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To: [Director - FASB](#)
Subject: Mark to Market
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September 13, 2010

As the president of a State chartered, \$98million community bank in Sault Ste. Marie, Michigan which opened for business in February 2000, I am opposed to the mark to market concept for loans due to the following:

1. There is no benefit the investing public will receive
2. There is no reduction in risk to the banking system by requiring mark to market for institutions of our size and complexity (take deposits and redeploy in loans within our local market area).
3. The additional cost of implementing such a system and maintaining it will far outweigh the benefit
4. This just imposes another layer of regulation and oversight that drains additional capital from our institutions, with no benefit provided.

I agree, there is a level at which mark to market may have some financial and regulatory benefit, I see a more justifiable reason when dealing with large institutions that have systemic risk associated with their operations. In such cases, the ability to understand all facets of their risk profile does provide benefit, not only to regulators but also to the investing public who rely on outside ratings and third party reviews. This is totally and distinctly different from the 324 shareholders I have, and the community I serve and live in. Here, my operations are transparent to the shareholders, they have ready and immediate access to me to discuss and question issues they may be concerned with, and my reputation and success depends solely on my community. My shareholders are more than investors, they are my customers, friends, family and business associates. None of the entities that need mark to

market for their balance sheets can say that nor can they truthfully comply with it.

This needs to be rethought and applied judiciously, not with the broad stroke paint brush we have become all too accustomed to using. There is a difference between a true "community bank" and those who choose to utilize the terminology while pursuing a totally different end game. Look at the RISK. Look at the BENEFIT. It is totally apparent there is low risk and no benefit in the "community bank" arena. In my opinion, a community bank is under \$500 million in total assets. Above that number, management starts to take on additional risk factors that do not reflect the risk factors a bank the size of Old Mission Bank would consider assuming.

Thank you for listening, and I sincerely hope you are taking these matters under advisement and will heed our request.

David E. Firack

President/CEO

Old Mission Bank

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