

Letter of Comment No: 124 File Reference: EITF03-1A

October 27, 2004

CRAIG R. CURRY CHAIRMAN AND CEO

Mr. Lawrence Smith
Director and Chairman of the Emerging Issues Task Force
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:

Central Bank of Lebanon, Missouri, would like to comment on the proposed Staff Position issued on September 15, 2004, by the Financial Accounting Standards Board (FSP 03-1-a). Central Bank is a \$174 million state-chartered community bank serving a large area of South-Central Missouri since 1917.

We are concerned about these new proposals. High on our list of "problems" are:

- Debt securities held in available for sale status should not be written down for changes in market values just because of increases in interest rates.
- Requiring in "intent to hold" in available for sale status is inconsistent with available for sale (AFS). We feel the focus should be on the "ability to hold".

If implemented, this proposal will cause increased income and capital volatility by requiring incorrect write downs on assets that are under water and classified as AFS.

We would urge you to work with the banking industry on this.

Sincerely

Craig R. Curry
Chairman and CEO