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### **Proposal to amend the Due Process Handbook for the IASB**

Dear Sir/Madam:

UBS is pleased to have the opportunity to comment on the IFRS Foundation Consultation document '*The annual improvements process: Proposals to amend the Due Process Handbook for the IASB*,' ('*the Proposal*'). We support inclusion of criteria to assist the IASB in determining which matters should be included in the annual improvements process

We agree that the primary objective of the annual improvements process should be to enhance the quality of IFRS's, while including amendments that clarify IFRS's, and/or correct a relatively minor unintended consequence, conflict or an oversight.

We generally support the criteria within the Proposal to qualify for inclusion in the annual improvements process. However, in paragraph 65A (a) (ii), we would advise taking out the phrase, "but may create an exception from an existing principle." We feel that an exception to a principle could be viewed as a being a significant change to an existing standard, which should be outside the scope of the annual improvements process.

We also think that the phrase, "a pressing need," in paragraph 65A (d), should be changed to "a necessary improvement." If an issue is pressing, we feel that it should be addressed in a quicker manner than the annual improvements process, which can take a long time. The phrase also conflicts with the introduction paragraph to the proposed amendment, which states that "amendments are made to IFRS's through the annual improvements process when the amendment is considered non-urgent but necessary."

We hope you find UBS's comments helpful. If you would like to discuss any comments that we have made, please do not hesitate to contact John Gallagher at +1 203-719-4212 or Ralph Odermatt at + 41 44 236-8410.

Regards,

UBS AG

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