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KPMG report: FASB, proposed changes for accounting for down-round financial instruments

A recent FASB proposal would require companies to disregard down-round features when determining whether certain equity-linked financial instruments are to be classified as liabilities or equity. Down-round features likewise would not affect ongoing measurement of financial instruments (when liability-classified) and would only be accounted for when they are triggered.

Read a **December 2016 report** prepared by KPMG LLP: *Defining Issues: FASB Proposes Changes to Accounting for Down-Round Financial Instruments*