

October 19, 2012

Robert E. Feldman, Executive Secretary  
Attention: Comments/Legal ESS  
Federal Deposit Insurance Corporation  
550 17th Street, N.W.  
Washington, D.C. 20429  
FDIC RIN 3064-AD95  
FDIC RIN 3064-AD96

Jennifer J. Johnson, Secretary,  
Board of Governors of the Federal Reserve System,  
20th Street and Constitution Avenue, N.W.,  
Washington, D.C. 20551  
Docket No. R-1430; RIN No. 7100-AD87  
Docket No. R-1442; RIN No. 7100-AD87

Office of the Comptroller of the Currency  
250 E Street, S.W., Mail Stop 2-3  
Washington, DC 20219  
Docket ID OCC-2012-0008  
Docket ID OCC-2012-0009

***RE: Regulatory Capital Rules: Regulatory Capital, Implementation of Basel III, Minimum Regulatory Capital Ratios, Capital Adequacy, Transition Provisions, and Prompt Corrective Action; and Regulatory Capital Rules: Standardized Approach for Risk-Weighted Assets; Market Discipline and Disclosure Requirements***

Dear Sir or Madame:

Oklahoma Bank & Trust Company is a small community financial institution in western Oklahoma. The bank supports local economic growth thru small business lending and thru lending to consumers and individuals requesting 1 to 4 family residential mortgages. These mortgages are not sold and remain at our bank. Increasing the risk-weighting for certain kinds of assets, particularly real estate mortgage loans will impact this bank.

Oklahoma Bank is a long-term investor and does not actively trade securities in the banks investment portfolio. Basel III proposed changes will result in the need to allocate additional capital to the investment portfolio to ensure that the risks associated with increased volatility are properly covered through additional cushions.



As I understand, the proposed regulatory capital standards of Basel III apply to all banks. In an effort to become knowledgeable of the Basel III proposal, I have only become more confused. It is difficult and cumbersome to precisely determine the impact of the proposed capital rules on the bank so we may provide comments about our areas of concern.

Every aspect of the proposal cannot be readily identified, even when using Basel III calculators to review all the proposed changes. In the end, the added cost and time needed to comply with a new series of complicated regulatory burdens, in addition to government regulation that already exists today, can become overwhelming to community banks.

The Basel III proposals were intended for large financial institutions. Community banks should be exempt from these proposals and allowed to continue to measure capital according to the present methodology.

Regulators have the ability to impact the bank's bottom line and to help bankers succeed. Oklahoma Bank and Trust company does recognize the importance of appropriate levels of capital as a key component of a safe and sound bank.

I am writing to ask regulators to exempt community banks from proposed Basel III capital rules and to allow community banks to continue operating under Basel I capital regulations.

Thank you for the opportunity to comment on these proposals.

Sincerely,

*Pamela Lafleur*

Pamela Lafleur

Vice President/Cashier