

Financial Accounting Standards Board
401 Merritt 7, PO Box 5116, Norwalk, CT 06856-5116
203-847-0700, Fax: 203-849-9714



Contact:

Christine Klimek
203 956-3459

FOR IMMEDIATE RELEASE

FASB Issues Exposure Drafts to Amend Statement 140 and Interpretation 46(R)

Norwalk, CT, September 15, 2008—The Financial Accounting Standards Board (FASB) today issued three separate but related Exposure Drafts (EDs) for public comment. The proposed FASB Statements, *Accounting for Transfers of Financial Assets*, and *Amendments to FASB Interpretation No. 46(R)*, address amendments to FASB Statement No. 140, *Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities*, and to FASB Interpretation No. 46 (revised December 2003), *Consolidation of Variable Interest Entities*. Proposed FASB Staff Position FAS 140-e and FIN 46 (R)-e, *Disclosures about Transfers of Financial Assets and Interests in Variable Interest Entities*, addresses related disclosure requirements for public entities.

As proposed in the EDs, the FASB statements would be effective at the beginning of each reporting entity's first fiscal year that begins after November 15, 2009. The effective date for the proposed FSP would be the first reporting period (interim and annual) that ends after issuance of the FSP for public entities. The Board expects that this FSP would be issued in the fourth quarter of 2008 which means that it would be effective for financial statements issued as of December 31, 2008 for calendar year end, public entities.

The ED on amendments to Statement 140 seeks feedback on proposed amendments to Statement 140 intended to improve the relevance, representational faithfulness, and comparability of the information that a reporting entity provides in its financial statements about transfers of financial assets, including through securitization transactions. These include the effects of such transfers of financial assets on its financial position, financial performance, and cash flows, and a transferor's continuing involvement in transferred financial assets.

The proposed Statement to amend Interpretation 46(R) seeks input from constituents on proposed amendments to the guidance for determining whether an enterprise must consolidate a Special-Purpose Entity (SPE), including those previously considered qualifying SPEs.

The FASB Staff Position amends Statement 140 to require public entities to provide additional disclosures about transfers of financial assets and also amends Interpretation 46(R) to require public enterprises to provide additional disclosures about their involvement with variable interest entities. The purpose of this FASB Staff Position is to promptly improve disclosures by public entities and enterprises until the pending amendments to Statement 140 and Interpretation 46(R) are effective.

The EDs, including information about how to submit comments on the proposed guidance, are available at www.fasb.org.

About the Financial Accounting Standards Board

Since 1973, the Financial Accounting Standards Board has been the designated organization in the private sector for establishing standards of financial accounting and reporting. Those standards govern the preparation of financial reports and are officially recognized as authoritative by the Securities and Exchange Commission and the American Institute of Certified Public Accountants. Such standards are essential to the efficient functioning of the economy because investors, creditors, auditors, and others rely on credible, transparent, and comparable financial information. For more information about the FASB, visit our website at www.fasb.org.