

FIDELITY FINANCIAL CORPORATION

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October 19, 2012

Office of the Comptroller of the Currency email: regs.comments@occ.treas.gov
250 E Street, SW
Mail Stop 2-3
Washington, DC 20219

RE: Basel III OCC Docket ID OCC-02012-0008, 0009, and 0010

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

RE: Basel III FDIC RIN 3064-AD95, RIN 3064-AD96, and RIN 3064-D97

Jennifer J. Johnson, Secretary email: regs.comments@federalreserve.gov
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue, N.W.
Washington, D.C. 20551

RE: Basel III docket NO. 1442

Ladies and Gentlemen:

Fidelity Financial Corporation (FFC) is a \$1.5 billion family owned unitary thrift holding company in Wichita, Kansas. It owns Fidelity Bank which has branch offices in Wichita and Oklahoma City, Oklahoma. I would like to comment on aspects of the above-referenced notices of proposed rulemaking (NPRs) concerning the BASEL III capital proposals.

Elimination of Trust Preferred Securities

Since 2001 FFC has been a participant in three pooled Trust Preferred Securities (TRUPS) issues for a total amount outstanding of \$32 million. At the time the regulations allowed this method of "renting" long-term capital which enabled institutions such as ours to build capital and grow. As a closely held private institution, there are very few other ways we can access the capital markets. TRUPS were grandfathered under Collins amendment of Dodd-Frank, but the Basel III proposal would gradually remove this element of capital and force us to either allow our capital ratios to diminish, shrink our balance sheet or seek additional capital in the public markets. Even the proposed ten year phase-out of TRUPS would be onerous for

an institution of our size. We feel this is an example of financial reform of the largest banks that will have punitive results on community banks that played no part in the financial crisis.

Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink that reads "H. Clay Bastian". The signature is written in a cursive style with a long horizontal flourish extending to the right.

H. Clay Bastian
President