FIRST CAPITAL BANK

September 24, 2010

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

File Reference: 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:

I am writing on behalf of FirstCapital Bank of Texas. We are a community bank with \$440 million in total assets. We are based in three major West Texas markets of Midland, Amarillo, and Lubbock. I am writing to express our banks concern with and opposition to FASB's proposed changes whereby banks will be required to record all financial assets and liabilities at fair market value.

Forcing banks to begin accounting for long-term investments at fair value will result in a significant change to their capital base because these assets most often have no active markets. In today's tough economic times, preserving capital is imperative and forcing banks to adjust equity based on mark to market issues will potentially erode capital levels.

Significant costs will be incurred in order to provide fair value estimates at what appears to be of no benefit to the customer, the shareholder or the bank. Few people will understand the mark to market issues and will effectively render bank balance sheets unreadable. Additionally bank balance sheets will not be understood by anyone outside the organization. This again could erode capital as customers and shareholders will have undue fear placed in their minds with regard to financial stability of the bank and reliability of reporting by our staff.

The American Bankers Association and Texas Bankers Association have filed responses to the proposal being offered. Our bank fully supports their respective positions.

Thank you in advance for your time and careful consideration of the above. It is our request that <u>FASB</u> would withdraw this proposal.

Respectfully

Mark Odle

Executive Vice President