

From: bill.mahoney@unibank.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: Monday, September 27, 2010 10:18:14 AM

William Mahoney
49 Church Street
Whitinsville, MA 01588-1415

September 27, 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 comment on the exposure draft, "Accounting for Financial Instruments and Revisions to the Accounting for Derivative Instruments and Hedging Activities."

As Chief Financial Officer of UniBank For Savings, a banking institution in Whitinsville, Massachusetts with \$1.0 billion in assets, I am writing to express my opinions on specific provisions of the exposure draft.

COMMENTS ON FAIR VALUE

I am strongly opposed to the provision that would require all financial instruments to be reported at fair value.

We originate all types of loans (residential, consumer and commercial) and, other than residential real estate loans, there is no active market for our loans and therefore, no reliable method of determining their fair value.

We do not sell any loans other than residential real estate loans. Basing our entire balance sheet on fair values leads readers of our financial statements to assume that we have to intention or ability to sell the loans, which is not the case. Our intention is to hold the loans as part of our ongoing long-term financial relationships with our customer. The value of those relationships determine the long term performance of the bank and the bank's capital and performance should not be subject to the volatility of short-term swings of an artificial fair value determination.

For these reasons our bank respectfully requests that the fair value section of the exposure draft be dropped.

Thanks you for your consideration.

Sincerely,

508-849-4502
Senior Vice President and Chief Financial Officer
UniBank For Savings