



November 9, 2017

Ms. Susan M. Cospers
Technical Director
Financial Accounting Standards Board
401 Merritt 7
PO Box 5116
Norwalk, CT 06856-5116

RSM US LLP

One South Wacker Drive
Suite 500
Chicago, IL 60606
www.rsmus.com

File Reference No. 2017-300

Dear Ms. Cospers:

RSM US LLP is pleased to provide feedback on the proposed Accounting Standards Update (ASU), *Technical Corrections and Improvements to Recently Issued Standards: I. Accounting Standards Update No. 2016-01, Financial Instruments—Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial Liabilities*. Our responses to the specific questions raised in the proposed ASU follow.

Responses to Questions for Respondents

Question 1: *The proposed amendments are intended to improve the clarity of the guidance in Update 2016-01. Would the proposed amendments clarify that guidance? If not, please explain which proposed amendment(s) would not provide clarification, and why.*

We believe for the most part, the proposed amendments will improve clarity. As it relates to Issue 1, which is addressed through the proposed amendments to ASC paragraph 321-10-35-2, we believe it is important to indicate what the intended meaning is of “*equity securities of the same type*.” Without clarification, we are unsure what would constitute an equity security of the same type, and believe this term could be interpreted in vastly different ways in practice.

Question 2: *Will any of the proposed amendments result in substantive changes to the application of Update 2016-01 that would require transition provisions or an effective date for the final amendments other than as noted in the Summary section “When Would the Amendments Be Effective?” If so, please describe.*

We are not aware of any substantive changes that would require other transition provisions or a different effective date.

Question 3: *Should other changes be made that are directly or indirectly related to the proposed amendments? Please note that the Board will conduct Codification improvements projects on a periodic basis and additional changes may be postponed to a subsequent Codification improvements project.*

We believe the proposed guidance added to ASC paragraph 815-10-35-6 should also be incorporated in Topic 321 to reduce the risk that it will be overlooked by an entity applying the measurement alternative provided by Topic 321.

Susan M. Cospers
Financial Accounting Standards Board
November 9, 2017
Page 2

We also believe that ASC paragraph 815-15-25-4 should be modified to indicate that changes in fair value attributable to instrument-specific credit risk are recognized in other comprehensive income given that it currently states changes in fair value are recognized in earnings.

We appreciate this opportunity to provide feedback on the proposed ASU and would be pleased to respond to any questions the Board or its staff may have concerning our comments. Please direct any questions to Rick Day at 563.888.4017 or Faye Miller at 410.246.9194.

Sincerely,

RSM US LLP

RSM US LLP