

Please note that the comments expressed herein are solely my personal views

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18 May 2015

- **File Reference No. EITF-15C-1**
- **Plan Accounting: Defined Contribution Pension Plans (Topic 962) and Health and Welfare Benefit Plans (Topic 965)**
- **Fully Benefit-Responsive Investment Contracts**

Dear Sir.

Thank you for giving us the opportunity to comment on your Proposed Accounting Standards Update on: Plan Accounting: Defined Contribution Pension Plans (Topic 962) and Health and Welfare Benefit Plans (Topic 965); Fully Benefit-Responsive Investment Contracts. Current Topic 962, Plan Accounting—Defined Contribution Pension Plans, and Topic 965, Plan Accounting—Health and Welfare Benefit Plans, require fully benefit-responsive investment contracts to be measured at contract value. Those Topics also require an adjustment to reconcile contract value to fair value, when these measures differ, on the face of the plan financial statements. The proposal would designate contract value as the only required measure for fully benefit-responsive investments contracts, which maintains the relevant information while reducing the cost and complexity of reporting for fully benefit-responsive investment contracts.

I agree with the American Institute of Certified Public Accountants (AICPA) Statement of Position (SOP) 94-4, *Reporting of Investment Contracts Held by Health and Welfare Benefit Plans and Defined-Contribution Pension Plans* (codified in Topic 962), which asserts that contract value is the relevant measurement attribute for those contracts because that is the amount participants normally would receive if they were to initiate permitted transactions (for example, withdrawals) under the terms of the underlying plan. I note that those contracts also are reported at contract value for regulatory reporting. Therefore I support the amendments in this proposed update, which effectively and proportionately address stakeholders' stated concerns while still providing meaningful information to users of financial statements. The proposed amendments should reduce costs and financial reporting complexity without loss of amenity, which is reasonable.

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Answers to other specific questions raised by the FASB

Question 1: Should the requirements to present and disclose fully benefit-responsive investment contracts at fair value be eliminated? If not, please explain why.

Yes. This disclosure provides little additional meaningful information to users of financial statements (users).

Question 2: Should the disclosure requirements for fully benefit-responsive investment contracts included in paragraphs 962-325-50-3 and 965-325-50-2 be reduced to eliminate disclosures relating to fair value measurements? If not, please explain why.

Yes. Many of these disclosures are unnecessary given the nature of the contracts.

Question 3: Should any other disclosures be required for fully benefit-responsive investment contracts?

Yes. Plans should disclose the nature of any guarantees and options within the contracts.

Question 4: Should the proposed amendments be applied retrospectively to all periods presented? If not, please explain why.

Yes, this is reasonable and would provide meaningful information to users.

Question 5: How much time would be needed to implement the proposed amendments? Should early adoption be permitted?

Implementation should be relatively easy and quick.

Yours faithfully

C.R.B.

Chris Barnard