



March 30, 2009

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. 3/3

**RE: Proposed FSP FAS 115-a, FAS 124-a, and EITF 99-20b
*Recognition and Presentation of Other-Than-Temporary Impairments***

Dear Mr. Golden:

On behalf of the Credit Union Association of New York, I would like to take this opportunity to voice our strong support for the proposed amendments to Financial Accounting Standards 115-A, FAS 124-a and EITF 99-20b. By permitting securities to be accounted for in a manner that more accurately reflects the true cost of impairments, financial institutions will ultimately be able to more accurately reflect their capital at a time when liquidity is a crucial issue facing the entire financial industry.

Current accounting rules simply provide too blunt of an instrument with which to reflect the value of securities and these proposals would go a long way toward addressing this problem. For example, by allowing for the bifurcation of impaired debt securities into a credit component and a non-credit component, institutions would be allowed to reflect the actual loss of impaired securities without having to reflect the possible loss of income, which may ultimately not be realized.

We also support changes allowing institutions to more accurately reflect that a security is not other-than-temporarily-impaired where it can show that it is "more likely than not" that it will not have to sell the security before its recovery. This modification applied to debt equities more accurately reflects the reality that many financial institutions currently holding debt obligations will not likely sell such securities.

Similarly, this proposal would be strengthened if it allowed reversal of OTTI if market conditions improve. This change would allow financial institutions to record changes in economic conditions during this extremely fluid economic environment.

A second way in which this proposal could be improved would be to make it applicable to 2008 financial statements. All companies should be able to restate, reorder and refile based on the clarifications that exist in the rules.

Thank you in advance for considering these recommendations.

Sincerely,

William J. Mellin
President/CEO

Leading the Way