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December 10, 2010

Via email: director@fasb.org

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

File Reference: No. 1880-100 *Clarifications to Accounting for Troubled Debt Restructurings by Creditors*

Dear Mr. Golden:

Our bank appreciates the opportunity to comment on the proposed "Clarifications to Accounting for Troubled Debt Restructuring (TDR) by Creditors".

ViewPoint Bank is a stock savings bank that is wholly-owned by ViewPoint Financial Group, Inc. We are based in Plano, Texas and have approximately $3.0 billion in assets and $366 million in public float. We currently operate 23 community bank offices and 15 loan production offices.

We are opposed to the exposure draft, as it adds unnecessary difficulty and complexity to our processes of identifying TDR's without providing any improvement in disclosure of credit risk. Our primary concerns are outlined below:

Market based identification

The emphasis placed in the exposure draft as it relates to identification of a TDR based on a market-based trigger is problematic. For example, we are concerned that a modified loan would be considered a TDR if the debtor does not otherwise have access to funds at a market rate, or if the borrower could not receive the same loan somewhere else on the same market terms. There are many reasons that this situation could exist that would not support the loan being classified as a TDR. For example, financial institutions compete for business relationships, and the desire to maintain such a relationship could lead a bank to offer a loan rate or terms more favorable than a competing bank would offer. Additionally, we do not agree that a TDR should be reported, for example, when a loan modification is done at less than current "market" terms, even when a market rate is available, if that modification is accompanied by additional collateral, equity and/or guarantees such that the resulting loan terms in their entirety add no more credit risk to the bank.

Operational complexity

The changes proposed will, if implemented, require many changes to our processes to identify TDRs. These processes are based on certain specific guidance issued by our regulators and auditors in the past. For example, taking away past guidance will add considerable complexity to that process. If we do not provide the market data and other documentation required to support the evaluation under the exposure draft of the loan modification, we will likely be required to, by default, report the modification as a TDR. The amounts reported will then contain many cases of legitimate loan modifications whereby no significant concession has been provided.

Usefulness of data

We do not believe this will result in better financial reporting. As mentioned above, the amounts reported will contain many cases of legitimate loan modifications whereby no significant concession has been provided. We do not believe this will result in better financial reporting. Further, we do not even have the information available to perform any kind of retrospective reporting of these modifications. We believe this will also add subjectivity to the process and will harbor inconsistent application, thereby contradicting the intent of the exposure draft to provide guidance for consistency across institutions.

Furthermore, due to the ongoing convergence project between International standards and U.S. GAAP, we do not think it is necessary to implement a change that is inconsistent with the International Financial Reporting Standards. We think it would be prudent for the FASB to evaluate the benefit of separate TDR reporting and consider combining with impaired loans in the credit disclosure guidance.

Thank you for considering our comments.

Sincerely,

Patti McKee

Patti McKee, CPA
EVP, Chief Financial Officer
ViewPoint Bank