From: J. Russell [redacted]
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To: Comments; regs.comments@federalreserve.gov
Subject: [EXTERNAL MESSAGE] [Docket No. R-1786] RIN 7100-AG44 and RIN 3064-AF86 - "Resolution-Related Resource Requirements for Large Banking Organizations; Comment Request"

Comment for the following content:

Federal Reserve System
12 CFR Chapter II
[Docket No. R-1786]
RIN 7100-AG44

Federal Deposit Insurance Corporation
12 CFR Chapter III
RIN 3064-AF86

Resolution-Related Resource Requirements for Large Banking Organizations

I reject the very basis of this proposed rule's foundation. If the banks fail, we do not fabricate nets that are larger and softer in order to facilitate 'stabilizing operations', 'preserve franchise value', or delay processes in order to figure out how to sell the busted banks in a 'better', 'cheaper', 'more efficient' way.

The failed institutions that become insolvent should face the repercussions of their garbage choices.

Let. Them. Die. They fully and wholly deserve it.

EXAMPLE TIME
Let's use the felonious and incorrigible bank JPMorgan Chase (JPMC) as our mark. JPMC fails because of its poor behavior and incredibly irresponsible business practices. Bam. 2008 all over again but now again in late 2022. What do we do? Well, the banks fail and then we do what SHOULD have been done back in 2008. **The FDIC should take over JPMorgan Chase and any other bank that failed because of its poor practices.** This would wipe out the stockholders and bondholders in a fraudulent, criminal (they have officially committed felonies) organization which makes me shed approximately zero tears. Why on this green and blue Earth would I care a single whit about what happens to the dolts supporting financial crime in an organization that has grown so big because of its continuous flouting of the law? Would anybody have any sympathy if I purchased stock in Al Capone's Chicago Outfit and they went bankrupt, dragging me down with them? Doubtful.

Every single insured depositor would STILL have their money safe and insured. The corrupt bank's assets would then be stripped to the degree necessary in order to compensate any depositors in the bank that would have been put out because of JPMC's completely avoidable failures. Bondholders and stockholders will be the sacrifice not the public at large. There is no comparison. Rich bondholders and stockholders that invested in a corrupt and morally decrepit institution or the general citizen? There is no debate. There is no contest. Lest you think I'm being too glib, too surface, too broad in my condemnations, trust that I am aware of what I am saying in a truly learned way. We are discussing a nonsensical issue that is, if passed somehow, dooming us to repeat the abject failures of 2008 by those who are having their strings pulled and jangled by huge financial institutions who care only about their own survival.

QUESTIONS
#1
No, a long-term debt structure would not enhance a large-banking organization's resolvability. Actual resources would.
#2
I reject the premise as the banks should be overtaken by the FDIC, not assisted and hand-held. I must insist on this next point: I do not care about the repercussions of these institutions sinking and imploding. It's not callous. It's simply refusing

to enable bad actors to continue to bad act when they know they're going to be bailed out by corrupt entities utilizing the public's financial mechanisms to do so.
#3
Equality internationally is the best practice. If a foreign institution is coming here, they ought to be subjected to what our domestic institutions experience.
#4
It is inappropriate to consider debt within holding companies in determining compliance.
#5
I want no calibration done with the intent to "recapitalize" large banking organization's subsidiaries if they somehow magically wipeout their entire cache of equity capital. They should NOT be continuing operations as they should be under the control of the FDIC.
#6
The ability to issue debt by insolvent organizations would be moot if the FDIC took them over and disallowed independent operation.
#7
Long-term debt allowing bad organizations to squirrel away from being taken by the FDIC is not the way in any way, shape, or fashion.
#8
Is this a question designed to ask me if it's OK to delay insolvency operations until the bank can utilize this long-term debt better? The entry into resolution should be immediate and violent, not delayed and meandering.
#9
I don't think this will help because recapitalization is off the table which therefore negates the need to subject the operations of top-tier holding companies of large banking organizations to clean holding company limitations.
#10
I don't want long-term debt being used as a resource in resolution. They should be burned, not aided in survival.
#11
I want the bondholders and those speculating on debt to know that they will get NOTHING if the bank hits resolution. In fact, maybe this will disincentivize this perverse type of speculation and we might get a healthier banking system as a result. The banks in this question should be made to make their long-term debt investors fully understand the potential losses they're playing with.
#12
No to separability. The FDIC should eat the bank whole once collapsed banks and associated institutions have failed so spectacularly that they can no longer operate on their own.

V/r,

Joshua Russell