



October 8, 2013

Financial Accounting Standards Board
401 Merritt 7
P.O. Box 5116
Norwalk, Connecticut 06856-5116
Technical Director File Ref # PCC-13-01B

RE: Proposed Accounting Standards Update, Intangibles – Goodwill and Other
(Topic 350)

We appreciate the opportunity to provide the Financial Accounting Standards Board (the “Board”) with comments on its Proposed Accounting Standards Update of Topic 350.

First Data Corporation operates electronic commerce businesses providing services that include merchant transaction processing and acquiring services; credit, retail and debit card issuing and processing services; prepaid card services; and check verification, settlement and guarantee services.

We recognize the Board’s objective of developing practical exceptions to the application of U.S. GAAP to ease the financial burden of compliance on private companies; however, we believe certain aspects of the exceptions proposed in the referenced guidance warrant further consideration.

We are specifically concerned about this exposure draft from the Private Company Council (the “PCC”) as we believe the proposed guidance would create fundamentally different GAAP. We note the PCC was established to determine whether and when to create modifications to U.S. GAAP for the benefit of private companies. The proposed guidance is not simply a modification or practical exception to existing GAAP. Rather, it effectively creates a new and different standard of accounting. The proposed guidance, which would require the amortization of goodwill, fundamentally changes the type of asset recorded in an acquisition. The Board has not provided a conceptual basis for this accounting. If the board believes that the amortization of goodwill is conceptually preferable to the current accounting model, the basis should be communicated and considered for all preparers. In our opinion, a separate standard for private companies unnecessarily complicates GAAP further when the Board is concurrently working towards convergence of U.S. GAAP with IFRS in an effort to simplify and create fewer fundamental differences across the various global sets of standards.

We believe the creation of different accounting standards for companies within the U.S. would decrease comparability across those companies and add further complexity to financial statement analyses used in activities like due diligence associated with potential mergers and acquisitions. In the background information the Board notes that users of private company financial statements commonly exclude impairment charges from quantitative analyses which we believe to be true for public company statement users as well. Additionally we believe existing disclosure requirements provide

adequate information related to events and conditions that may lead to goodwill impairment in future periods.

The proposal also eliminates step 2 of the impairment testing required by current guidance. We believe that if users of private company financial statements do not find the amount of the impairment to be useful because they don't fully understand the calculation of the impairment charge, then this should be addressed for all preparers, not just private companies.

Lastly, we believe the creation of two sets of U.S. GAAP standards would create stratification in accounting professionals. Creating two sets of standards, and therefore two sets of accounting professionals versed in different standards, impacts a company's ability to recruit qualified accounting professionals as well as limits a professional's employment opportunities. We recognize that the issuance of one different standard would not materially impact a professional's ability to apply differing standards, but an accumulation of differences will have an adverse impact on accounting professionals and preparers. We note this concern from the perspective of the PCC's future standard setting activity.

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We appreciate the opportunity to share our views and recommendations with the Board regarding the Proposed Accounting Standard Update. If you have any questions regarding the contents of this letter please contact Rick Seidlitz at 303.967.7387 at your convenience.

Sincerely,

Rick Seidlitz
VP Accounting Policy and SOX Compliance