File Reference No. 1530-100

Stacey Sutay

LETTER OF COMMENT NO. 11

From: Peden, James [James.Peden@louisvilleky.gov]
Sent: Thursday, June 14, 2007 11:49 AM
To: Director - FASB
Subject: File Reference No. 1530-100

Technical Director—File Reference No. 1530-100
Financial Accounting Standards Board

Technical Director,

I am a member of the Louisville Metro Council Committee on Labor & Economic Development. In that capacity I serve two roles: providing information to companies which look to expand into our area **and** protecting the public interest. It is with this second role in mind that I strongly encourage the FASB to move forward with its recommendations. The public is better protected by requiring financial guaranty companies to have a uniform system of accounting methods.

If the financial guaranty insurance industry looks to blame anyone for the need to have better accounting measures like the ones recently created by the FASB, they need to blame themselves. I support the FASB exposure draft because it helps to keep the industry honest.

In 2006, MBA landed in some hot water after violating the Pennsylvania state-mandated cap of 10 percent interest on back taxes. Instead of just selling the offending operation (Capital Asset), MBA decided to set up a shell corporation to continue operations.

Is it any wonder why people like me are supporting the FASB recommendations? If the financial guarantors won't conduct business fairly, it is FASB's obligation to make sure that they do.

Please require the financial guaranty insurance industry to conduct business fairly. Please require that they follow the advanced accounting procedures you have proposed.

Sincerely,

James Peden

James Peden

6/14/2007

Louisville Metro Council District 23

JAMES PEDEN

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