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2005 SEP 19 AM 10 40

September 16, 2005

Director Johns F. Carter
Federal Deposit Insurance Corporation
San Francisco Regional Office
25 Jessie Street at Ecker Square
Suite 2300
San Francisco, California 94105

Dear Director Carter,

I strongly urge you to reject the application by Wal-Mart Stores, Inc. to charter an Industrial Loan Company (ILC) bank in Utah. To approve this application has the potential of dangerous consequences. A few of these precautionary concerns include the barrier between banking and commerce, concentration of economic power, creating a monstrous "Too Big to Fail" bank, and the real possibly of the eventual demise of community banks.

The barrier between banking and commerce has played an integral part in the safety and soundness of the banking system and in maintaining a healthy U. S. economy. This barrier has been reinforced by Congress representing the American people and supported by the most knowledgeable economic experts including Federal Reserve Board Chairman Alan Greenspan and the former Chairman Paul Volcker. We can benefit from the experiences in other parts of the world that have suffered the problems from mixing banking and commerce.

Allowing a commercial or financial firm to operate a full-service, nationwide, FDIC-insured bank, outside the framework established by Congress for the other owners of insured banks raises significant safety and soundness concerns, creates an unlevel competitive playing field and poses important questions to the Congress concerning the nation's policy of <u>maintaining the separation of Banking and Commerce</u>.

Giant banks have enormous public policy implications. The trillion dollar bank that eventually could result from this charter will be "too big to fail" and will

pose a systemic risk to the FDIC insurance fund. Evidence shows that increased concentration in the banking industry has not benefited bank customers and has not had a positive effect on the convenience and needs of the communities served by the acquired banks.

An example of unbridled economic concentration, it would represent a dangerous and unprecedented concentration of economic power.

Because of ILC banks more-open ownership policy, Wal-Mart Stores Inc, the so-called "category killer" because it tends to crush competition, has tried to get into the banking business by buying an ILC. The future of the community banking industry could be at stake. The systemic risk posed by a Wal-Mart bank would be enormous. With a branch of Wal-Mart Bank in every store, small bankers plead with Congress to spare them the fate of mom-and-pop hardware and variety stores, which were strangled by Wal-Mart.

In 1999, Congress ended Wal-Mart's attempt to buy a unitary thrift in Oklahoma by prohibiting commercial companies from owning such a firm. In 2002, the California legislators blocked Wal-Mart's acquisition of a state bank by enacting a law preventing non-financial firms from buying ILCs. Recently, that state's legislature has turned Wal-Mart down again.

Please do not allow them a charter which they can then revise, allowing them entry into banking directly competing with community banks in every town where they have stores across the country. We have seen what they have done to Main Street America; closing down numerous mom-and-pop stores and small businesses.

There are a lot of good reasons for not allowing one giant entity to control a major part of the payment system. Please do not allow Wal-Mart the opportunity to eradicate community banks out of the markets, eliminating the engine for economic growth in the community, causing the eventual demise of community banks, communities, the dual banking systems, putting in peril the FDIC insurance fund.

Thank you for the opportunity to comment. Hopefully you will prayerfully consider this application and follow the path of maintaining a strong barrier between banking and commerce, keeping a strong community banking complex to serve Main Street Americas financial needs.

Sincerely,

Amanda D. Walls

Amanda D. Walls
Loan Processor
North Alabama Bank