From: sallywinter@hcinet.net
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: Thursday, September 16, 2010 11:08:29 AM

Sally Winter
213 main street
lake andes, SD 57356-2031

September 16, 2010

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

Dear Mr. Golden:

I am writing today to voice my opinion on the exposure draft "Accounting for Financial Instruments and Revisions to the Accounting for Derivative Instruments and Hedging Activities."

As President of the Andes State Bank in Lake Andes SD with assets of $20,000,000 I am greatly concerned with Fair Value accounting for loans.

We have been using fair value accounting for our securities for years and this has worked well, however our entire bond portfolio is available for sale. We receive monthly reports from our servicer for pricing on these. This would not be the case with local loans. We do not sell our loans and never have sold loans in our 50 year history. The FDIC currently requires individual work sheets on problem loans. When a loan is deemed problematic it is priced to the best of our ability and any loss booked at that time.

Forcing our bank to value all loans to market would greatly affect our capital with no benefit to anyone. The cost to the bank would be enormous. Please consider that in small rural communities market value would be near impossible to come by.

Please consider all banks when deciding this. The fair value section would be detrimental to banking.

Thank you for your consideration.

Sincerely,

605-487-7611
President
Andes State Bank

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