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March 27, 2009

Via Email: [director@fasb.org](mailto:director@fasb.org)



Mr. Russell G. Golden  
FASB Technical Director  
Financial Accounting Standards Board  
401 Merritt 7  
P.O. Box 5116  
Norwalk, CT 06856-5166

LETTER OF COMMENT NO. 123

File Reference: Proposed FSP FAS 157-e

Dear Mr. Golden,

Corning Credit Union appreciates this opportunity to comment on the proposed FASB Staff Position No. FAS 157-e *Determining Whether a Market is Not Active and a Transaction if Not Distressed* (the "Proposed FSP").

We are a retail credit union providing financial and investment services to over 76,000 members and we manage a balance sheet of approximately \$670 million in assets. Although our securities are all classified as held-to-maturity, we have an investment with our Corporate Credit Union who has marketable securities that are classified as available-for-sale under SFAS No. 115.

We believe the proposed FSP is a significant improvement to clarify the application of current generally accepted accounting principles and will improve the usefulness of the financial statements.

Today, asset values include a significant liquidity risk premium which is driving the prices well below levels that a willing seller would entertain, especially if the organization has the ability to hold the securities until their value recovers. Current asset prices reflect values that may be offered by a willing buyer in a distressed market. The Proposed FSP is an improvement as it introduces the concept that values should be more reflective of the prices that a willing buyer AND a willing seller would agree to in a non-distressed market. This will provide the readers of the financial statements with much better information.

While it is an improvement, we ask you to consider the following comment prior to issuing final guidance.

1. Please make the guidance effective back to 12/31/08. The Proposed FSP considers this guidance a change in accounting estimate and should only be applied prospectively. We disagree with this position and believe that the Proposed FSP is a clarification of the original FAS 157 and that retroactive application should be permitted.

Thank you in advance for consideration of these changes. If you would like to discuss any of the points we have raised, please feel free to contact me at 607-936-2079 X386.

Sincerely,

MaryBeth Drake  
Chief Financial Officer

CC: Gary Grinnell, Chief Executive Officer