McGladrey & Pullen

Certified Public Accountants

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February 18, 2008

Mr. Russell Golden
Director of Technical Application and Implementation Activities
Financial Accounting Standards Board
401 Merritt 7
P.O. Box 5116
Norwalk, CT 06856-5116

LETTER OF COMMENT NO.

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RE: Proposed FSP FAS 157-c

Dear Mr. Golden:

We are pleased to comment on the proposed FASB Staff Position (FSP) No. FAS 157-c, Measuring Liabilities under FASB Statement No. 157.

We support the decision by the FASB to clarify the principles in FASB Statement No. 157, *Fair Value Measurements*, on the fair value measurements of liabilities. We share the concerns that there is a lack of observable markets or observable inputs for the transfer of a liability, and that in situations where an existing liability may be transferred to a new obligor, the transferee may not have the same nonperformance risk as the transferor. We also agree, because of these circumstances, the fair value measurement of a liability does embody a hypothetical measurement attribute as such a transfer notion would not occur in the market place and as a result presents difficulties to issuers in applying the transfer notion for liabilities incorporated in Statement No. 157. We believe the suggested amendments to FASB Statement No. 157 do improve the consistency of the fair value measurement of a liability and would assist issuers in measuring the fair value of liabilities.

Our only observation on the proposed FSP is a suggestion to clarify whether the effective date of the FSP will be as of the beginning of the *interim* period, as opposed to the beginning of the annual period in which the final FSP is posted. We also assume that any transition effect of using the guidance in the proposed FSP will just be included in that period's change in fair value.

We would be pleased to respond to questions the Board or its staff may have about any of the foregoing comments. Please direct any questions to Jay D. Hanson (952-921-7785) or Jolene M. Hart (952-921-7735).

Sincerely,

McGladrey & Pullen, LLP

McGladrey of Pullen, LCP