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**From:** Chris McConnell AIFA  
**Sent:** Thursday, August 27, 2009 2:23 PM  
**To:** Comments  
**Subject:** "FDIC" and "RIN 3064-AD48"

Thank you for the invitation to submit a comment on the above item.

Briefly –

When it relates to such off balance sheet entities, by whatever name, functional (NOT limited to legal, formal) employees, consultants, vendors and compensation thereto should lead to and be considered and accounted for as ON balance sheet. For example, related employment or service contracts as to intellectual property may be determined that IT and software resources redound to the parent including penalties for violation. Parent / super / guarantor entities' control, influence etc. appear often to be effectively exercised by the managers of same. These managers determine at the outset and on an ongoing basis those employees' job descriptions, performance and compensation (from the parent) including the nature (cash, stock, options or profit participations in the off balance sheet entities) and amounts.

Second, certain such entities often seem, in the past, to have been established for the purpose of entities' profit from engaging in similarly unregulated, unsupervised hedge fund-like investment activities and instruments. Such entities were NOT ever, it appears established for the purpose of benefitting the banks' or brokerage's public customers. Moreover, subject to proof, certain of these entities (and parent), activities and instruments may have improperly superseded certain aspects of related national or state bank charters; at least in spirit if not in fact.

In sum, any and all proprietary trading should be disclosed and accounted for what it is and what it is NOT (and certainly undeserving, unworthy of any past, present or future US taxpayers' and global creditors' implicit or explicit support).

In conclusion, one of the questions that might be considered is this:  
As a matter of public policy, whose interests should be served or come first:  
VIE's QSPE's managers, employees, consultants, vendors, directors and shareholders of the parent of same OR public customers / public investors, US taxpayers and creditors of US Treasury worldwide?

It's all about, in my opinion, alignment (of incentives) of the interests of the beneficiaries with the resources available.  
Framed in a useful question for all who serve in a fiduciary capacity – "Who benefits the most from this decision? The correct answer should always be the beneficiary."  
Properly supported by financial statement disclosures as to the nature, purpose, any and all resources including financial, intellectual and human capital; said elements are and have been internally measured, monitored and managed by parent entities for years.

Regulatory burden – nominal; just request each institution provide your agency a copy of what data and reports they monitor presently; and like the NON FDIC insured affiliates which benefitted from TLGP any public disclosure even FOIA requests will be rejected on the basis of trade secrets correct?

Thank you.

Very truly yours,

Chris McConnell, AIFA®  
ACCREDITED INVESTMENT FIDUCIARY ANALYST™

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