From: Fletcher McCusker [fmccusker@provcorp.com]

Sent: Friday, April 25, 2003 7:44 PM

To: Director - FASB

Subject: Comments of Proposed FSP

The FASB staff have proposed a clarification regarding the exemption of not for profits as it relates to FIN 46. There appear to be two remaining issues regarding scope that the staff position does not address.

- 1) is the exemption applicable to not for profits as the consolidator or consolidator, or both. The FIN is written as consolidation quidance, what if the not for profit is a VIE?
- 2) The language that scopes in a not for profit that is used by a business enterprise to "circumvent" the FIN is subject to the FIN Is vague and difficult to address. This seems to be an attempt to measure intent and may be impossible to determine and/or enforce. It seems it would read better and be clearer if the "in an effort to circumvent" is deleted.

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