

From: David R. Misch [mailto:drmisch@tpboc.com]
Sent: Wednesday, September 26, 2012 3:58 PM
To: Comments
Subject: Basel III FDIC RIN 3064-AD95, RIN 3064-AD96, and RIN 3064-D97

To Whom It May Concern:

I am the current CEO of the Private Bank of California in Los Angeles. We were founded seven years ago and are a \$650 mm institution. Prior to this I held various senior positions at Mellon Bank in Pittsburgh including being the Chief Credit Officer of the Company.

By now, I am sure you have received a significant amount of negative feedback about the implementation of Basel 3 especially from the community banks. As a result, I am not going to bore you with extensive commentary but I echo those sentiments and want to make two points.

First, the implementation of Basel 3—for anything other than the banks that are too big to fail—represents a costly and redundant measure for maintaining adequate capital. For The Private Bank, for example, we have run the simulations and are likely to be fine from a capital perspective. But implementing this regulation, and maintaining compliance with it, will not make TPBOC any better or worse of an institution than it is while resulting the Bank having to spend money to implement and maintain. The same concept applies to the SAFE Act provisions, the new promulgation regarding international wires for consumers, etc. This cost burden is true for The Private Bank and we are a fairly large institution. In talking to my colleagues, this same issue holds for banks many times our size and certainly for those that are smaller.

Second, there are many details in the regulation—the treatment of OCI, the approach towards delinquency, the bias against home equity loans—that will make it difficult at best to properly service our markets which are individuals and small businesses. I don't think that the intention is the run-off the banks that are actually trying to support these key drivers of the economy.

Thanks for your consideration.

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