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September 29, 2010

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

Ref: FASB Mark-to-Market Proposal

Dear Mr. Golden:

I am a small community bank in Church Point and as a Louisiana banker for 36 years, I want to express my strong opposition to the current proposal to apply fair value accounting (mark-to-market) to most financial instruments, including loans on a bank's balance sheet. While my bank and many other banks must hold some marketable securities for liquidity purposes, we are not in the business of buying or liabilities for quick resale. My banks business model is to generate earnings by taking in deposits and making and holding loans to maturity. We have no intention of selling these loans and therefore these loans are not considered readily marketable assets. As such, I do not think it is appropriate or useful to apply short-term valuations to my loan portfolio. I do not consider my loan portfolio as liquid nor depend on it to provide liquidity for my bank.

Requiring my bank to implement mark-to-market will only increase my cost of compliance while providing confusing information that is not useful to anyone. I am greatly concerned that use of mark-to-market will radically change how investors and customers will view my bank and banking in general. It could also change bank products by driving out products with the greatest fair value risk, i.e., loans that have longer terms, fixed interest rates.

Further, to apply mark-to-market will lead to reduced reliability and comparability of bank capital through distorted financial statements, since it will be largely dependent on fair values of assets with no active markets. This will present unnecessary volatility in the financial statements and will no doubt erode the confidence of the public. I know this information will be confusing to my customers and shareholders and would not represent how my bank and others are managed. The mark-to-market of any bank asset will be perceived by the average investor as increased risk which will lead to an increase cost of capital and may all together make it more difficult to raise capital.

I appreciate the opportunity to comment on this very important matter and have great concerns on the impact of the mark-to-market proposal to my bank and many other banks like mine. Therefore, I respectfully request that FASB withdraw the current fair value accounting, mark-to-market, proposal.

Very truly yours,

Daniel R. Domingue
President/CEO

