From: <u>lonnie</u>

To: <u>Director - FASB</u>
Cc: <u>Doran Christoffels</u>

Subject: File Reference No. 1810-100

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

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I am against the proposal! These are the reasons why.

I am a stockholder in a \$35 million community bank in a town of 288 people. Our bank has a total of 9 employees.

We make loans to consumers, small business, and farmers. We rarely sell loans unless we need to do so for lending limit considerations.

I have worked in the bank for over 30 years and we have never sold a loan during that time for anything other than PAR.

We rarely purchase loans either unless our loan demand is low. We do our own underwriting and purchase the loan at PAR.

What you are asking us to do will be time consuming and expensive and yet it will serve no reasonable purpose.

For our bank, it is a total waste of time, money, and effort. More importantly, it will be extremely detrimental to the value of my bank stock shares.

If you do implement this unwise rule, you should do the following:

- 1. Consider the cost/benefit of the rule.
- 2. Exempt all banks under \$250,000,000. in total assets.
- 3. Exempt all banks that do not regularly sell loans except for lending limit purposes.
- 4. Exempt all banks that have not sold loans for other than PAR value in the past year.
- 5. Do not implement an unworkable "held to maturity" and "available for sale" loan category
- 6. Understand the difference between "making a loan to a customer" and "purchasing a loan".
- 7. Do not further burden small community banks with additional meaningless work.
- 8. Consider the fact that the federal and state regulatory agencies are against this proposal.

This is going to be an expensive undertaking for smaller financial institutions with NO reasonable benefit.

Lonnie E. Clark

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