



**Gulf
Electric
Company**
INCORPORATED
OF MOBILE

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October 27, 2010

Technical Director
File Reference No. 1860-100, FASB
401 Merritt 7, P.O. Box 5116
Norwalk, CT 06856-5116

Gentlemen;

As a small business owner, I am writing this letter to express my sincere concern over the recent proposed rules that affect multiemployer pension plans. Our Company has been in business since 1937. Like most small business, we rely on a commercial line of credit to supplement our cash flow requirements. I feel certain you are aware of the challenges that small businesses face in renewing lines of credit with banks. Many businesses have failed due to this problem and many jobs have been lost.

The Financial Accounting Board has recently proposed two new rules that could have a devastating affect on many small businesses' ability to borrow money due to these new reporting requirements. The first proposal, Topic 450, covers disclosure of certain loss contingencies. Under no circumstances should FASB expand the threshold to change the current reporting standard from "probable or reasonably possible" to "remotely possible." The second proposal, Topic 715-80, is the Exposure Draft on Compensation-Retirement Benefits-Multiemployer Plans which is a dramatic expansion of the reporting requirements. The costs associated with reporting these requirements will be a tremendous financial burden on the employer and the plans involved. It would require that every employer determine their withdrawal liability and disclose such figures on the financial report.

The reality is that the employer has not and will not take steps to cease contributing to a plan and go "non-union" within five years, which would trigger this liability event. Congress has, over the past several years, passed laws aimed at strengthening employer sponsored pension plans. It has also passed laws to set out special rules (ERISA) for the construction industry with respect to withdrawal liability.

At a point in time when the country is coming out of an economic recession, these proposals would place an unnecessary restriction on the ability of small business to maintain necessary credit to stay in business. Please consider not adopting these proposals. Additional businesses will fail and people will lose jobs as a result of these proposals.

Thank you for your considerations.

Sincerely,

Charles Freeman
President

CF:sdz