

SIMMONS FIRST NATIONAL CORPORATION

J. THOMAS MAY Chairman of the Board Chief Executive Officer October 9, 2009

Mr. Russell Golden Technical Director Financial Accounting Standards Board 301 Merritt 7 P.O. Box 5116 Norwalk, CT 06856-5116

Via email: <u>director@fasb.org</u>

File Reference: No. 1710-100 Fair Value Measurements and Disclosures (Topic 820) – Improving Disclosures about Fair Value Measurements

Dear Mr. Golden:

Simmons First National Corporation appreciates the opportunity to comment on the exposure draft: Fair Value Measurement and Disclosures (Topic 820) – Improving Disclosures about Fair Value Measurements (ED). Simmons First is a publicly held corporation that operates entirely in Arkansas and has \$3.0 billion in assets. As of June 30, 2009, approximately \$314 million of our assets are valued on the balance sheet at fair value, 21% of which are based on Level 1 inputs, 69% Level 2 inputs, and 10% Level 3 inputs. The Level 3 inputs consist of impaired loans, loans which full payment of under the loan terms is not expected, net of government guarantees.

We currently use 2 staff persons to prepare the existing fair value information, including disclosures, and also pay \$2,500 for external services. We estimate that the additional information will cost \$3,000 per quarter. Unfortunately, this information is rarely discussed in our board meetings. So, we believe the benefits of presenting further fair value disclosures will be limited.

We, as many other SEC registrants, have worked with investors on an ongoing basis to provide information on a variety of issues that are responsive to investors' changing needs. Some banks have provided additional sensitivity information in their Management's Discussion and Analysis (MD&A) with their Form 10-K filings. This information has included specific input assumptions used across a broad range of inputs, as well as the specific effects on fair values caused by certain input changes. We believe these disclosures are more responsive to investor needs and are more reliable than the sensitivity analysis in the exposure draft. MD&A also provides the ability for preparers to adapt to future changes in investor preferences for information.

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Requiring such disclosures in the financial statement footnotes will likely result in quickly obsolete, and ultimately, irrelevant data.

We agree with the comments outlined in the American Bankers Association's letter dated October 6, 2009. As a result, we recommend that the sensitivity disclosures be omitted from any final standard.

Thank you for your attention to these matters and for considering our views. Please feel free to contact us at (870) 541-1000 if you would like to discuss our views.

Sincerely,

J. Thomas May

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