



Mr. Russell Golden
Chairman
Financial Accounting Standards Board
401 Merritt 7, PO Box 5116
Norwalk, CT 06856

May 5, 2020

**Re: Proposed Accounting Standards Update
File Reference 2020-300**

Submitted via electronic mail to director@fasb.org

Dear Chairman Golden:

The Equipment Leasing and Finance Association (ELFA) is the trade association that represents companies in the \$1 trillion equipment finance sector, which includes financial services companies and manufacturers engaged in financing capital goods. ELFA members are the driving force behind the growth in the commercial equipment finance market and contribute to capital formation in the U.S. and abroad. Its 575 members include independent and captive leasing and finance companies, banks, financial services corporations, broker/packageers and investment banks, as well as manufacturers and service providers. For more information, please visit www.elfaonline.org.

We are in a uniquely difficult and challenging period and we appreciate the Board's efforts to provide the temporary relief on certain effective dates through the Proposed Accounting Standards Update, *Revenue from Contracts with Customers (Topic 606) and Leases (Topic 842)* (the Exposure Draft or ED). We believe the deferral of the remaining effective dates for Leases is reasonable in the current environment and will not significantly decrease the usefulness of the financial information prepared by the companies within the scope of the ED.

We also wish to thank the Board for its timely response to questions related to changes in lease payments that are driven by the economic challenges caused by the Covid-19 pandemic. The Staff announcement and related Staff Q&A, *Topic 842 and Topic 840: Accounting for Lease Concessions Related to the Effects of the Covid-19 Pandemic* provides useful guidance to lessors as the lease modification model in Topic 842 would have been costly and burdensome to apply. Further, we believe the application of that model would not have improved the decision usefulness of the financial information produced by lessors.

We appreciate your taking our views into consideration and, as always, stand ready to assist you and the Board on matters of mutual interest.

Sincerely,

A handwritten signature in black ink that reads "Ralph Petta". The signature is written in a cursive, flowing style.

Ralph Petta
President/CEO
Equipment Leasing and Finance Association