

**From:** [jcweiberg@lnbparis.com](mailto:jcweiberg@lnbparis.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 3:42:53 PM

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JAN WEIBERG  
296 CR 43330  
Paris, TX 75462-1713

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:

As a community banker for 40 years, I am proud of the role our bank serves in our community and appreciate the opportunity to comment on FASB's proposed accounting changes which would require financial institutions to develop fair values for core and demand deposits, other liabilities, and loans.

Our bank, with assets of approximately \$250,000,000, funds our operations by taking deposits and holding loans for the long term. Although we do carry some of our investments as Available for Sale for liquidity and contingency funding purposes, in practice we hold these securities until maturity; in fact, I do not know of any time that we have sold one of these investments, even though our balance sheet reflects their fair value.

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

We oppose the proposed accounting treatment for core deposits which calls for them to be regularly remeasured using a present value calculation. This would not provide accurate information and the calculations would be expensive and time consuming, particularly for smaller banks like ours that have limited staff resources to conduct the analysis.

We also oppose requiring fair value calculations for loans that are held for the long-term to collect cash flows. Community banks such as this bank create and hold small business and farm loans for which there is no active market; it would be very difficult and costly to mark them to market. Establishing fair values for the types of loans held by many community banks like our bank would be costly and result in data of questionable reliability.

These accounting changes will increase the volatility of bank balance sheets, forcing them to face higher capital requirements or decrease lending at a time when regulators are calling for more capital and our economy needs more, not less, credit availability.

We appreciate your consideration of these comments and urge you not to go forward with these changes for community banks like ours.

Sincerely,

JAN WEIBERG  
903 784-4563