Dear Director,

I believe that just like a company holding debt securities has to reflect the decline in the securities value due to credit losses in the income statement, I believe the decline in value of common equity where the existing shareholders have lost their relative voting rights should also result in income statement recognition. This would address the issues of those investments where the government has essentially nationalized the institution.

On a macro perspective, I believe it would be intellectually dishonest of me if I do not mention that Financial Statements should provide true and fair reflection of the financial condition of a company. A serious erosion of value should be reflected on the company's statement.

When I say serious erosion of value, this would be where the company's securities have decline disproportionately to the value of other securities in the market or where the market value of all securities (eg. S&P 500 index) have broken below its value below say its previous three year low values. We may also think about imposing a volatility threshold based on the implied or historical volatility prevailing at each anniversary of the investment and if based on those volatilities the investment values below one standard deviation of the value, the company should be required to reflect the loss.

Regards,

Amin Dawood Saleh.