



October 16, 2012  
Mr. 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 – Capital Conservation Buffer/ Mortgage Risk Weighting

Dear Mr. Feldman:

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

As President of a Community Bank, I see daily the need for Community Banks. I worked at a large Bank (PNC Bank) for over 24 years before joining Your Community Bank over 11 years ago. There is a significant difference between Big Banks and Community Banks. Community Banks help make our communities better in so many ways, from helping small business, to assisting their employees, to being volunteers. Our employees are actively involved in all areas of our Communities, and volunteer in many ways to make our Communities a better place for all our residents.

The proposed Capital Conservation Buffer will harm Community Banks as we do not have the access to capital that large banks do. This requirement could restrict our ability to extend loans to small businesses, which will harm the communities we serve. Please change this requirement for Community Banks.

Additionally, the Risk Weighting of a Mortgage Loan based on the loan-to-value will increase the cost for community banks, and ultimately cost the consumer more money. By requiring higher risk weights on adjustable-rate or balloon mortgages, this will require more capital, which will increase the cost of the loan to the consumer and reduce the availability of this type of credit. This may require us to no longer hold any residential mortgages on our own portfolio and only originate loans which can be sold to a GSE.

If the Basel III proposals are implemented, we will be forced to make decisions about how we operate (reduce staffing), eliminate mortgage products, and how we service our communities. I respectfully request that you eliminate or significantly change the Basel III requirements for Community Banks. Thank you.

Sincerely,

A handwritten signature in blue ink that reads "Kevin J. Cecil".

Kevin J. Cecil  
President & CEO (812) 981-7347