
The Goldman Sachs Group, Inc. | 200 West Street | New York, NY 10282
Tel: 212-902-7052 | Fax: 212-291-5573 | email: Tim.Bridges@gs.com

Timothy Bridges
Managing Director
Global Head of Accounting Policy



December 19, 2013

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

Re: File Reference No. EITF-13D - Proposed Accounting Standards Update: Compensation – Stock Compensation (Topic 718), Accounting for Share-Based Payments When the Terms of an Award Provide That a Performance Target Could Be Achieved after the Requisite Service Period

Dear Ms. Cospers:

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 "Accounting for Share-Based Payments When the Terms of an Award Provide That a Performance Target Could Be Achieved after the Requisite Service Period" (the "Proposal").

We support the Board's efforts to resolve diversity in practice and provide guidance as to whether preparers should treat performance targets in equity awards that may be met after the requisite service period as performance conditions that affect vesting, or alternatively, as market or other conditions that affect the fair value of the award.

We agree with the Board's proposed clarification that preparers should treat these provisions as performance conditions that affect vesting, particularly due to the difficulty we believe many companies would have in valuing awards with these features, which in turn would lead to a lack of consistency in the expense recognized across companies. In addition, we believe that many if not most equity award programs have retirement eligibility features, which result in immediate vesting once certain age and service hurdles are met. As the Board points out in the Basis for Conclusions section of the Proposal, a requirement that companies value these performance conditions as part of the grant date fair value would add complexity to program administration, as companies would have to treat the same award differently for employees

that could and could not meet retirement eligibility before the performance condition was met.

Effective Date

We agree that companies should apply the proposed guidance prospectively to awards granted or modified after the effective date, and that the Board should permit earlier application.

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 212-902-7052.

Sincerely,

A handwritten signature in black ink that reads "Timothy J. Bridges". The signature is written in a cursive style and is underlined with a single horizontal line.

/s/ Timothy Bridges