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November 23, 2011

Ms. Susan M. Cospier
Technical Director
Financial Accounting Standards Board
401 Merritt 7
P.O. Box 5116
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File Reference: 2011-240 Exposure Draft of a Proposed Accounting Standards Update, *Comprehensive Income (Topic 220) - Deferral of the Effective Date for Amendments to the Presentation of Reclassifications of Items Out of Accumulated Other Comprehensive Income in Accounting Standards Update No. 2011-05*

Dear Ms. Cospier:

The 12 Federal Home Loan Banks (the “FHLBanks”) appreciate the opportunity to comment on the Financial Accounting Standards Board’s (the “FASB” or “Board”) Exposure Draft of a proposed Accounting Standards Update: *Comprehensive Income (Topic 220) - Deferral of the Effective Date for Amendments to the Presentation of Reclassifications of Items Out of Accumulated Other Comprehensive Income in Accounting Standards Update No. 2011-05* (hereinafter referred to as the “proposed Update”). The FHLBanks commend the Board for listening to the concerns of stakeholders and proposing the deferral in order to reconsider the presentation of reclassification adjustments by component of net income and other comprehensive income in both the statement where net income is presented and the statement where other comprehensive income is presented. The FHLBanks agree with those stakeholders who believe that the presentation of the reclassifications in the statement of net income and/or the statement of comprehensive income would add unnecessary complexity to the financial statements for both preparers and users. Below are our responses to each question presented in the proposed Update.

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Question 1: Do you agree with the deferral? Why or why not?

The FHLBanks believe that the presentation of reclassification adjustments by component of net income and other comprehensive income on the face of the statement of income and/or comprehensive income would provide little incremental value to users. The FHLBanks believe that current GAAP provides users of their financial statements with sufficient transparent information and that the reclassification provisions of Update 2011-05 are likely to confuse users by adding unnecessary complexity to the statements of income and/or comprehensive income. Accordingly, the FHLBanks support a deferral to provide the Board the time necessary to reconsider these provisions.

Question 2: Are there alternatives that the Board should consider for presenting reclassifications out of accumulated other comprehensive income that would be more cost effective than the one required by Update 2011-05?

The FHLBanks believe that current GAAP requirements to report reclassifications out of accumulated other comprehensive income are sufficient. To the extent an entity believes more granular disclosure (e.g., at the component level of net income and other comprehensive income) is necessary for the users of its financial statements, current GAAP does not prohibit that entity from presenting such information. However, much of this information is either already presented in the notes to the financial statements (e.g., reclassifications to net income from cash flow hedging activities and recognition of benefit plan amounts) or in the statement of net income (e.g., gains/losses on available-for-sale securities). Therefore, the FHLBanks do not believe that the reclassification provisions of Update 2011-05 should be required.

Question 3: If you provide an alternative in Question 2 above, please explain how your alternative would better serve the needs of users of financial statements than current requirements.

Not applicable.

We thank the Board for its consideration of the FHLBanks' views and welcome the opportunity to discuss this matter with the Board and its staff. Please do not hesitate to contact me at (214) 441-8535.

Sincerely,

/s/ Tom Lewis

Tom Lewis
Senior Vice President and Chief Accounting Officer
Federal Home Loan Bank of Dallas
(On behalf of the 12 Federal Home Loan Banks as Chair of the Controllers' Committee)