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September 20, 2010

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

RE: File Reference #1810-100 FASB Fair Value Proposal Accounting, Estimating Loan Losses and Hedge Accounting

Mr. Golden:

As Chairman of the Board and an active participant in the everyday operations of the Bank of Kilmichael, an \$83 million state bank located in Kilmichael, MS, I am strongly opposed to the FASB Fair Value proposal requiring loans held in the loan portfolio to be reported at fair value on the balance sheet.

We are a small community bank. Our loans are not now sold on the secondary market, nor do we anticipate doing this in the future. When we make a loan, we hold it from beginning to end. In the event a customer has difficulty repaying, we work directly with our loan customer.

This requirement would place a cumbersome and costly burden on, not just my bank, but all small community banks.

Sincerely,

Mr. Rodney K. Mortimer

Director

RKM:jh