

From: The Home Loan Savings Bank, Kyle Hamilton  
Proposal: 1442 (RIN 7100-AD 87) Regs H, Q, & Y Regulatory Capital Rules  
Subject: Regs H & Y Regulatory Capital Proposals

---

Comments:

Dear Mr. Bernanke, Mr. Curry and Mr. Gruenberg,

I am writing to express my concerns on the Basel III Capital Proposals. As a small community bank that employs approximately 52 employees and has served our community for 130 years the new recommended capital standards would really put the pressure on banks like us. With tighter capital requirements I could see lending dry up even more than it already has. With Dodd Frank coming down the road and now Basel III I could see many Community Banks just giving up. The regulatory burden is so great and none of it was caused by us, the Community Bank. We are the life blood of our community when it comes to banking and community support. The big banks do not care or support the communities they have branches in anymore. If these standards are imposed on the community banks I would envision that there would need to be some drastic steps taken for us to survive. These steps would in turn slow mortgage lending which would slow an economy that is already struggling and also impact on how we give back and support different organizations in our community. The people we serve in our communities are already struggling with the weak economy. By increasing capital standards for small banks like mine, you would basically be shutting down the opportunity for my bank and my community to see any growth. With these higher capital standards I could see loss of jobs, higher fees and fewer products offered for us to survive. These items are not positive and would have a negative impact on the local economy.

I would encourage you to reconsider the Basel III proposal and the negative impact it will have across the country on community banks. I thank you in advance for your consideration to remove community banks from this proposal.

Sincerely,

Kyle Hamilton  
The Home Loan Savings Bank