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## FASB Issues Three Staff Positions to Improve Guidance and Disclosures Related to Fair Value Measurements and Impairments

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On April 9, 2009, the Financial Accounting Standards Board ("FASB") issued three final Staff Positions ("FSPs") to provide additional application guidance and enhance disclosures regarding fair value measurements and impairments of securities. The FSPs issued were:

- FSP FAS 157-4 ("FAS 157-4"), which provides additional guidance for estimating fair value in accordance with FASB Statement of Financial Accounting Standards No. 157 ("SFAS 157"), Fair Value Measurements, when the volume and level of activity for an asset or liability have significantly decreased. This FSP also provides guidance on identifying circumstances which may indicate that a transaction is not orderly.
- FSP FAS 115-2 and FAS 124-2 (collectively, "FAS 115-2"), which amends the other-than-temporary impairment ("OTTI") guidance under U.S. generally accepted accounting principles ("U.S. GAAP") for debt securities to make the guidance more operational and to improve the presentation and disclosure of OTTIs in financial statements.
- FSP FAS 107-1 and APB 28-1 (collectively, "FAS 107-1"), which requires more frequent and extensive disclosures by publicly traded companies about the fair value of financial instruments.

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### Attorneys

- Charles A. Gilman
- John J. Schuster