

Myron D. Rozell President
313 North 4th Street
Mapleton, IA 51034-1065

September 27, 2010

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

Re: File Reference: No. 1810-100, "Accounting for Financial Instruments and Revisions to the Accounting for Derivative Instruments and Hedging Activities"

Dear Mr. Golden:

I am writing to you today as a very concerned bank President of a small rural Iowa bank called Frist State Bank of Mapleton, Mapleton, Iowa. We are only \$45 million in total assets.

I have been at this bank for nearly 25 years and have been in banking a bit longer. This is one of the first times I have written a comment letter. I do so because of my grave concern for customers of community banks across America. My concerns today are particularly related to:

I. Fair Value as it relates to accounting for financial instruments.

It is my understanding that FSAB is giving consideration to a proposal requiring "loans" to be reported on the balance sheet at a "marked to market" value. Mr. Golden, I sincerely trust that you and members of the Board have experience and knowledge of business activity in a rural bank or a community bank. Have any of the board ever made a loan to a customer? Loans are made to our customer base with a great deal of consideration for the loan purpose, the reason the need exists, the repayment ability of the operation or individual, the collateral involved, their past history with us regarding deposits or loans, and our knowledge of the integrity of the individual or entity involved.

As a small community bank, we must operate with a very limited staff. We do not have enough staff or time to utilize in making collections, therefore we are very conscientious about our lending activity. I am confident that past lending experience in community banks by proponents may result in this issue not even being in consideration at this time. It would be clear there is no "market" to "mark to".....and do you really think that "estimates of marketability" will provide any more accuracy on balance sheets? Get real! Use of some sort of "target market" number would be equally inaccurate.

Have the costs and resources necessary to comply with such a rule seriously been given consideration? Credit cost would increase to customers by 20%. Now, who would really be helped by that? Has everyone in government forgotten about cost vs benefit values? The largest majority of investors in community banks are local and very familiar with that bank and its operation. If they are not, then why are they investing in things they aren't familiar? (what happen to buyer beware?) Why are uninformed investors being protected at a cost to the consumer? Mark to market on loans will be extremely confusing to investors, consumers, bankers, as well as regulators because it will not be able to be applied equally from bank to bank in different areas of the country. Investors would see the same regulation applied somewhat differently in similar banks but in different areas and consequently be confused and

possibly create a diminished investment interest. In my opinion, a real "lack accuracy" as a result of the subjectivity or estimates being made for reporting purposes will be the result.

If the FAS Board and regulators can identify that a bank loan portfolio is not of a value equated with similar or neighboring profitable institutions, then take the appropriate monitoring measures already available to such regulators at this point in time. Marking to market will not protect investors, improve lending quality, or more accurately or expeditiously predict successes or failure. It will all just cost the consumers more to simply get loans for their needs.....no matter who it is from (unless the government plans on doing that at general taxpayer cost also).

I am sorry for the blunt and forward comments, but all of community banking is extremely concerned about this matter. For example, a small community bank within 20 miles has decided to sell the bank as a result of recent increased regulation and proposed tax increases. New ownership will limit service to that community and customer costs for banking needs are significantly increasing.

Thank you for considering my comments.

In frustration,

A handwritten signature in black ink, reading "Myra D. Rozell". The signature is written in a cursive style with a large, looping initial "M".