

Letter of Comment No: 103
File Reference: EITF03-1A

Mr. Lawrence Smith
Director and Chairman of the Emerging Issues T
Financial Accounting Standards Board
401 Merritt 7
Norwalk, Connecticut 06856

Re: Proposed FASB Staff Position, EITF Issue 03-1-a, Implementation Guidance for the Application of Paragraph 16 of EITF Issue No. 03-1, "The Meaning of Other-Than-Temporary Impairment and Its Application to Certain Investments"

Dear Mr. Smith,

Our bank, Commercial Bank, Parsons, Kansas, appreciates the opportunity to comment on the proposed Staff Positions, issued on September 15, 2004 by the Financial Accounting Standards Board (FSP 03-1-a). Commercial Bank is a family owned bank that has been in operation since 1874 and serves small rural communities in southeast Kansas. We have total assets of approximately \$190 million with about eighty employees. We have about 80 million of those assets in short-term government securities of which we receive a market value update monthly. All of our securities are listed as "available for sale" for convenience even though only once in the last twenty (20) years have we sold a security prior to its maturity, unless there was a significant tax benefit.

It makes no sense to be required to write down securities held a "available for sale" because of changes solely due to changes in interest rates. Our bank has a capital to asset ratio exceeding 15% and the average life of about three (3) years. Our bank has the ability to hold securities until maturity and always plans to!

We do not need additional meaningless regulations to hinder the operation of our bank. I have been in banking for almost forty (40) years and have seen many changes in interest rates. By investing in bankable securities and maintaining a profitable bank, any changes in market values of an investment portfolio will have little effect on a sound bank.

I appreciate the opportunity to furnish you my opinion and really believe that the intent of the proposed FASB position would have no positive effect on a community bank, its stockholder or depositors. We need the ability to fully concentrate on operating a solid community minded and profitable bank rather than dealing with accounting issues that just add more paper work!

Sincerely,

Philip R. Eaton
President