

January 7, 2009

Russell Golden  
Financial Accounting Standards Board  
401 Merritt 7  
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USA  
[director@fasb.org](mailto:director@fasb.org)

**Re: Proposed Accounting Standards Update “Amendments to Statement 167 for Certain Investment Funds” (File Reference No. 1750-100)**

Dear Mr. Golden:

Credit Suisse Group (“CSG”) appreciates the opportunity to comment on the Exposure Draft of the proposed Accounting Standards Update “Amendments to Statement 167 for Certain Investment Funds” (the “Exposure Draft”). CSG is registered as a foreign private issuer with the Securities and Exchange Commission and its consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States. CSG serves as the investment manager for funds that would be impacted by this Exposure Draft.

**Overall Comments**

CSG agrees with the Exposure Draft’s proposal to defer Statement No. 167, Amendments to FASB Interpretation No. 46(R) to certain investment funds. CSG supports the FASB’s decision to work with the International Accounting Standards Board to develop an appropriate model for determining whether a manager is acting in a capacity that is more akin to an agent versus an entity that controls decisions for its own benefit. We also believe that the existence of substantive rights to remove the manager is a strong indicator that the manager is acting for third-parties, irrespective of whether those rights are held by one investor or multiple investors.

We also agree with the Board’s approach to limit the deferral to traditional asset management activities. The Board has included “asset-backed financing” as entities that would not be eligible for the deferral. Paragraph BC9 defines asset-backed financing as entity where the risk has been tranching and subordination provides credit support to the more senior investors. The deferral also indicates securitization entities are not included in the deferral. Rather than separately define “asset-backed financing” vehicles, the Board should include examples of what they intend to be covered by the deferral as examples of securitization type or similar activity.

**Paragraph B22**

We agree with the Board’s decision not to make a significant change to paragraph B22 at this time. We believe this is better addressed in connection with the broader work being proposed between the FASB and the IASB on Consolidations.



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Paragraph B22(c)'s current requirement is to look at the expected variability, which is a quantitative measure (even if you assess it on a qualitative basis). The proposed additional sentence seems to say that the quantitative aspect of variability should not be the sole factor to review under this paragraph. It is not clear what other factors besides the variability would should be considered in paragraph B22(c). We recommend that the Board clarify its intention of this additional guidance to avoid inconsistent application.

We also wanted to share our view that it not clear whether there should be differences that result from applying paragraph B22(c) and paragraph 14A(b). For example, if an entity is a decision-maker and in addition to receiving fees holds notes in an entity, the impact of holding the notes is assessed under paragraph B22(c) which focuses on variability of expected losses/returns. However, if the fees were subordinate and, therefore, they did not meet paragraph B22(b), the variable interests in the form of notes, as well as the fees, would be assessed under paragraph 14A(b). Paragraph 14A(b) requires consideration of whether the variable interests have the obligation to absorb losses or receive benefits that could "potentially be significant" to the entity. In substance, these two scenarios are very similar but yet the analysis must be reviewed under different paragraphs. We would encourage the Board to clarify whether there is supposed to be a difference between these paragraphs in determining whether a decision-maker is the primary beneficiary.

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We would welcome the opportunity to further discuss our comments in this letter. If you have any questions or would like any additional information on the comments we have provided herein, please do not hesitate to contact me at (212) 538-4847, Todd Runyan in Zurich at +41 44 334 8063 or Eric Smith at (212) 538-5984.

Sincerely,

Rudolf Bless  
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Chief Accounting Officer

Julie Roth  
Director  
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