

European Financial Reporting Advisory Group
13-14 Avenue des Arts
B-1210 Brussels
Belgium

21 January 2011

Dear EFRAG member

Adoption of the Amendments to IFRS 7 *Financial Instruments: Disclosures - Transfers of Financial Assets*

The global organisation of Ernst & Young is pleased to submit its comments on the European Financial Reporting Advisory Group's (EFRAG) draft endorsement advice on the use of Amendments to IFRS 7 *Financial Instruments: Disclosures - Transfers of Financial Assets* (the Amendments) in Europe (the Invitation to Comment).

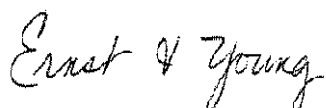
We have read EFRAG's assessment of the application of the above amendments to companies in Europe and considered only the conclusions contained therein. In this letter we are not commenting on any specific questions raised in the Invitation to Comment.

We provided comments to the International Accounting Standards Board (IASB or the Board) on the exposure draft *Derecognition (proposed amendments to IAS 39 and IFRS 7)* in a letter dated 31 July 2009. We believe that the Boards' subsequent deliberations considered all comment letters and that the IASB followed the due process as established by the IFRS Foundation (former International Accounting Standards Committee Foundation (IASCF)).

Ernst & Young supports consistent application of International Financial Reporting Standards (IFRS) globally. As such, we support EFRAG's recommendation that the amendments be adopted for use in Europe.

Should you wish to discuss the contents of this letter with us, please contact Sven Hayn on +49 (0)40 361 32 12277 or James Luke at the above address or on +44 (0)20 7951 4773.

Yours faithfully

A handwritten signature in cursive script that reads 'Ernst & Young'.