

April 1, 2009



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Mr. Russell Golden, Technical Director
Financial Accounting Standards Board
301 Merritt Seven
P.O. Box 5116
Norwalk, CT 06856-5116

LETTER OF COMMENT NO.

Via e-mail: director@fasb.org

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

Dear Mr. Golden:

Savings Federal Savings Bank is a community bank located in Bel Air, Maryland, with assets totaling \$178.9, as of December 31, 2008.

We truly appreciate the FASB's efforts to improve accounting guidance relating to other-than-temporary impairments to more accurately reflect the valuations of debt and equity securities and we appreciate the opportunity to comment on the above-referenced proposed FSP.

We strongly support the changes proposed in FSP FAS 115-a, FAS 124-a, EITF 99-20-b amending Statement No. 115, Accounting for Certain Investments in Debt and Equity Securities to make other-than-temporary impairment guidance more operational and to improve the presentation of other-than-temporary impairments in the financial statements.

We agree that separating other-than-temporary losses into two components, (a) those due to credit losses and (b) those due to other factors would provide more comprehensive information to our stockholders. The credit component of other-than-temporary impairment should be recognized in earnings, while the remaining portion should be reflected in other comprehensive income as proposed. This would reflect impairments of debt securities due to credit problems in the same manner as loan impairments currently are reflected. The non-credit impairment for held-to-maturity securities should be reflected in the footnotes to the financial statements to disclose the fair value of the securities.

We strongly support changing management's assertion regarding the ability to hold a security to one focused on the intent to sell (with an assertion as to whether it is more likely than not that the security will be sold before its recovery). We believe this should apply to both debt and equity securities, including mutual funds composed of debt

securities. In our view, this change better reflects management's perspective and decision process regarding investment holdings.

We agree that the effective date for changes should be for interim and annual periods after March 15, 2009. However, we strongly urge the FASB to allow restatement of financial statements or an opportunity to "true-up" other-than-temporary impairments recorded in prior periods to enable investors to more easily compare statements of different periods.

We urge the FASB to permit the recognition or valuation adjustment of subsequent recoveries. If securities may be written down when impairments occur, reversals through earnings should be permitted when it becomes clear that an impairment has decreased or no longer exists. This would more accurately reflect an instrument's true fair value. Otherwise, an institution may be understating its financial position.

We thank you for the opportunity to comment on these important matters and we urge the FASB to take action by approving the proposed guidance.

Very truly yours,

Sophie Torin Wittelsberger
Vice-President and Chief Financial Officer

cc. Mr. Philip E. Logan, Chairman of the Board, President and CEO