



September 29, 2010

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

File Reference #1810-100

Dear Mr. Golden,

I apologize for sending this letter at the 11th hour. Frankly, the proposal is so far fetched, I kept thinking somehow it would go away. I understand it is still on the table and the deadline for comments is tomorrow, September 30. So here we go.

Let me give you my background:

- First job during college was as a teller for a very small community bank in Northern Iowa.
- First job after college was as an Assistant National Bank Examiner for the O.C.C.
- Spent 15 years working for two large banks in compliance (Des Moines, IA & St. Louis, MO)
- Spent 7 years working as a compliance consultant in the Eastern Missouri area

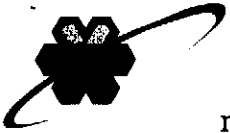
In 2010, my husband and I chartered a community bank (New Frontier Bank) in St. Charles, MO. We both are shareholders and executive officers of the bank. We own approximately 5% of the holding company (New Frontier Bancshares, Inc.) that owns 100% of the bank. There are approximately 80 shareholders with no one owning more than 7%.

The bank has shrunk over the last 3 years and we are approximately \$140,000,000 in total assets. We have 3 locations, all in St. Charles County, MO. I serve as Sr. Vice President and manage the Credit Administration and Compliance functions of the bank. My husband – Joe - is Chairman and CEO.

FAIR VALUE ACCOUNTING

I am not an accounting expert; but what I have read about this proposal just makes no sense to me. These are my concerns:

- Volatility to our capital accounts (unacceptable). Undermines consumer confidence and makes planning and budgeting in the bank impossible.
- Incentive to make loans will disappear due to volatility to capital accounts. Since the FV of a loan will need to be booked and this triggers the volatility mentioned above, loans will no longer be the investment of choice by a bank. This will undermine the local communities which we serve by not



making funds available to small businesses and the employment they bring.

- FV of loans is subjective and there is no “market” per se. In today’s economy, I have no idea how we’d establish the FV of any of our loans. If we could establish the FV, it would change daily. We have 37 employees in 3 branches now. Our ROA is about 0.5. We’d have to hire at least 2 more people just for accounting functions. This is unacceptable for a community bank.

In summary, the FASB proposal simply does not fit a banking business model.

Banking is unique. A bank makes loans and expects them to amortize over a period of 1 to 25 years. This model creates rate and credit risk that we address upfront in our underwriting and pricing. Things happen over the course of a loan relationship. Most of the time, the borrower and the bank weather the storm together and even if things are rough for an interim period, in the end the loan (s) gets paid as agreed.

The FASB proposal reflects the model of other types of businesses. Other businesses have accounts receivable, inventory, and equipment.

Our accounts receivable are not short term; they are called loans and are paid over time.

Our inventory is cash and it is a minor player in our asset distribution. Less than 5% of our assets is in cash or cash like accounts.

We have equipment, but it is office-like - desks, computers, and ATMS. They are depreciated over a likely life-term. Other businesses invest in equipment to move earth, manufacture products, etc.

Banks are not like restaurants, manufacturing plants, hospitals, etc. FASB needs to wake up!

If this proposal is approved, I personally will offer my shares to any one at any price that I can find. **Will you send me an offer?** You will be undermining small business in the United States. Not only will loans be impossible to find / make, banks will suffer further capital losses – simply due to an “accounting change.” This is unacceptable.

Thank you for your time.

Sincerely yours,

Joan M. Crenshaw
Sr. Vice President