John T. Fenton President & Chief Executive Officer



March 26, 2009

Via Email: director@fasb.org

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

File Reference: Proposed FSP FAS 157-e

Dear Mr. Golden:

Affinity Federal 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 is Not Distressed (the "Proposed FSP").

LETTER OF COMMENT NO. 42

Affinity Federal Credit Union is a natural person, federally chartered credit union serving 130,000 members with retail financial products and services.

We believe the Proposed FSP is a significant improvement to clarify the application of current generally accepted accounting principles (GAAP) and will improve the usefulness of the financial statements and we support this proposal.

We believe in today's historic downturn, 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 very distressed market. The Proposed FSP is an improvement as it introduces the concept that values should be more reflective of the price 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 strongly consider the following comment prior to issuing final guidance.

1. At a minimum, the guidance must allow application to 2008 financial statements. The Proposed FSP considers this guidance a change in accounting estimate and

should only be applied prospectively (such as a change in the estimated useful life of a depreciable asset). 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, especially for organizations that have not issued financial statements. All companies should be able to restate, re-audit and re-file if they choose to do so. It does not make sense to have a materially different outcome for first-quarter 2009 valuations compared with 2008 year-end valuations, simply due to a long-overdue accounting clarification.

Thank you in advance for consideration of these changes.

Sincerely,

Affinity Federal Credit Union

John T. Fenton

President and Chief Executive Officer

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