



Technical Director Financial Accounting Standards Board (Via email)
P.O. Box 5116
Norwalk, CT 06856-5116
Re: File Nos. 2015-300, 2015-310

February 8, 2016

Dear Director:

While we recognize that the comment period deadline of December 8, 2015, has passed since the September proposal, we wanted to lodge our view with you. As US-based equity investors with a team of professionals with over 75 years of experience, we are concerned about the proposed Accounting Standards Update (ASU) *Notes to Financial statements (Topic 235): Assessing Whether Disclosures are Material*, as well as the exposure draft of Concept Statement No. 8., *Conceptual Framework for Financial Reporting*, specifically Chapter 3, *Qualitative Characteristics of Useful Financial Information*. Both of these exposure draft proposals would significantly limit what we consider to be material factors to be disclosed by companies.

Our investment firm is founded on the principle that in an increasingly natural resource constrained world, companies must measure and report a range of data regarding their use of and impact on natural resources. Specifically, we require that companies disclose their corporate Greenhouse Gas Emissions, and we desire disclosure of corporate water and waste stream data. We firmly believe that this information is material as it describes a company's operations and measurement of its inputs and outputs in terms of economic value. Additionally, it will help investors to identify risks that are otherwise not disclosed. Therefore, we see this as one example of a reduction in material available data that is likely to occur if your proposals move forward.

In the 21st century, companies are operating in the most competitive environment ever presented, both economically and resource-wise, and to better understand where each company stands in their industry and independently, environmental data is a material, operational piece of information about business activity. We will also note that in the global context, US companies would become less attractive to investors if they unilaterally reduce the amount of material information disclosure.

We thank you for your attention to our strong preference to keep a broad determination of "materiality". We are advocates for greater transparency and disclosure, we look forward to hearing that this proposal does not go forward.

We have enclosed a brief description of our fund to illustrate how we use environmental data as a critical and material piece of information.

Sincerely,

Timothy P. Dunn, CFA
Chief Investment Officer,
Managing Partner

Andrew Geller
Chief Financial Officer,
Senior Partner

Dan Sanborn, CFA
Senior Data & Research Analyst

OUR TEAM

Timothy P. Dunn, CFA

Managing Member and Chief Investment Officer

Tim has 25 years of experience as a global fund manager and equity analyst, including 19 years at Capital Research (one of the world's largest active money managers). He also worked as an advisor to the CDP (formerly the Carbon Disclosure Project) on strategic planning and organizational effectiveness.

Andrew Geller

Member and Senior Partner

Andrew has 30 years of experience on Wall Street, beginning as an equity analyst covering broad industry groups. He most recently served as Executive Director at Oppenheimer & Co, Inc., where he focused on institutional equity sales.

Amy Dine

Director of Advocacy

Amy has over a decade of experience at Capital International as an economist and investment specialist. Most recently, she was the Director of Strategic Development for a non-profit.

Dan Sanborn, CFA

Senior Data and Research Analyst

Dan is an accomplished financial analyst with close to a decade of experience at Ned Davis Research Group and Vardon Capital Management.

Brendan Corbett

Research Analyst

Brendan is a graduate from the College of William & Mary with a double major in Environmental Policy and Finance.

A private investment firm that manages funds and advocates for the use of environmental productivity metrics to both generate superior investment returns and build a more sustainable economy.

Our Vision

We aim to help build a sustainable economy that balances needs of today and the future with the ecosystem's capacity.

Our Mission

To demonstrate that sustainable business practices enhance long-term returns as expressed in real investment results, and to advocate for wide adoption of environmental productivity across the global economic system.

Our Beliefs

- Earth's finite natural resources, including clean air and fresh water, are being depleted or negatively impacted by human activity at an unsustainable rate.
- Our global economic system can and must evolve to a more **Environmentally Productive** level to accommodate expected population growth.
- **Environmental Productivity** generates positive returns for businesses and investors, over reasonable time periods.
- Asset owners should align their portfolio assets with their beliefs and their long-term needs.
- All investors should incorporate **Environmental Productivity** measures into their investment decision making.
- Advocacy and leadership are the best methods for causing change in economic systems.

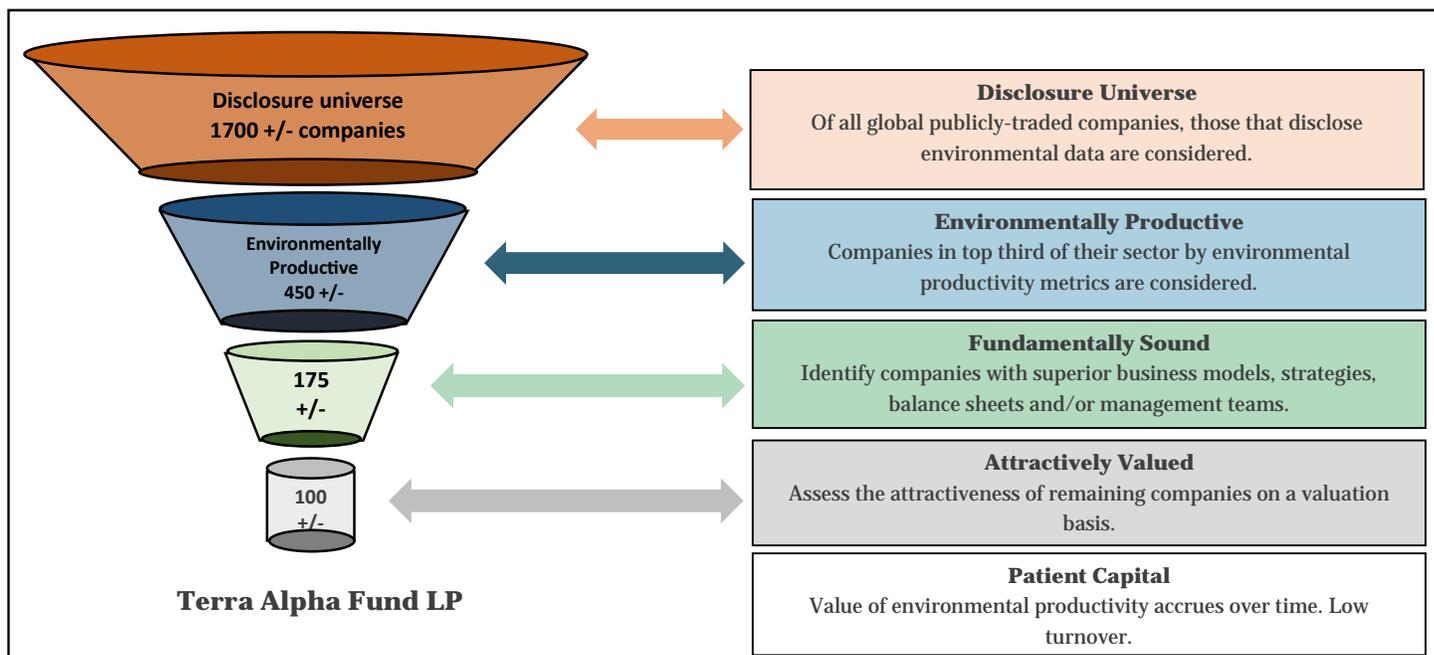
Environmental Productivity Defined

Environmental productivity is the efficiency with which companies use and impact natural resources. This is the business imperative of the 21st century market by natural resource challenges and constraints. Terra Alpha uses Energy, Water and Material Efficiency data to determine a company's Environmental Productivity.

Terra Alpha Fund LP – a better way to invest

- A global equities fund that seeks returns by investing across sectors and borders to find the most Environmentally Productive, fundamentally sound, attractively valued companies
 - Portfolio has approximately 105 large-cap securities in 33 sectors and 19 countries
- Managed by an experienced investment team with over 75 years of institutional investment experience
 - CIO was a lead global fund manager for Capital Research
- A fund that aims to demonstrate that **Environmental Productivity** is an essential ingredient of good business and good investing in the 21st century
 - Terra Alpha uses Energy, Water, and Material Efficiency data to determine a company's Environmental Productivity
 - Portfolio companies emit 90% LESS CO₂e (measure of greenhouse gas emissions) than global average

Our Data-Driven Investment Process



Fund Terms

Series A:

1.5% Annualized management fee to be paid to Terra Alpha Investments LLC quarterly based on the first \$50 million of assets under management and 1% for assets in excess of \$50 million.

15% Performance allocation on net profits over a 3% per annum hurdle and loss carryforward.

Series B:

2.0% Annualized management fee to be paid to Terra Alpha Investments LLC quarterly on assets under management with no performance allocation.

Liquidity

Quarterly liquidity after an initial one-year lock-up.

Note: Non-profit organizations that invest \$2 million or more will receive a 25 bps reduction in management fees in the form of a year-end donation to their organization from Terra Alpha Investments LLC.

This document shall not constitute an offer to sell or the solicitation of any offer to buy which may only be made at the time a qualified investor receives a confidential private offering memorandum ("CPOM"). This document is not intended for public use or distribution.

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Fund Service Providers

Legal Counsel
Seward & Kissel LLP

Fund Administration
Apex Fund Services

Prime Broker
Cowen Prime Services, LLC

Custodial Bank
Pershing LLC
(a subsidiary of BNY Mellon Corp)

Banking
First Republic Bank

Accounting
KPMG LLP