

From: rfulton@iowasavingsbank.com
To: [Director - FASB](#)
Subject: File Reference: No. 1810-100, "Accounting for Financial Instruments and Revisions to the Accounting for Derivatives Instruments and Hedging Activities"
Date: Wednesday, September 29, 2010 4:48:18 PM

Richard Fulton
510 W US Highway 30
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September 29, 2010

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

Dear Mr. Golden:

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

As the Chief Financial Officer of Iowa Savings Bank, a banking institution in Carroll, Iowa with \$153,800,000 in total assets, I am writing to express my opinions on a specific provision of the exposure draft.

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.

With the exception of originating and selling Residential Real Estate loans and the occasional participation of commercial loans to stay under legal lending limits, the Iowa Savings Bank does not sell loans. Like most community banks, we originate loans with the intent of holding that loan to maturity. Marking all loans to market would cause our bank's capital to sway with fluctuations in the markets - even if the entire loan portfolio is performing. Instead of providing better information about our bank's health, the proposal would mask it.

In addition, the costs and resources that we will need to comply with this new requirement would be significant. This will require us to pay consultants and auditors to estimate market value, with no benefit to either our customers or to the limited number of shareholders.

I urge you to reconsider and strike this provision from the proposal.

Sincerely,

Richard Fulton
712-792-9772