
From: cassandra hudson <chudson@whitesvillesb.com>
Sent: Thursday, October 04, 2012 3:03 PM
To: Comments
Cc: chudson@whitesvillesb.com

October 4, 2012

Jennifer J. Johnson, Secretary
Board of Governors of the Federal Reserve
System
20th Street and Constitution Avenue, N.W.
Washington, D.C. 20551

Office of the Comptroller of the Currency
250 E Street, SW
Mail Stop 2-3
Washington, DC 20219

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^[1] 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 am an employee at a small community bank in southern West Virginia. I feel the smaller banks such as ours operate on a relationship based business which in turn give us long-term relationship with our customers. The larger banks operate purely on transaction volume and pay little if any attention to the customer relationship. Community bank already struggle in this economy, and will BASEL III an international proposal for new capital standards that would increase capital requirements. Most community banks could possibly face significant compliance costs and administrative burdens. While larger can absorb these cost, while smaller community banks will have to hire additional resources to implement and monitor compliance going forward. The cost of complying with the new rules may put additional pressure on earnings, reduce net income and lead some community banks to seek out life preservers. Thank you Cassandra**

^[1] The proposals are titled: *Regulatory Capital Rules: Regulatory Capital, Implementation of Basel III, Minimum Regulatory Capital Ratios, Capital Adequacy, and Transition Provisions*; *Regulatory Capital Rules: Standardized Approach for Risk-weighted Assets; Market Discipline and Disclosure Requirements*; and *Regulatory Capital Rules: Advanced Approaches Risk-based Capital Rules; Market Risk Capital Rule*.