From: lpeterson@firstmooselake.com

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: Tuesday, September 21, 2010 4:23:05 PM

Larry Peterson PO Box 429 Moose Lake, MN 55767-0429

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

We are a small community bank with \$65 million in assets. We are locally owned by eight shareholders, all actively involved with the Bank. They all understand our financial condition, and this proposal will not make our financials more meaningfull, but rather more difficult to understand. Community banks fund their operations by taking deposits and holding loans for the long term. 92% of the financial instruments this bank holds are not readily marketable. Where and how are we going to get the values proposed? At what cost if even attainable? This would not be a meaningfull use of time or resources since we see no value in it.

We oppose the proposed accounting treatment for core deposits which calls for them to be regularly remeasured using a present value calculation. This would not provide accurate information and the calculations would be expensive and time consuming, particularly for smaller banks like ours that have limited staff resources to conduct the analysis.

I am writing to urge FASB to not go forward with the proposal.

Again, we thank your for the opportunity to comment on this proposal.

Sincerely,

Larry Peterson 218-485-4441