first national bank of MOOSE LAKE
Member FDIC

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February 5, 2014

Legislative and Regulatory Activities Division
Office of the Comptroller of the Currency
Mail Stop 9W-11
400 7th St. SW
Washington, DC 20219
RE: Docket ID OCC-2013-0014

regs.comments@occ.treas.gov

Robert deV. Frierson, Secretary
Board of Governors of the Federal Reserve System
20th St and Constitution Ave NW
Washington, DC 20551
RE: Docket No. OP-1465

regs.comments@federalreserve.gov

FDIC RE: Docket No. OP-1465

comments@fdic.gov

Let me introduce you to our Bank. We are a small community Bank with about $74 million in assets. We have employees numbering 28 and service 3,946 customers and know them all. Our Board of Directors is comprised of 5 members; 4 males of non-Hispanic origin, and 1 female of non-Hispanic origin, ranging in age from 44 – 60. Our Bank is located in East Central Minnesota which would be characterized as rural and our trade area primarily being Carlton and Pine Counties, mostly north and south of us. Our major employers in this area are the local hospital district, school district, and state facilities. A large percentage of our loan portfolio is 1 – 4 family residential due to the nature of our local economy. Our loan portfolio is quite diverse in that we also do commercial, agricultural, and all types of consumer lending and we are creative in meeting our customers' needs. We are in the service business and if we do not meet our customers' needs we are simply out of business.

We appreciate the fact that the Agencies recognize the standards will not be a part of the examination or supervisory process. We are a small Bank with limited resources and are doing everything we can to meet our community's needs. Making the standards part of the examination process would impose unnecessary additional cost, which ultimately would be bore by the consumers and put additional strain on our limited resources. Flexibility IS the key to the ultimate success to encouraging diversity and inclusion and the avoidance of a "one size fits all" approach makes perfect sense because of the diverse nature of our community banks and the communities they serve. Any requirements must be tailored to a specific bank's location and the community in which it operates.

We are very sensitive to meeting our customers' needs. We are already diversity sensitive as evidenced by our outstanding CRA rating, Fair Lending requirements, HMDA reporting, and training to being committed to diversity and inclusion of everyone. We practice diversity in not only customer decision making but also in our employment practices. To exclude anyone simply by lacking diversity is bad business.

Our employee and customer base is representative of the population mix in our communities and our service area. There is no need for an expanded, scientific analysis based on metrics to prove this. Our business model is quite simple and is in no need of a complex analysis to understand it. Self-assessment is sufficient and appropriate for out Bank and other banks our size and in similar conditions. Any additional mandate will further burden regulatory staff and our banks with no benefit to the customers and taxpayers.

Our Bank's procurement business practices and supplier pool is diverse. It is truly a non-biased decision, other than a sound business decision making process, as to price, quality, and service, like any other decision a purchaser would make. We do have female owned businesses in our small community which we do business with and are happy to be their partner in success. To impose any type of diversity standards on our choice with respect to whom we choose to do business with would be beyond the authorization of the statute as well.

I encourage you to use a common sense approach in your assessment of our community banks' commitment to diversity. Simply put, our sensitivity to diversity is why we are still in business and serving all our customers. Thank you for this opportunity.

Sincerely,

Jerome N. Bennett
Sr. Vice President – Lending
NMLS ID: 496852