



LETTER OF COMMENT NO. 26

The Director General delegate

Monday, March 2nd, 2009

FBF response to the Proposed FSP FAS 107-b "Disclosures about Fair Value of Financial Instruments."

Dear Sir.

The French Banking Federation (FBF) is pleased to have the opportunity to comment on the Proposed FASB Staff Position "Disclosures about Fair Value of Financial Instruments".

The French Banking Federation (FBF) is the professional body representing over 500 commercial, cooperative and mutual banks operating in France. It includes both French and foreign-based organizations.

The FBF understands that one of the main concerns of the Board is to improve the transparency and quality of information provided to users of financial statements on an interim basis.

We feel that the information required by the proposition leads to move towards confusion to users of financial statements as two measurement scenarios are required for all financial instruments without any consideration of the way these financial instruments are managed and accounted for on the face of financial statements. We do not believe that requiring such disclosure would improve quality of interim financial reporting but it will make financial statements lose their credibility.

Our answers to the proposition are set out in the Appendix to this letter.

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

Yours sincerely,

Pierre de Lauzun

Mr Russel G. GOLDEN Technical Director FASB 401 Merritt 7 P.O. Box 5116 Norwalk, CT 06856-5116

Appendix

Question 1

Do you agree that the proposed disclosures should apply to all financial instruments currently included within the scope of Statement 107? If not, which financial instruments do you propose should be included within the scope of this proposed FSP?

The FBF does not agree with the proposal.

We understand that the proposition leads to report in two different manners measurement of the same financial instruments in the face of financial statements and in the disclosures. Should more interim information be provided, we believe that information disclosed should be consistent with the way financial instruments are managed and classified. So, the two measurement presentation required are not relevant with the economic reality.

Question 2

Do you agree that the proposed disclosures should be applicable to all entities covered by Statement 107? If not, which entities do you propose should be exempt from the proposed additional interim reporting requirements?

Should the proposition be adopted, it seems to be no objection to apply the proposed disclosures to all entities covered by Statement 107.

Question 3

Are the proposed requirements to disclose fair value information for all interim and annual reporting periods ending after March 15, 2009, operational? If not, what would be an appropriate effective date? Why?

Should the proposition be adopted, required information needs to be collected and analysed before being disclosed. Therefore time implementation is needed regarding the significant information to be collected.

Question 4

Are the proposed requirements to disclose the method(s) and significant assumptions used to estimate the fair value for all financial instruments for all interim periods subsequent to initial adoption operational? Why or why not?

The FBF does not agree with the proposal. See our answer to question 1.