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

File Reference: No. 1810-100 Accounting for Financial Instruments and Revisions to the Accounting for Derivative Instruments and Hedging Activities

Dear Mr. Golden:

I would like to comment on the specific provision within FASB's new proposal for "Accounting for Financial Instruments" which deals with marking loans to current market value. Our bank is a small community bank located in a rural community in Eastern Iowa. We have a very small and defined loan market whereby we collect local deposits to make local small business loans to farmers, business and personal loans for various consumer purposes such as financing automobiles. Of these loans we make and book on our balance sheet, we do not sell any of these loans on the open market thus having to mark to market these loans would serve no purpose or provide for any real meaning in determining what is the true value of our loans.

If our bank were required to enact this new proposal we would spend untold dollars and time accounting for this provision with no useful reason to us or our shareholder's to know or report this information. It is my belief that our shareholder's are concerned with the cash flow value and the collectability of our loans not what the market value of a given loan is worth from month to month.

I am concerned that this new proposed requirement is based on the belief that all banks and specifically all community banks routinely have loan portfolios securitized and sold on the open market which is simply not true. If FASB believes there is a need in the open market for this provision it should be limited to those institutions that routinely sell their loans on the open market. It would be a mistake to simply apply this provision to the detriment of all banks when in reality it may only apply to a small few.

Sincerely,

Eric Newton President / CEO