

Financial Accounting Standards Board
401 Merritt 7
P. O, Box 5116
Norwalk, CT 06856-5116

Gentlemen:

I find no merit in your rule that liabilities be reported at their fair value.

Your job is to describe and establish a consistent method to report financially related events accurately and meaningfully. The method must be adequate to estimate the risk of investment and probable future financial success for owners, lenders and employees. The rule makes reasonable estimates impossible.

The value of obligations must be equal to the amount of cash that would be required to retire them. Usually, par value would be appropriate. Notional values are not acceptable.

Reportable obligations should be comprised of all outstanding promises to pay a sum certain or determinable by a date certain or determinable. This would include wage and salary contracts, leases, rentals and guarantees or endorsements. Any other obligations for future payments of cash that is not captured should be footnoted with reason for such treatment and best estimate of the amount of cash that will be needed.

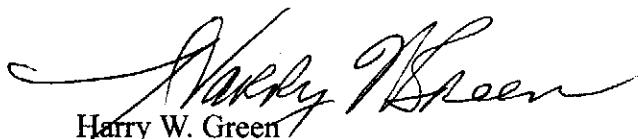
“Cash” and “equivalents” should be separately stated. To be equivalent, the medium so described must be that used to retire an obligation.

The relatively short time from proposal to adoption, following the weak reporting required for derivatives gives rise to a suspicion of conspiracy. It could have started as a fraternity prank to see what the establishment could be induced to accept, but it has proven to be deadly in destroying our economy, so much so, that I do not rule out that being the original intent.

Who were the original proponents? Were any of them involved in seeking misleading treatment for derivatives? Where are they now, I wonder?

Because of the possibility that this stupid rule was designed to disrupt our economy, I am sending a copy of this letter to the Department of Homeland Security and because I am aware that one of the proponents was a president of a Federal Reserve Bank, who was subsequently chairman of the Ethics Committee of the board of directors of Countrywide, a company that appears to have played a major disruptive role, the Board of Governors is also being furnished with a copy.

Sincerely,



Harry W. Green
28 Andreas Court
Novato, CA 94945

copies: a/s