



INDEPENDENT BANKERS  
ASSOCIATION OF TEXAS

1700 RIO GRANDE STREET  
SUITE 100  
AUSTIN, TEXAS 78701  
P: 512.474.6889  
F: 512.322.9004  
WWW.IBAT.ORG

MILTON MCGEE  
IBAT CHAIRMAN  
MMCREE@CNBTexas.COM  
CITIZENS NATIONAL BANK,  
HENDERSON

ALLAN J. RASMUSSEN  
IBAT CHAIRMAN-ELECT  
JRASMUSSEN@HTBNA.COM  
HOMETOWN BANK, N.A.,  
GALVESTON

J. DAVID WILLIAMS  
IBAT VICE CHAIRMAN  
JD.WILLIAMS@HCSB.COM  
HCSB, A STATE BANKING  
ASSOCIATION, KERRVILLE

THOMAS C. SELLERS  
IBAT SECRETARY-TREASURER  
TSSELLERS@ALLIANCEBANK.COM  
ALLIANCE BANK,  
SULPHUR SPRINGS

KYLE IRWIN  
LEADERSHIP DIVISION PRESIDENT  
KKYLE\_IRWIN@HOTMAIL.COM  
GRUVER STATE BANK

CLIFF MCCAULEY  
IMMEDIATE PAST CHAIRMAN  
CMCCAULEY@FROSTBANK.COM  
FROST BANK, SAN ANTONIO

CHRISTOPHER L. WILLISTON, CAE  
PRESIDENT AND CEO  
CWILLISTON@IBAT.ORG

STEPHEN Y. SCURLOCK  
EXECUTIVE VICE PRESIDENT  
SSCURLOCK@IBAT.ORG

RAMONA JONES  
IBAT SERVICES PRESIDENT  
RJONES@IBAT.ORG

MARY E. LANGE, CAE  
IBAT EDUCATION FOUNDATION  
PRESIDENT  
MLANGE@IBAT.ORG

JANE HOLSTIEN  
SENIOR VICE PRESIDENT  
JHOLSTIEN@IBAT.ORG

URSULA L. JIMENEZ, CAE  
SENIOR VICE PRESIDENT  
UJIMENEZ@IBAT.ORG

GURT NELSON  
SENIOR VICE PRESIDENT  
CNELSON@IBAT.ORG

October 8, 2008

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

Re: FAS 157

Dear Chairman Cox:

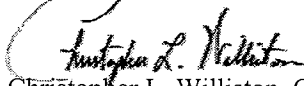
Now that the Emergency Economic Stabilization Act of 2008 has become law, the Independent Bankers Association of Texas (IBAT) strongly urges the Securities and Exchange Commission to immediately suspend the use of Statement Number 157 of the Financial Accounting Standards Board (FASB) as Congress and the President have encouraged. IBAT is a trade association representing approximately 600 independent community banks domiciled in Texas. We believe that the temporary moratorium should be set as of September 30, 2008 and ending December 31, 2010.

Although the SEC and the FASB have provided or plan to provide further guidance on the implementation of SFAS 157 and related fair value requirements, we do not believe it is enough and urge a halt to fair value accounting, which we believe has been a significant contributing factor to the current financial crisis. 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. If we can be of assistance please contact Deputy General Counsel Shannon Phillips Jr. at (512) 275-2221.

Cordially,

  
Christopher L. Williston, CAE  
President and CEO

cc: Conrad Hewitt, Chief Accountant  
U.S. Securities & Exchange Commission  
100 F Street NE, Washington, D.C. 20549

Robert H. Herz, Chairman  
Financial Accounting Standards Board  
401 Merritt 7, P.O. Box 5116, Norwalk, CT 06856

RECEIVED [Sent via e-mail]

2008 OCT -9 AM 8:51  
ES 126396  
CHAIRMAN'S  
CORRESPONDENCE UNIT