

SHELBY SAVINGS BANK

111 Selma Street
Center, Texas 75935

December 30, 2008

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



LETTER OF COMMENT NO. 223

Via email: director@fasb.org

File Reference: Proposed FSP EITF 99-20-a (*Amendments to the Impairment and Interest Income Measurement Guidance of EITF Issue No. 99-20*)

Dear Technical Director:

Shelby Savings Bank appreciates the recent focus of the Financial Accounting Standards Board (FASB) on the important issue of "other than temporary impairment" (OTTI).

We support the FASB's Proposed FASB FSP EITF 99-20-a, *Amendments to the Impairment and Interest Income Measurement Guidance of EITF Issue No. 99-20*, which would amend EITF Issue No. 99-20 (*Recognition of Interest Income and Impairment on Purchased Beneficial Interests and Beneficial Interests That Continue to Be Held by a Transferor in Securitized Financial Assets*). We urge you to issue the proposal in final form, to be effective for December 31, 2008 financial reporting.

We believe this proposal is an important first step toward improving the application of OTTI, and we appreciate the FASB's recent decision to examine additional problems relating to OTTI. The letter from the American Bankers Association to the FASB on the proposal, dated December 28, 2008, which supports the proposal and requests that additional OTTI concerns be addressed for year-end 2008 reporting addresses many of our concerns. OTTI has been controversial for many years, and we believe it would be more meaningful to use a model based on credit impairment rather than on market values. It is difficult to determine a "real" market value when, for temporary reasons, there are no buyers. The underlying value has not gone away. Because of the significance of the problems with the application of OTTI in the current market environment, we believe changes to these practices are critical for year-end 2008 financial reporting.

Thank you for your attention to these matters and for considering our views.

Sincerely,

A handwritten signature in cursive script, appearing to read "John L. Snider".

John L. Snider
President