1810-100 Comment Letter No. 1790

From: <u>dcallies@minercountybank.com</u>

To: <u>Director - FASB</u>

Subject: Comments on No. 1810-100, "Accounting for Financial Instruments and Revisions to the Accounting for

Derivative Instruments and Hedging Activities" Exposure Draft

Date: Monday, September 20, 2010 10:37:54 AM

David Callies P. O. Box 129 Howard, SD 57349-0129

September 20, 2010

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

Dear Mr. Golden:

I am writing to urge FASB to not proceed with the Accounting for Financial Instruments and Revisions to the Accounting for Derivative Instruments and Hedging Activities proposal. This would put an extreme burden on our bank as well as other community banks.

Our bank takes deposits and make loans for the long term. Most of our financial instruments and not readily marketable. Our term deposits only go out four years and our loans are repriced at least every five years with many of them on a variable rate. Any fair value calculations and reporting would increase our costs significantly without providing value.

We are located in a small rural area and have total assets of \$35,000,000. Our bank is a private family owned bank. Therefore, this proposed change would not be beneficial to our stockholders or the public.

There is no

active market for our loans. With our small limited staff, this proposal would take away from serving our community. We already are over regulated.

I hope these points help to show why this proposal would be a heavy burden on our bank and other community banks. Please do not proceed with this proposal. Thank you for the opportunity to express my views on this proposal.

David A. Callies, EVP & CEO Miner County Bank 217 South Main Steet Howard, S. D. 57349

Sincerely,

David Callies 605-772-4561

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