

Mr Hans Hoogervorst
Chairman
International Accounting Standards Board
30 Cannon Street
London EC4M 6XH
United Kingdom

21 October 2011

Dear Mr Hoogervorst,

Re: Exposure Draft ED/2011/3 - Mandatory Effective Date of IFRS 9

We are pleased to comment on the Exposure Draft ED/2011/3 *Mandatory Effective Date of IFRS 9* ("the ED"). Overall, we support the proposal for changing the mandatory effective date of IFRS 9 so that entities would be required to apply the Standard for annual periods beginning on or after 1 January 2015 rather than being required to apply it for annual periods beginning on or after 1 January 2013, with early application still permitted.

Due to the extension of the Board's time line for completion of the remaining phases of the project to replace IAS 39 beyond June 2011, the proposed change would allow entities to apply the guidance from all phases of the project to replace IAS 39 at the same time (as per the Board's initial intention).

We also encourage alignment of the effective date of IFRS 9 with the effective date of other major projects still in progress, namely Revenue, Leases and Insurance Contracts.

Our responses to the questions set out in the Invitation to Comment of the ED are detailed below.

Question 1

The Board proposes to amend IFRS 9 (2009) and IFRS 9 (2010) so that entities would be required to apply them for annual periods beginning on or after 1 January 2015. Do you agree? Why or why not? If not, what alternative do you propose?

We agree.

The delay in the impairment and hedge accounting phases of the project to replace IAS 39 as well as in the project of a new standard for insurance contracts impose postponing the mandatory effective date of IFRS 9. This will avoid entities having to face consecutive rounds of changes in a short period. In fact, aligning all phases of the project (both completed and ongoing) to have the same effective date is very important from an implementation point of view.

Question 2

The Board proposes not to change the requirement in IFRS 9 for comparatives to be presented for entities that initially apply IFRS 9 for reporting periods beginning on or after 1 January 2012. Do you agree? Why or why not? If not, what alternative do you propose?

We agree.

Relief from restating comparatives should be unnecessary if entities are given an appropriate transition period.

We would be pleased to respond to any questions the Board or their staff may have about any of the preceding comments. Please direct any questions to Robert Dohrer, Chair of the Transnational Assurance Services Executive Committee of RSM International (tel: +1 919 645 6819; email: robert.dohrer@mcgladrey.com).

Sincerely,

A handwritten signature in dark ink, appearing to read "Jean M. Stephens". The signature is fluid and cursive, with the first name "Jean" and last name "Stephens" clearly distinguishable.

Jean M Stephens
Chief Executive Officer
RSM International