

100 Lexington Street, Suite 100 Fort Worth, TX 76102

September 23, 2010

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

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

Dear Members of the Financial Accounting Standards Board:

The changes proposed in No. 1810-100, which will require community banks to record all financial assets and liabilities at fair value, are certainly not helpful to our bank. Meridian Bank Texas is a \$240MM community bank in Fort Worth, Texas which targets commercial businesses, commercial real estate investors, and independent oil and gas operators and service companies. We do not sell our loans and we work hard to establish long lasting relationships with our customers. Any attempt to establish methodologies to be used in calculating "fair value" will result in consistent inconsistencies from bank to bank. What possible benefit would we realize from a mark to market activity which at its best would be inexact?

Fair value accounting may require the bank to add a new layer of internal oversight at a time when we are struggling to maintain margins and hold down costs. Unnecessary administration is time consuming and expensive. I believe that these changes will cause banks to tighten loan structures and lower advance rates which can only lead to further declines in lending.

The American Bankers Association has filed a lengthy and very comprehensive response to the proposal and we support their positions as does the Texas Bankers Association. Thank you for the opportunity to voice my concerns and I sincerely hope that after a complete discussion of the impact these changes will have on our industry, that FASB withdraws this proposal..

Respectfully,

Glenn Monroe Chairman and CEO

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