LINDUS
ADVISORS, INC.

December 31, 2008

Mr. Christopher Cox
Chairman, Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

Re: File No. 4-573 – SEC Study of Mark-to-Market Accounting

Dear Mr. Chairman:

As an equity analyst for a Registered Investment Adviser, I read financial statements and value companies on a daily basis. While I applaud the FASB's attempt to increase transparency and enable investors to more accurately value publicly held companies, FAS 157 ignores the intent and the ability of the holder in mandating marking-to-market assets and liabilities on the balance sheet when the asset is long-lived and performing.

When complying with FAS 157, companies must use the exit price as the fair market value. The exit price is reasonable and applicable for trading securities and current liabilities, but it does not truly reflect the economic value of held-to-maturity securities. The exit value varies for reasons unrelated to the true financial value of the instrument. Illiquid markets are volatile and easily manipulated when a few participants are forced to sell for company-specific reasons. Forced sales should not compel entities, with a different outlook and the capacity to hold to maturity, to match their balance sheets. This jeopardizes the liquidity of a company and perpetuates the forced sale cycle. Even though FAS 157 excludes forced sales from being used as fair market value, when the majority of sales are pressured, this price effectively becomes market value.

A return to the income approach for held-to-maturity securities relieves market volatility and stabilizes those companies most affected by recent market turmoil. If companies use a discounted cash flow method to value a portfolio of loans with robust disclosures about adjustments for the likelihood of nonperformance, the balance sheet truly reflects future economic value and allows analysts and other users of the financial statements to accurately price the assets and the company. The income approach stabilizes the balance sheets, especially of financial companies, and reduces the likelihood of forced sales to comply with regulatory capital requirements.

Accounting standards must match both the ability and the intent of companies in relation to their securities. There is no reason that a going concern should be forced to value their assets at liquidation value. This value is not representative of the institution's operating results nor of their capital position, which does not benefit any of the stakeholders in the company from employees to management to investors.

Thank you for the opportunity to comment on such an important accounting matter.

Sincerely,

Brooke Lively
Equity Analyst
Lindus Advisors, Inc.