Appendix continued

entity's liquidity risk. Additionally, we believe that the SEC's requirement to update the annual disclosure in interim periods for material changes outside the ordinary course of business is a more reasonable approach to the disclosure while providing users the information they need to assess an entity's liquidity risk.

If the Board feels that including the SEC contractual obligations disclosure within the footnotes to the financial statements is beneficial to financial statement users, we would be supportive of that option as long as the information reported, reporting frequency, and periods reported are consistent with the existing SEC requirements. We do recognize that some financial statement users might prefer the Board's requirement to reconcile the reported obligations to the carrying amount of that financial liability in the statement of financial position, and we believe that this information can be provided without undue burden. However, we want to highlight that the reconciliation doesn't necessarily provide additional liquidity risk information, and despite narrative disclosures to explain the adjustments, it may create confusion or be misleading to some users of the financial statements.