FELICIANA BANK
AND TRUST COMPANY

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October 13, 2012

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

RE: FDIC Basel III NPR (RIN 3064-AD95) and FDIC Standardized Approach NPR (RIN 3064-AD96)

Dear Mr. Feldman:

The undersigned are the President and Chief Executive Officer and the Chief Financial Officer respectively of Feliciana Bank & Trust Company, a $109 million bank. The bank was founded in 1904, survived the Great Depression and all the recessions between. The bank has served this community well or it would not have survived a century. It is truly a Main Street America Bank in every way. We currently struggle and toil under a mountain of regulation and oversight from the Federal Reserve, the FDIC, and Louisiana Regulators. Our main office has a staff of 30. We were recently examined by a regulator staff of 15. Seems like overkill to us.

And now enter the Mother of all regulation, Dodd-Frank and her evil twin from abroad, Basel III. To quote the old gospel song, "Oh Happy Day!"

We truly believe that there is an agenda to eliminate community banks such as ours. Our operating expenses sky-rocket with every minute that the regulators regulate and promulgate new regulation. Community banks are the primary source of credit to small business borrowers, and those businesses create the bulk of the new employment opportunities and economic activity in this country. These new regulations will likely result in consolidation, reducing credit availability for Main Street borrowers. Further consolidation and concentration of the banking industry should not be a goal – intended or otherwise – of public policy. The Basel Capital proposal epitomizes unnecessary regulatory burden, and will have severe consequences on the community banking sector.

The ultimate losers are consumers, small businesses and local government entities, who will face higher borrowing costs and diminished availability of both credit and bank services.

The proposed changes to risk weightings, especially in the mortgage loan category, are excessive, and will further dampen activity in an already challenging market. Rules already in effect and proposed, including escrow requirements, balloon note limitations, appraisal standards, additional disclosures and new "zero tolerance" on the Good Faith Estimate, among others, have significantly curtailed mortgage lending among community banks, especially for loans held in portfolio. Large banks have the ability to hedge the interest rate risk exposure on their securities portfolios. Community banks don't have that luxury and are unable to do so in an economically feasible manner.

The proposed risk weightings will create unnecessary reporting burdens for community banks and limit their ability to provide flexible lending solutions to customers. Larger lenders that use highly structured, computer model-based lending platforms will be able to rely on technology to ensure compliance with desired risk-weighting criteria, while community bankers will be forced to check each loan against a long list of technical parameters or risk unintentional violation of a risk threshold.

Community banks are struggling to keep up with the costly and burdensome load of regulations and edicts coming from Washington, D.C. Large banks have the ability to absorb these compliance costs more efficiently. **We believe a compromise is in order:**

Allow community banks under $1 billion in total assets to continue using current risk-based capital rules. This would provide a great relief to community bankers and their regulators.

The continued survival of the Main Street Community Bank is essential to the small towns across America. Our suggested "compromise" is not original nor is it complicated. Often, the simplest solution provides the greatest benefit.

We appreciate your consideration of our views.

Sincerely,

John I. Stewart
President and
Chief Executive Officer

Russell P. Conger
Executive Vice President
and Chief Financial Officer