
From: Lucille F. Cernak <lfc@northamptoncoop.com>
Sent: Monday, October 22, 2012 11:15 AM
To: Regs.comments@federalreserve.gov; Regs.comments@occ.treas.gov; Comments
Subject: BASEL III Capital Proposals

October 22, 2012

Northampton Cooperative Bank
67 King Street
Northampton, MA 01060

Ms. Jennifer J. Johnson
Secretary
Board of Governors of the Federal Reserve System
20th Street and constitution avenue, N.W. Washington, D.S. 20551
Regs.comments@federalreserve.gov
Docket R-1430 and R-1442; RIN No. 7100-AD 87

Office of the Controller of the Currency
250 E Street, SW
Mail Stop 2-3
Washington D.C. 20219
Regs.comments@occ.treas.gov
Docket OCC-2012-0008 and OCC-2012-2009; RIN 1557-AD46

Robert E. Feldman
Executive Secretary
Attention: comments/Legal ESS
Federal Deposit Insurance Corporation
55017th Street, N.W.
Washington D.C. 20429
comments@fdic.gov
RIN 3064-AD95 and RIN 3064-AD96

Dear Sirs and Madam:

Northampton Cooperative bank is \$158 million community bank in Western Massachusetts. We are a mutual bank with 13.78% Tier 1 capital. The Basel III Proposals are unnecessarily complex and yet another expensive regulatory burden that will in no way contribute to the overall safety and soundness of the institution.

Our balance sheet is simple and conservative. (We have foreclosed on one residential property in the past 15 years.) All of our lending is local and most is secured by owner occupied homes and businesses. The requirement, that under some scenarios, a portion of our portfolio (i.e. home equity lines) would require a risk weight of 200%, will certainly curtail our ability to continue to provide our community with the prudent lending

we have for more than a century. Simply determining the characteristics of existing loans will be expensive and time consuming. In truth, the data required may not even be available.

Credit unions, which already enjoy a significant competitive advantage with their tax exemption, will avoid yet another expensive government regulation.

I respectfully request that you consider the broad ramifications and negative implications Basel III will have not only on Northampton Cooperative Bank, but all those community banks that have been such an important part of the financial and business activities of their communities.

Sincerely

Lucille F. Cernak
Executive Vice President

--

This email contains proprietary and confidential information. If you are not the intended recipient of this email, you are hereby notified that any dissemination, distribution or copying of this message is strictly prohibited. If you have received this message in error, immediately notify Northampton Cooperative Bank by replying to this e-mail message. Then delete this e-mail message and all files transmitted with it from your system.