

Don Lesage  
967 Gardners Neck Rd  
Swansea, MA 02777-1532

October 21, 2012

Mr. Robert E Feldman, Executive Secretary.  
Attention: Comments / Legal ESS.  
Federal Deposit Insurance Corp.  
550 17<sup>th</sup> Street, NW.  
Washington, DC 20429.

Jennifer J. Johnson, Secretary  
Board of Governors of the Federal Reserve System.  
20<sup>th</sup> and Constitution Avenue, NW.  
Washington, DC 20551

RE: Basel III, FDIC RIN 3064-AD95, FDIC RIN 3064-AD96, and FDIC RIN 3064-AD97.

Dear Mr. Feldman:

I am a director of Bay Coast Bank, which is a community bank with 15 offices in SE, Massachusetts and Rhode Island and am adamantly opposed to Basel III and it is unnecessary.

The bank has assets in excess of 900 million and tier 1 capital (leverage) above 8%. We are a community bank and had nothing to do with the economic crisis from the misuse of subprime loans. Over the years, we have been successful in reallocating funds from the debt security portfolios to meet the demands of residential and commercial borrowers. I am therefore concerned about the impact of "300 basis points increase in rates".

Bankers should be encouraged to build reserves with pre-tax dollars during good times.

We are also engaged in home Equity lending. The impact of a 300 basis point increase in rates", will be difficult to swallow and could restrict credit and increase its cost.

Increasing the risk weighting of delinquent loans also make no sense. Delinquent loans are already considered in allowance / a loan and lease of loss.

In summary, the implementation of Basel III as proposed will alter the way we serve our customers and community. We want to improve and grow our local economy.

Respectfully,

Don Lesage

cc: The Honorable Scott Brown, U.S. Senate  
The Honorable John Kerry, U.S. Senate  
The Honorable Barney Frank, U.S. House of Representatives  
The Honorable James P. McGovern, U.S. House of Representatives  
The Honorable William R, Keating, U.S. House of Representatives