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WYOMING BANK & TRUST

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September 25, 2012

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

Re: Basel III Capital Proposals

Ladies and Gentlemen:

Thank you for the opportunity to provide comment on the Basel III proposals that were recently approved by the Federal Reserve Board, the Office of the Comptroller of the Currency, and the Federal Deposit Insurance Corporation (collectively the "banking agencies").

I am the CEO of Wyoming Bank & Trust in Cheyenne, WY. We are a \$130 million closely held community bank operating in Laramie County, Wyoming and have 36 bank employees. We primarily serve small businesses and agriculture customers. We are a true community bank helping our community not only with banking services, but providing for and promoting many community service type events and services. We were honored by the Independent Community Bankers Association this year with the Grand National Community Service Award. I am deeply concerned with the above referenced proposals. We believe that if these rules are implemented, it could profoundly affect our ability to continue to serve our community in the manner we have done in the past.

I have several concerns regarding the Basel III Capital Proposals, including the requirement that all banks will have to mark to market their available for sale securities. We are not a public company and the only parties that utilize our financial statements are the 6 owners and our regulators. The mark to market information is already available to these users and the impact it could have on our financial strength could be detrimental to us, even though the overall risk profile of our bank would not have changed.

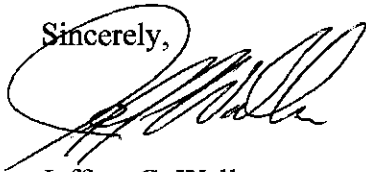
My next concern is the increased risk weighting on delinquent loans. Many of our loans are to farmers and ranchers. Generally, the agricultural economy has been very strong for several years, but we remember times, and what could be the not to distant future given the current drought situation, where some of these loans may have to be carried past due. I believe that we, as well as most of our peers, do a sufficient job covering the risk in our reserve for loan loss and increasing the risk weighting would be a double hit, as we increase our loan loss reserve while at the same time take a hit to our capital.

Another concern is how capital relates to our lending limit. As a small bank, we have many loans that are close to our lending limit. Under the Basel III proposal, this could affect capital in such a way that would cause sudden swings to our capital and therefore our lending limits. We already struggle to compete with large institutions and making our lending limit even more volatile will give them one more advantage over true community banks.

Finally, I'm concerned with the complexity that is required to interpret and follow the rules. We have already added 3 positions in the last 2 years to deal with the additional regulatory burden. We can't afford to keep adding more and remain a viable, competitive banking solution for small town America. The one size fits all solution is not a fair solution. We can't afford to pay for the one size, when the larger banks can just spread this costs over thousands of more accounts. We have always operated under the practice of keeping things simple

Thank you for your consideration. I sincerely hope you take into account what this proposal could do to small banks, and vis-à-vis small business and small towns.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jeffrey C. Wallace', written over a circular scribble.

Jeffrey C. Wallace
CEO