September 21, 2010

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

Re: Accounting for Financial Instruments and Revisions to the Accounting for Derivative Instruments and Hedging Activities

Dear Mr. Golden:

This letter is for the purpose of commenting on the accounting changes proposed in "Accounting for Financial Instruments and Revisions to the Accounting for Derivative Instruments and Hedging Activities." As an investor in bank stock and a community bank board director, I am opposed to the section of the proposal to require our bank to mark-to-market all financial instruments in the bank's asset portfolio. The requirements in the proposal introduce complexity that we, as investors, do not need or want.

The reliability and comparability of bank capital, since it will largely be dependent on the fair values of assets with no active markets, will drastically diminish. The reliance on individual modeling in order to determine "market" credit and liquidity spreads on most commercial loans (which normally have both non-standard underwriting criteria and non-standard terms) will only serve to confuse investors.

The unnecessary volatility of, and confidence in, bank equity will cause an increase in the cost of capital, due to perceived increased risk by certain members of the market.

It's my opinion that most bank customers will not fully understand fair value results. Therefore, there is an increased risk with depositors and other bank customers, who may withhold funds or other business based on media reporting of fair value losses or deficits.

Please consider removing the proposal for mark to market value from consideration by the Financial Accounting Standards Board.

Sincerely,

Lewis Rone

Lewis Rone