From: roger@battlecreekstatebank.com

To: <u>Director - FASB</u>

Subject: File Reference: No. 1810-100, "Accounting for Financial Instruments and Revisions to the Accounting for

Derivative Instruments and Hedging Activities"

Date: Monday, September 13, 2010 11:12:57 AM

Roger Brestel President Battle Creek State Bank P.O. Box 308 Battle Creek, NE 68715-0308

September 13, 2010

Russell Golden Technical Director Financial Accounting Standards Board 401 Merritt 7, PO Box 5116 Norwalk, CT 06856-5116

Dear Mr. Golden:

Thank you for the opportunity to comment on the exposure draft, "Accounting for Financial Instruments and Revisions to the Accounting for Derivative Instruments and Hedging Activities."

As President of Battle Creek State Bnak, a banking institution in Battle Creek, Nebraska with \$27,000,000 in total assets, I am writing to express my opinions on specific provisions of the exposure draft.

I am strongly opposed to the portion of the proposal that requires all financial instruments - including loans - to be reported at fair value (market value) on the balance sheet.

There is no active market for many of our loans, and estimating a market value makes no real sense.

The costs and resources that we will need to comply with this new requirement would be significant. This will require us to pay consultants and auditors to estimate market value.

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For the reasons stated above, our bank respectfully requests that the fair value section of the exposure draft be dropped.

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I recommend that any final model be tested by banks my size in order to ensure that the model is solid and workable.

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II. COMMENTS ON LOAN IMPAIRMENT

I recommend that any final model be tested by banks my size in order to ensure that the model is solid and workable.

Thank you for considering my comments.

Sincerely,

Roger L. Brestel 402-675-2035 President Battle Creek State Bank

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