

**From:** [bobl@fnbbeloit.com](mailto:bobl@fnbbeloit.com)  
**To:** [Director - FASB](#)  
**Subject:** Comments on No. 1810-100, "Accounting for Financial Instruments and Revisions to the Accounting for Derivative Instruments and Hedging Activities" Exposure Draft  
**Date:** Tuesday, September 21, 2010 9:13:00 AM

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Robert L. Lampert  
P O Box 600  
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September 21, 2010

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

Dear Mr. Golden:

Thank you for allowing me to comment on FASB's Exposure Draft: Accounting for Financial Instruments and Revisions to the Accounting for Derivative Instruments and Hedging Activities.

I would urge you NOT to enact this proposal for small banks.

Our bank does not market (sell) loans. When one of our customers makes a deposit, either demand or certificate of deposit, they expect to receive that same dollar back, with interest if earned.

Any requirement to try to establish a market value for loans and deposits at our bank would be extremely costly and time consuming and most importantly would provide no benefit to us, our examiners, or anyone else.

To create such a mountain of work in a \$60 million bank would be a huge detriment to our mission which is to provide sound banking services, both as a depository institution and loan source. I believe enacting these new requirements could take up to 25 to 30 per cent of our total net income. We would certainly have to hire more staff. Also, I believe it would be much more difficult to make new loans if we think we would be required to devalue secured assets in the future based on an outside opinion.

Community bankers are not in the habit of over-valuing secured assets to make loans. If anything, I would argue that bankers are conservative in that regard.

Certainly I am curious as to how anyone would be able to come to our bank and audit what we use for evaluations. You can't establish values in different areas of Kansas, or the entire US for that matter, in a book. Establishing values in a local area is best done by local bankers.

It seems to me the amount of money spent at all levels would be astronomical and the benefits to community banks across the country would be nil. There may be a place for this new proposal in large banks in large cities--I don't know. But the effects of this proposal will without question be detrimental to small banks and the communities they serve.

Thank you for your consideration.

Sincerely,

Robert L. Lampert  
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