

From: Grand Rapids State Bank, Steven M. Wilcox  
Proposal: 1442 (RIN 7100-AD 87) Regs H, Q, & Y Regulatory Capital Rules  
Subject: Regs H & Y Regulatory Capital Proposals

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Comments:

Ladies and Gentlemen: I write concerning the potential Basel III impact on my small community bank. This would appear to be one of the toughest regulations that I have seen since I started working in my family owned bank in 1969. Community banks did not contribute to the international banking stress of the past five years. It's the BIG banks. We are critical components of our small town America communities. We still make mortgage loans in Grand Rapids despite the prevalence of Fannie and Freddie. Have us set aside capital based on the condition of our mortgage loans is just another hurdle against the small community banks and the local borrower. Please be sensitive to this issue and consider different language<sup>3</sup> for the big banks versus the small banks. Thank you!!

Steven M. Wilcox  
Chairman  
Grand Rapids State Bank