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**From:** frank lasaracina [mailto:frank.lasaracina@southpointassociates.com]  
**Sent:** Tuesday, December 23, 2008 6:06 AM  
**To:** FASB Comments  
**Subject:** FASB 157 in non-functioning markets

LETTER OF COMMENT NO. 6

As a retired CPA I certainly appreciate the appropriateness of FASB 157. Current discussions about the application and whether to change or abandon it miss a crucial point: SARBOX.

FASB157 in the context of SARBOX has created a "perfect storm". Never before has the threat of jail time been so real for exercising (perhaps) poor judgment in preparing estimates associated with financial disclosure and reporting.

If I were a CFO or CEO in today's environment I would err -- and err with a wide margin of error -- on the side of conservatism to steer clear of jail time.

I believe the reported losses already overstate the actual losses on the underlying assets, but the combination of dysfunctional markets + FASB157 + SARBOX is causing real and unnecessary damage to assets, companies and the overall economy.

As you deliberate on FASB157, please do so in the overall context of SARBOX, not in isolation.

Sincerely,

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