

From: tomray43@aol.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: Tuesday, September 28, 2010 3:46:28 PM

Tom Ray
P O Box 128
Waterloo, AL 35677-0128

September 28, 2010

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

Dear Mr. Golden:

Dear Mr. Golden:

I am writing to urge FASB to not go forward with the proposed changes to require "fair" or "market" values to the primary components of the small banks.

Community banks fund their operations by taking deposits and holding loans for the long term. Many of our financial instruments are not readily marketable.

We oppose the proposed accounting treatment for core deposits. The calculations would be expensive and time consuming, particularly for smaller banks like ours that have limited staff resources.

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

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

Fair value measurements will not provide a better understanding of the values of illiquid agricultural loans held by small banks in rural areas such as this bank.

Community banks such as this bank create and hold small business loans for which there is no active market; it would be very difficult and costly to mark them to market.

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

This seems to be another unnecessary requirement that would prove costly for the small banks. Again, please do not go forward with this proposal.

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

Sincerely,

Tom Ray, President/CEO
256-766-2579