Brad R. Crain, CPA 2510 Ridgeline Ct. Lincoln, NE 68512

June 29, 2012

FASB Technical Director
File Reference No. 2012-200
401 Merritt 7
P.O. Box 5116
Norwalk, CT 06856-5116

To Whom it Concerns:

In my role of serving as the chief financial officer for a sound and successful privately owned financial institution with \$2.5 billion in total assets, I coordinate many different examinations and audits of the financial statements. As part of this responsibility, I am intimately aware of disclosure requirements and their potential usefulness to users of the financial statements. Disclosures are not meant to be all encompassing as that would be cost prohibitive and in fact based on a study conducted by KPMG it was found that a high quantity of information actually causes confusion and lessens the usefulness of the disclosures to the users. Although we are a closely held private financial institution, our annual audited financial statements with all disclosures is already over 50 pages which is well beyond necessity given the only users of the financial statements are the few owners of the bank, its directors and the banking regulators. No other parties request or receive the audited statements.

Given the size of the bank, regulatory guidelines require that we have an independent audit of our financial statements conducted annually. We are also examined annually by our primary regulators, the FDIC and the Nebraska Department of Banking and Finance, in addition to separate examinations by the Federal Reserve Bank. The annual regulatory safety and soundness examinations are extensive and follow what has been termed a CAMELS component approach with C=capital, A=asset quality, M=management, E=earnings, L=liquidity and S=sensitivity to market risk. During the examinations, the regulatory groups review policies, procedures, internal controls, monitoring and reporting with regards to the components and assign ratings which are rolled up to an overall composite rating which ultimately impacts amongst other things, the bank's deposit insurance premiums. Events over the last few years

have brought even more emphasis during the examinations on each of the components, especially the liquidity and sensitivity to market risk components.

The regulatory entities are the primary users of our financial statements and through their examination process have a thorough understanding of the bank's liquidity and the impact of fluctuating interest rates on the bank's financial statements. Regulatory guidelines already require banks to develop sound practices including policies and procedures including proper controls, reporting and monitoring of such matters relating to liquidity and interest rate risks. As to liquidity, current and pro forma liquidity positions are being monitored, stress tested and contingency plans are in place. As to interest rate risks, banks for several years have been required to test and document the sensitivity to hypothetical shifts in interest rate curves and to set polices to measure and quantify their tolerance for such risk. Providing this information in the footnote disclosures to the financial statements will add no value to the users of the financials as they have a much better understanding of the liquidity and interest rate risks of the bank than could be efficiently disclosed.

The proposed disclosures would only serve to clutter our already over-disclosed financial statements and due to the hundreds of numbers contained in the extensive tables would prove to add even more confusion to our few users. The cost and time to prepare the information, type it into the financial statements and to have the statements audited would greatly outweigh any benefits. For some banks gathering and preparing this information may require significant efforts including the possible addition of personnel especially given the burdens of other new and proposed disclosure along with impacts of Dodd-Frank. The information is useful to managing risks within the institution but to add to the disclosures in the financial statements adds no additional value to our users. Again, this is all from a privately held company perspective as we know who the users of our financial statements are and their desires for information. Personally, as an investor and follower of publically traded companies, I understand the potential usefulness of the information in that setting but feel those entities are already providing adequate disclosures and discussion of liquidity and interest rate risks especially in their MD&A.

Overall, Topic 825, "Disclosures about Liquidity Risk and Interest Rate Risk," for privately held financial institutions would not enhance the usefulness of the financial statements to the users and would only prove to be a financial and operational burden to the institution itself. Significant and specific information about liquidity and interest rate risk is already being reviewed by management, the board of directors, owners and regulators of the bank. The disclosure would provide useful information to readers and analysts of publically traded entities thus it would be appropriate to exclude nonpublic entities from the scope of the standard for

reasons noted above. I appreciate the opportunity to provide comments on the proposal and your consideration of my comments.

Sincerely,

Brad R. Crain, CPA