

Marriott International, Inc. Corporate Headquarters

Marriott Drive Washington, D.C. 20058

October 30, 2008

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

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LETTER OF COMMENT NO. 4



Re: Comments on Proposed Amendments to FASB Statement No. 140

Dear Mr. Golden:

Marriott International, Inc. ("Marriott") is a worldwide hospitality company with operations in five business segments: North American Full-Service Lodging; North American Limited-Service Lodging; International Lodging; Luxury Lodging; and Timeshare. At the end of our 2008 third quarter, we operated 3,105 properties (550,453 rooms).

We appreciate the opportunity to comment on proposed Statement of Financial Accounting Standards, Accounting for Transfers of Financial Assets, an amendment of FASB Statement No. 140 ("FAS 140").

Marriott periodically sells, without recourse, through special purpose entities, notes receivable originated by our Timeshare segment in connection with the sale of timeshare interval and fractional products. We continue to service the notes and transfer all proceeds collected to the special purpose entities. We retain servicing assets and other interests in the notes and account for these assets and interests as residual interests.

We support the Financial Accounting Standard Board's effort to improve financial reporting, and we believe certain amendments and clarifications to the proposed standard would ease application of this guidance in the future. However, we have conceptual concerns about the elimination of the concept of a qualifying special purpose entity ("QSPE") from FAS 140 and FASB Interpretation No. 46(R) ("FIN 46(R)"). As requested, we have arranged our comments in response to the questions stated in the forepart of the exposure draft.

Question 1 - Will the proposed Statement meet the project's objective to improve the relevance, representational faithfulness, and comparability of the information that a reporting entity provides in its financial statements about (a) a transfer of financial assets, (b) the effects of a transfer on its financial position, financial performance, and cash flows, and (c) a transferor's continuing involvement in transferred financial assets?

Response - We do not agree that the proposed Statement will meet the project's objective to improve the relevance, representational faithfulness and comparability of the information that a reporting entity provides in its financial statements about a transfer of financial assets and a

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transferor's continuing involvement in transferred financial assets. Specifically, we disagree with the elimination of the concept of a QSPE from FAS 140 and FIN 46(R), as we believe the effects of a transfer of financial assets will not be accurately reflected in an enterprise's financial position, financial performance and cash flows, under the proposed Statements.

We are particularly concerned that consolidation of QSPEs could be misleading to the users of financial statements because the financial statements would include assets to which transferors have only limited rights (i.e. residual interests) and liabilities for which the transferor has no obligations, thus failing to meet the definitions of these financial statement components as provided for within FASB Statement of Financial Accounting Concepts No. 6, Elements of Financial Statements ("CON 6"). For example, if a QSPE was consolidated after securitization, the consolidating enterprise would record all the assets and liabilities of the QSPE, even though the consolidating enterprise has no rights to the probable future economic benefits, other than for any participating interests held, and no obligation to settle liabilities as they come due.

Refer to our comment letter dated October 30, 2008 on proposed Statement of Financial Accounting Standards, Amendments to FASB Interpretation No. 46(R), a copy of which is attached (our "FIN 46(R) Comment Letter"), and more specifically our response to Question 1 in that letter, which provides a more extensive discussion of our position on this point.

Question 2 - Do you agree with the Board's decisions to eliminate the qualifying SPE concept and to require that all securitization entities be evaluated for consolidation under applicable U.S. generally accepted accounting principles? If not, why not?

Response - We disagree with the proposed elimination of the QSPE exception as we believe that consolidation of these entities is misleading. QSPEs, by definition, are not controlled by transferors and/or their affiliates and thus should require no evaluation for consolidation. Transferred financial assets which meet the criteria for sale accounting under FAS 140 (including lack of control by the transferor) could be consolidated under the proposed FIN 46(R) Statement based upon an inconsistent definition of control between the two Standards. To this end, we believe that the Board should align the definitions of control in order to provide consistency between the two Standards.

Refer to our responses to Questions 1 and 8 in our FIN 46(R) Comment Letter, which provides a more extensive discussion of our position on this point.

Question 3 - Certain financial statement users suggested that the Board adopt a no-continuing-involvement model (that is, if there is any continuing involvement, sale accounting would not be permitted). The Board decided to continue to permit derecognition of financial assets with continuing involvement as long as the conditions in paragraph 9 of Statement 140, as amended by this proposed Statement, are met, with the addition of enhanced disclosure requirements about a transferor's continuing involvement (see paragraph A28 of this proposed Statement). Do you agree with this decision? If not, why do you disagree and what approach would you recommend to meet the needs of financial statement users for additional information on transferred financial assets?

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Response - We support the Board's decision to continue to permit derecognition of financial assets with continuing involvement, provided the conditions in paragraph 9 of Statement 140, as amended by the proposed Statement, are met.

We request that the Board further define "continuing involvement" and provide examples of acceptable forms of continuing involvement to facilitate consistent application of the guidance amongst constituents.

Question 4 - What costs do you expect to incur if the Board were to issue this proposed Statement in its current form as a final Statement? How could the Board further reduce the costs of applying these requirements without significantly reducing the benefits?

Response - To the extent that QSPEs previously exempt from the requirements of FIN 46(R) are now within its scope, constituents will incur costs to assess whether they meet the characteristics of a VIE and whether the reporting enterprise is the primary beneficiary. If consolidation of these entities is anticipated, constituents may incur significant costs in amending and/or restructuring contractual agreements, where feasible, in response to, among other situations, the potential impact associated with the consolidated assets and liabilities on restrictive covenants. Additionally, if constituents are required to consolidate these entities, including their liabilities, the overall credit ratings of the constituents could be unfavorably impacted resulting in higher costs of capital.

In lieu of removal of the QSPE exception, we support the inclusion of significantly enhanced disclosures regarding QSPEs (as outlined in the proposed Statement) to provide relevant, timely, and transparent information to financial statement users regarding securitization transactions and associated risks. We believe that consolidation of these entities would prove misleading, and that the Board's goal to provide more transparent and useful financial reporting can be better achieved with enhanced disclosure requirements.

Please refer to our responses to Questions 1 and 8 in our FIN 46(R) Comment Letter, which provides a more extensive discussion of our position on this point.

Question 5 - The Board decided to establish specific conditions for reporting a transfer of a portion of a financial asset as a sale. A transfer of a portion of a financial asset as a sale is eligible for derecognition only for a pro rata portion that meets the definition of a participating interest. Do you agree with this decision? If not, why do you disagree? If you agree with the Board's decision to limit the portions of a financial asset that are eligible for derecognition, do you agree with the definition of a participating interest? If not, what alternative definition do you recommend and why?

Response - We express no comment on this question.

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Question 6 - Paragraph 9(c) of Statement 140 and the related implementation guidance, as amended by this proposed Statement, require that the transferor (a) not maintain effective control over transferred financial assets to account for a transfer as a sale and (b) provide examples of effective control. The Board decided to incorporate many of the concepts from paragraph 9(b) of Statement 140 into paragraph 9(c), which results in the creation of the additional examples that are included in paragraphs 9(c)(3) and 9(c)(4).

Do you believe that paragraph 9(c) of Statement 140 and the related implementation guidance, as amended by this proposed Statement, clearly explain how to determine if the transferor maintains effective control? If not, what additional guidance or examples are necessary?

Response - We believe that paragraph 9(c) of Statement 140 and the related implementation guidance as amended by this proposed Statement clearly explain how to determine if the transferor maintains effective control.

Do you believe that paragraph 9(c), as amended by this proposed Statement, is operational in its entirety in its current form? If not, what changes are necessary?

Response - We believe that paragraph 9(c) as amended by this proposed Statement, is operational in its entirety in its current form.

Do you believe these additional examples of effective control in paragraphs 9(c)(3) and 9(c)(4) are operational in their current form? If not, what changes are necessary?

Response - We believe the additional examples of effective control in paragraphs 9(c)(3) and 9(c)(4) are operational in their current form.

Question 7 - Certain financial statement users strongly recommended that the Board provide disclosure principles and require certain specific disclosures for both transferred financial assets treated as sales and those that are treated as secured borrowings.

Do you agree that additional disclosures about transferred financial assets are necessary and operational? If not, what changes would you make to the requirements?

Response - We agree that the additional disclosures about transferred financial assets are necessary and operational.

Do you believe that the revisions to the disclosure requirements are sufficient? If not, what additional disclosures do you believe are necessary?

Response - We believe that the revisions to the disclosure requirements are sufficient and address the requirements of financial statement users.

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Question 8 - Appendix C includes significant amendments, primarily as a result of this proposed Statement, to related literature including (a) the FASB Special Report, A Guide to Implementation of Statement 140 on Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities, (b) certain Emerging Issues Task Force (EITF) Issues and Topics, and (c) certain AICPA Audit and Accounting Guides. Do you agree that the related literature, as amended, is consistent with the proposed amendments to Statement 140? If not, why do you disagree and what changes would you make?

Response - We agree that the related literature, as amended, is consistent with the proposed amendments to Statement 140.

Question 9 - Due to differences in financial statement user needs and cost-benefit considerations, should any differences exist for recognition, measurement, disclosure, transition, or effective date for private companies? If yes, please articulate what differences should exist and the reasons for those differences.

Response - We express no comment on this question.

Thank you for the opportunity to provide comments on the proposed exposure draft. We would be pleased to discuss our views with you at your convenience.

Sincerely,

Carl T. Berquist

Executive Vice President,

Financial Information and Enterprise Risk Management and

Principal Accounting Officer

Attachment