



Hertford Savings Bank, SSB

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VIVIAN D. SUTTON
PRESIDENT

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BETTYE M. WINSLOW
SECRETARY

October 16, 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 approved by the Federal Reserve Board, the Office of the Comptroller of the Currency, and the Federal Deposit Insurance Corporation.

Hertford Savings Bank, SSB has been dedicated to serving our community and the surrounding counties since 1923. We are 15 million in assets. We are mainly a mortgage lending bank with deposits such as Certificate of Deposits, Savings, Money Markets, and Checking accounts. We serve individuals mostly through our mortgage lending. Our loan underwriting is conservative and has always benefited our communities with no significant losses. We contribute to Habitat for Humanity, our local community college, local organizations and schools.

We like other community banks want to make sure we are able to continue serving our communities in the way we have in the past. We also want to ensure the new rules do not reduce our ability to serve our communities.

While I support an increase at some level in the amount of capital that banks hold, the cumulative effect of other proposals will have a severe impact on most of the community banks in this country. I strongly urge you to consider this impact and to consider a possible exemption for most of our community banks from the bulk of these rules. We need to be able to continue serving our communities and helping to strengthen our local economies.

Thank you for your consideration.

Sincerely,

Vivian D. Sutton