



October 31, 2005

Mr. Jonathan G. Katz
Secretary
U.S. Securities and Exchange Commission
100 F St. N.E.
Washington, D.C. 20549-9303

File No. S7-08-05

Sent via email to: rule-comments@sec.gov

Dear Mr. Katz,

On July 20, 2005, Financial Executives International's ("FEI's") Committee on Corporate Reporting ("CCR") filed an unsolicited letter with the U.S. Securities & Exchange Commission's ("SEC") Chief Accountant Don Nicolaisen regarding the SEC's temporary postponement of the final phase-in period for acceleration of periodic report filing dates, issued on November 17, 2004. I attach for the record that letter as response to the SEC's Proposed Rule, Revisions to Accelerated Filer Definition and Accelerated Deadlines for Filing Period Reports (Release No. 33-8617).

FEI is a leading international organization of 15,000 members, including Chief Financial Officers, Controllers, Treasurers, Tax Executives and other senior financial executives CCR is a technical committee of FEI, which reviews and responds to research studies, statements, pronouncements, pending legislation, proposals and other documents issued by domestic and international agencies and organizations.

Thank you for considering our views. We would be happy to discuss this further at your convenience or respond to any questions you may have. Please feel free to contact me at 973.765.1071 should you have any questions.

Sincerely,

Christine DiFabio

Christine DiFabio
Director, Technical Activities and Staff Liaison to CCR
Financial Executives International

ATTACHMENT



July 20, 2005

Mr. Don Nicolaisen
Chief Accountant
Office of the Chief Accountant
Securities and Exchange Commission
100 F Street, NE
Washington D.C. 20549

Dear Don:

The Committee on Corporate Reporting (“CCR”) of Financial Executives International (“FEI”) would like to provide its feedback regarding the U.S. Securities & Exchange Commission’s (“the Commission” or “SEC”) temporary postponement of the final phase-in period for acceleration of periodic report filing dates, issued on November 17, 2004. FEI is a leading international organization of 15,000 members, including Chief Financial Officers, Controllers, Treasurers, Tax Executives and other senior financial executives. CCR is a technical committee of FEI, which reviews and responds to research studies, statements, pronouncements, pending legislation, proposals and other documents issued by domestic and international agencies and organizations. This document represents the views of CCR and not necessarily those of FEI.

In 2002 the Commission amended its rules to accelerate the timing of annual Form 10-K and quarterly Form 10-Q filing dates to 60 and 35 days after period end, respectively (Release No. 33-8128). At the time the rule was proposed, CCR was in favor of the change to the Form 10-K annual reports, but recommended that the quarterly Form 10-Q filing requirement be 35, not 30 days (as proposed); which the Commission supported in the final rule.

In 2004 the Commission delayed the implementation of the acceleration by one year acknowledging the significant efforts to comply with the new requirements of the Sarbanes-Oxley Act of 2002 (the “Act”), specifically Sections 302 and 404.

As noted in the Commission’s 2004 delay, as a result of the Act companies have implemented numerous changes to their corporate governance and reporting practices and procedures. Specifically, for financial reporting, the Act has increased the number of procedures and activities that need to be accomplished between the time an accounting period closes and a Form 10-Q or Form 10-K is filed with the Commission. The following list is illustrative of the *additional* activity that may now need to be accomplished within the quarterly reporting timeframe:

- Reporting units may need to supply additional documentation to corporate headquarters, including disclosure checklists and Section 302 and 404 reporting procedures and conclusions.
- Meetings of the disclosure committees must be held. These may be comprised of multiple disciplines in the company, as well as people from multiple locations for multinational companies. Such meetings may last several hours, with multiple meetings needed per close.
- Follow-up meetings with top executives must be held to review procedures and results of disclosure committees' activities.
- One or two audit committee meetings may need to occur in the time frame prior to filing.
- Materials, including financial reports, must be prepared and distributed to senior management and the audit committee sufficiently in advance of the meetings to allow adequate time for review.
- Evaluation of Section 302 and 404 compliance must be completed at a corporate headquarters level.

With the added activities since the Act, as described above, we believe that it would be prudent for the Commission to reconsider the final implementation of the accelerated filing deadlines for quarterly Form 10-Q filings. While some CCR companies have been able to file within the 35-day deadline; in light of the activities required above, filing in 35 days is significantly more challenging and we believe that 40 days is more realistic for the broad registrant population. Relative to the filing of Form 10-K, an informal survey of CCR members indicated that the original timetable of 60 days for filing a Form 10-K was still achievable. We believe the impact and challenges of meeting these quarterly deadlines are significant for both small and large companies.

Thank you for considering our views. CCR members would be happy to discuss at your convenience any of the observations and recommendations noted above.

Sincerely,

A handwritten signature in black ink that reads "Lawrence J. Salva". The signature is written in a cursive, flowing style.

Lawrence J. Salva
Chair, Committee on Corporate Reporting
Financial Executives International