From: <u>tdaugherty@bellevuestatebank.com</u>

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

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

Derivative Instruments and Hedging Activities"

**Date:** Thursday, September 16, 2010 1:13:05 PM

Tim Daugherty 200 S 2nd St Bellevue, IA 52031-1320

September 16, 2010

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

Dear Mr. Golden:

As President of Bellevue State Bank, a banking institution in Bellevue IA with \$73,000,000 in total assets, I would like to express my opinion on the exposure draft "Accounting for Financial Instruments and Revisions to the Accounting for Derivative Instruments and Hedging Activities".

The area that is of utmost importance to use concerns reporting loans at fair value on our balance sheet. In our community as with many smaller community banks, we are often the major ecomic force. We sometimes make rate concessions on commercial loans because it is in the best interest of our community. Our balance sheet would take a hit in these instances.

Banks of our size are already looking at daunting man-hours and expense in complying with the unfinished Frank-Dodd act. Adding the potential nightmare of this exposure draft may be the straw that breaks the camel's back. we aren't able to spread the expense of complying with the proposed proivsions as easily as a larger bank.

It is my hope that this board will take this into account. The acions of this board shouldn't be to further consolidate the banking industry leaving the country's assets in the hands of fewer instirutions. Nor shold it be to handcuff community banks in ther economic development efforts.

Your time to review my comments is appreciated.

Sincerely,

(563)872-4911 President Bellevue State Bank

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