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October 15, 2012

Robert E. Feldman  
Executive Secretary  
Attention: Comments/Legal ESS  
Federal Deposit Insurance Corporation  
550 17<sup>th</sup> 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.

I am President and C.E.O. of a small community bank in Williamstown, West Virginia. Our assets are in the range of One Hundred Forty Million dollars. We are a closely held bank with a limited market for our stock. We have Thirty Seven employees with a main office and one branch.

Community Banks have been overburdened with regulations, and Basel III will cause additional burdens in time and money. In addition to implementing a new capital requirement, the proposal completely revises many of the current risk weights that community banks use to calculate regulatory capital. This proposal is should not be implemented for small community banks with simplified balance sheets and customary lending activities.

We cannot access the capital markets and need years to build capital through retained earnings. I was recently asked at a board meeting why we cannot increase our dividends. I told our board at the time if Basel III is implemented they will more than likely see a decrease in dividends. Not only because of higher capital requirements but due to additional costs for compliance and audit.

I would like to strongly request that community banks be allowed to continue using the current Basel I framework for computing their capital requirements. Basel III was designed to apply to the largest banks and not community banks.

Sincerely,

W.R. Butcher  
President and C.E.O.