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Matthew L. Schroeder
Managing Director
Global Head of Accounting Policy

January 23, 2009

LETTER OF COMMENT NO. 19

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

Re: Proposed FSP, *Amending the Criteria for Reporting a Discontinued Operation*. File Reference: Proposed FSP FAS 144-d.

Dear Mr. Golden:

Goldman Sachs appreciates the opportunity to comment on this FASB staff position that would change the definition of discontinued operations and amend the disclosure requirements for all components of an entity that are disposed of or are held for sale under Statement 144, *Accounting for the Impairment and Disposal of Long-Lived Assets*. Our comments are as follows:

- We agree with the FSP's amended definition of a discontinued operation. The current definition is quite broad and can include consolidated entities held for investment purposes in connection with merchant banking and private equity transactions. Each time a reporting entity exits such an investment, it could be required to report the disposal as a discontinued operation, implying a change in strategic direction where none exists. SIFMA's Dealer Accounting Committee highlighted this issue in a letter to the Board dated March 1, 2007. We applaud the Board for responding to the concepts expressed in that letter.

- We agree that the FSP should not require entities to disclose income tax expense or benefit for components of an entity that are reported within continuing operations and

that have been disposed of or are classified as held for sale. Requiring this disclosure would be inconsistent with the Board's conclusion that these disposals are part of continuing operations. Further, as taxes are assessed based on the net results of the entity as a whole, any allocation to smaller components would, of necessity, be arbitrary.

- We believe that the proposed effective date and transition provisions of the FSP are sufficient for compiling the information needed. We urge the Board to issue a final statement as quickly as possible and to permit early application as proposed.

- We support the convergence project and the efforts by both the FASB and the IASB to develop a single set of high quality, globally accepted standards. The proposed FSP converges the definition and disclosure requirements for discontinued operations under the two frameworks and represents yet another step bringing us closer to that goal.

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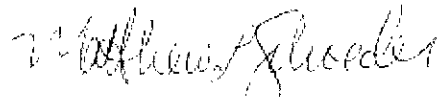
Thank you for the opportunity to provide our views. If you have any questions or comments regarding our letter, please do not hesitate to contact me.

Sincerely,



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