



Atlantic Stewardship Bank

October 16, 2012

Robert E. Feldman
Executive Secretary
Attention: Comments/Legal ESS
Federal Deposit Insurance Corporation
550 17th Street, N. W.
Washington, DC 20429

Dear Mr. Feldman;

Thank you for taking the time to review my concerns regarding the Basel III proposal as approved by the Federal Reserve Board, the Office of the Comptroller of the Currency, and the Federal Deposit Insurance Corporation.

Although it is recognized there is a need to enforce increased bank capital requirements, I have serious concern about the Basel III proposals approved by your agencies as it applies to community banks.

The Atlantic Stewardship Bank (ASB) was founded in 1985 in Midland Park, New Jersey. The Bank is currently approximately \$700 million assets serving three counties in the Northern part of the state. ASB is a commercial bank assisting businesses with their primary banking needs, including loans as well as deposits. We also help consumers with residential mortgages, home equity loan, automobile financing as well as offering a selection of deposit products. The Bank currently provides homeowners with over \$100 million in home loans a year. As a result of the Basel III higher capital ratio requirements and adjustments to the risk-ratings of assets, we will have difficulty in meeting the mortgage needs of first time home buyers. Small businesses will also struggle in obtaining financing at our bank as well as at the majority of community banks. Our bank is unique in as much as it Tithes, or shares, 10% of earnings each year with Christian and local civic organizations. Since the inception of the tithe program, ASB has given over \$7.7 million to non-profit charitable organizations, many of which provide housing and food to members of our community who would not otherwise be able to provide or obtain these necessities.

ASB is dedicated to serving the local communities. Banks throughout our great nation share in this responsibility. Our local economy is dependent on the financial resources available at our community banks. It is important for ASB and the other community banks to continue to provide resources to our customers in order for communities to survive and flourish.

If community banks are held to the same capital standards that worldwide, internationally active, mega banks are held to, it is questionable as to whether all community banks can continue to operate independently. If the community banks can no longer survive as a result of these stricter capital requirements, the local community and our entire nation will suffer.

Community banks want to operate in a safe, conservative environment, but the Basel III over regulation is onerous and will prove to be detrimental.

You are urged to consider the negative impact the Basel III capital requirements will have on community banks and ultimately the communities they serve.

If Basel III can not be rescinded, kindly consider applying those regulations to banks with assets of \$10 million or more or alter the criteria as it applies to community banks.

Sincerely,

A handwritten signature in black ink, appearing to read "Richard W. Culp". The signature is fluid and cursive, with the first name "Richard" and last name "Culp" clearly distinguishable.

Richard W. Culp
Board Member