

October 27, 2010

FASB ANNOUNCES DEFERRAL OF PLAN TO ADOPT CHANGES TO LOSS CONTINGENCY DISCLOSURE STANDARD

To Our Clients and Friends:

In an important development for U.S. public companies, the Financial Accounting Standards Board (the "FASB") announced at a meeting today that it is deferring plans to adopt proposed amendments to the accounting standards governing the disclosure of loss contingencies, including litigation-related contingencies. The FASB issued an exposure draft on July 20, 2010 (the "Exposure Draft") that contained its proposed modifications to the standards. With its Exposure Draft, the FASB had indicated that it planned to adopt the final standard so that it would be effective for periods ending after December 15, 2010. As a result of today's action, however, the proposed effective date for the modifications contained in the Exposure Draft has been deferred, pending further deliberations. The FASB suggested that it will revisit the effective date and the Exposure Draft generally after the staff has completed its comment letter review and any revisions to the project plan; the FASB noted that it planned to conduct its additional deliberations before the end of 2010.

For additional information on the FASB's proposal, see our July 21, 2010 client alert, available [here](#), and our August 19, 2010 client alert, available [here](#). The full text of the FASB's proposal is available [here](#).



Gibson, Dunn & Crutcher's lawyers are available to assist in addressing any questions you may have regarding these issues. To learn more about the firm's [Securities Regulation and Corporate Governance Practice](#), please contact the Gibson Dunn attorney with whom you work, or any of the following:

*[John F. Olson](#) - Washington, D.C. (202-955-8522, jolson@gibsondunn.com)
[Brian J. Lane](#) - Washington, D.C. (202-887-3646, blane@gibsondunn.com)
[Ronald O. Mueller](#) - Washington, D.C. (202-955-8671, rmueller@gibsondunn.com)
[Lewis H. Ferguson](#) - Washington, D.C. (202-955-8249, lferguson@gibsondunn.com)
[Amy L. Goodman](#) - Washington, D.C. (202-955-8653, agoodman@gibsondunn.com)
[Michael J. Scanlon](#) - Washington, D.C. (202-887-3668, mscanlon@gibsondunn.com)
[James J. Moloney](#) - Orange County (949-451-4343, jmoloney@gibsondunn.com)
[Elizabeth Ising](#) - Washington, D.C. (202-955-8287, eising@gibsondunn.com)*

© 2010 Gibson, Dunn & Crutcher LLP

Attorney Advertising: The enclosed materials have been prepared for general informational purposes only and are not intended as legal advice.