

**From:** [melissa.smith@trupointbank.com](mailto:melissa.smith@trupointbank.com)  
**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:** Monday, September 20, 2010 9:02:53 AM

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Meilssa Smith  
200089  
Grundy, VA 24614

September 20, 2010

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

Dear Mr. Golden:

I appreciate the opportunity to comment on the exposure draft, "Accounting for Financial Instruments and Revisions to the Accounting for Derivative Instruments and Hedging Activities."

As Risk Officer of TruPoint Bank], a banking institution in Grundy, VA, with \$480MM in total assets, I am writing to express my opinions on specific provisions of the exposure draft.

#### I. COMMENTS ON FAIR VALUE

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. We operate in a rural area in which it is difficult to determine fair market value. There is no active market for many of our loans, and estimating a market value makes not real sense.

Being a community bank we work with our borrowers on a one to one basis to work through any delinquencies.

The expense the bank would incur with this ruling would be significant. I do not believe that community banks who did not sell bad loans and did not contribute to the mortgage crisis should pay the price for the institutions who did. Why should a community bank be lumped in with all the others and bear the extra expense and burden when the majority were disciplined in their lending.

In addition it would make the accounting confusing and difficult at best to have continuing price adjustments due to market fluctuations.

For the reasons stated above, our bank respectfully requests that the fair value section of the exposure draft be dropped.

Thank you for considering my comments.

Sincerely,

276-935-3437  
Risk Officer  
TruPoint Bank