

October 18, 2007

To
Nancy M. Morris, Secretary
The Securities and Exchange Commission
100 F Street, NE, Washington DC 20549-1090

Dear Madam,

RE: **File Number** S7-13-07

**ACCEPTANCE FROM FOREIGN PRIVATE ISSUERS OF
FINANCIAL STATEMENTS PREPARED IN ACCORDANCE
WITH IFRS WITHOUT RECONCILIATION TO U.S. GAAP
Dated July 3, 2007 (the "Proposal")**

On behalf of our client, the Israel Accounting Standards Board (the "IsASB"), we are pleased to submit our comments regarding the Proposal.

1. In the framework of your Proposal, it is proposed to accept from foreign private issuers their financial statements prepared in accordance with IFRS as published by the IASB, without reconciliation to U.S. GAAP. To implement this, it is proposed to introduce amendments to the relevant forms, to accept financial statements **prepared in accordance with the English language version of IFRS as published by IASB** without reconciliation to US GAAP, when contained in filings of foreign private issuers.
2. In March 2007, the IsASB entered into an agreement (the "Agreement") with the International Accounting Standards Committee Foundation (the "IASCF"), for the adoption in Israel of the International Financial Reporting Standards ("IFRS") as published by the International Accounting Standards Board (the "IASB").
3. For the last year, the IsASB has been engaged in the literal translation of all International Financial Reporting Standards to Hebrew, in conformity with the translation procedures set out by the IASCF and in accordance with the Agreement. Such translation has been made under the supervision of a review committee whose members have been approved by the IASCF.

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Alon Galili

Merav Niv Geva

Ariel Ben-Hur

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Tal Sagi Faran

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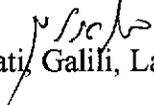
Our understanding was that this translation will be the formal document for Israeli reporting entities and their public accountants for the implementation of IFRS in Israel. Please note that the IsASB has made substantial efforts in order to prevent any deviation of the Hebrew translation from the English version. The aim of the Hebrew translation, in addition to the convenience of the Israeli issuers, is to prevent different interpretations of the English version by various issuers while preparing their financial statements. However, it seems that under the current language of the Proposal, preparation of the financial statements filed by an Israeli private issuer according to IFRS as published by the IASB, will not grant such issuer the relieves specified in the Proposal, if it is not based on the "English Version".

4. In light of the above, we would appreciate if you would consider amending the Proposal so to clarify that the said relieves will also apply to financial statements filed by foreign private issuers in the English language, which were prepared in accordance with IFRS, as published by the IASB, even if the implementation of the IFRS is based on the translation of these standards, provided that such translation has been made in accordance with the translation procedure approved by the IASCF.

Please let us know whether you need any further clarification.

Sincerely yours,

Alon Galili, Adv.


Efrati Galili, Lahat & Co. - Law Offices

CC: Dov Sapir, CPA, Chairman, Israel Accounting Standards Board
Dr. Moshe Bareket, Director of Corporation Finance
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