

**From:** [rickburgess@cgsb.com](mailto:rickburgess@cgsb.com)  
**To:** [Director - FASB](#)  
**Subject:** Comments on No. 1810-100, "Accounting for Financial Instruments and Revisions to the Accounting for Derivative Instruments and Hedging Activities" Exposure Draft  
**Date:** Monday, September 20, 2010 8:52:53 AM

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Richard N. Burgess, Jr.  
66 Sanborn Road  
Ashland, NH 03217-4418

September 20, 2010

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

Dear Mr. Golden:

Thank you for the opportunity to comment on FASB's Exposure Draft: Accounting for Financial Instruments and Revisions to the Accounting for Derivative Instruments and Hedging Activities.

I am writing to urge FASB to not go forward with the proposal.

The accounting that would result from this proposal would greatly misrepresent the financial condition of our bank and other community banks.

Community Guaranty Savings Bank is a small publicly held bank in rural New Hampshire that fills a need that the other larger banks in the area will not meet. This includes low income housing and small business loans specific for our business customers' unique needs. We do not sell the majority of our residential loans and none of our commercial loans, and rarely utilize traditional loan guarantee programs for our commercial loans, such as the SBA 7A program. As a result, it is nearly impossible to accurately measure the current market value of our loan portfolio, To do so would result in additional expenses that our shareholders cannot afford and would provide an inaccurate picture of the financial strength of this bank.

Our shareholders have historically held our stock for long-term appreciation, not for short-term gains, and each shareholder that we have talked with regarding this proposal feels it would do more harm than good. The added expenses, time taken from our employees who would otherwise be serving our customers and expected large swings in capital will only hurt shareholder value in the long-run while providing minimal long-term information for investment purposes.

The implementation of 1810-100, combined with the expected increases in capital requirements from the regulators will also hurt our customers as we would most likely have to shed assets and curtail lending at a time where the economy needs banks to increase lending.

Please reconsider your proposal and drop any plans on 1810-100.

Thank you for the opportunity to express my views, the views of Community Guaranty Savings Bank, its customers and shareholders.

Sincerely,

Richard N. Burgess, Jr.  
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