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August 5, 2013

Susan M. Cospers, CPA
Technical Director
FASB
401 Merritt 7
PO Box 5116
Norwalk, CT 06856-5116

**Re: May 6, 2013 Exposure Draft of a Proposed Accounting Standards Update (ASU),
Technical Corrections and Improvements Related to Glossary Terms [File Reference
No. 2013-240]**

Dear Ms. Cospers:

One of the objectives that the Council of the American Institute of Certified Public Accountants (AICPA) established for the PCPS Executive Committee is to represent the views of local and regional firms on professional issues in keeping with the public interest, primarily through the Technical Issues Committee (TIC). This communication is in accordance with that objective. These comments, however, do not necessarily reflect the positions of the AICPA.

TIC has performed a limited review of the ED and is providing the following comments for your consideration.

GENERAL COMMENTS

TIC's comments are confined to the proposed amendment to rename the term "fair value" as it relates to share-based payment transactions to "share-based payment value." As discussed below, TIC believes the new definition does not adequately meet the Board's objective of differentiating the definition of fair value under the original FASB Statement No. 123(R), *Share-Based Payment*, from fair value as defined by ASC Topic 820, *Fair Value Measurement*. Changes are recommended to clarify the new definition.

SPECIFIC COMMENTS

Question 5: *The Board considered several options for renaming the Master Glossary term fair value that originates from FASB Statement No. 123 (revised 2004), Share-Based Payment. The Board is proposing that this term be renamed share-based payment value and used throughout the Codification to emphasize that the measure differs from fair value (see paragraph 204). Do you agree with this proposed amendment? If not, why?*

TIC agrees that duplicate terms with differing definitions should be eliminated from the Master Glossary. However, TIC is not supportive of the proposed definition of share-based payment value in the ED. The new definition is almost indistinguishable in meaning from the glossary definition of fair value such that the intended differences between the two terms are unclear. TIC is concerned that the proposed amendment could cause confusion in practice, thereby creating more problems than it solves.

TIC therefore recommends that the definition of share-based payment value be clarified to explain why it is characterized as a fair-value-based measurement rather than as a fair value measurement. Reference to specific factors (e.g., service or performance conditions, reload features, and contingent features that may require the return of the equity instrument at a later point in time) that cause such measurement differences would be helpful.

If the Board decides not to clarify the proposed definition, then TIC would prefer the following definition in lieu of the verbiage in the proposal:

A fair-value-based measure determined in accordance with the requirements of ASC Topic 718 (Compensation – Stock Compensation).

TIC appreciates the opportunity to present these comments on behalf of PCPS member firms. We would be pleased to discuss our comments with you at your convenience.

Sincerely,



Karen Kerber, Chair
PCPS Technical Issues Committee

cc: PCPS Executive and Technical Issues Committees