From:
 Cindy Beazley

 To:
 Director - FASB

 Cc:
 Bruce Whitehurst; Jay Spruill

Subject: Disclosures about Credit Quality of Financing Receivables

Date: Monday, August 24, 2009 11:39:46 AM

## VIRGINIA BANKERS ASSOCIATION

August 20, 2009

Mr. Russell Golden Technical Director Financial Accounting Standards Board 301 Merrit 7 P. O. Box 5116 Norwalk, CT 06856-5116

Via email: director@fasb.org

File Reference: No. 1700-100 Disclosures about Credit Quality

of Financing Receivables and the Allowance of Credit Losses

Dear Mr. Golden:

I am writing on behalf of the Virginia Bankers Association (the "VBA") to express our concerns with the above proposal. The VBA represents the interests of banks and thrifts doing business in the Commonwealth of Virginia.

While the VBA supports clarity and transparency in financial reporting of the allowance for credit losses, we believe this proposal is unnecessary and will create problems for our banks. In particular, the Exposure Draft ("ED") calls for an effective date of December 31, 2009. We believe banks would have great difficulty complying by this date because of Sarbanes-Oxley Act and systems issues. More time would be needed.

Moreover, we question the relevance of many of the required disclosures. We believe bank management voluntarily provides adequate forms of supplemental credit loss information to their directors and investors, and that a new standardized form of disclosure is simply not needed. Indeed, such standard form may cause confusion.

Finally, we have customer confidentiality concerns. Specifically, the detail required in the allowances on specific borrowers, if made public, could have the unintended effect of harming such borrowers' businesses. Allowances that indicate large losses at a particular local company could cause customers of that company to suspend doing business with such company.

Accordingly, the VBA urges the Financial Accounting Standard Board to begin anew on this matter and seek more input from bankers on the best way to approach this subject. Thank you for considering our views.

Sincerely,

Bruce T. Whitehurst

President and Chief Executive Officer

For more information visit our website at www.vabankers.org
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