Letter of Comment No: L File Reference: 1125-001

Date Received: 10/28/02

----Original Message----

From: Stephen Lange Ranzini [mailto:ranzini@university-bank.com]

Sent: Saturday, October 26, 2002 2:52 PM

To: 'director@fasb.org'

'ken.guenther@icba.org'; 'Powell, Donald E.'

File Reference 1125-001, the Full Employment Act for the

Accounting Profession!

Dear FASB:

Every once in awhile the accounting profession tinkers with the rules in an effort to increase its revenues. FASB, as directly controlled by the accounting profession has as the core of its mission increased complexity and constant minor change to GAAP.

Every time there is a change, no matter how minor, my costs as a public company go up. If all we had to do was take last year's format and plug new numbers into it, my costs would decrease instead. If GAAP would stop being tinkered with, my costs would drop probably 10-15% and stay at the current level, adjusted for inflation. It is my fervent hope that the new accounting oversight board recently appointed by the SEC is smart enough to codify whatever unfinished business exists in GAAP and puts a 50-year hiatus on further changes to GAAP. None of the "improvements" over the past 12 years I've run this NASDAQ-listed company has improved disclosures materially one jota!

Now, FASB comes along with the ultimate Full Employment Act for the Accounting Profession. FASB proposes to completely throw out the exising rule book and create a whole new raft of rules in their place. The Europeans are agitating for this change also because they think that the U.S. would then adopt IAS. The U.S. system is better than IAS and the lame argument that we should adopt IAS because of the excesses of certain

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individuals and firms during the bear market is ridiculous. There is a lot more fraud and abuse of shareholders overseas than in the U.S. The U.S. has the best disclosure and the best accounting rules in the World because they are so detailed. If this proposal is

adopted it will rapidly escalate our accounting fees. So, the accounting profession will be

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rewarded for Enron and WorldCon, not punished!

Do you support the Board's proposal for a principles-based approach to U.S. standard setting?

Absolutely not, over my dead body! I will encourage my friends in Congress to intervene with legislation if this proposal moves forward.

Will that approach improve the quality and transparency of U.S. financial accounting and reporting?

Absolutely not. The current rules are fine and should be enforced. Toss the bad guys out of the accounting profession and out of industry.

Sincerely,

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