



From: John Carson [John.Carson@azstcu.org]
Sent: Friday, March 20, 2009 5:01 PM
To: Director - FASB
Cc: Dave Doss; Paul Stull
Subject: re: recent guidance on MTM issue, FAS 157, etc

Very simply:

Your proposal does not rectify FASB's past errors in judgment and harm to the economy. FASB needs to:

- 1) Allow a retroactive application in order to correct and reverse all adverse OCCI or earnings impacts due to MTM to the artificial "trading" price level for inactive markets.
- 2) Issue a revised rule so that the accounting results is no worse than holding the underlying **whole loan** mortgage assets that are the basis of these securities. The result would be a valuation allowance based upon actual 12 month rolling loss rates +/- economic environmental factors. Trading markets would be ignored.

If FASB continues to act as a "purist", I will support Congressional action to create a new oversight Board over FASB.

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