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17 October 2013

Technical Director
Financial Accounting Standards Board
401 Merritt 7
P.O. Box 5116
Norwalk, Connecticut 06856-5116
USA
director@fasb.org

Re: File reference No. EITF – 12Gr: Measuring the Financial Liabilities of a Consolidated Collateralized Financing Entity (“EITF – 12Gr”)

Dear Sir,

Credit Suisse Group (“CSG”) is pleased to provide the Financial Accounting Standards Board (“the Board”) with our response to the questions relating to EITF – 12Gr. CSG’s consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States. We also have a number of subsidiaries that are required to apply International Financial Reporting Standards to their stand-alone financial statements.

As we reported in our comment letter on *EITF 12G: Accounting for the Difference between the Fair Value of the Assets and the Fair Value of the Liabilities of a Consolidated Collateralized Financing Entity* (“EITF 12G”), we generally support the Board’s action to clarify the valuation treatment for collateralized financing entities (“CFEs”). While we support the Board’s proposed changes to the definition and scope of a CFE as reflected in EITF 12Gr, we have strong concerns with the valuation guidance outlined therein.

EITF – 12Gr proposes a specific valuation method for determining the initial and subsequent measurement of a fair valued consolidated CFE. This method requires that the financial assets are measured at fair value with the financial liabilities measured using a value based off of the asset values. We do not believe this is a robust approach. As noted in our comment letter on EITF 12G we previously agreed with the Board that the financial assets and financial liabilities of a VIE should be measured consistently with how market participants would price the reporting entity’s net risk exposure and requested inclusion of the Basis for Conclusion par BC6 of EITF-12G in the final standard to provide this clarification.

We understand the Board revised this approach to avoid any fair valuing of non-financial assets. We do not believe this is consistent with valuation techniques for net risk portfolios under current guidance. Our view is that a CFE should be valued on a net basis and that holding insignificant amounts of non-financial assets on a temporary basis should not preclude a net risk approach.

We believe that the best measurement of fair value is the more determinable fair value. In consolidated entities that house asset backed securities we determine the fair value based on the more observable financial instruments in the entity which often are those on the liability side of

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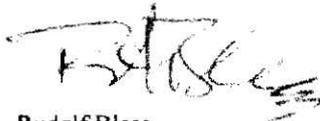
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the entity. The asset side of such an entity will have hundreds, perhaps thousands of assets. These assets have values which are less observable than the corresponding liabilities. On the liability side however, there are only a handful of securities which are executed and traded in the market and therefore have more observable values. The valuation approach in EITF 12Gr creates significant operational issues for this type of entity. The assets potentially number in the thousands and each asset is unique. Furthermore they are not necessarily serviced by the consolidating entity or even the same entity, thus obtaining sufficient information to determine an adequate estimation of fair value can be challenging. On the liability side however, there are only a handful of securities which makes determination of fair value significantly easier. We do not believe the significant additional time and expense in determining the fair value of a CFE's liabilities using this proposed approach is justified given that the resulting value would be less observable than using a value based on the more observable and liquid liabilities.

Finally, if the Board proceeds with EITF 12Gr we request that it does so in line with its project related to consolidation and principal versus agent guidance. This project could potentially result in different consolidation conclusions for some CFEs. We would like to avoid performing additionally and operationally challenging valuation work on CFEs that in the near term may no longer need to be consolidated under a revised consolidation model.

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 in Zurich at +41 44 333 1968, or Todd Runyan in Zurich at +41 44 334 8063.

Sincerely,



Rudolf Bless
Managing Director
Deputy Chief Financial Officer



Allison Bunton
Accounting Policy and Assurance Group