September 15, 2010

Mr. Russell Golden

Technical Director

Financial Accounting Standards Board

401 Merritt 7

P.O. Box 5116

Norwalk, CT. 06 856-5116

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

Dear Mr. Golden:

I appreciate this opportunity to comment on the proposal draft concerning the above.

I spent 11 ½ years as a lowa State Bank Examiner, in the mid 1960's until 1973 when I joined the largest Independent Bank in Iowa. I was in Charge of all lending, on the Executive Committee and the Board of Director's. During my 16 ½ years we financed the purchase of over 75 community banks. In 1990 with a group of investors we purchased a Community Bank and were able to pay off it over 10 years. In addition, my wife and I have invested in several community banks in the Mid-West and continue even after selling our controlling interest in our 35MM Bank.

I have given you my back ground to let you know my banking experience and why I believe this proposal will be very detrimental to Community Banks, who like small business, are the back bone of our economic survival.

The Basics of Banking have never changed; only those that used bells and whistles of a year ago are now called "Stupid". The basics as I see them:

- 1. Capital and Reserves
- 2. Liquidity
- 3. Asset Quality
- 4. Positive Earnings and Cash Flow

The proposal, as I read it, would require loans to be priced on market value (which is what someone would pay for that loan.) This appears to do away with all fixed rate loans due to fluctuations in calculating the market value!

The cost incurred by Community Banks is unknown. Their models used will have to be changed to comply with the new reporting. I understand that several Regulators are against this proposal.

Banks have to deal with Basel !!!, and the Financial Reform Act and all of it's unknown repercussions including Consumer Protection.

I would recommend you drop your proposal to mark loans to market, which does not improve our understanding as an investor, and will cost our Community Banks a considerable amount to comply.

Thank you looking at our views. Please feel free to contact us if you would like to discuss our concerns.

Sincerely,

Robert G.Lenertz

Robert Landy

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