



May 24, 2006



LETTER OF COMMENT NO. 206

Technical Director
File Reference No. 1025-300
Financial Accounting Standards Board
401 Merit 7
PO Box 5116
Norwalk, CT 06856-5116

Re: Exposure Draft
Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans
an amendment of FASB Statements No. 87, 88, 106
and 132 (R)

Dear Sir or Madam:

I am President and C.E.O. of Rio Ranch Markets that is retail member shareholder of a retailer-owned cooperative that distributes food and grocery products to our stores. As an independent community focused retailer the success of my retailer owned cooperative is essential and integrally related to the future success of my retail food business. I appreciate this opportunity to express my concerns to the Financial Accounting Standards Board on the Exposure Draft on Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans (the "Exposure Draft").

First, while the importance of recognizing the overfunded or underfunded status of a defined benefit plan or postretirement benefit plan is generally acknowledged, I strongly believe that FASB's accelerated implementation schedule for phase I without reasoned and careful consideration could be detrimental to retailer-owned cooperatives and member retailers like me for a number of reasons. The Exposure Draft focuses substantially on public companies and not on private companies like cooperatives. This is a sign that more information and analysis of the application and effects on cooperatives is needed. Clearly, the magnitude is greater for multi-employer plans. Therefore it is important that FASB allow for more public comments to reevaluate the Exposure Draft before going forward with any implementation.

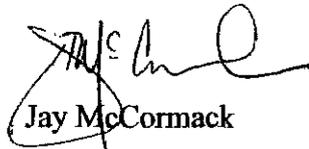
Second, it very important to my company as a member owner of a retailer owned grocery cooperative that our equity not be put in jeopardy by an accounting standard that does not recognize the operations of a cooperative as distinct from public companies, especially when the cooperatives use "book value" for valuation purposes. Cooperatives operate basically on a not-for-profit basis returning patronage to the members at the end of the

year and the Exposure Draft will have an unfair disproportionate impact on us as member shareholders.

Using the projected benefit obligation (PBO) to determine the funded status of benefit is unfair to employers and inaccurate in its valuations. The PBO overvalues the amount of obligation by not taking into account that employees frequently turnover in today's work environment or that an employer could freeze or terminate a plan. The FASB should use the accumulated benefit obligation (ABO) as a more accurate valuation method as of the valuation date, that does not take into account assumed pay increases and other factors that come into play under PBO.

In conclusion, I strongly urge the FASB to reconsider and assess the effect of the Exposure Draft, especially on cooperatives that are not public companies and their member owners like me.

Sincerely,

A handwritten signature in black ink, appearing to read "Jay McCormack", written over a printed name.

Jay McCormack