

October 16, 2012

To whom it may concern:

Re: Opposition to Basel III Proposal

Thank you for allowing me to provide my personal opinion on the Basel III proposals that were issued for public comment by the Federal Reserve Board.

Our bank is a \$170M family owned community bank in New Mexico. The Basel III proposals, if made into regulation requirements, will effect how we serve our communities by restricting "in house" real estate loans. My biggest concern with this new proposal is that if it is passed, not only will our bank lose customers (and profit), but it will also lose several employees due to the lack of financial income. This is a concern for me because I am an employee of this community bank and I depend on it prospering so that I can continue to prosper as well.

On a less narcissistic stand-point, not only will employees diminish if the proposal is made a requirement, but so will our customers. The reason this banks thrives is because of our customers and the loans they have with our bank. If they can't receive the loan/loans that they need, they will seek another bank or financial institution to fulfill their needs. In my personal opinion, this Basel III proposal is an all around "lose-lose" situation for everyone. Not only will the bank fail to thrive, but in turn, so will all of the bank's customers, employees, community, and more importantly the economy.

Well underwritten real estate loans with qualified borrowers are essential to Community Banks being able to serve their customers. And serving our customers also helps our struggling economy to recover.

Thank you,

Chelsea Richards