



May 30, 2025

Mr. Jackson M. Day
Technical Director
Financial Accounting Standards Board
801 Main Avenue, PO Box 5116
Norwalk, CT 06856-5116

Re: File Reference No. 2025-ED200

Dear Mr. Day,

This letter is submitted by Financial Executives International's (FEI) Committee on Corporate Reporting (CCR) in response to the Financial Accounting Standards Board's (FASB or Board) Proposed Accounting Standards Update — Debt — Modifications and Extinguishments (Subtopic 470-50) and Liabilities — Extinguishments of Liabilities (Subtopic 405-20): Accounting for Debt Exchanges (Exposure Draft or proposed Update).

FEI is a leading international organization comprised of members who hold positions as Chief Financial Officers, Chief Accounting Officers, Controllers, Treasurers, and Tax Executives at companies in every major industry. CCR is FEI's technical committee of approximately 50 Chief Accounting Officers and Corporate Controllers from Fortune 100 and other large public companies, representing more than \$16 trillion in market capitalization. CCR reviews and responds to pronouncements, proposed rules and regulations, pending legislation, and other documents issued by domestic and international regulators and organizations such as the U.S. SEC, PCAOB, FASB, and IASB.

This letter represents the views of CCR and not necessarily the views of FEI or its members individually.

Although the majority of CCR companies do not expect to be significantly impacted by the amendments, CCR supports the proposed Update. We believe the proposed amendments will simplify the accounting for certain debt exchanges that meet the conditions in paragraph 470-50-40-9. CCR agrees that transactions involving contemporaneous exchanges of cash between the same debtor and creditor in connection with the issuance of a new debt obligation and the satisfaction of an existing debt obligation by the debtor should be accounted for as debt extinguishments if (1) the new debt obligation has multiple creditors and (2) both of the following conditions are met: (a) the existing debt obligation has been repaid in accordance with its contractual terms or repurchased at market terms and (b) the new debt obligation was issued at market terms following the issuer's customary marketing process for new debt issuances.

We appreciate this opportunity to provide feedback on the proposed Update related to the accounting for debt exchanges. We thank the Board for its consideration of our comments and welcome further discussion with the Board or staff at your convenience.

Sincerely,

Alice L. Jolla



Alice L. Jolla
Chair, Committee on Corporate Reporting
Financial Executives International