Ladies and Gentlemen,

This letter of comment is submitted on behalf of the International Association of Consultants, Valuators and Analysts (IACVA), a member of the International Valuation Standards Council (IVSC) as well as the World Association of Valuation Organizations (WAVO). We are a knowledge transfer and credentialing organization with Charters covering 55 countries, listed in the appendix, serving about 10,000 members who are mainly involved in business valuation and fraud deterrence.

As a worldwide organization, we are extremely concerned with the development of guidance and standards related to valuation. Therefore, we appreciate the opportunity to comment on the Proposed Accounting Standards Update "Intangibles-Goodwill and Other-Internal-Use Software (Subtopic 350-40), Customer’s Accounting for Fees Paid in a Cloud Computing Arrangement". Our responses to the indicated questions are set out below.

**Question 1:** Should a customer in a cloud computing arrangement evaluate whether the arrangement involves a software license by applying the criteria in paragraphs 350-40-15-4A through 15-4C? If not, what guidance should be applied and why?

Paragraph 350-40-15-4 should be expanded to add:

(f) customers in a cloud computing agreement, should the cost amortized over the period of the contract not exceeding 60 months.

**Question 2:** Should an entity be permitted to elect prospective or retrospective transition?

All transitions should be prospective.
Question 3: Should the amendments in this proposed Update be effective for:

a. Public business entities for annual periods, including interim periods within those annual periods, beginning after December 15, 2015, with early adoption permitted?

Yes

b. All other entities for annual periods beginning after December 15, 2015, and interim periods in annual periods beginning after December 15, 2016, with early adoption permitted?

Yes

Should a Board or staff member wish to discuss this matter further, they may contact me during normal business hours (Eastern Time) at 416-865-9766.

Respectfully submitted on behalf of IACVA
Per

James P. Catty, MA, CA+CBV, CPA/ABV, CFA, ICVS, CGMA, CFE
President
Appendix

IACVA List of Countries

**Americas**
- Bahamas
- Canada
- Grenadine Islands
- Guatemala
- United States
- Mexico
- Puerto Rico
- Argentina
- Brazil

**Africa**
- Ghana
- Kenya
- Nigeria
- South Africa
- Uganda

**Europe**
- Austria
- Germany
- Netherlands
- Switzerland
- Romania
- Ireland
- United Kingdom

**Asia/Pacifica**
- China
- Taiwan
- Japan
- South Korea
- Hong Kong
- Singapore

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**Middle East**
- Lebanon
- Egypt
- Syria
- Jordan
- Kuwait
- United Arab Emirates
- Saudi Arabia
- Israel
- Bahrain

**Commonwealth of Independent States**
- Armenia
- Azerbaijan
- The Republic of Belarus
- Kazakhstan
- Kyrgyzstan
- Moldova
- Russia
- Tajikistan
- Turkmenistan
- Ukrain
- Uzbekistan
- Georgia
- Estonia
- Latvia
- Lithuania