

LETTER OF COMMENT NO.

139

To:

Adrian Mills; Diane Inzano; Joseph Vernuccio; Kevin Stoklosa; Kristofer Anderson; Mark Trench;

Meghan Clark; Peter Proestakes; Russell Golden; Vita Martin; Wade Fanning

Subject: FW: Comments on Proposed FSP FAS 115-a, FAS 124-a, and EITF 99-20-b

From: Dave Beach [mailto:dave.beach@firstfederalbankofohio.com]

Sent: Monday, March 30, 2009 5:14 PM

To: Director - FASB

Subject: Comments on Proposed FSP FAS 115-a, FAS 124-a, and EITF 99-20-b

March 30, 2009

Mr. Russell Golden Technical Director Financial Accounting Standards Board 301 Merritt 7 P.O. Box 5116 Norwalk, CT 06856-5116

Via email: 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:

We are First Federal Bank located in Galion, Ohio. We have \$242,000,000 in total assets and have 10 branches located throughout north central Ohio. As a community based financial institution, we appreciate the interest you have shown in this important matter.

We appreciate the opportunity to comment on the Proposed FSP FAS 115-a, FAS 124-a, and EITF 99-20-b, Recognition and Presentation of Other Than-Temporary Impairments ("proposed FSP"). We commend the FASB's efforts to improve guidance relating to other than temporary impairment: ("OTII") and we wish to provide comments on the Proposed FSP.

Overall, we support the Proposed FSP. Specifically, we believe that the threshold to recognize market-related OTTI based on the lack of intent to sell (management asserts that it does not have the intent to sell the security, and it is more likely than not that it will not have to sell the security before its recovery) is certainly more operational than the current requirement. We also strongly agree with the proposal to recognize only credit losses through earnings.

We believe that the Proposed FSP is more consistent with the "ongoing-entity" principal than the current guidelines of recognizing through earnings losses that would be more consistent with a "liquidation" model.

We also believe that the recognition is parallel to the treatment of loans in that only the credit impaired amount would be recognized through earnings.

We believe that it is crucial that the guidance be made effective for the periods after March 15, 2009. If it is possible to consider these changes to be effective retroactive to 12/31/2008, that would be even better.

Thank you for the opportunity to comment on these important matters.

Yours truly,

Thomas L. Moore Presidet - CEO tom.moore@firstfederalbankofohio

First Federal Bank of Ohio 140 N. Columbus St. Galion, Oh 44833

Phone: (419) 468-1518 Fax: (419) 468-2973

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