

CHARLES E. REED

October 9, 2012

Federal Reserve Board
20th Street and Constitution Avenue NW
Washington, DC 20551

Re: Basel III
Docket 1442

Dear Sir/Madam:

I am a Director of BayCoast Bank, a mutual savings institution serving the Greater Fall River and New Bedford, Massachusetts areas, and I am writing to express my opposition to the proposed Basel III Capital Requirements.

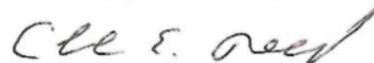
Our Bank, which has just under one billion dollars in assets, and its predecessor have been in business since the 1850s and have always maintained a strong capital position. Because we are a mutual institution we can and do give generously to non-profit entities in our area and can make CRA loans. We feel that 8% is adequate for our purposes, which is primarily residential lending.

During the 2000-2007 period of insane loan making by the banks you regulate we maintained conservative lending standards and as a result had only minor loan losses mostly due to the economic situation. This, despite the fact that Fall River and New Bedford have two of the highest unemployment rates in Massachusetts.

It would be unfair and unnecessary to require all the banks, including ones that have proven to be sound over a long period of time, to meet the new proposed requirements. Profits at the Bank and the communities it serves will be negatively affected. Contributions to non-profits would be severely curtailed.

Thank you for taking the time to read my letter.

Very truly yours,



Charles E. Reed

CER/eaf