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September 29, 2006

Chairman Robert H. Herz
Financial Accounting Standards Board
401 Merritt 7
P.O. Box 5116
Norwalk, Connecticut 06856-5116

Dear Chairman Herz,

I am taking this opportunity to commend the Financial Accounting Standards Board on its efforts regarding the joint initiative of the FASB and the American Institute of Certified Public Accountants to enhance the financial reporting and accounting standard-setting process for private companies. Private companies are vital to our nation's job creation, entrepreneurialism, and competitiveness in the global capital markets.

It is important that the process of setting generally accepted accounting principles and financial reporting standards includes a dedicated focus on small businesses: The FASB and the AICPA must ensure that these standards are both useful and beneficial to those who rely on them and, at the same time, must consider the costs and benefits of compliance with those standards for companies.

It is my hope that this joint initiative will result in a productive, enhanced accounting and financial reporting standard-setting process as it relates to meeting the needs of constituents of private company financial reporting. Again, the FASB is to be lauded for its efforts on this important issue.

Sincerely,


Richard H. Baker