



September 20, 2010

Mr. Russell G. Golden
Technical Director
Financial Accounting Standards Board
401 Merritt 7
P.O. Box 5116
Norwalk, Connecticut 06856-5116

**Re: Proposed Accounting Standards Update
Contingencies (Topic 450): Disclosure of
Certain Loss Contingencies
File Reference No. 1840-100**

Dear Mr. Golden:

We appreciate the opportunity to comment on the proposed accounting standards update "Contingencies (Topic 450): Disclosure of Certain Loss Contingencies" (the Proposed ASU). Federated is one of the largest investment managers in the United States with \$337 billion in managed assets as of June 30, 2010. The majority of Federated's revenue is derived from advising and administering Federated mutual funds and separate accounts in both domestic and international markets. With 135 funds and a variety of separately managed account options, Federated provides comprehensive investment management to approximately 5,200 institutions and intermediaries including corporations, government entities, insurance companies, foundations and endowments, banks and broker/dealers.

We agree that the objective of financial reporting should be to provide users of financial statements with transparent, comprehensive and useful information. This includes providing users with information to enable them to better assess the likelihood, timing and magnitude of future cash flows associated with loss contingencies.

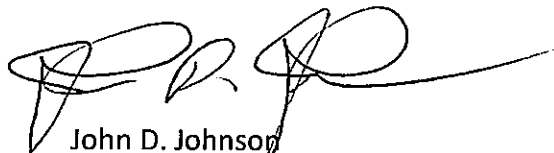
However, we do not believe that the enhanced disclosure requirements under the Proposed ASU would accomplish this objective for the general reasons articulated in the August 18, 2010 letter submitted by the Association of Corporate Counsel regarding this Proposed ASU.

* * *

Mr. Russell G. Golden
September 20, 2010
Page 2 of 2

We appreciate your consideration of this letter and we welcome the opportunity to talk through our comments and observations with the FASB staff. Please contact John Johnson at (412) 288-6935 to discuss any questions you may have regarding our comments.

Sincerely,

A handwritten signature in black ink, appearing to read 'J.D. Johnson', with a long horizontal flourish extending to the right.

John D. Johnson
Senior Corporate Counsel
Federated Investors, Inc.