



November 28, 2016

Technical Director
Financial Accounting Standards Board
401 Merritt 7
PO Box 5116
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Via e-mail – director@fasb.org

Re: File Reference No. 2016-340. Proposed Accounting Standards Update: Receivables – Nonrefundable Fees and Other Costs (Subtopic 310-20): *Premium Amortization on Purchased Callable Debt Securities*.

Plante & Moran, PLLC is pleased to offer comments on the above referenced Exposure Draft. Following, please find our responses to the specific Questions for Respondents in the proposed Update.

Question 1: Do you agree that premiums on purchased callable debt securities should be amortized to the earliest call date? Please explain why or why not.

Response 1: Yes, we agree with the Board's proposal that premiums on purchased callable debt securities should be amortized to the earliest call date. We believe amortizing premiums to the earliest call date would better align the accounting for the transaction with the underlying economics.

While we support the amendments in the proposed Update, we believe guidance should also be provided for situations when the call date is contingent on future events. We believe that without guidance, diversity in practice may develop over the appropriate amortization period when the call date is contingent on future events.

Question 2: How much time would be needed to implement the proposed amendments? Should entities other than public business entities be provided more time? Should early adoption be permitted?

Response 2: We believe there should be at least a one year implementation period for the proposed amendments to allow for necessary changes to accounting systems. In addition, we do not believe entities other than public business entities will require additional time to implement the standard and that early adoption should be permitted for all entities.

Question 3: Do you agree with the proposed transition method and disclosures in paragraph 310-20-65-1(c)? Please explain why or why not.

Response 3: We agree with the proposed transition method and transition disclosures in the proposed amendments.

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Thank you again for the opportunity to comment on this exposure draft. We would be pleased to respond to any questions the Board or its staff may have about these comments. Please direct any questions to David Grubb at david.grubb@plante Moran.com or at 248.223.3745.

Very truly yours,

PLANTE & MORAN, PLLC