From: <u>dgulling@westbankiowa.com</u>

To: <u>Director - FASB</u>

Subject: File Reference: No. 1810-100, "Accounting for Financial Instruments and Revisions to the Accounting for

Derivatives Instruments and Hedging Activities"

**Date:** Tuesday, September 28, 2010 9:03:13 AM

Doug Gulling 1601 22nd Street West Des Moines, IA 50266-1409

September 28, 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 the exposure draft, "Accounting for Financial Instruments and Revisions to the Accounting for Derivative Instruments and Hedging Activities."

I am the chief financial officer of West Bancorporation, Inc., a \$1.4 billion bank holding company located in West Des Moines, Iowa.

I am strongly opposed to to the requirement that loans be reported at fair value. We do not sell our loans. The average life of our loan portfolio is relatively short, approximately 3 years. There is no active market for the type of loans we make and hold on our balance sheet. There is no consistent method for determining the fair value of these loans. As a result, the time and effort to attempt to determine a fair value will result in something that has no comparability with other financial institutions.

I also do not support the proposal for recording interest income. Interest income should continue to be calculated based on contractual terms and not on an after-impairment basis.

Thank you for your consideration of my comments.

Sincerely,

Douglas R. Gulling 5152222309