



October 12, 2012

Jennifer J. Johnson, Secretary
Board of Governors of the Federal Reserve
System
20th Street and Constitution Ave, N.W.
Washington, DC 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, DC 20429

RE: Basel III Capital Proposals

Ladies and Gentlemen:

Thank you for the opportunity to comment on the Basel III proposals that have recently been issued for public comment. My comments are very negative toward these regulations as proposed. Although I absolutely believe in having plenty of capital in a strong bank, these proposals are counterproductive and potentially devastating to us. With a sudden large upward movement in rates, these regulations could force us into an accounting situation that could leave us undercapitalized.

We are a \$154MM community bank located in four small Iowa towns. We are well run and conservative while maintaining a strong capital structure. These Basel III proposals do nothing but confuse real issues and prompt misleading disclosures as to the real value and stability of our bank.

Please reconsider these and do not make them permanent. Thanks.

Sincerely,

A handwritten signature in blue ink, appearing to read "VJB", with a long horizontal line extending to the right.

V.J. Gus Barker
President