

20 July 2010

International Accounting Standards Board
30 Cannon Street
London EC4M 6XH

Submitted via the "Open to Comment" page at www.iasb.org

Dear Sirs

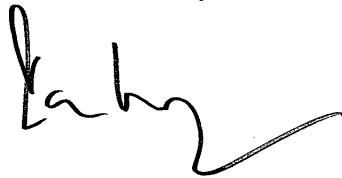
ED/2010/4: Fair Value Option for Financial Liabilities

I am writing on behalf of AFME (the Association for Financial Markets in Europe) to respond to the IASB's 11 May Exposure Draft ED/2010/04: Fair Value Option for Financial Liabilities (the ED). AFME is, as you know, the principal UK trade association for firms active in investment banking and securities trading; it was established on 1 November 2009 as a result of the merger of LIBA (the London Investment Banking Association) and the European Branch of SIFMA (the US-based Securities Industry and Financial Markets Association), and thus represents the shared interests of a broad range of participants in the wholesale financial markets. We welcome the opportunity to comment on this ED.

You will be aware that AFME has been working closely with the International Swaps and Derivatives Association (ISDA) in preparing responses to several of the recent IASB consultations; this reflects the substantial degree of overlap between the memberships of our respective Accounting Committees. As with the 2009 ED on Fair Value Measurement (ED/2009/5), ISDA have taken the lead in preparing a response to this ED, and input from AFME members has, where appropriate, been incorporated into their letter of 13 July (a copy of which is attached for reference). We are therefore happy to offer our full support for the contents of this letter.

I hope this is helpful. We would of course be pleased to discuss any points in the ISDA letter which you may find unclear, or where you believe AFME members might be able to assist in other ways.

Yours faithfully



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