

McElveen, Josephine

From: Barbara Walker [bwalker@ibcbanks.org]
Sent: Wednesday, October 15, 2008 11:32 AM
To: CHAIRMANOFFICE
Subject: Mark to Market Comment Letter
Attachments: MarktoMarketSELetter.doc



<<MarktoMarketSELetter.doc>>

Please see attached. Thank you.

Barbara Walker

Executive Director

Independent Bankers of Colorado

1580 Logan Street / Ste 510

Denver, CO 80203

P 303.832.2000

F 303.832.2040

www.ibcbanks.org

Colorado Banking at Its Best!

ES/26484
RECEIVED
2008 OCT 15 PM 12:35
CHAIRMAN'S
CORRESPONDENCE UNIT

Confidentiality Notice

The information in this email may be confidential and/or privileged. This email is intended to be delivered to the individual or organization named above. If you are not the intended recipient or an authorized representative of the intended recipient, you are hereby notified that any review, dissemination, copying or forwarding of the email and its attachments, if any, or the information contained herein is prohibited. If you have received this email in error, please notify the Independent Bankers of Colorado (IBC), Independent Bankers of Colorado Education Foundation (IBCEF), or the Independent Bankers Network (IBN) immediately at 303.832.2000 or email bwalker@ibcbanks.org and delete this email from your system. The IBC, IBCEF and IBN hereby claim all applicable privileges related to this information.



INDEPENDENT BANKERS OF COLORADO
1580 Logan Street, Suite 510
Denver, Colorado 80203
Phone 303.832.2000
Fax 303.832.2040
www.ibcbanks.org

October 16, 2008

The Honorable Christopher Cox
Chairman, Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549

Re: Mark to Market / FASB Statement Number 157

Dear Chairman Cox:

On behalf of over 145 community banks doing business in more than 1,000 locations across Colorado, we write to urge the Securities and Exchange Commission to immediately suspend the use of Statement Number 157 of the Financial Accounting Standards Board (FASB) as Congress and the President have encouraged. We believe that the temporary moratorium should be set as of September 30, 2008 and ending December 31, 2010.

We applaud the SEC and FASB's intentions to provide further guidance on the implementation of SFAS 157 and related fair value requirements; however this will not be sufficient. A halt to fair value accounting, which we believe has been a significant contributing factor to the current financial crisis, is necessary. The benefits of the assistance provisions of the legislation will not be fully realized unless and until SFAS 157 is fully examined and the issues surrounding its implementation resolved. We urge the SEC to recognize the pricing challenges of the current environment and the good faith efforts of institutions to provide accurate valuations given the difficulties in the market and when trying to determine whether or not impairments are "other-than-temporary."

We strongly believe that the SEC should immediately provide relief from the onerous and unworkable requirements of fair value accounting and SFAS 157. We are pleased to see that the SEC has started the study on mark-to-market accounting standards required by the Act. This should be a thorough and objective study of mark-to-market accounting that determines the effect it has had on the balance sheets of financial institutions and the role it has played in our current financial system crisis. The study must be broad in scope and include bankers (who both use and prepare financial statements) in the determination process.

Thank you for your prompt attention to this critical issue.

Sincerely,

Barbara M. A. Walker

Barbara M. A. Walker
Executive Director