

From: Baileyville State Bank, Paul R. Boeding
Proposal: 1442 (RIN 7100-AD 87) Regs H, Q, & Y Regulatory Capital Rules
Subject: Regs H & Y Regulatory Capital Proposals

Comments:

Ladies and Gentlemen:

There are numerous comments that could be made concerning the onerous burdens that will be placed on the backs of community banks if Basel III is implemented for all banks, instead of just for those internationally active banks for which Basel III was designed. As the major regulatory agency of community banks I am quite sure the FDIC is aware of the problems community banks will have complying with Basel III, so this will not be a long laborious comment letter outlining the devastating effects Basil III will have on community banks and ultimately the customers we serve.

Just one comment or thought for your consideration. On the FDIC website there is a section called "History of the FDIC". That section opens with the following sentence: "The FDIC was created in 1933 in response to the thousands of bank failures that occurred in the 1920s and early 1930s". How ironic it is that after nearly 80 years the FDIC will be the cause of numerous bank closings through the implementation of Basel III.

Sincerely,

Paul R. Boeding
Baileyville State Bank