



September 21, 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 provide comment on the Basel III proposals<sup>1</sup> that were recently approved by the Federal Reserve Board, the Office of the Comptroller of the Currency, and the Federal Deposit Insurance Corporation (collectively the "banking agencies").

My name is Dennis Hanson and I am the Regional President for Valley Bank. We have offices in Illinois and Iowa. We are about \$690 Million in asset size and are considered a commercial/community bank.

I want to comment on the new proposed Basel III capital requirements. Basel is asking us to increase our capital position in the most challenging times in my 33 year banking career. In fact it is almost impossible to extract more dollars from our local community and our exiting stockholders. If we do raise it, it will only cover what we now have on the books for loans and short our ability to service our clients and community needs. I believe that Basel has it backwards. If anything, we should be lowering our capital in these times, and when they get better, push them to higher standards.

Please reconsider this change. Certainly for the smaller community banks.

Sincerely,

A handwritten signature in blue ink, appearing to read 'D. Hanson', with a long horizontal flourish extending to the right.

Dennis H Hanson  
Regional President

[www.bankatvalley.com](http://www.bankatvalley.com)