

From: State Bank of Missouri, Darren Wodrich, Senior Vice President
Proposal: 1442 (RIN 7100-AD 87) Regs H, Q, & Y Regulatory Capital Rules
Subject: Regs H & Y Regulatory Capital Proposals

Comments:

Sent: Monday, October 22, 2012 11:56 AM
To: 'regs.comment@occ.treas.gov'
Subject: "BaselIII OCC Docket ID OCC-2012-0008, 0009, and 0010"

Jennifer J. Johnson, Secretary
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue, N.W.
Washington, D.C. 20551

Office of the Comptroller of the Currency
250 E Street, SW
Mail Stop 2-3
Washington, DC 20219

Robert E. Feldman
Executive Secretary
Attention: Comments/Legal ESS
Federal Deposit Insurance Corporation,
550 17th Street, N.W.
Washington, D.C. 20429

Ladies and Gentlemen:

Thank you for giving me the opportunity to provide comment on the proposals set forth in Basel III. My name is Darren Wodrich. I work for the State Bank of Missouri, an 80 million dollar bank located in central Missouri. The bank was chartered in 1884, making it one of the oldest banks in Missouri. We pride ourself on being able to meet the needs of our community, through the products we offer and customer service we promote.

Over the years State Bank of Missouri has weathered many storms and seen and overwhelming flood of government regulation. Yet it has remained steadfast and strong in its commitment to serve the community of which it is a part of. Never has there been a regulation that has posed such a threat to compromise the commitment community banks have made to their communities, as the Basel III proposals do. Basel III threatens to destroy everything our bank has worked so hard to achieve.

The Basel III proposals are designed to try to prevent a global meltdown of the overall financial system. I understand how important a strong capital base is and how vital it is to maintaining a strong viable financial system. But when we look at the whole picture, we can see that the community banks hold 15% - 20% of world's total deposits and make up 80% of the total number of banks in the world. While, on the other hand, large complex financial institutions hold 80% - 85% of the world's total deposits encompassing only 20% of the total number of banks. Even if all the community banks in the world were to fail, I doubt very seriously that this would cause a global meltdown.

In light of the above statistics, I pose the question, why do the small community banks, which have adhered to their policies and procedures, be forced to bear the burden for something they had nothing to do with?" The only ones that are going to suffer are the families of these small communities. Because of this increased capital requirement they will no longer be able to qualify for a loan because the bank is going to have to make the criteria for loan approval more stringent or eliminate products that many people would have benefited from. This will also affect to growth of these communities. The small community bank is the backbone and life support of the community it serves. If it is unable to provide, its community will die.

I applaud the efforts in trying to make our financial system more secure to avoid another financial crisis. But I urge you to strongly consider the devastating impact this will have on every small community in the United States.

Sincerely,

Darren G. Wodrich
State Bank of Missouri
Sr. Vice President

NMLS# 740533

Darren Wodrich SVP
State Bank of Missouri
P.O. Box819
101 NW 2nd ST
Concordia, MO64020