From: Kyle Casburn
To: Director - FASB
Subject: File Reference No. 1810-100.
Date: Friday, September 03, 2010 12:11:12 PM

Dear FASB Directors:

I am writing to express my dissatisfaction with FASB's proposed rules that would extend market value accounting to loans.

As President and CEO of a small, non-publicly traded credit union, the application of this rule to institutions with our charter classification makes no sense whatsoever.

Credit unions are prohibited by law from issuing any public or privately held equity securities, and thus the intent of the rule (to provide better disclosure to investors) as applied to credit unions is flawed from the beginning. In fact, the rule as it stands, will only confuse our members as our capital would be subject to potentially large fluctuations in mark-to-market adjustments. The average credit union member does not understand, nor care about capital positions. Their primary safety and soundness concern is addressed by federal deposit insurance provided by the National Credit Union Administration; NOT some arbitrary market value adjustment to our loan portfolio.

Secondly, the rule makes no distinction between the intent in "Hold to Maturity" loan portfolios and "Available for Sale" loan portfolios. Most credit unions never engage in wholesale lending markets, loan participations, or contemplate such actions. Institutions who plan to hold a loan to maturity should be allowed to report that loan at book value. In the absence of an exclusions of these standard for credit unions, at a minimum, the accounting treating of loans should mirror HTM and AFS investments.

Thank you for you consideration,

Kyle W. Casburn
President and CEO
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