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March 29, 2013

Ms. Leslie Seidman  
FASB Chairman  
401 Merritt 7  
PO Box 5116  
Norwalk, CT 06856-5116

*Re: File Reference No. 2013-210 - Proposed Accounting Standards Update: Transfers and Servicing (Topic 860) Effective Control for Transfers with Forward Agreements to Repurchase Assets and Accounting for Repurchase Financings*

Dear Ms. Seidman:

Goldman Sachs appreciates the opportunity to provide comments on the Financial Accounting Standards Board's ("FASB" or the "Board") exposure draft on the proposed Accounting Standards Update "Effective Control for Transfers with Forward Agreements to Repurchase Assets and Accounting for Repurchase Financings" (the "Exposure Draft" or "Proposed Update").

We understand the Board's reasons for issuing the Exposure Draft in response to a practice issue concerning repos-to-maturity (RTM). While the Exposure Draft addresses that practice issue by appropriately concluding RTM are financings, it achieves that outcome by rule. The Exposure Draft lacks a unifying principle that can be applied to economically similar transactions and is therefore conceptually flawed in our view. The lack of a unifying principle exposes the Board to the risk of future practice issues in a topic that has required Board action twice in the last two years (ASU No. 2011-3 and the Exposure Draft).

We believe transactions that result in a transferor retaining substantially all the risk and rewards of the transferred asset – regardless of the form or timing of settlement – should be accounted for as financings. We understand a majority of the Board considered and rejected a risks and rewards approach for the reasons described in paragraphs BC 14-15 to the Exposure Draft, primarily the risk of unintended consequences. We do not share that view and agree with the dissent expressed by the FASB Chairman, that is, the issue at hand can be addressed through a narrowly applied risks and rewards approach without the need for a fundamental reconsideration of Topic 860 (the ideal approach).

If the Board decides to issue the Exposure Draft in its present form, then the scope of the final ASU needs to be precisely clarified so there is no ambiguity about the types of covered transactions.

Thank you for the opportunity to provide our views. If you have any questions or would like to discuss any of these comments further, please contact me at 212-357-8437.

Sincerely,

/s/ Matthew L. Schroeder