

From: greg.lewis@unitedsouthernbank.com
To: [Director - FASB](#)
Subject: Comments on No. 1810-100, "Accounting for Financial Instruments and Revisions to the Accounting for Derivative Instruments and Hedging Activities" Exposure Draft
Date: Wednesday, September 22, 2010 2:55:26 AM

Greg Lewis
2701 S. Bay St
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September 21, 2010

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

Dear Mr. Golden:

My name is Greg Lewis and I am a Senior Vice President with United Southern Bank in Lake County Florida. We are a community bank that consists of 11 offices that serve our local rural population by providing for their banking and financial needs. I am writing to you to ask that you urge FASB to not go forward with the proposal to change the accounting for financial instruments.

The idea of "mark to market" is an accounting standard should not and in my mind does not apply to the business of community banks. The accounting that would result from this proposal would misrepresent the financial condition of our bank and many other community banks by devaluing loan portfolios--even though the borrowers behind them continue to perform. Additionally, the calculations necessary to interpret these values would put undue hardship on many community banks and force them to spend their much needed capital to comply with this ever-changing standard.

The loans that we make to local businesses have no real market in which they can be bought, sold and traded. Initially we underwrite the borrower's ability to repay the loan. Beyond this, we base our decisions whether or not to grant those loans not based on what the loan is worth, but the value that it adds--not only to the bank, but to the overall community as well.

The exercise of marking our assets and liabilities to market is unnecessary and confusing and the underlying calculations will do little to enhance the viability of community banks. It will force many banks to increase capital or decrease lending at a time when regulators are calling for more capital and our economy needs more, not less, credit availability.

I ask that you not implement the proposed rule.

Again, I thank you for the opportunity to comment on this proposal.

Sincerely,

Greg Lewis