

From: Stockgrowers State Bank, Jim Stallbaumer
Proposal: 1442 (RIN 7100-AD 87) Regs H, Q, & Y Regulatory Capital Rules
Subject: Regs H & Y Regulatory Capital Proposals

Comments:

From: Jim Stallbaumer
To: OCC
Sent: Monday, October 15, 2012 9:31 AM
Subject: Basel III OCC Docket ID OCC-2012-0008,0009, and 0010

10-15-2012

Due to unnecessary and costly compliance based upon my understanding, to date, of data collection and reporting requirements, please allow this letter to serve as notice of my bank's request to be excluded from Basel III criteria.

I would suggest for community banks an across the board Tier I Capital and Loan Loss Reserve increase resulting in better resilience to tough economic times and avoidance of increased compliance costs that are counter-productive to bank and customer bottom lines. I've had personal "tough times experience" in the 1980's Ag Crisis, and appreciated the support of regulators who were part of a team to support the bank and its community.

In the early 2000's when Fannie Mae, Ginnie Mae, risk free computer models, unfounded stock market performance, subprime REM's and Wall Street bonuses were obviously out of control, our bank, remembering the Ag Crisis lessons, continued to provide for our customers BUT also increased capital and LLR for the coming storm as did the majority of our rural community bank peers.

We seem to have forgotten that the purpose of reserves are to get the majority through certain to happen but unscheduled crisis.

I refer you to the bullet points of the Independent Community Bankers of America for specifics to further support community bank exclusion.

Sincerely Yours,

Jim Stallbaumer
President
Stockgrowers State Bank