CREDIT SUISSE

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June 30, 2008

Mr. Russell G. Golden
Director of Technical Application and Implementation Activities
FASB
401 Merritt 7
PO Box 5116
Norwalk, CT 06856-5116
U.S.A.

FSP133B45C

LETTER OF COMMENT NO. 6

Sent by email to: director@fasb.org

File Reference: Proposed FSP FAS 133-b and FIN 45-c

Dear Mr. Golden:

Credit Suisse Group ("Credit Suisse") appreciates the opportunity to express its views on the Financial Accounting Standards Board ("FASB") proposed FASB Staff Position ("the proposed FSP") to amend FASB Statement No. 133, *Accounting for Derivative Instruments and Hedging Activities*, and FASB Interpretation No. 45, *Guarantor's Accounting and Disclosure Requirements for Guarantees, Including indirect Guarantees of Indebtedness of Others*. Credit Suisse is a leading international financial institution headquartered in Zurich, Switzerland. With operations in over fifty countries, we provide investment banking, private banking, and asset management services to customers worldwide. In the normal course of business, Credit Suisse enters into freestanding derivative contracts and contracts that include embedded derivative features for trading and risk management purposes. The views in this letter reflect our extensive experience with these instruments.

Credit Suisse has observed considerable diversity in practice in the reporting of derivatives that qualify as financial guarantees. We attribute this diversity to the requirement in FIN 45 that a counterparty to a derivative contract own the underlying guaranteed obligation in order for the derivative to qualify as a guarantee. Varying approaches exist for assessing ownership, resulting in diversity in practice. The proposed FSP removes this incompleteness and diversity in practice. We believe that the proposed FSP, by removing diversity in practice, represents a significant improvement to financial reporting of credit derivatives and as such we support the proposed guidance.

The following paragraphs provide specific comments on aspects of the proposed FSP.

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Effective Date

We recommend that FASB change the effective date of the proposed FSP to align with the effective date of SFAS 161, *Disclosures about Derivative Instruments and Hedging Activities—an amendment of FASB Statement No. 133.* Practically speaking, alignment of effective dates will delay implementation of this guidance by one quarter for companies with a calendar year-end. The proposed effective date is for financial statements issued for fiscal years and interim periods beginning after November 15, 2008. We consider this one quarter delay a reasonable request, given the implementation efficiencies resulting from updating the SOX processes, financial reporting, and other implementation activities that are shared with SFAS 161. Besides financial statement preparers, financial statement analysts and other users will benefit as well by aligned effective dates.

Instruments in Scope

The scope of the proposed FSP is unclear as it relates to bifurcated derivative instruments and non-credit derivatives that qualify as guarantees under existing guidance. We recommend that the FASB include bifurcated credit derivative instruments in scope, as it did in SFAS 161. In addition, we ask the Board to clarify the treatment of non-credit derivatives that qualify as guarantees that would not be included in the revised FIN 45 disclosures.

Specific Disclosure Information

With the exception of collateral and purchased credit protection, potential recovery amounts are not readily estimable as noted in the proposed FSP, as recovery based on legal proceedings is unknown. Information on ranges of recovery rates, while known, is price sensitive and highly confidential. Given this particular disclosure is not readily operational, we request that the FASB provide more guidance on the types of qualitative information that would best inform financial statement readers of potential recoveries.

Credit Suisse agrees with the requirement to disclose information on the status of payment / performance risk, such as external credit ratings of the underlying or current internal categories or groupings base on the manner in which risk is managed internally. In our view, the Board is overly prescriptive by specifying what indicators are acceptable and suggest the Board accept other indicators of payment/performance risk.

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We appreciate the FASB's consideration of our comments and we would be pleased to discuss any of the comments in this letter with the Board or its staff. Should you wish to discuss our views in detail or require additional information, please do not hesitate to contact Eric Smith at (212)538-5984 or Todd Runyan at (41) 44 334 8063.

Sincerely,

Beverly Welch

Rudolf Bless
Managing Director
Chief Accounting Officer

Beverly Welch
Vice President
Accounting Policy and Assurance Group