



October 22, 2012

Jennifer J. Johnson, Secretary
Board of Governors of the Federal Reserve
System
20th Street and Constitution Avenue, N.W.
Washington, D.C. 20551

Office of the Comptroller of the Currency
250 E Street, SW
Mail Stop 2-3
Washington, DC 20219

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 express my thoughts about the impact of the Basel III proposals that were recently issued for public comment.

My bank, Bank of Morton, was founded in 1904 by some local businessmen to provide help to the people of this rural community. Since that day the Bank of Morton has been open for business, even during the depression years, doing what we can to not only provide a good return to our shareholders, but also to help meet the needs of our community and its citizens.

Bank of Morton is a 59 Million asset size bank in a town of 3,500 people. Our trade area includes many customers in the surrounding rural area where they farm and grow chickens for Koch Foods, the major employer in this area.

Bank of Morton truly is the lifeblood of the community. Not only are we the major bank for the local small businesses, but we are the lender to many who only need small loans from time to time. Their other option is finance type companies. Our primary loan requests are for homes and land. Most of our customers are low to middle income people. In spite of the type

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loans we make and the income level of our customers, we have managed to remain in the top 10% of all banks on return on assets. Our capital is stronger than needed for our type lending. Our loan loss reserve has not needed additional funding in over 10 years. This is due to the bank knowing our customers personally and making good credit decisions.

We certainly are not as sophisticated as larger banks, but we cater to a totally different group of people than larger banks.....just good, hardworking hourly people, farmers, tradesmen, and the like. How would Basel III help us be a better bank to our customers?

We don't just take care of our customers, we are actively involved in the better good of all the citizens. In the past few months, we have given small college scholarships to 11 students, most of whom attend the nearest Community College; helped pay for a badly needed playground at the elementary school; and we are leading the way in a fund drive by "kicking it off" with a gift of \$10,000 for an activities building at our town's recreation park. These are several examples of our value to the community outside the business area.

Why should our bank be handicapped or worse, forced to merge or sell, when we haven't done anything to create the problems that Basel III is suppose to correct? Our community depends on us, needs us, needs our staff to continue being the community leaders that we are. We don't understand the way mega banks do business, and they don't understand us----we're not the same type of institution.

Again, I appreciate the opportunity to comment on these proposed rules. I sincerely hope that you will seriously consider not including small community banks like ours in this burdensome and unnecessary new accounting regulation.

Sincerely,



Martha J. Rogers
President/CEO

cc. Senator Thad Cochran
Senator Roger Wicker
Congressman Alan Nunnelee
Congressman Bennie Thompson
Congressman Gregg Harper
Congressman Steven Palazzo