

From: stuart@ssbcheyenne.com
To: [Director - FASB](#)
Subject: File Reference: No. 1810-100, "Accounting for Financial Instruments and Revisions to the Accounting for Derivative Instruments and Hedging Activities"
Date: Friday, September 17, 2010 1:37:42 PM

Stuart Sander
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September 17, 2010

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

Dear Mr. Golden:

Thank you for the opportunity to address my concerns with the Fair Value Proposal.

I am the CEO and President of Security State Bank, in Cheyenne, Oklahoma with \$138 million in total assets.

I am strongly opposed to the portion of the proposal that requires all financial instruments - including loans - to be reported at fair value (market value) on the balance sheet. We do not, nor do we plan to sell our loans. If we must base our balance sheet on a supposed fair value, it has the possibility to create confusion with someone looking at our balance sheet.

If we have issues to a borrower's ability to repay the loan, we work through the collection process with the borrower rather than sell the loan.

Since there is no active market for many of our loans, estimating a market value makes no real sense.

Should a market price be developed, the loan is just one part of the financial relationship that we have with each of our customers.

Marking all loans to a subjective market value could cause even a performing portfolio to sway with market fluctuations. This would make it more difficult to determine the true status of the bank rather than easier.

Plus, even if the regulators allow us to adjust market fluctuations out of Tier 1 Capital, it's still another explanation we have to make to our stockholders, customers and depositors.

Our bank respectfully requests that the fair value section of the exposure draft be dropped.

Thank you for considering my comments.

Sincerely,

President
Security State Bank