

September 10, 2010

Technical Director
Financial Accounting Standards Board
401 Merritt 7, PO Box 5116
Norwalk, CT 06856-5116
File Reference No. 1810-100

Dear Technical Director:

I have been a CPA for 29 years. I have always taken great pride in what we have contributed to the business world until now. In my opinion, if you force banks to report all financial instruments to be marked to market, it will make the recent economic disaster look like a speed bump. I work for a community bank. We are not in the business of selling loans. Our loans ARE NOT the same as debt securities. We are in the business to make loans and service them until fully paid. There is no reliable market for our loans. Since there is no ready market for our loans, "market" value will be determined by assumptions and we all know the distortion that can occur when assumptions are involved. I believe it is my fiduciary responsibility to report to my stockholders a true and accurate financial report. Assumed reported values open the doors to huge potential misstatements.

Market swings, as recently experienced, can have a devastating effect on a financial institution's capital position overnight and that effect, especially when values are based on various assumptions, is one that realistically will never be realized by the institution. My stockholders are interested in how loans perform. If there is a problem in repayment, current accounting standards properly record the impact of any potential or realizable loss. We do not sell loans if they go bad, we either work the problem out with the borrower, repo/resale chattel property, or foreclose/resale real property and losses, if any, are timely recorded.

My institution has an excellent efficiency rating. It's saddens me greatly to think the accounting profession is advocating financial institutions incur unnecessary costs to calculate assumed market prices of our loan portfolio to distort our balance sheet and income statement only to be in compliance with a FASB. The stockholders of my bank do not want this. This proposed FASB only offers them confusion, reduced profitable and frustration with the accounting profession.

I thank you for the opportunity to comment.

Sincerely,

Sandra K-H Werner, CPA