



Community Trust Bank

September 16, 2010

Technical Director
Financial Accounting Standards Board
PO Box 5116
Norwalk, CT 06856-5116

Re: No. 1810-100 Accounting For Financial Instruments and Revisions to the
Accounting for Derivative Instruments and Hedging Activities

Dear Members of the Financial Accounting Standards Board:

As a member of the Texas Bankers Association and an executive manager of a commercial bank, I add my concern with and opposition to FASB's proposed changes to the fair value accounting rules that would expand the mark-to-market accounting. As I understand the proposed change, a commercial bank would be required to record all of its assets and liabilities at fair value despite the fact that we hold these financial instruments for long-term investment purposes.

Since these financial instruments are not routinely traded or sold, the proposed changes would cause unnecessary cost and waste of critical resources, including capital, for no obvious tangible benefit. If implemented, we would probably have to reevaluate our lending approach, which most assuredly would lead to decreased lending activity. We could not afford the cost a mark-to-market approach would have on our loan portfolios, included the erosion of capital for no supportable reason.

We are genuinely concerned of the consequences associated with the change associated with fair value results, including the loss of confidence our customers and shareholders from the widely fluctuating capital position these changes would require. Now is not the time to cause a further decline in public confidence in the banking system. Therefore, we strongly request that FASB withdraw the proposed changes.

Respectfully,

Van E. Pardue
President & CEO Texas