

October 17, 2012

Robert E. Feldman  
Executive Secretary  
Attention: Comments/Legal ESS  
Federal Deposit Insurance Corp  
550 17<sup>th</sup> Street, NW  
Washington, D.C. 20429

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

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

Re: Community Bank Exemption from Basel III

Dear Ms. Johnson:

Thank you for the opportunity comment on the Basel III proposed regulations.

I have been blessed to work for a community bank in New Mexico for 34 years. We are not a BIG bank and don't want to be a BIG bank. We invest in our community; the people we do business with are our neighbors, friends and family. When we help them prosper and grow, we prosper and grow. Basel III will cause community banks to limit their loan products consequently causing further financial hardship for our customers who are just scrapping by now.

Basel III was conceived to be applied to the largest, internationally active banks, NOT for small community banks. Community banks were not involved in the reckless lending activities that contributed to the recent financial crisis. Imposing complex and overly excessive capital standards will force community banks to spend time and limited resources to compute the complex risk weights for residential mortgages.

Community banks do not have access to the capital markets that the BIG banks do. The only means we have to increase capital is our retained earnings which will be spent on resources trying to comply with complex regulations of Basel III.

Community banks are part of what makes this country great, please don't ruin that!

Sincerely,  
Linda Davis  
Sr. Vice President/Cashier  
James Polk Stone Community Bank  
Portales, New Mexico