**From:** mhesser@pinnbank.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:** Wednesday, September 22, 2010 2:55:18 AM

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Mark Hesser
1401 N Street
Lincoln, NE 68508-1816

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 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. I am President of Pinnacle Bank, a 2.7 billion dollar bank with 52 branches. Our business model does not include selling loans. We make loans to hold to maturity.

I believe a mark to market approach is unrealistic in a community bank setting. As community banks with solid asset quality continue to sell fo a premium, any mark to market approach would have to result in recognition of goodwill.

There is no reasonable method to value individual loans from a community bank portfolio. Buyers would only be interested in the buld of the portfolio and in reality, only interest in buying the bank as a whole.

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.

Again, we thank your for the opportunity to comment on this proposal.

Sincerely,

Mark A. Hesser
402-434-31040