From: <u>ericv@oostburgbank.com</u>

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

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

Derivative Instruments and Hedging Activities" Exposure Draft

Date: Wednesday, September 22, 2010 2:55:25 AM

Eric Veldhorst 905 Center Avenue Oostburg, WI 53070-1354

September 21, 2010

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

Dear Mr. Golden:

Thank you for the opportunity to comment on FASB's Exposure Draft: Accounting for Financial Instruments and Revisions to the Accounting for Derivative Instruments and Hedging Activities.

I am writing to urge FASB to not go forward with the proposal.

Oostburg State Bank is located in a village of approximately 3,000 people. We have total assets of \$150,000,000 and the proposed standard will just increase oour cost of completing financials without providing any real benefit to the end user.

We are a community bank and the primary business of community banks is to hold financial instruments to collect contractual cash flows, not to trade them on a regular basis.

Establishing fair values for the types of loans held by many community banks like our bank would be costly and result in data of questionable reliability.

The proposed accounting changes will exacerbate cyclicality in financial results due to the greater reliance on fair value measurements, valuations that will be less accurate than current accounting requirements.

Again, we thank your for the opportunity to comment on this proposal.

Sincerely,

Eric Veldhorst 920-564-4339