

From: DJenni7474@aol.com
To: [Director - FASB](#)
Subject: No. 1700-100
Date: Tuesday, August 18, 2009 2:01:55 PM

August 17, 2009

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

Re: No. 1700-100 Disclosures about the Credit Quality of Financing Receivable and the Allowance for Credit Losses.

Dear Mr. Golden:

We appreciate the opportunity to comment on the exposure draft concerning changes to the Allowance of Credit Losses.

I represent a small, publicly-traded bank holding company with two subsidiary banks. We believe the proposed changes would result in some significant hardships for our organization.

First of all, assessing and reporting on the loan loss reserve is already quite time consuming. We understand its importance in the financial reporting process but question whether those disclosures are appropriately meaningful for the extensive time and expertise required to produce and review them. If the process is made more complex, costs, ultimately borne by the shareholder, increase as well.

We are also concerned with the timing. Within the time frame mentioned, banks are dealing with an unprecedented level of regulatory change. Larger banks may have more varied resources to devote to these changes, but for small banks, it is imperative that upper management participate in and administer all regulatory changes. In addition to the time mentioned above, we believe the proposal would require a significant level of education for our staff to properly produce the disclosure. More time, and a different time, would make that process more manageable.

Finally, we are concerned with the specificity that might be required in the disclosure. With small banks in small towns, many members of our community have a familiarity with our customer base. If disclosures document financial problems those customers may be having, it will not be difficult to piece together which borrowers is being discussed. This violates the duty of privacy we have to our customers and would likely create a more difficult environment in which to do business.

We appreciate your attention to our concerns.

Sincerely,

Don D. Jennings
President, Kentucky First Federal Bancorp
