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To: Comments
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In the ***Federal Register*** publication on October 2, 2009 (12CFR Part 327, Vol. 74, No. 190), I understand that the FDIC is proposing a "pre-funding" of assessments due by participating banks based on estimated risk as of the fourth quarter of this year.

I believe the FDIC should immediately pursue another option which would: 1) more adequately reflect the current U.S. economy and its drivers; 2) align with economic development strategies promoted by the President and the Congress targeting the expansion of new and high technology businesses and the capital required therein; and, 3) correctly account for the correct value of assets both in its own portfolio of distressed and toxic assets and those of insured institutions. Specifically, it is vital that the FDIC and its member banks establish a means by which the intangible assets (executory contracts, licenses, franchise agreements, copyrights, patents, and trademark uses) are actually counted as bankable assets. Representing an estimated 80% of the value of the S&P companies, at present, neither the banks nor the FDIC are authorized to view any of these assets as investment grade. The irony of this is staggering in the face of the FDIC's present proposal in which they are using one of the least creative accounting manipulations to stem a short-term problem with a longer term calamity.

Should the FDIC's recommendation be adopted as presented, the banking system of the United States and the depositors therein, will be assured of decreased confidence in the FDIC and greatly reduced incentive to place funds into savings accounts. This, in turn, will further impair an already dysfunctional link in the capital system that has underpinned the U.S. business landscape for decades. However, in the event that the FDIC has the vision and foresight to plan for the present and future by adjusting its arcane metrics to those that reflect present reality and future aspirations, it can expand upon the nascent efforts that the FASB took in its impairment testing rules and that the IRS took in beginning to instill discipline around intangible asset opaque accounting loopholes that robbed the Treasury of billions of dollars.

It is time for new thoughts, new insights and new actions to move us into a new viable economy for the years ahead. Traditional thinking has given us our current systems and the abuses of those systems have placed us in the financial mess we find ourselves in today. It is high time we approach any and all economic issues with a longer view which must included the elimination of greed, corruption and even manipulation of the economy for the benefit of the few.