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Matthew L. Schroeder
Managing Director
Global Head of Accounting Policy



January 8, 2009

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



LETTER OF COMMENT NO. /
401 Merritt 7
P.O. Box 5116
Norwalk, CT 06856-5116

Re: Proposed FSP FAS 107-a, *Disclosures about Certain Financial Assets: An Amendment of FASB Statement No. 107*
File Reference: Proposed FSP FAS 107-a

Dear Mr. Golden:

Goldman Sachs appreciates the opportunity to comment on the exposure draft that would amend SFAS 107, *Disclosures about Fair Value of Financial Instruments*. We have used this opportunity to also comment on other related topics.

We are a long-standing proponent of fair value accounting for financial instruments, with changes in fair value recognized in earnings. We believe fair value accounting, even with its current challenges, provides the best information to users of financial statements compared to alternative accounting treatments. We also believe fair value accounting significantly reduces complexity, for example, the recent debate about impairments.

We therefore applaud the Board's recent decision to add a comprehensive project with the IASB to address the complexity in existing standards of accounting and reporting for financial instruments. We urge the Board to resolve that complexity this year by requiring fair value accounting for all financial instruments.

In the short term, we believe the disclosures required by the FSP will provide helpful information that will enable users to better understand how reported amounts compare to fair values and other measurement attributes. We agree with the decision to exclude instruments subject to fair value accounting from the disclosures, because recognition is the best form of disclosure. We support reconciliation of reported income from

continuing operations (before tax) to pro forma adjusted income from continuing operations (before tax). Such a disclosure would enable users of financial statements to better understand how measurements other than fair value affect the financial statements. Given the importance of fair value information to the capital markets, we believe the proposed disclosures should be required as soon as possible.

Conversely, we regret the direction the Board has taken in its proposed FSP EITF 99-20-a. While that FSP would increase comparability by eliminating an alternative method for determining impairments, it represents a step backwards, because it eliminates the requirement to consider assumptions made by market participants.

While we recognize the exigent circumstances in the capital markets that are prompting the Board to act rapidly, we are concerned about extremely compressed comment periods. We understand the Board received considerable input from constituents during the recent fair value roundtables, and from other sources. While this is helpful to the process, it is not a substitute for the reasoned and disciplined thinking the comment letter process fosters when constituents have adequate time.

Thank you for the opportunity to provide our views. If you have any questions or comments regarding this letter, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Matthew L. Schroeder". The signature is written in a cursive style with some loops and flourishes.

Matthew L. Schroeder

cc: Robert H. Herz
Chairman, FASB