



October 19, 2012

Mr. Robert E. Feldman, et. Al:

The proposed Basil III capital requirements have prompted our bank to review our current practices in the lending arena especially in regards to mortgage loans and loans to small businesses. As a bank that was formed to meet the needs of the local community we serve, continuing to offer these types of loans will be difficult to do to maintain adequate capital levels. I can understand the proposed regulations could apply to the large money center banks but to smaller community banks like ourselves this only makes it difficult if not impossible to offer these core banking services.

I would encourage the exemption of Basil III requirements for community banks so that we may continue to do what we do best in enhancing our communities and local economies. Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Wayne A. Vander Tuig", is written over a faint, circular watermark or background graphic.

Wayne A. Vander Tuig  
Executive Vice President  
Peoples Bank  
Indianola, Iowa