



March 31, 2009

LETTER OF COMMENT NO. 257

Financial Accounting Standards Board  
401 Merritt 7  
PO Box 5116  
Norwalk, CT 06856-5116

**Re: Proposed Modifications to Statement No. 157**

Dear Board Members:

I wish to comment on the proposal being considered by the FASB concerning alternatives to the existing guidelines on mark to market accounting and other than temporary impairment of financial assets.

I believe that in the current economic environment the proposed changes to Statement No. 157 are necessary to account for the illiquidity that is impacting the valuation of certain investment securities, in particular those issued by financial companies. The market value of certain securities is being negatively affected by factors beyond the value determined in an arms length transaction between a willing buyer and seller. These additional factors must be considered when determining if the loss of value of an investment is other than temporary.

In the abnormal investment market of the past several months, the market value of certain distressed securities does not necessarily represent the true economic value of the investment, but simply may reflect the lack of liquidity for the security. If the owner of a security has the ability and expectation to hold an illiquid investment until the return of a normal market, it should retain the option to record the market value depreciation through other comprehensive income. The decision to classify an investment as OTTI needs to consider much more than the recent value of the security, and, as such, guidelines need to be provided by the FASB.

I believe the proposal before the FASB to consider all factors impacting the stated price of a security, so long as they can be adequately documented, represents a practical response to the current abnormal market environment. As a non public financial institution, but one with quarterly reporting responsibility to the FDIC, it would be beneficial to have these guidelines issued for application to our March 31, 2009 financial statements.

Sincerely,

George E. Fahey  
Sr. V.P. & C.F.O.