
First National Bank of Sonora Since 1950
SAN ANGELO BANKING CENTER
BOERNE BANKING CENTER

September 23, 2010

To the Director and Members of the FASB:

File reference No. 1810-100

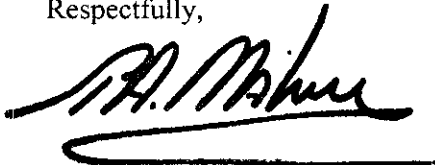
I am the president of a small community bank in Texas. We started serving our customers 110 years ago and have branches in Sonora, San Angelo and Boerne. Our bank is a closely held institution, with no ready market for our stock, and shareholders whose families can be traced back to the bank's founders.

When we make loans to our customers, our intent is to hold and service that loan, because our customers like dealing with their local banker. When we analyze our loan portfolio, the market value of the loans is not a topic of conversation because we have no intention of selling any of our loans. We don't know if there is even a market for those loans, because these loans represent investments for us. Even when a loan becomes a "problem" loan, we work through the issues with the customer and the loan stays in our portfolio.

Based on our understanding of this current proposal, our bank would incur significant additional accounting and human resources costs while receiving no real benefit. This would penalize our smaller institutions because of the increased costs and would force us to make lending decisions based on criteria that have nothing to do with our customer's ability to repay. It also appears that this proposal would not even bring us into alignment with global accounting standards, which was supposed to be the original intent.

We would like to register our disapproval with this proposal and request that it be withdrawn.

Respectfully,



Robert A. Malone
President/CEO