



March 15, 2013

Ms. Susan M. Cospers  
Technical Director  
Financial Accounting Standards Board  
401 Merritt 7  
P.O. Box 5116  
Norwalk, Connecticut 06856-5116  
director@fasb.org

Project: *Financial Instruments – Credit Losses* (File Reference No. 2012-260)

Dear Ms. Cospers:

On December 20, 2012, the Financial Accounting Standards Board (FASB) issued its exposure draft, *Financial Instruments – Credit Losses* (FASB Proposed Update) with comments due by April 30, 2013. On March 7, 2013, the International Accounting Standards Board (IASB) issued its exposure draft, *Financial Instruments: Expected Credit Losses* (IASB Proposed Update) with comments due by July 5, 2013. The Mortgage Bankers Association<sup>1</sup> (MBA) hereby requests that FASB extend the deadline for comments by 60 days for the FASB Proposed Update so that preparers, users and other interested parties have the opportunity to review the two proposals side-by-side in order to assess the theoretical underpinnings and operability of each of the proposals.

The FASB Proposed Update and the IASB Proposed Update both relate to building a new accounting standard for the recognition of credit losses on financial instruments. The respective proposals diverge from each other in many respects, and the delayed release of the IASB Proposed Update leaves too little time for the two proposed updates to be assessed simultaneously. The end objective should be for the release of a final

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<sup>1</sup> The Mortgage Bankers Association (MBA) is the national association representing the real estate finance industry, an industry that employs more than 280,000 people in virtually every community in the country. Headquartered in Washington, D.C., the association works to ensure the continued strength of the nation's residential and commercial real estate markets; to expand homeownership and extend access to affordable housing to all Americans. MBA promotes fair and ethical lending practices and fosters professional excellence among real estate finance employees through a wide range of educational programs and a variety of publications. Its membership of over 2,200 companies includes all elements of real estate finance: mortgage companies, mortgage brokers, commercial banks, thrifts, REITs, Wall Street conduits, life insurance companies and others in the mortgage lending field. For additional information, visit MBA's Web site: [www.mortgagebankers.org](http://www.mortgagebankers.org).

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converged standard by FASB and IASB, so it is important that the proposals be analyzed simultaneously, and that sufficient time be allowed for that process.

MBA appreciates FASB's consideration of this request for the extension of comment period. Any questions about our request should be directed to me, Jim Gross, Vice President Financial Accounting and Public Policy and Staff Representative to MBA's Financial Management Committee, at (202) 557-2860 or [jgross@mortgagebankers.org](mailto:jgross@mortgagebankers.org).

Sincerely,

A handwritten signature in black ink, appearing to read "Jim P. Gross". The signature is fluid and cursive, with the first name "Jim" being the most prominent.

James P. Gross  
Vice President of Financial Accounting and Public Policy