

Select Bank

223 Buffalo Avenue
Egg Harbor City, NJ 08215
Phone: (609) 965-7151
Fax: (609) 965-0504

March 24, 2009



Mr. Russell G. Golden
Technical Director
Financial Accounting Standards Board
401 Merritt 7
P. O. Box 5116
Norwalk, CT 06856

LETTER OF COMMENT NO.

111

File Reference: Proposed FSP FAS 115-a, FAS 124-a & EITF 99-20-b

Dear Mr. Golden:

We appreciate the opportunity to comment on the proposed FASB Staff Position No. FAS 115-a, FAS 124-a and EITF 99-20-b, *Recognition and Presentation of Other-Than-Temporary Impairments* ("proposed FSP #1").

We commend the Financial Accounting Standards Board ("FASB") for providing greater clarity to investors about the credit and noncredit component of an OTTI event and to more effectively communicate when an OTTI event has occurred. However, as noted below, we are concerned about the effective date and transition process associated with proposed FSP #1

Effective Date of Proposed FSP #1

We believe that proposed FSP #1 represents a step in the right direction as the FASB pursues its comprehensive joint project with the International Accounting Standards Board ("IASB") regarding, among other issues, accounting for impairments. We believe the amount of any impairment loss recognized in earnings for investment securities classified as either held-to-maturity ("HTM") or available-for-sale ("AFS") should be based on the difference between the carrying amount of the instrument and the credit loss amount.

However, as currently drafted, proposed FSP #1 would be effective for interim and annual reporting periods ending after March 15, 2009, and would be applied prospectively. Therefore, this guidance would not allow any noncredit losses to be included in OCI, rather than in retained earnings, prior to the first quarter of 2009.

FASB's proposal to apply prospective treatment under the FSP does not provide for a more uniform system of impairment testing standards for financial instruments because an entity would

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have applied one accounting treatment for OTTI on or before year-end 2008, and a different accounting treatment for OTTI beginning in 2009. This difference in accounting treatment greatly reduces financial statement comparability and transparency. Therefore, we believe that it would be more consistent for the proposed FSP to be made retroactive to year-end 2008 or alternatively, include a one-time cumulative "catch-up" adjustment between OCI and retained earnings in the first quarter of 2009.

We thank the Board for its consideration of our views.

Sincerely,

A handwritten signature in black ink, appearing to read "Scott T. Page", with a long horizontal flourish extending to the right.

Scott T. Page
President and CEO