



909 Third Avenue
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December 22, 2010

Technical Director
Financial Accounting Standards Board
401 Merritt 7
P.O. Box 5116
Norwalk, Connecticut 06856-5116

Re: File Reference No. 1900-200, Proposed Accounting Standards Update, *Receivables (Topic 310), Deferral of the Effective Date of Disclosures about Troubled Debt Restructurings in Update no. 2010-20*

Dear Sir:

Citigroup appreciates the opportunity to comment on the Exposure Draft, *Deferral of the Effective Date of Disclosures about Troubled Debt Restructurings in Update No. 2010-20* (the Exposure Draft or the ED). We support the indefinite deferral of the troubled debt restructuring (TDRs) activity disclosures currently required for the first interim or annual reporting period beginning on or after December 15, 2010 by ASU 2010-20. The Board's stated intent for this delay is to allow time for the completion of its deliberations on what constitutes a TDR. The effective date of the ASU 2010-20 TDR disclosures would then be concurrent with the effective date of the proposed ASU – *Receivables (Topic 310): Clarifications to Accounting for Troubled Debt Restructurings by Creditors (the TDR ED)*. This deferral will result in more consistent troubled debt restructuring disclosures.

As we have noted in our response dated December 13 to the FASB's invitation to comment on the TDR ED, we believe that the TDR ED will inappropriately scope in large numbers of (1) modifications of classified loans that do not involve troubled borrowers and (2) certain short-term modifications of smaller-balance homogeneous loans, is inconsistent with industry practice and regulatory guidelines and will be operationally burdensome. If the TDR disclosures required by ASU 2010-20 are not delayed, any such disclosures could significantly change when the TDR ED becomes effective, rendering the disclosure confusing and meaningless.

SPECIFIC COMMENTS

Question 1: Do you agree that the effective date for the disclosure requirements for public entities about troubled debt restructurings in Update 2010-20 should be delayed to be concurrent with the effective date of the guidance presented in proposed Accounting Standards Update, *Receivables (Topic 310): Clarifications to Accounting for Troubled Debt Restructurings by Creditors*?

Yes, we agree that the effective date for the disclosure requirements for public entities about TDRs in Update 2010-20 should be delayed to be concurrent with the effective date of the guidance presented in the TDR ED. Moreover, because of the significant operational burden that would result if the disclosures were required to be comparative in the year of adoption, we agree the disclosures should only be required prospectively.

Question 2: Is the proposed effective date operational? If not, please explain why.

The ED notes that “For the new disclosures about troubled debt restructurings in Update 2010-20, those clarifications would be applied retrospectively to the beginning of the fiscal year in which the proposal is adopted.” Refer to our comments above relating to the TDR ED. If issued in its current form, the adoption of the TDR ED will be operationally burdensome, and any related disclosures, such as those required by ASU 2010-20, would also be operationally burdensome.

We would be pleased to discuss our comments with you at your convenience. Please do not hesitate to contact me at (212) 559-7721.

Very truly yours,



Robert Traficanti

Deputy Controller and Global Head of Accounting Policy