

October 10, 2012

Robert E. Feldman

Executive Secretary

Attention: Comments/Legal ESS

Federal Deposit Insurance Corporation,

550 17th Street, N.W.

Washington, D.C. 20429

Re: Basel III Capital Proposals

Ladies and Gentlemen:

Thank you for the opportunity to provide comment on the Basel III proposals that were recently issued for public comment by the Federal Reserve Board, the Office of the Comptroller of the Currency, and the Federal Deposit Insurance Corporation.

I have only recently become employed at a community bank in Portales, New Mexico. I still have a lot to learn about the banking industry and I am hoping for a long career here in Portales. When the Basel III legislation was brought to my attention, I felt I needed to do some research and see how the changes might affect my new position at the bank as well as the community. I was a little shocked to see that the Basel III was originally meant to help protect the largest banks from the issues that happened in the recent economic downturn and was never intended to affect the smaller banks. I can understand the need for increases in capital buffers and increased restrictions on loan requirements to stop some of the bad loans that were made which contributed to the economic crash. My concern is with the way the requirements are being passed on to smaller community banks which do not have the access to capital that the larger banks have. If the increased capital requirements for community banks go through, it is possible that some banks will not be able to meet these requirements and could end up closing. This is certainly not in the best interest of the communities that these banks serve and will further hamper the rebound of the economy.

Another issue that I am concerned with is the mortgage loan restrictions. My wife and I hope to be able to purchase a new home someday, but with the new requirements in place, I fear we may not qualify for a mortgage loan. If the community banks are allowed to continue with the current rules, we might be able to get a new home loan through the community bank that I currently work for. I also believe that some of the new rules would impact the communities they serve because community banks offer services that the larger banks cannot offer.

I hope that my words will make a difference in whether or not the Basel III proposal gets passed on to the smaller community banks.

Sincerely,

John Ledbetter

J P Stone Community Bank