

International Accounting Standards Board  
International Financial Reporting Interpretations Committee  
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Dear IFRIC members

**Tentative agenda decision — Classification of failed loan syndications**

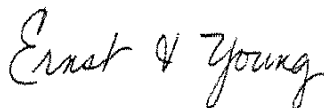
The global organisation of Ernst & Young is pleased to respond to the above tentative agenda decision as published in the IFRIC Update of March 2009.

The question on which the IFRIC was asked for guidance was: “whether a loan amount resulting from a loan syndication that the originator intends to sell in the near term must always be classified as held for trading”.

We agree with the IFRIC’s tentative decision not to take this item onto its agenda on the basis that “the definitions of loans and receivables and financial asset or financial liability at fair value through profit or loss in paragraph 9 of IAS 39 determine the classification of a loan in such circumstances. The definition of loans and receivables explicitly requires a loan (or portion of a loan) that is intended to be sold immediately or in the near term to be classified as held for trading on initial recognition”.

Please contact Tony Clifford at 020 7951 2250 should you have any questions regarding the above.

Yours faithfully

A handwritten signature in cursive script that reads 'Ernst & Young'.