From: jhampton@fwbank.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: Thursday, September 23, 2010 4:58:13 PM

John Hampton 401 W. Walnut Rogers, AR 72756-4541

September 23, 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 voice my opinion on the proposal "Accounting for Financial Instruments and Revisions to the Accounting for Derivative Instruments and Hedging Activities."

As CEO of First Western Bank, a \$300 million bank based in Booneville, AR, I strongly oppose the proposal to mark financial instruments to fair market value, especially in the area of loans (issue 1).

Being required to write a loan down to the value it could immediately be sold for would force banks to record losses on loans that are fully performing and probably never will default. The effect of these unnecessary write downs is to shrink bank's capital and further weaken an already fragile industry.

Another reason I oppose the mark to market proposal for loans it that in an illiquid market such as the one most of our country is currently facing there is not a true "fair value". Instead, an unrealistic exit price is used creating a downward spiral on asset value.

Along with the unfair valuation of assets, and undue pressure on capital, the costs and resources needed to comply with this requirement adds another cumbersome burden on banks. At a time when the health of the banking industry has been so uncertain, the additional expense of consultants and auditors to estimate market values will further erode profits.

Again, I appreciate the opportunity to comment on this proposal and trust that our policy makers will do what is best to preserve our banking industry and help our country's economic recovery.

Thank you for considering my comments.

John T. Hampton, CEO First Western Bank

CEO First Western Bank