



October 2, 2013

Technical Director
Financial Accounting Standards Board
401 Merritt 7
PO Box 5116
Norwalk, CT 06856-5116

Dear Technical Director:

Re: Proposed Accounting Standards Update—*Consolidation (Topic 810): Applying Variable Interest Entity Guidance to Common Control Leasing Arrangements* (a proposal of the Private Company Council)

We appreciate the opportunity to comment on the Proposed Accounting Standards Update, *Consolidation (Topic 810): Applying Variable Interest Entity Guidance to Common Control Leasing Arrangements* (a proposal of the Private Company Council) (the “Proposed Update”).

Bank of America Corporation (“BAC”) provides a diverse range of banking and non-banking financial services and products domestically and internationally. We are one of the largest banks in the U.S. in terms of total assets, and we routinely enter into transactions with private companies, including providing funding, leasing arrangements and investing in private company stock.

We acknowledge that it is the objective of the Financial Accounting Standards Board (the “Board”) to allow private companies within the scope of this Proposed Update to elect not to apply Variable Interest Entity (“VIE”) guidance for assessing whether a private company should consolidate a lessor entity that is under common control if the private company has a leasing arrangement with the lessor entity and that arrangement(s) constitutes substantially all of the activities between the entities.

We also acknowledge that the scope and overall objective of the Proposed Update are consistent with the scope and overall objective of other proposed Accounting Standard Updates for private companies and the draft Private Company Decision-Making Framework (Guide) initiated by the Private Company Council (“PCC”) to establish a framework for the Board and PCC in determining whether and when modifications to US GAAP are appropriate for private companies (collectively “PCC Proposals”). We share the Board’s goal of providing users of private company financial statements with decision-useful information and reducing costs and complexity of financial reporting. However, we are concerned that the Proposed Update and the PCC Proposals in general may lead to the creation of a new conceptual framework that would result in a separate set of US GAAP for private companies and create unnecessary confusion among the users of private company financial statements.

Generally, we believe that accounting principles that are relevant to the users of public company financial statements are also relevant to users of private company financial statements. Therefore, we do not support the accounting alternative for private companies outlined in the Proposed Update and further in all PCC Proposals because we believe that it is the type of transactions entered into by an entity, but

not whether the reporting entity is public or private that should determine the accounting model for the transactions.

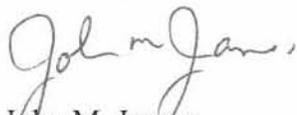
Specifically, as we are a significant user of private company financial statements in our capacity as a lender or an investor, we believe the accounting alternative for private companies in the Proposed Update may in fact increase the complexity of the analysis of financial statements of two companies that are similar (e.g., of similar size, operate in the same industry and region, sell similar products or services) with the only difference being that one is public and the other is private. For instance, under similar terms and conditions of a leasing arrangement, a lessee that is a public company will likely be required to consolidate the lessor entity under the VIE model and record leased property and respective debt obligation in its consolidated financial statements; while, in accordance with the Proposed Update, a lessee that is a private company will have a choice not to apply the VIE model and avoid consolidation. As a result, financial statements of these two companies that have a similar credit risk profile and entered into transactions that are similar in nature will look differently. For that reason, a financial or credit analysis that BAC performs in lending or investment decisions will become more difficult, confusing and costly.

Given the above concerns, we are of the view that it would be more appropriate not to adopt any accounting alternatives for private companies in order to avoid the risk of creating two levels of US GAAP guidance and a potential increase in costs for users.

We propose the Board to consider disclosure relief and extended transition periods for private companies as an alternative approach to reduce costs and complexity of financial reporting by private companies.

We appreciate the opportunity to express our views in this letter. Should you have any questions, please feel free to contact Randall Shearer (980.388.8433) or me (980.387.4997).

Sincerely,



John M. James
Senior Vice President and
Corporate Controller

cc: Bruce Thompson, Chief Financial Officer
Neil A. Cotty, Chief Accounting Officer
Randall J. Shearer, Accounting Policy Executive