

THE PEOPLES BANK

100 Spring Avenue
P.O. Box 210
Chestertown, MD 21620

July 7, 2009

Robert E. Feldman
Executive Secretary
Federal Deposit Insurance Corporation
Attention: Comments, FDIC
550 17th Street, NW
Washington, D.C. 20429

RE: FDIC 12 CFR Part 365
RIN 3064-AD43

Dear Mr. Feldman:

I write to you today to express opposition to the S.A.F.E. Act's requirement that bankers working as mortgage loan originators for community banks must register personal information in a government data base, be fingerprinted, and subjected to FBI criminal background checks. In short, I feel that community banks already have ample regulatory scrutiny on both the State and Federal level and should be exempted from this requirement.

In addition, this requirement unnecessarily increases the regulatory burden for banks, and actually strong-arms banks into enforcing the regulation against its own valued employees. The registration must be annually maintained, and non-compliance is subject to enforcement action and sanctions.

Our bank, The Peoples Bank, was chartered by the State of Maryland in 1910. Like many community banks, ours portfolios all of its mortgage loans and does not sell them on the secondary market. Our mortgage loan originating employees do not receive any fee income or incentive income for originating a mortgage loan. They earn only their salaries. Our employees work hard, both for their bank and their community. They should not be subjected to fingerprinting and FBI criminal background checks, nor be subjected to unnecessary punitive action as described in the proposed regulation.

I have the greatest respect for the FDIC and its staff. Your examinations have been conducted with admirable professionalism and a spirit of helpful guidance. The assistance and generosity of the examination personnel have been exemplary. I realize that the agency's task is to implement the laws passed by Congress. Still, I feel that I must express my bitter opposition to the underlying premise of this regulation. It is offensive and intrusive to our employees' personal lives and adds an unnecessary additional compliance burden on community banks.

I propose that State and National bank salaried employees, not earning fee or incentive income tied to their mortgage loan origination activities, be exempt from the requirement to register personal information into the national data base, and from fingerprinting and FBI criminal background checks.

Yours truly,

William G. Wheatley
Executive Vice President

cc: Kathleen Murphy
President & CEO, Maryland Bankers Association
186 Duke of Gloucester Street
Annapolis, MD 21401-2515

cc: The Honorable Frank Kratovil
United States House of Representatives
102 Turpin's Lane
Centreville, MD 21617

cc: The Honorable Barbara Mikulski
United States Senate
503 Hart Senate Office Bldg.
Washington, D.C. 20510

cc: The Honorable Ben Cardin
United States Senate
509 Hart Senate Office Bldg
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