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Le Président

JFL/MPG

n° 456

PARIS, 5th September 2008

Mr. Stig Enevoldsen

EFRAG

13-14 Avenue des Arts

1210 BRUSSELS

Belgium

Re : EFRAG Draft Comment Letter to the IASB Discussion Paper *Financial Instruments with Characteristics of Equity*

Dear Stig,

Please find enclosed for your information the CNC Comment Letter on the Discussion Paper *Financial Instruments with Characteristics of Equity*.

The CNC supports the EFRAG comments.

The CNC considers that the three approaches proposed by the FASB do not provide any particular improvements relative to the provisions of the currently applicable IAS 32. The CNC then advocates in favour of an improvement of the current IAS 32 which should focus on some fundamental issues like the introduction of the concept of an issuer's economic repayment obligation (or "economic compulsion") in order to qualify an issued instrument as a debt instrument, as replacement for the strictly contractual obligation currently applicable under IAS 32.

Furthermore, the IASB Discussion Paper does not present any analysis regarding the attributes of equity instruments unlike the document issued by the PAAinE which provides interesting basis for conclusions about the main characteristics of equity and debt instruments.

I hope you find these comments useful and would be pleased to provide any further information you might require.

Yours sincerely,

with best regards

Jean-François Lepetit

Cc : CNC Comment Letter to the IASB Discussion Paper *Financial Instruments with Characteristics of Equity*

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