

From: dylon@cableone.net
To: [Director - FASB](#)
Subject: File Reference: No. 1810-100, "Accounting for Financial Instruments and Revisions to the Accounting for Derivative Instruments and Hedging Activities"
Date: Thursday, September 16, 2010 5:41:14 PM

Diana Lyon
P.O. Box 1689
Pocatello, ID 83204-1689

September 16, 2010

Russell Golden
Technical Director
Financial Accounting Standards Board
401 Merritt 7, PO Box 5116
Norwalk, CT 06856-5116

Dear Mr. Golden:

Thank you for the opportunity to comment on the exposure draft, Accounting for Financial Instruments and Revisions to the Accounting for Derivative Instruments and Hedging Activities.

As Chair of the Board of Citizens Community Bank, a banking institution in Pocatello, Idaho with approximately \$254MM in total assets, I am writing to express my opinions on specific provisions of the exposure draft.

I.
I am strongly opposed to the portion of the proposal that requires all financial instruments including loans to be reported at fair value (market value) on the balance sheet.

Even in the best of markets, forcing the bank to report at fair market value on the balance sheet could cause continued variances from year to year. I cannot see how that would benefit, particularly when you have borrowers that are paying as agreed.

The majority of our commercial lending based on real estate is owner occupied. We are a smaller community, with limited access for selling our loan portfolio.

While we also have borrowers that have suffered through this economic crisis, we work these loans actively with our lenders to find a way to work through those issues.

Because we are a smaller community bank, hands on, we are also limited in resources to allocate and monitor the proposed change.

We urge you to reconsider this point of the fair market value.

Thank you very much.

Sincerely,

208-232-5373
Chair of the Board
Citizens Community Bank