From: mtaylor@denisonstatebank.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: Wednesday, September 29, 2010 4:08:17 PM

James Birkbeck
421 New York Ave, PO Box 71
Holton, KS 66436-0071

September 29, 2010

Russell Golden
Technical Director
Financial Accounting Standards Board
401 Merritt 7, PO Box 5116
Norwalk, CT 06856-5116

Dear Mr. Golden:

I am CEO of Denison State Bank, Holton, KS (assets: $260M).

Fair value measurement for loan notes that are not actively traded but are held for long-term payment do not need to be Mark-to-Market. This would be very disruptive to banking, particularly to community banks, when you could have substantial swaying up or down on your financial statement purely on the basis of Mark-to-Market of assets.

I see this in our investments which are Mark-to-Market in terms of our Call Report. We have an investment portfolio of approximately $60 million. We have had losses in that portfolio of up to over $1 million and currently we have a profit in our portfolio of approximately $1.5 million. In a banking situation where we almost never sell these before maturity, Mark-to-Market does not seem as beneficial. We have had customers look at our financial statement and when they see that $1 million loss they wonder exactly what that is. I believe in transparency in banking; however, in this situation I don't know that it serves as any real value. It is simply confusing to the public until it is explained to them.

Mark-to-Market would require more staff training which would impose higher costs to consumers. That is not good or efficient banking to serve our community and our country.

Sincerely,

CEO
Denison State Bank