

From: EHolley
Sent: Thursday, August 17, 2006 10:48 PM
To: Comments
Subject: ILC banking

Banks (in general) have since the S&L debacle had too much direct involvement in project ownership. Banks should be banks - period. Freestanding and unattached to any other enterprise. There is too much vertical integration - i.e. enterprise needs to borrow money so it acquires a bank making it easy to get favorable loans or loans that might not be allowed at a unrelated bank. Our economy has gotten so intricate and complicated - you have to know all the players, who they are owned by, and who they are owned by to figure out who really runs the show. Bank A makes favorable loans to buy Company C cars. Company C is owned by Company B who is owned by Company A. Turns out Company A also owns Bank A. Bank A may be seen as endorsing Company C cars when in fact they are just following orders. Simplistic I know but illustrates a point. Banks need to be independent to view business decisions objectively and really "hold entities feet to the fire" to make sure businesses are run soundly. Help stamp out the Enron cases. Thank you for this opportunity to comment - hope you are listening. E.