

**From:** [khammer@runestone.net](mailto:khammer@runestone.net)  
**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:** Tuesday, September 21, 2010 9:32:58 AM

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Kevin Hammer  
PO Box 245  
Hoffman, MN 56339-0245

September 21, 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 Accounting for Financial Instruments and Revisions to the Accounting for Derivative Instruments and Hedging Activities.

I am writing to ask you not to go forward with this proposal especially as it pertains to closely held community banks.

We are located in an small rural community that is based on the agriculture sector. Our primary business model centers on taking care of our community members financial needs. We do not offer unique funding or deposit options. We just take deposits and make loans that we hold in our portfolio. We are just your basic community bank taking care of its customers as best we can.

We have a staff of 7 that is assigned the responsibility of taking care of this customer base. Our staff is finding it increasingly difficult to take care of our customers as we spend a significant amount of our time on compliance and regulatory matters that, quite frankly, have little risk to our bank or customer base.

We are opposed to any new accounting proposals that would add to this increasing cost of doing business. I don't believe that the proposed rules would provide a significant benefit for a small community bank like ours and it would be expensive and time consuming for our limited staff.

The fair value measurements would be difficult to calculate with the small agricultural and small business loans that we do.

The expanding reporting of comprehensive income would be a unnecessary and have minimal use for our bank.

These accounting changes would force us to spend more of our time and resources on adjusting our balance sheets and less time on meeting the needs of our customers. The potential for unusual volatility in our balance sheet due to the cyclical nature of our business could impact our ability to meet capital requirements or lending needs through less resources.

for funding.

Our community and our customers certainly do not need to face any more constraints on their local lending institutions ability to be a resource for their financial needs.

Thank you for this opportunity to comment and I hope that you will elect to drop this proposal.

Sincerely,

Kevin R. Hammer