

Mr Robert Garnett
Chairman
International Financial Reporting Interpretations Committee
30 Cannon Street
London
United Kingdom
EC4M 6XH

Email: ifric@iasb.org

15 December 2008

Dear Mr Garnett,

Tentative agenda decision: IAS 32 *Financial Instruments: Presentation* – Classification of puttable and perpetual instruments

Deloitte Touche Tohmatsu is pleased to respond to the IFRIC's publication in the November 2008 *IFRIC Update* of the tentative decision not to take onto the IFRIC's agenda a request for an Interpretation of IAS 32 *Financial Instruments: Presentation* with respect to providing guidance on whether puttable instruments could be classified as equity instruments in accordance with IAS 32 as amended 2008 when an entity also has perpetual instruments without a put feature outstanding that meet the definition of an equity instrument in IAS 32.11 and 16.

We agree with the IFRIC's decision not to take this item onto its agenda for the reasons set out in the tentative agenda decision. In particular, we concur with the conclusion that classification of financial instruments issued by an entity is a two step process that could result in both perpetual instruments without a put feature and puttable instruments being classified as equity instruments provided the first meets the definition of an equity instrument in accordance with IAS 32.11 and .16 and the latter meets the criteria set out in IAS 32.16A and .16B.

If you have any questions concerning our comments, please contact Ken Wild in London at +44 (0)20 7007 0907.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Ken Wild', with a long, sweeping horizontal line underneath.

Ken Wild
Global IFRS Leader