1810-100 Comment Letter No. 1731

From: <a href="mailto:pwatson@pbparis.com">pwatson@pbparis.com</a>
To: <a href="mailto:pirector-FASB">Director-FASB</a>

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

Derivative Instruments and Hedging Activities" Exposure Draft

Date: Monday, September 20, 2010 9:22:54 AM

Pat Watson 35 s plaza paris, TX 75460-5747

September 20, 2010

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

Dear Mr. Golden:

Thank you for the opportunity to comment on FASB's Exposure Draft: Accounting for Financial Instruments and Revisions to the Accounting for Derivative Instruments and Hedging Activities.

I am writing to urge FASB to not go forward with the proposal.

Conservative community bankers (and bank regulators) see the need for more flexibility in setting the allowance for loan and lease losses. We are all well aware that economic cycles occur and it is very difficult to absorbing losses and raising capital during times of economic difficulties, such as the current environment.

Again, we thank your for the opportunity to comment on this proposal.

Sincerely,

Pat Watson