

March 31, 2009



Mr. Russell Golden, Technical Director Financial Accounting Standards Board 301 Merritt 7 PO Box 5116 Norwalk, CT 06856-5116

Via email: director@fasb.org

File Reference: Proposed FSP FAS 115-a, FAS 124-a, and EITF 99-20-b, Recognition and Presentation of Other-Than-Temporary Impairments

Dear Mr. Golden:

Amboy Bank appreciates the opportunity to comment on the Proposed FSP FAS 115-a, FAS 124-a, and EITF 99-20-b, Recognition and Presentation of Other-Than-Temporary Impairments ("proposed FSP"). We strongly support all of the American Bankers Association's recommendations for the proposed FSP as presented in their letter to you dated March 30, 2009 and the longer-term recommendations presented therein.

Amboy strongly supports the proposed FSP as we believe that greater transparency is achieved with recognizing credit losses through earnings for securities where management does not have the intent or the requirement to sell. As an example, Amboy recognized other than temporary impairment ("OTTI") on one security in excess of 50% of the book value of the security. Had we recognized OTTI only to the extent of the credit loss, we would have recorded OTTI of approximately 10% of the book value of the security.

As strongly as we support the recognition of credit losses through earnings, we do not believe that the market-related OTTI for held to maturity ("HTM") securities should be included in Other Comprehensive Income. We believe this proposal contradicts the principle that HTM securities are insulated from fluctuations in market price. Therefore, we support the ABA's recommendation to the FASB that OTTI for HTM securities be limited to recognition of credit losses only.

Thank you for your consideration of our comment letter. Please feel free to contact Mary Riccardi, Amboy's Chief Financial Officer (<u>mriccardi@amboybank.com</u>; 732-970-2027) or me (gscharpf@amboybank.com; 732-970-2001) if you would like to discuss our view.

Very truly yours,

George E. Scharpf

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President & Chief Executive Officer