

September 14, 2010

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*

To Whom It May Concern:

I would like to take this opportunity to voice my concern as a bank investor and an employee of Valley Bank in regards to the proposed FASB revision a bank investor. I am writing to express my opposition to the portion of the proposal that requires all financial instruments to be marked to market. From a bank investor's perspective, this will damage rather than improve it, and put into question the most critical element of bank financial statements: bank capital. Bank capital is the cornerstone to the long term safety and soundness of the banking industry. With fair market accounting, the reliability and comparability of bank capital will be significantly diluted. Fair market accounting will force the community banks like Valley to change their business model. It will also reduce the commercial lending products offered, which will have a negative affect on the communities we serve.

A few other points I would like to make are that the government banking regulators are opposed to fair value/market to market accounting. Fair value accounting introduces complexity where complexity is neither needed or desired. Fair value accounting will add significant costs to the community banks with little benefit to the users. Fair value accounting changes the concept of "comprehensive income" within FASB's Conceptual Framework. Fair value accounting complicates efforts to converge GAAP and OFRS and creates a competitive disadvantage for US banks.

I want to make this very clear. Mark to Market accounting will not be used in my investment decision

With this in mind, I recommend you to drop your proposal to mark loans to market, as, from my perspective as an investor, it does not improve financial reporting.

Thank you for considering my views. Please feel free to contact me if you would like to discuss my concerns.

Sincerely,

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