

**Swiss Re**



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Financial Accounting Standards Board  
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**Comments to Exposure Draft 1025-200 Pensions and Other Postretirement Benefits**

Dear Sir, Madam,

Swiss Re, as one of the world's leading reinsurers, supports the FASB on improving Financial Accounting Standards. Swiss Re Group's financial statements are published in accordance with Swiss GAAP (FER), although we look to US GAAP for guidance on a range of accounting and disclosure issues. We appreciate any improvements to disclosures that would be mandated under the new standard.

Please find below our comments with regards to the additional disclosures proposed by the FASB.

**1. Plan Assets**

We are concerned about the proposed disclosure for actual asset composition, allocation targets and expected long-term rates of return by asset class. The disclosure might be relatively straight-forward for a company with a single plan. Swiss Re, however, has multiple benefit plans and each plan has different asset categories, target allocation and expected long-term rate of return. Presumably, we would present this information on a weighted-average basis. Users of financial statements would therefore see a consolidated view of the plan asset structure of the Group's benefit plans which may be more misleading than helpful.

## 2. Cash Flow Information

- We do not support the decision to require disclosure of future benefit payments within the next five years and a total for all subsequent years. The information does not illustrate the total amount of future benefit payments nor does it disclose the sensitivity of the plan's liabilities to changes in the discount rate. We would need to modify the actuarial valuation systems as projections of benefit payments are not generally performed as part of the valuation process. Many estimates would need to be introduced, which would not add to the reliability of the information.
- We could estimate the contribution to be paid over the next fiscal year. However, we cannot split this by 1) contributions required by funding regulations or laws, 2) additional discretionary contributions, and 3) aggregate amount and description of any noncash contributions. It is difficult to determine the detail of contributions a year in advance because this depends on statutory valuations that typically take place at the end of the following year.

Yours sincerely,



Mark Swallow  
Chief Accounting Officer  
Swiss Reinsurance Company