Letter of Comment No: 13
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-----Original Message-----
From: MMcBride@rmahq.org [mailto:MMcBride@rmahq.org] On Behalf Of pmartin@rmahq.org
Sent: Monday, May 10, 2004 4:27 PM
To: Director - FASB
Subject: Setoff and Isolation

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E-MAIL

Director@fasb.org

TA&I Director - Setoff and Isolation
Financial Accounting Standards Board
401 Merritt 7
P.O. Box 5116
Norwalk, CT 06851-5116

RE: Setoff and Isolation

Ladies and Gentlemen:

RMA - The Risk Management Association would like to take this opportunity to express support for the commentary provided by the Loan Syndications and Trading Association (the "LSTA") and the American Securitization Forum ("ASF") to the Request for Information dated April 9, 2004 (the "White Paper") of the staff of the Financial Accounting Standards Board (the "FASB or the "Board").

Formerly known as Robert Morris Associates, RMA is a professional association representing in excess of 16,000 bank loan, credit, and risk management professionals within the financial services industry. Our membership includes the very largest global institutions as well as community banks.

In addition to supporting the commentary provided by LSTA and ASF, RMA is very concerned that changes to Statement 140 could disrupt the loan participation market and possibly restrict credit availability. Indeed, the supervisory agencies responsible for ensuring the safety and soundness of financial institutions have expressed similar concern and further noted that the proposed changes could increase competitive inequalities for smaller, community-based banks1.

Again, RMA supports the commentary submitted by the LSTA and ASF and believes that changes to Statement 140 could disrupt the loan participation market and restrict the availability of credit. RMA further believes that smaller financial institutions will be disadvantaged competitively by the proposed changes. We strongly oppose the proposed changes and request that a representative be invited to participate in the round-table discussion scheduled for May 25, 2004 and June 17, 2004.

Sincerely,

Pamela Martin
Director, Regulatory Relations
and Communications

1 Letter from Office of the Comptroller of the Currency, Board of Governors of the Federal Reserve System, Federal Deposit Insurance Corporation, Office of Thrift Supervision, and National Credit Union Administration to Ms. Susanne Q. Bielstein, Director of Major Projects and Technical Activities, Financial Standards Board (Dec. 1, 2003).

Pamela Martin
Director, Regulatory Relations & Communications
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