1810-100 Comment Letter No. 1739

From: <u>lstackhouse@asknccb.com</u>

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

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 9:27:58 AM

Lucille Stackhouse 17 Sussex Road Winchester, MA 01890-3846

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:

I am writing to comment on FASB's proposed accounting change "Accounting for Financial Instruments and Revisions to the Accounting for Derivative Instruments and Hedging Activities".

I am the Vice President and Treasurer of the North Cambridge Co-operative Bank, a \$90 million institution in Cambridge, MA that has been in business for almost 100 years. In the highly competitive market in which we are located this bank still exists because of the outstanding customer service we offer along with extremely competitive deposit and loan rates.

Like many community banks, this bank is not involved with derivatives or hedging activities. We are a community bank that funds its business by taking in local deposits and lending to our community. We hold these loans for the long term.

The proposed accounting treatment for core deposits and loans would be expensive and time consuming, particularly for a small bank like ours with a limited staff of 13 individuals. Conducting the analysis would be extremely time consuming and would provide no benefit to our customers.

I oppose requiring institutions to record demand deposits at fair value.

I also oppose requiring fair value calculations for loans that are held for the long-term to collect cash flows.

The expanded reporting of comprehensive income is unnecessary, confusing and of little use to most financial statement users.

I thank your for the opportunity to comment on this proposal.

Sincerely,

Lucille A. Stackhouse 6178765730

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