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September 30, 2010

Via E-mail to director@fasb.org

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

Re: File Reference: No. 1810-100, "Accounting for Financial Instruments and Revisions to the Accounting for Derivative Instruments and Hedging Activities"

Dear Mr. Golden:

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

As Corporate Controller of F.N.B. Corporation, a banking institution headquartered in Hermitage, Pennsylvania with \$8.8 billion in total assets, I am writing to express my opinion on specific provisions of the exposure draft.

COMMENTS ON FAIR VALUE

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

Investments in loans are long term in nature and current fair value information reported in the footnotes provides an estimate and comparison of cost to fair value. If these estimates were converted to basic statements, it would make the financials less reliable as the primary component of our assets would be changed from a firm amortized cost basis to estimates that could vary wildly on a periodic basis. The fair value estimates would be considered Level 3 pricing, which is the lowest level of variable inputs that could result in different values among companies valuing similar if not identical assets. Perhaps the most important factor in our objection to fair value is our ability and intent to hold the loans to maturity with no intent to sell the loans. Obtaining price quotations for assets that are not likely to be sold produces poor erratic values from market sources. Such estimates would not properly serve long-term investors looking for a reasonable return on their investment.

Banks are not operated like mutual funds that value everything on a daily basis to permit a trading price for their shares. Mutual funds generally have readily traded equities that can be valued daily. Bank investments predominantly consist of loans that have been using a cost basis method of accounting that has served investors very well for many years. Changing to a fair value basis for a significant portion of the balance sheet would be based on inherently subjective and imprecise measurements developed though the use of significant unobservable inputs. The

trading price of bank shares is not intended to match the book value of these shares. The mismatch is driven by market factors and perceptions in value by the investors.

Our investors have not expressed an interest in receiving this information. We believe our investors would not view these costs, which must come out of bank earnings, as being either reasonable or worthwhile. The costs to develop, maintain and audit the systems needed to value loans on a fair value basis are not inconsequential and could have the impact of reducing credit availability in this period of economic stress. Changing the basis of accounting for loans that generate regular monthly cash flows to fair value estimates could force a redesign of our current systems and may cause banks in general to be less willing to lend to customers on a fixed rate basis for any length of time due to the volatility it will introduce into the balance sheet and income statement.

The proposed standard will diminish rather than improve the transparency of financial statements. We have not developed our business model focused on liquidation value, but as a going concern intent on doing business for the long-term foreseeable future. Our loan portfolio is held as part of an overall business relationship with our customers that are funded with deposits obtained within markets where we conduct our community-based business.

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

Thank you for considering my comments.

Sincerely,

Timothy G. Rubritz

Timothy G. Rubritz Corporate Controller, Senior Vice President and Principal Accounting Officer