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November 21, 2006



LETTER OF COMMENT NO. 5

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

**RE: Proposed FASB Staff Position FAS 141-b, 142-e, and 144-b, "Fair Value in Business Combinations and Impairment Tests"**

Dear Technical Director:

We appreciate the opportunity to respond to the proposed FASB Staff Position FAS 141-b, 142-e, and 144-b, "Fair Value in Business Combinations and Impairment Tests." We agree with the views described in paragraphs 14 and 15 of the three Board members who object to the issuance of the FSP because it does not represent a sufficient improvement in financial reporting prior to the adoption of FASB Statement No. 157, *Fair Value Measurements*. We also believe that the proposed FSP does not provide additional clarity to the guidance on fair value measurements already included in FASB Statement Nos. 141, *Business Combinations*, 142, *Goodwill and Other Intangible Assets*, and 144, *Accounting for the Impairment or Disposal of Long-Lived Assets*. Accordingly, we believe the FSP should not be finalized and additional guidance, if necessary, should be provided for entities to apply in connection with the adoption of Statement 157 or as part of the FASB's ongoing project on Accounting for Business Combinations.

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If you have any questions concerning our comments or wish to discuss any of the matters addressed herein, please contact Mark Bielstein at (212) 909-5419 or Paul Munter at (212) 909-5567.

Sincerely,

**KPMG LLP**