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September 17, 2010

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

RE: File Reference #1810-100

Dear Mr. Golden:

I am the President of The First National Bank of Bemidji which is a \$500 million community bank privately held and operating solely in Bemidji, Minnesota. Our community is located 100 miles south of the Canadian border and very much considered a rural area. The board's proposal to mark a bank's entire balance sheet to market will only cause severe swings in the bank's capital account and provide significant burdens in an attempt to obtain market values, especially for loans located in our community. Our loan portfolio, other than residential real estate loans, has essentially no resale market. Our bank has never been a seller of any of our loan portfolio just as we have never been a seller of any part of our investment portfolio.

This is an added regulatory and accounting burden to a small bank like ours and provides no benefit to a closely-held organization such as ours. This proposal makes no economic sense.

The Board should study the decision reached in Europe to avoid mark to market due to substantial capital disruptions that can be caused. Much of the severe turmoil in the mortgage markets these last two years can be traced to mark to market accounting.

I hope the Board will take into account the significant burdens this proposal would cause our organization with little or no benefit. We are strongly opposed to the proposal and ask that the Board would see fit to vote down the proposal.

Thank you very much for your consideration.

Sincerely,

A handwritten signature in cursive script that reads 'Thomas E. Welle'.

Thomas E. Welle  
President

TEW:lh