1810-100 Comment Letter No. 826

OWEN COMMUNITY BANK, s.b.

September 21, 2010

Technical Director Financial Accounting Standards Board 401 Merritt 7, PO Box 5116 Norwalk, CY 06856-5116

File Reference No. 1810-100

Dear Director:

I am writing to express grave concern regarding the proposal to require banks to mark all financial instruments to fair value on the balance sheet.

We are a community bank with less than \$100 million in assets in rural south-central Indiana. We operate as a traditional thrift lender. Though our residential loans are generally underwritten to secondary market standards, we very rarely sell loans. In addition, a significant portion of our portfolio is not readily marketable for one reason or another.

We manage the interest rate risk of these assets with the intent to hold them to maturity. This institution has operated this way since 1911. Our holding company shareholders and our board of directors remain convinced that this is still a viable business model.

The proposed FASB requirement to mark to market our balance sheet to reflect volatility of economic cycles will distort the financial value of cash flow generated by our loan portfolio. Similar to the attempt to better inform borrowers with Reg. Z disclosures, I suspect that this proposed accounting change will create greater investor confusion, rather than clarity.

Establishing reliable fair values on illiquid agricultural and consumer loans will be extremely difficult and costly. And the added costs to implement and maintain on-going analysis will ultimately be paid by shareholders. Will this accounting change really increase investor trust, or will it foster concerns about uneven treatment, abuse and questionable valuation practices?

If adopted, this requirement will place severe costs on all traditional banks without, I believe, achieving the intended investor benefits. Because of the concerns described above, and several others, I respectfully urge that the proposed fair value accounting changes be removed from consideration.

Sincerely,

Kurt D. Rosenberger

President, CEO

SPENCER MAIN OFFICE

CLOVERDALE BRANCH