



## International Association of Consultants, Valuators and Analysts

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Technical Director  
File Reference No. 2014-230  
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Ladies and Gentlemen,

This letter of comment is submitted on behalf of the International Association of Consultants, Valuators and Analysts (IACVA), a member of the International Valuation Standards Council (IVSC) as well as the World Association of Valuation Organizations (WAVO). We are a knowledge transfer and credentialing organization with Charters covering 55 countries, listed in the appendix, serving about 10,000 members who are mainly involved in business valuation and fraud deterrence.

As a worldwide organization, we are extremely concerned with the development of guidance and standards related to valuation. Therefore, we appreciate the opportunity to comment on the Proposed Accounting Standards Update "*Intangibles-Goodwill and Other-Internal-Use Software (Subtopic 350-40), Customer's Accounting for Fees Paid in a Cloud Computing Arrangement*". Our responses to the indicated questions are set out below.

**Question 1:** Should a customer in a cloud computing arrangement evaluate whether the arrangement involves a software license by applying the criteria in paragraphs 350-40-15-4A through 15-4C? If not, what guidance should be applied and why?

Paragraph 350-40-15-4 should be expanded to add:

(f) customers in a cloud computing agreement, should the cost amortized over the period of the contract not exceeding 60 months.

**Question 2:** Should an entity be permitted to elect prospective or retrospective transition?

All transitions should be prospective.

**Question 3:** Should the amendments in this proposed Update be effective for:

a. Public business entities for annual periods, including interim periods within those annual periods, beginning after December 15, 2015, with early adoption permitted?

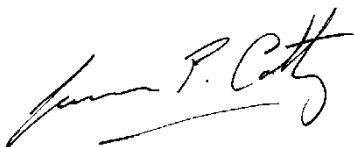
Yes

b. All other entities for annual periods beginning after December 15, 2015, and interim periods in annual periods beginning after December 15, 2016, with early adoption permitted?

Yes

Should a Board or staff member wish to discuss this matter further, they may contact me during normal business hours (Eastern Time) at 416-865-9766.

Respectfully submitted on behalf of IACVA  
Per



James P. Catty, MA, CA•CBV, CPA/ABV, CFA, ICVS, CGMA, CFE  
President

## Appendix

### IACVA List of Countries

#### ***Americas***

Bahamas  
Canada  
Grenadine Islands  
Guatemala  
United States  
Mexico  
Puerto Rico  
Argentina  
Brazil

#### ***Africa***

Ghana  
Kenya  
Nigeria  
South Africa  
Uganda

#### ***Europe***

Austria  
Germany  
Netherlands  
Switzerland  
Romania  
Ireland  
United Kingdom

#### ***Asia/Pacifica***

China  
Taiwan  
Japan  
South Korea  
Hong Kong  
Singapore

Malaysia  
Thailand  
Australia  
India

#### ***Middle East***

Lebanon  
Egypt  
Syria  
Jordan  
Kuwait  
United Arab Emirates  
Saudi Arabia  
Israel  
Bahrain

#### ***Commonwealth of Independent States***

Armenia  
Azerbaijan  
The Republic of Belarus  
Kazakhstan  
Kyrgyzstan  
Moldova  
Russia  
Tajikistan  
Turkmenistan  
Ukraine  
Uzbekistan  
Georgia  
Estonia  
Latvia  
Lithuania