From:	jimw@esbtrust.com
To:	Director - FASB
Subject:	File Reference: No. 1810-100, "Accounting for Financial Instruments and Revisions to the Accounting for Derivative Instruments and Hedging Activities"
Date:	Wednesday, September 22, 2010 2:55:19 AM

James Wayman
PO Box 807
Emporia, KS 66801-0807

September 21, 2010

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

Dear Mr. Golden:

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

I am President and CEO of a small community bank in Emporia, Kansas with $150 million in assets, and I am writing to express my views on provisions of the exposure draft. We are a S-Corporation. The total number of shareholders of our bank is less than 20.

I. COMMENTS ON FAIR VALUE

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

Our bank keeps all of our commercial loans, which represents 62% of our total loan portfolio. It would send a false message to readers of our financial statements that we intend to sell our commercial loans.

We develop relationships with our clients. We base our loan decision based on relationships, and we collect our loans based on the close relationships we foster. If we end having collection problems with one of our clients, we try to work it out through the collection process, not by selling the loan. Besides, there is not an active market for many of our loans.

Marking all loans to market would cause our bank's capital to change frequently, not matter how our loan portfolio is performing. Changing market conditions is not a way to determine if a bank's capital is sufficient or not.

I respectfully reque3st that the fair value section be implemented by banks like mine.

Sincerely,

6203409908
President & CEO
ESB Financial