September 14, 2010

Mr. Russell Golden, Technical Director Financial Accounting Standards Board 401 Merritt 7, P. O. Box 5116 Norwalk, Ct 06856-5116 File Reference No. 1810-100

Dear Mr. Golden:

My grandfather purchased several hundred shares of community bank stock in the early 1940's which my family continues to own. As you can imagine, the current market value of our shares declined significantly in the past three years. I think the core business of most of these banks remains strong and viable; however, a large portion of their lower market values can be directly traced back to accounting requirements designed to mark the value of certain long-term assets downward in "anticipation" of future losses even though these assets may very well recover a significant portion of their value over time.

I can't imagine how banks are expected to value their loans and deposits for market purposes. Do you expect them to use precedents from similar situations where institutions have failed and the FDIC has acted as receiver and reseller of the assets? How do you do this in an environment when there are no bank failures? OR do you expect them to price off future cash flows expected from the assets and required of the liabilities? What is the point?

I don't believe there is any merit in requiring community banks to "value" their entire balance sheet. Unless the FDIC or some other bank is looking to purchase and resell the bank, I can't see the benefit of trying to contrive a value for assets/liabilities beyond the information already available from quarterly call reports. Is the purpose to stimulate M&A activity by providing readily accessible "valuations"? Enhance the information currently reported if necessary, but don't create a new valuation model which will be confusing and costly, and will not serve any useful purpose.

Please don't further burden our community banking system with additional unneeded, unwanted and unreliable financial reporting requirements. Community banks are not the culprits in the current financial mess-better that you expend your efforts to monitor and control the real problem financial institutions such as the multi-nationals, hedge funds and security traders.

Sincerely,

Alford M. Cooley P. O. Box 6 HAZLEHURST, MS 39083