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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 a lender with a \$339 million bank. The bank has six locations in Central Texas including Georgetown, which is the location I manage and Florence, Killeen, Harker Heights, Liberty Hill and Round Rock. I am responsible for originating and collecting the loans I make. Being a community bank we make a variety of loan types, with mostly adjustable rates and terms less than five years. For longer term loans we typically require interest rate adjustments. We use traditional loan underwriting techniques and do not discuss loan marketability, unless the loan is too large for our capital base, in which case we would discuss participating with another bank. From a financial perspective, our loan decisions are focused on collecting installments and repayment at note maturity. If a borrower stops repaying the loan, our strategy is to collect the loan by repossessing and liquidating collateral and through legal action against the borrower. We do not consider selling and trading loans.

Our bank has a residential mortgage division in which all of its loans are originated for the purposes of selling into the secondary residential mortgage market. All other bank loans are held till repayment or maturity.

The loans made by our bank are very small and unique. Our loan limit is \$5 million. I cannot imagine a scenario in which we would trade loans due to their size and unique characteristics.

Mark to market accounting would have a tremendous negative impact on the bank's profitability due to increased staff and accounting fees. Additionally, the new methods may cause loans to be denied, decreasing the amount of credit the bank could provide in

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its communities. I do not envision any positive financial benefit with adding this criterion.

I was under the impression FASB's intent was to provide consistent accounting globally, but I believe the current proposal does not accomplish that.

I request FASB withdraw the above referenced proposal.

Thank you for your consideration.

Sincerely,

J. Brad Curlee

Senior Vice President