



September 23, 2010

To Financial Accounting Standards Board:

I am the President of Falcon International Bank, \$870 million in asset size, and we are headquartered out of Laredo, Texas. We employ over 300 people and currently service over 25,000 customers throughout our 16 branches, along the south Texas border and south central Texas. I am writing to you today to express my concerns over the changes that you are proposing in regards to the expansion of fair value accounting to all financial instruments.

We are a community bank that is headquartered in a border town and we have many customers who are always looking for new opportunities to capitalize on our unique geographic location and it is because of this that commercial lending has become our niche. We are a bank that is greatly involved in the community and we take pride in the fact that we hold our commercial loans and that we are able to serve the financial needs of our customers. Nonetheless, the loans that we finance for our customers have no real value or appeal to the secondary markets. We are a community bank that keeps our loans on the books for the life of the loans, by having us change our recording practices our capital will be significantly changed and this will limit the amount of loans that we are able to make to small businesses.

The proposed changes that you are recommending will greatly increase our accounting costs without us truly realizing any benefit. It has always been my understanding that the FASB was created to provide consistent accounting practices globally, but from what I can see, your current proposal does not. I'm afraid that with the new changes that you are proposing, we may be forced to move to a short term lending model, which will negatively impact the way in which we operate.

I respectfully ask that you withdraw your proposal and I thank you in advance for allowing me to express my concerns.

Thank you,

A handwritten signature in black ink, appearing to read "Gilbert Narvaez Jr.", is written over the typed name.

Gilbert Narvaez Jr.  
President & COO  
Falcon International Bank  
5219 McPherson Rd.  
Laredo, TX 78041