



THE VILLAGE BANK

October 16, 2013

Mr. Russell G. Golden
Chairman
Financial Accounting Standards Board
401 Merritt 7
Norwalk, CT 06856-5116

Re: Proposed Accounting Standards Update: Financial Instruments—Credit Losses

Dear Mr. Golden:

My name is Douglas Bringhurst and I am President of The Village Bank. I am writing to you today to express serious concerns regarding the proposed accounting standards update on impairment for loans and securities currently under deliberation by the FASB. My community bank, along with thousands of others like mine throughout the United States, is a small, relationship-based institution that serves the local community through customized lending that is tailored to specific customer needs. I lend in my community based on relationships I have built with my customers over many years. The proposed expected credit loss model, with its reliance on complex modeling techniques and front loading impact on loan loss provisioning, is simply the wrong approach to properly providing for future credit losses.

Every angle of reserves for loans and securities has been reviewed, reviewed and re-reviewed to modify the calculations over the past 20 years by bank examiners. We don't need a new overhaul to the systems that are in place.

Thank you for taking the time to consider my concerns with the proposed expected credit loss model. If you have any questions or would like additional information, please do not hesitate to contact me at 435-674-5200 or doug@thevillagebank.com.

Sincerely,

A handwritten signature in black ink, appearing to read 'Douglas Bringhurst', written over a horizontal line.

Douglas Bringhurst
The Village Bank