



September 13, 2019

Technical Director
FASB
401 Merritt 7
PO Box 5116
Norwalk, CT 06856-5116

Re: File Reference No. 2019-750

Dear Technical Director:

Thank you for the opportunity to comment on Proposed Accounting Standards Update—*Financial Instruments—Credit Losses (Topic 326), Derivatives and Hedging (Topic 815), and Leases (Topic 842): Effective Dates*. We are providing our comments in a response to Question 6.

Question 6: *Should Leases be effective for (a) private companies, (b) not-for-profit organizations (excluding those that have issued or are conduit bond obligors for securities that are traded, listed, or quoted on an exchange or an over-the-counter market), and (c) employee benefit plans (excluding those that file or furnish financial statements with or to the SEC) for fiscal years beginning after December 15, 2020, and interim periods within fiscal years beginning after December 15, 2021? If not, please explain why.*

Yes, we believe Leases should be effective for those entities for fiscal years beginning after December 15, 2020, and interim periods within fiscal years beginning after December 15, 2021. We also believe the same effective dates should be available to public business entities (PBEs) that planned to adopt the standard in fiscal years beginning after December 15, 2019 as permitted by ASC 842-10-S65-1. Because the Update did not address these PBEs, it is unclear whether their effective dates for Leases would be retained or deferred. However, the Board's new philosophy would normally classify these PBEs as bucket two entities because they would otherwise not meet the definition of a PBE except for the inclusion of their financial information in another entity's filing with the SEC. Accordingly, the Board anticipated staggering their effective dates for major Updates at least two years after bucket one.

Maintaining the effective date of fiscal years beginning after December 15, 2019 for these PBEs would apply a three-bucket approach to Leases. As noted in BC10 of the Update's Basis for Conclusions, the Board decided against such an approach, noting smaller public companies often will have the same challenges as private companies in implementing a major Update.



In conclusion, we recommend revising the Update to list the aforementioned PBEs among the entities that may adopt Leases for fiscal years beginning after December 15, 2020, and interim periods within fiscal years beginning after December 15, 2021.

If you have any questions or concerns related to our comments, please contact Cheri Himes at 610-796-6514 or cheri.himes@penske.com.

Sincerely yours,

A handwritten signature in black ink, appearing to read "T. Janowicz", with a stylized flourish at the end.

Thomas J. Janowicz, Executive Vice President-Finance & Technology, CFO
Penske Truck Leasing Co., L.P.