## Joseph W. Peikert N2669 Butternut Rd. \* Hortonville, WI 54944

September 7, 2010

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

RE: No. 1810-100: "Accounting for Financial Instruments and Revisions to the Accounting for Derivative Instruments and Hedging Activities"

Dear Mr. Golden:

I appreciate the opportunity to comment on the above proposal. As a bank investor, I focus on the financial position the banks in which I own stock, and consistent financial reporting is paramount in order for me to make investment decisions. This letter serves to voice my opposition to the portion of the proposal that requires all financial instruments to be marked to market. From my perspective, this will create confusion rather than clarify financial position, and therefore put into question the consistency of reporting bank capital.

In the above proposal, banks must record loans on the balance sheet at their market value. When evaluating financial results or position, I do not significantly consider the market values of loans. The reason for this is that I am interested in how loans perform, not an inconsistent market view of loan performance. I believe the focus on mark to market is not relevant for loans that are not being sold. I believe that due to the uniqueness of the assets being valued and the potential lack of a reliable/consistent pricing source, using fair value as the basis for financial statements would not be in an investor's best interest. Even if there were active markets to price loans, fair value is not the appropriate measurement for these loans since it does not represent the cash the bank will receive. Additionally, even if it were relatively easy to find a market value, that market value is essentially irrelevant, since the bank does not plan to sell the loan. Based on the proposal, bank capital will be affected by market swings that would not be realized by the bank. This volatility in capital would make it difficult for me to evaluate the historical financial position of the bank.

Furthermore, I am also concerned about the costs necessary to produce and audit this data. Banks do not use fair values in managing their business. If enacted, the proposal would increase the costs for financial reporting, which is based on significant estimates that in the end will cost me as a shareholder for information that I do not intend to use.

I respectfully recommend that the FASB drop the proposal to mark loans to market. In my opinion as an investor in banks, it does not improve financial reporting.

Sincerely,

Joseph W. Dinner