

The IFRS Interpretations Committee
30 Cannon Street
London EC4M 6XH
By email to: mhahn@ifrs.org

22nd May 2017

Dear Sirs,

**Re: IFRS 9 Financial Instruments - Modification or Exchanges of Financial Liabilities
that do not Result in Derecognition**

The International Swaps and Derivatives Association (“ISDA”)¹ is pleased for the opportunity to respond to IFRS Interpretations Committee’s (the “Interpretation Committee”) tentative agenda decision made at its March 2017 meeting (agenda paper 11).

This relates to the treatment under IFRS 9 of any adjustment to the amortised cost of a financial liability arising from modification or exchanges that do not result in derecognition.

In light of the potential importance of the Interpretation Committee’s tentative agenda decision to some preparers, we believe that the tentative agenda decision should be subject to the normal due process of an IFRIC Interpretation.

In the absence of such a process, there is risk that interested parties may not be aware and therefore miss the opportunity to comment.

Yours faithfully,

Lisa Bomba
Managing Director
Head of Accounting Policy & Advisory Group
Deutsche Bank AG

Antonio Corbi
Director
Risk and Capital
ISDA, Inc

¹ Since 1985, the International Swaps and Derivatives Association has worked to make the global derivatives markets safer and more efficient. ISDA’s pioneering work in developing the ISDA Master Agreement and a wide range of related documentation materials, and in ensuring the enforceability of their netting and collateral provisions, has helped to significantly reduce credit and legal risk. The Association has been a leader in promoting sound risk management practices and processes, and engages constructively with policymakers and legislators around the world to advance the understanding and treatment of derivatives as a risk management tool. Today, ISDA has over 850 member institutions from 68 countries. These members comprise of a broad range of derivatives market participants, including corporations, investment managers, government and supranational entities, insurance companies, energy and commodities firms, and international and regional banks. In addition to market participants, members also include key components of the derivatives market infrastructure, such as exchanges, intermediaries, clearing houses and repositories, as well as law firms, accounting firms and other service providers. ISDA’s work in three key areas – reducing counterparty credit risk, increasing transparency, and improving the industry’s operational infrastructure – show the strong commitment of the Association toward its primary goals; to build robust, stable financial markets and a strong financial regulatory framework. Information about ISDA and its activities is available on the Association’s web site: www.isda.org.

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