To: Comments
Subject: Comments for RIN 3064-AD56

I’m writing because my family and I were affected by the economic collapse of 2008, and we don’t want it to happen again. Among numerous other friends, I was laid off from my job. Though I am working now, I fear losing my job once again due to funding cuts that are associated with the ongoing implications of the meltdown. This time, I may not be able to hold onto my home.

Wall Street greed and outrageous pay practices were a major cause of the collapse. One way to change the incentives so they don’t collapse our economy again would be for regulators to use a *safety index* for incentive compensation, instead of a profit index. It is so wrong for middle class working folks to continue to suffer, while profits continue to be made on economic practices that are risky, shoddy and unethical.

Currently, most bankers receive stock options. So if they can generate more profits, the stock price goes up, and their options become more valuable.

Instead, what if they used the bank’s bond price, which measures the overall ability of the bank to repay its own debt? Another measure of bank stability is the spread on credit default swaps (the insurance-like policies that are essentially bets, where one gambler bets with another that a particular firm will fail). The closer a bank comes to failing (such as in failing to pay of its bond debt), the bigger the spread on credit default swaps.

Thank you for considering my comment,