods covered by IFRS financial statements?

We strongly support Proposal A, and believe Proposal B would be overly burdensome. Consequently, we believe quarterly reconciliations to be even more burdensome to preparers.

43. Should the option to report under IFRS, whether under Proposal A or Proposal B, automatically terminate as of a date certain? If so, should that date be a set period of time? For example, should it be three years following the effective date of an adopting release? Should it be a longer or shorter time period? Should it be measured from another date (e.g.,

the first permissible compliance date or the date of the first letter of no objection issued)? What considerations should be part of our decision as to the date or duration?

We believe the option to report under IFRS need not terminate since, as a practical matter, no companies will likely early-adopt prior to 2011.

44. Under Proposal B, does providing U.S. GAAP information require issuers electing to file IFRS financial statements to maintain sufficient information, records and controls in order to revert back to U.S. GAAP? If not, what additional information, records or controls must be maintained?

We support Proposal A, largely because maintaining U.S. GAAP financial statements indefinitely is very burdensome. See our response to question 43 above; as a practical matter, companies will not likely early-adopt until 2011, so if the SEC makes its determination by mid-2010 (as suggested in question 3 above), reverting back to U.S. GAAP should impact very few companies. As such, supporting Proposal B to promote easier reversion to U.S. GAAP would be unnecessary.

45. Under Proposal A, what additional information, records or controls would be necessary for U.S. issuers electing to file IFRS financial statements to maintain so that they could revert back to U.S. GAAP?

Companies would need to maintain separate databases of quantified U.S. GAAP and IFRS differences. But principally, as companies with international operations already understand, a primary general ledger and supporting interfaces would need to be transitioned to report using IFRS, but also maintain “local” GAAP overlays, which is where U.S. GAAP adjustments would be held. The difficulty would arise in countries that have local statutory reporting requirements, which then would need to have U.S. GAAP overlays as well as IFRS overlays. But this situation can be managed until the transition period ends and all financial statements are on IFRS. Then the U.S. GAAP overlays would no longer be necessary. This is another reason why we support Proposal A.

46. Are the criteria for issuers eligible to file financial statements in accordance with IFRS as issued by the IASB clear from the proposed definition of “IFRS issuer?” If not, in what way is the definition unclear, and what revisions would be necessary to eliminate any lack of clarity?

We believe the criteria are very clear.

47. Is there any ambiguity in the proposed amendments regarding the reasons for the distinction between “IFRS issuer” and foreign private issuer, and the application of the rules to each? If so, what is the nature of the ambiguity and what would be necessary to provide clarity?

We believe there is no such ambiguity.

48. Is the application of Regulation S-X and Regulation S-K to financial statements prepared in accordance with IFRS as issued by the IASB clear from the proposed amendments, or are there other items within those regulations that should be specifically amended to permit the filing of financial statements prepared in accordance with IFRS as issued by the IASB? If so, how would the application of Regulation S-X and Regulation S-

It is unclear if there were no changes to those other than those proposed? What changes would be suggested in order to make them clear?

We believe it is clear and no further amendments are necessary.

49. Is there any reason why an issuer would be unable to assert compliance with IFRS as issued by the IASB and obtain the necessary opinion from its independent auditor?

We believe there are no reasons why preparers could not assert compliance with IFRS or obtain an audit opinion. Again, we look to the European Union for listed companies' experiences in their transition to IFRS.

50. Is the application of Articles 1 through 12 of Regulation S-X to IFRS financial statements clear from the proposed Rule 13-02? If not, what further clarification is necessary? Are there other rules contained in Articles 1 through 12 that do not, or may not, apply to financial statements prepared in accordance with IFRS as issued by the IASB and that are not addressed in proposed Rule 13-02? If so, what are they and how should they be addressed?

We do not believe proposed Rule 13-02 is very clear, and support paralleling foreign private issuer rules that already exist.

51. A U.S. issuer engaged in oil and gas producing activities that has followed the successful efforts method and carries forward that practice under IFRS will have consistent reserves disclosure under FAS 19, FAS 69 and Industry Guide 2. If that issuer were to apply another method of accounting permitted under IFRS, it may lead to inconsistencies between Industry Guide disclosure, FAS 69 disclosure, and the financial statements. Would such potential inconsistencies create ambiguity for users of that information or otherwise be a cause for concern? If so, what would be an appropriate means of addressing the inconsistencies?

While oil and gas producing activities are not part of our business, we can analogize a similar situation in the telecommunications and entertainment industries. We believe these inconsistencies would be understood and could be adjusted for with appropriate disclosure. And the U.S. company in the SEC's example would be comparable with international oil and gas producing companies using IFRS. So we do not believe this is a significant cause for concern.

52. With regard to specific references to U.S. GAAP in our regulations, should we amend the references to U.S. GAAP pronouncements to also reference appropriate IFRS guidance, and, if so, what should the references refer to? Would issuers be able to apply the proposed broad approach to U.S. GAAP pronouncements and would this approach elicit appropriate information for investors? Should we retain the U.S. GAAP references for definitional purposes?

We believe if the Roadmap is adopted and companies transition to IFRS beginning in 2014, IFRS will become U.S. GAAP for public companies so significant changes to the SEC's regulations may not be necessary, as long as the references are clear that IFRS is GAAP in the U.S for public companies.

53. With regard to general references to U.S. GAAP, is our proposed approach appropriate and sufficiently clear? If not, how should these matters be addressed differently and why?

We believe the proposed approach is sufficiently clear.

54. Is our proposed approach sufficiently clear on how to address general caption data, segment data and schedule information outside the financial statements? If not, what changes should we make? Are there other places in our regulations that need to be addressed?

We believe the proposed approach is sufficiently clear.

55. Will three years of selected financial data based on IFRS be sufficient for investors, or should IFRS issuers be required to disclose in their selected financial data previously published information based on U.S. GAAP with respect to previous financial years or interim periods?

See our response to question 33 above. We believe only two years of financial statements should be required at transition to IFRS. However, additional information can be added each year to build-up to five years of selected financial data.

56. Should the Commission address the implications of forward-looking disclosure contained in a footnote to the financial statements in accordance with IFRS 7? For example, would some kind of safe harbor provision or other relief or statement be appropriate?

We believe the SEC should address the implications of forward-looking disclosure, given the litigious environment in the U.S. A safe harbor provision for forward-looking information in footnotes is important and consistent with the substance of the transition to IFRS.

57. Is the proposed disclosure in Form 10-K sufficient in prominence and content to indicate to investors that the issuer has changed its basis of financial reporting from that used in previous filings? If not, what further disclosure should be provided, and where? Should we require that an issuer disclose the criteria under which it is eligible to file IFRS financial statements? Should issuers be required to reference the letter of no objection in their first IFRS filing?

We believe the proposed Form 10-K disclosure is sufficient in prominence and content. However, early-adopters should also disclose how and how long it will take to revert back to U.S. GAAP in the event the SEC does not mandate transition to IFRS under the Roadmap.

58. Should we amend Form 8-K to require “forward-looking” disclosure relating to an issuer’s consideration of whether it will file IFRS financial statements in the future? If so, what type of information should be disclosed, and at what point in time prior to the issuer actually filing IFRS financial statements? Would a requirement to make such forward-looking disclosure have any impact on an issuer’s decision to adopt IFRS? If so, what would the effect be?

We do not believe the SEC should amend Form 8-K specifically for consideration whether companies will file IFRS financial statements. We believe the decision to transition to IFRS will be a significant event for disclosure as will be pro forma

financial information for analysts being made available such that current Form 8-K requirements are sufficient, particularly Regulation FD disclosures.

59. Are there issues on which further guidance for IFRS issuers would be necessary and appropriate?

We do not believe there is any further significant guidance necessary.

60. Is the application of the proposed rules to the preparation of financial statements and financial information described in Sections V.D and V.E above sufficiently clear? If not, what areas need to be clarified? Are any further changes needed for issuers that prepare their financial statements using IFRS as issued by the IASB?

We believe Sections V.D and V.E are sufficiently clear, except we believe Section V.D. 1. should require only two years of selected historical financial information at transition to IFRS.

61. Under the proposed rules, an IFRS issuer or foreign private issuer may file financial statements of an entity under Rule 3-05, 3-09 or 3-14 prepared in accordance with IFRS as issued by the IASB even though the entity does not meet the definition of "IFRS issuer." Should we also accept financial statements required under Rule 3-05, 3-09 or 3-14 prepared in accordance with IFRS as issued by the IASB without regard to the status of the issuer as an IFRS issuer or foreign private issuer? Should our acceptance depend on characteristics of the entity whose financial statements are being provided, such as that the entity already prepares IFRS financial statements or the entity principally operates outside the United States?

We believe the SEC should accept financial statements required under Rule 3-05, 3-09 or 3-14 prepared in accordance with IFRS as issued by the IASB without regard to the status of the issuer as an IFRS issuer or foreign private issuer. However, we do not believe the SEC's acceptance should depend on any characteristics of the company.

62. Are there other rules in Regulation S-X that should be specifically amended to accommodate our proposal? If so, how would the application of those rules be unclear if there were no changes to those rules, and what changes would be suggested in order to make them clear?

We do not know of any other significant changes to Regulation S-X required to accommodate the SEC's proposal.

63. Should an IFRS issuer be required to continue to comply with the disclosure requirements of FAS 69? What alternatives may be available to elicit the same or substantially the same disclosure? Proposed Rule 13-03(d) of Regulation S-X is modeled on an instruction relating to FAS 69 in Item 18 of Form 20-F. Does this proposed rule need to be modified in any way to more clearly require filers to provide information required by FAS 69?

Verizon does not operate in the oil and gas industry, so we are not in a position to comment on this question.

64. Is the guidance in this proposal sufficient to avoid any ambiguity about the use of IFRS financial statements in exempt offerings? If not, what additional clarification is needed? Is any revision to forms or rules necessary?

We believe the proposed guidance is sufficiently clear in this regard.

65. Are there other rules or forms under the Securities Act or the Exchange Act that should be specifically amended to permit the filing of financial statements prepared in accordance with IFRS as issued by the IASB? If so, how would the rules or forms be unclear if there were no changes to those forms, and what changes would be suggested in order to make them clear?

We are not aware of any other rules or forms that would require amending to permit IFRS.

66. Are there other considerations in addition to those discussed in this release that the Commission should consider as part of the proposed amendments to permit the limited use of IFRS or its future decision regarding the use of IFRS by U.S. issuers? We request comment from the point of view of registrants, investors, accountants, accounting standard setters, users of financial statements and other market participants. With regard to any comments, we note that such comments are of greatest assistance to our rulemaking initiative if accompanied by supporting data and analysis of the issues addressed in those comments.

We have provided a significant amount of input in our cover letter and responses to the specific questions contained within this attachment. Particularly from the point of view of the preparer. Accordingly, we have no further input to provide.

67. Do you agree with our assessment of the costs and benefits as discussed in this section? Are there costs or benefits that we have not considered? Are you aware of data and/or estimation techniques for attempting to quantify these costs and/or benefits? If so, what are they and how might the information be obtained?

We have carefully reviewed the SEC's assessment of costs, and agree in principle with a comparison to the experience of the European Union in 2002 to 2005. However, given our analysis over the past year in potentially transitioning Verizon to IFRS, we have difficulty understanding why transition costs would be approximately 2 ½ times higher than costs incurred in the European Union, particularly for Proposal A. Also, we do not believe the relationship of transition costs to revenues is linear such that a percentage of revenues would not be representative of the costs expected to be incurred by smaller one-dimensional companies, or larger companies with sophisticated financial systems, versus companies with disparate systems and processes. Our analysis suggests that the costs would be more consistent with the European Union's experience or slightly higher, but not 2 ½ times that amount. In addition, we believe a further benefit of transitioning to IFRS is a potential reduction in stock price volatility over the longer term as more consistent information and more information is available in the market. We also believe the cost of Proposal B would be far higher than anticipated due to the need to maintain parallel financial systems indefinitely.

68. We solicit comment on whether the proposed rules would impose a burden on competition or whether they would promote efficiency, competition and capital formation.

For example, would the proposals have an adverse effect on competition that is neither necessary nor appropriate in furtherance of the purposes of the Exchange Act?

We strongly believe the proposed rules would promote efficiency, competition and capital formation, rather than impose a burden on competition. The proposed transition to IFRS would promote and enhance global capital markets and capital movements across borders as well as improve efficiency through the increased availability of clear, consistent financial information. Transition to IFRS by U.S. companies will also promote competitive analyses internationally.

69. Would the proposals create an adverse competitive effect on U.S. issuers that are not in a position to rely on the alternative or on foreign private issuers that do not report in IFRS?

We do not believe the proposals would create any adverse competitive effects.

70. Would the proposed amendments, if adopted, promote efficiency, competition and capital formation? Commenters are requested to provide empirical data and other factual support for their views if possible.

We believe the proposed amendments would promote efficiency, global competition and capital formation. See our response to question 68 above.