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Via: Email director@fasb.org

LETTER OF COMMENT NO. 107

Mr. Russell G. Golden
FASB Technical Director
Financials Accounting Standards Board
401 Merritt 7
P.O. Box 5116
Norwalk, CT 06856-5166

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

Dear Mr. Golden,

Georgia Central Credit Union ("Georgia Central") greatly appreciates the opportunity to comment on the proposed FASB Staff Position No. FAS 115-a, FAS 124-a, and EITF 99-20b Recognition of Presentation of Other-Than-Temporary Impairments (the "Proposed FSP").

Georgia Central is a retail corporate credit union providing investment, liquidity and payments services to approximately 180 member credit unions. With a balance sheet of approximately \$2 billion in assets, Georgia Central holds approximately \$283 million in assets that qualify as "available for sale" under SFAS 115.

The Proposed FSP provides much-needed clarification regarding the application of the aforementioned pronouncements and allows for a more accurate presentation of the economic value of debt and equity investments defined under SFAS 115. We concur that a focus on credit losses in the income statement, rather than full fair value losses, provides users of financials a clearer picture of true value of the investment rather than muddying financial results with the effects of an illiquid market. We also agree that losses above the credit component of other-than-temporary impairments should be reported in other comprehensive income and that these losses should be recognized only upon the sale of the security. The current guidance causes overstated losses to be locked into retained earnings in the near term, thus mistating financials over the lives of the investments.

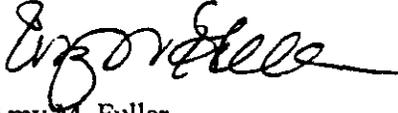
While this clarification of existing generally accepted accounting principals (GAAP) definitely improves the presentation of economic realities for financial statement users, the Financial Accounting Standards Board (the Board) must fervently consider the following improvements in order to provide further transparency in financial statements.

1. Because it is a further clarification of existing guidance, application of the Proposed FSP should be allowed to financial statements for periods ending prior to March 15, 2009. If this retroactive treatment is not allowed, financial results from prior periods will not be comparable. To ensure parity, all companies should be allowed to adopt this treatment for prior periods if they so choose, whether they have already completed the reporting for the prior period or not. In the current market, being able to make treatment parallel to each other improves reporting and transparency for investors and other users of financial statements.
2. More over, the Proposed FSP should be amended to allow for the reversal of other-than-temporary impairment charges if market conditions improve substantially. Valuation of losses on securities covered by this guidance requires many estimates and assumptions that evolve over the security's life. The ability to reverse these charges would allow the preparer the opportunity to best represent the position of the investments. Additionally, this treatment parallels international standards and loan loss accounting.
3. Additionally, the Proposed FSP does supply greater clarification of intent and ability to hold until maturity that makes other-than-temporary impairment more easily determined by the preparer. This modification should apply to both debt and equity securities to provide parity treatment for both type of investments.
4. Furthermore, the Board should include materiality language into the body of the Proposed FSP similar to the standard in guidance for loan loss accounting where "an insignificant delay or insignificant shortfall in amount of payments does not require application." While the Board has accepted the recommendation to exclude this language, it is imperative to include a materiality factor in the application of this treatment to provide preparers the ability to weigh the cost/benefit of application and to focus on providing the user with pertinent information.
5. Finally, with the restrospective treatment of the Proposed FSP, the Board should also allow the reversal of the non-credit portion of other-than-temporary impairment charges recorded in prior periods when adopted. This reversal would create more comparability between periods and correct overstatement of losses in prior periods.

Georgia Central values the Board's recent efforts to provide clarification of existing GAAP to assist preparers and improve financial reporting. With the consideration and incorporation of the aforementioned adjustments, the Proposed FSP will further improve comparability and transparency in financial reporting.

Thank you in advance for the opportunity for comment and your time and consideration. If you would like to discuss any of the concepts presented above, please do not hesitate to contact me at 770-476-9704 x 361.

Sincerely,



Amy M. Fuller
Senior Vice President/Chief Operating Officer

CC: Congressman Barney Frank, Chairman, House Committee on Financial Services
Congressman Paul Kanjorski, Chairman, Subcommittee on Capital Markets, Insurance,
and Government Sponsored Enterprises
Senator Christopher Dodd, Chairman, Senate Committee on Banking, Housing, & Urban
Affairs
Richard Shelby, Ranking Member, Senate Committee on Banking, Housing, & Urban
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Brad Miller, Executive Director, Association of Corporate Credit Unions
Greg Moore, President/CEO, Georgia Central Credit Union