FROM: John N. Hays **July 8, 2009**
Senior Vice President – Williamstown Bank, Inc.
Williamstown, WV 26187

TO: Comments

Subject: Proposed Joint Rule – June 9, 2009 – RIN 3064-AD43 (Implementation of the Secure and Fair Enforcement for Mortgage Licensing Act (S.A.F.E. Act)

FDIC
550 17th Street NW
Washington, DC 20429

To Whom It May Concern:

This comment is in response to the above-referenced proposed rule. It is the opinion of our institution that this proposal, if enacted, will create yet another unnecessary compliance burden on community banks. Please remember the original intent was to register and monitor mortgage loan originators for un-regulated entities (i.e. – mortgage brokers and mortgage companies), not community banks. Community banks are already under an avalanche of law and regulation, suggested guidance, suggested procedures and practices. It is our feeling that there are already enough laws and regulations on the books to adequately address mortgage lending if they are enforced properly.

In addition, we believe that community banks have followed law and regulation and have maintained a conservative mortgage lending policy. To this end, we believe the current proposal is not necessary for the following reasons:

- Placing a name on a registry does not make one a qualified mortgage loan originator. It is our opinion that proper training and experience make one a qualified mortgage loan originator. I think it has been proven over the years that mortgage loan originators at community banks have received the proper training to adequately assess safe and sound mortgage loans.
- Community banks are already heavily regulated. As stated above, there are more than enough laws and regulations already on the books to adequately supervise mortgage lending in community banks. Creating another trail of paper is not the answer.
- Creating another required written policy will not solve any problems. For instance, at our 100 million dollar bank, we already have **eight** policies that guide our lending process. That seems to be a little much for seven people who can seven people who can originate loans (more than one policy per person ?).

- Also, community bankers are generally not paid on commission. Mortgage companies who paid employees on commission were a huge part of the problem. Please direct the regulation's proposed requirements to them.
- Finally, we, at our bank, take the decision to hire a mortgage loan originator very seriously. We will have conducted a thorough background check, checked references, and reviewed prior experience. Community banks do not need the extra level of government involvement in this process.

Sincerely,

John N. Hays
Senior Vice President
Williamstown Bank, Inc.