



August 17, 2010

Mr. Russell G. Golden  
FASB Technical Director  
Financial Accounting Standards Board  
401 Merritt 7  
PO Box 5116  
Norwalk, CT 06856-5116

**Re: Proposed Disclosure of Certain Loss Contingencies - an amendment of FASB Statements No. 5 and 141(R). File Reference No. 1840-100**

Dear Mr. Golden:

The Association for Financial Professionals (AFP) appreciates the opportunity to comment on the Exposure Draft of the Accounting Standards Update on Contingencies (Topic 450) titled, *Disclosure of Certain Loss Contingencies*, issued July 20, 2010. AFP represents approximately 16,000 finance and treasury professionals from over 5,000 corporations, including the Fortune 1,000 and the largest of the middle market companies. Our membership includes a significant number of corporate treasurers who are responsible for the protection and management of corporate cash, cash flow requirements and corporate investments; and controllers and CFOs who are responsible for their corporate accounting, financial reporting and regulatory compliance.

We understand and support FASB's efforts to improve transparency in financial reporting. Our concern with this proposal centers on the requirement that companies disclose such detailed proprietary information that may unintentionally prejudice its position in pending litigation. In addition, requiring companies to disclose premature and unsubstantiated information could potentially mislead users of the financial statements and cause an unnecessary, unfavorable and unwarranted market reaction.

We urge you to consider the negative impact that disclosing detailed and proprietary information would have particularly on small and mid-sized companies. Such companies are exposed to even greater risk of compromising its position in litigation, especially in circumstances where there may only be one material case pending. We urge you to reach out to the legal community to gather more information about the potential impact that this proposal could have on all reporting companies before issuing the final standard.

We encourage you to consider extending the comment period deadline for sixty days. There have been quite a few major Exposure Drafts issued within a very short period of time. Many companies have not had an adequate amount of time nor do they have the resources to carefully read and analyze the impact of this proposal. The extension will give more companies, and other interested parties, the opportunity to review the proposal thoroughly, consult their legal counsel, and provide useful and meaningful comments.

AFP supports the efforts of the FASB to steward the development of high quality accounting standards. Thank you for the opportunity to comment on this Exposure Draft. Please feel free to contact Salome J. Tinker, AFP's Director of Accounting Policy and Financial Reporting for any additional information and questions at (301) 961-8871 or [sjtinker@AFPonline.org](mailto:sjtinker@AFPonline.org).

Sincerely,



June M. Johnson, CPA, CTP  
Chair of the AFP Financial Accounting and  
Investor Relations Task Force



Joseph C. Meek,  
Chair of the AFP Government  
Relations Committee