From:
 John Fisher

 To:
 Director - FASB

 Subject:
 Fair Value Accounting

**Date:** Friday, August 27, 2010 3:42:23 PM

This email is in response to your request for comments on Fair Value Accounting.

This idea is one of the worst ideas I have seen come out of the fasb for some time. I work at a small bank where all of our loans are to small shopkeepers, homeowners, etc. Non of these loans are saleable. Most of our assets are not saleable. Most of the assets of all community banks are not saleable. I used to work at a forerunner of J. P. Morgan/Chase. Many of those assets would be hard to sell and even those assets that had a market value might fluctuate dramatically in very short periods of time. For instance Mexican public sector debt might be selling for 65 cents on the dollar. If we write down 35 centsand take a major hit to equity, can we then write these assets up when the value goes to 95 cents oh the dollar 3 months later?

Instead of chasing rainbows with this frivilous and ill conceived idea, I would like to have accountants get back to what they should be doing which is presenting straight forward financial information and let me do the interpreting. I am looking at the 2009 anual report of GE as prepared by KPMG LLC. It is 120 pages long and contains very little in the way of truly useful information. As you know GECC had a commercial paper program that failed during the financial meltdown. Do they now have a 100% coverage of back up lines for thei paper program? Where is the questionaire data that gets to the heart of how a finance ccompany is doing? Are they now a bank? If so where is their call report and their UBPR? This is the kind of information I want accountants to give me. Where is the information on the details of their derivative contracts? Who are their counterparties and what are their exposures? What do I get? Forward looking statements and other verbiage that is virtually meaningless.

Fair value accounting is just another step to take accounting in the wrong direction. We do not need accontants to go through complicated formulas to come up with the value of assets. It looks like an attempt to jack up accounting fees for something the customer does not want and the users of the statement will find totally useless. During the financial meltdoown it was mark to market that was a major contributor to the destruction of billions of dollars of capital that was not necessary but in many cases erroneous. It was a primary contributor to the financial mayhem that followed.

Thank you for your attention.

John W. Fisher III
Executive Vice President
First National Bank