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October 6, 2005

Technical Director
Financial Accounting Standards Board
401 Merritt 7
P.O. Box 5116
Norwalk, CT 06856-5116
United States

Letter of Comment No: / File Reference: FSP123R-C Date Received:

Sent via email to director@fasb.org

Re: FSP FAS 123(R)-c "Transition Election Related to Accounting for the Tax Effects of Share-Based Payment Awards"

Credit Suisse Group ("CSG") appreciates the opportunity to comment on the Financial Accounting Standard Board's (the "Board") proposed Staff Position 123(R)-c, "Transition Election Related to Accounting for the Tax Effects of Share-Based Payment Awards (the "Staff Position"). We are responding to the Staff Position as a preparer of U.S. GAAP financial statements and foreign private issuer that files periodic reports with the Securities and Exchange Commission.

We appreciate the Board's efforts to address its constituents' practical concerns regarding adoption of the complex tax provisions of Statement 123(R); however we recommend that the Board clarify certain detailed aspects of the Staff Position, as follows:

- The first component of paragraph 5 requires computation of, "All increases of additional paid-in-capital recognized in an entity's financial statements related to tax benefits from stock-based compensation during fiscal periods subsequent to the adoption of Statement 123 but prior to the adoption of Statement 123(R)". We recommend that the Board clarify that "adoption of Statement 123" refers to the original adoption date of Statement 123, which was generally January 1, 1996 for calendar year-end companies, regardless of whether companies chose the recognition provisions of Statement 123 or solely its pro forma disclosure adoption alternative.
- We further recommend that the Board clarify that companies may include the APIC pool resulting from applying the recognition provisions of APB Opinion No. 25, "Accounting for Stock Issued to Employees" in calculating the first component of paragraph 5, as is later alluded to via the Illustrative Example.
- Finally, we recommend that the Board clarify that the first component of paragraph 5 would not be subject to SFAS 123(R) footnote 82 regarding the actual realization of tax benefits.



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We thank the Board for their attention to our views. We are available to further discuss these points at the Board's convenience. Please do not hesitate to contact David Bruno at david.bruno@credit-suisse.com on +41 44 334-2616 with any questions or comments.

Sincerely,

Rudolf Bless Managing Director, Chief Accounting Officer

David Bruno Vice President, Accounting Policy Group