

From: E Harris <elfyharris@gmail.com>
Sent: Monday, May 23, 2011 9:15 PM
To: !FHFA REG-COMMENTS
Subject: Comments regarding RIN 2590-AA42

I am writing because my entire community was affected by the economic collapse of 2008, and we don't want it to happen again.

One way to change the incentives so Wall Street doesn't collapse our economy again would be for regulators to set up a way for shareholders to tie bonus payments to long term future job performance.

If it turns out that the profits in a given year were built on shoddy practices that become clear in the out-years then deferred bonus payments that were tied to future performance will not be paid. Many, many people have their incomes tied to the performance of their product, when the performance is ongoing for years it is fair that a substantial part of the predicted bonuses be deferred until the performance is proven. This would also provide incentives for bankers to consider the long term health of their products and not only their own short term greed.

Aside from personal tendencies and personal greed there is huge pressure in almost all companies in the USA to "maximize" short term profits. One study revealed that when CEO's of major American companies were asked which they would choose between higher profits in the next quarter or better overall health of the company they chose, hands down, to have higher profits for the next quarter. This is the way our business climate is currently structured and without serious intervention to encourage bankers and businessmen to change this way of doing business all words and promises will be shown to be meaningless in the long run. And there WILL be another meltdown, and America WILL lose even more of our global standing, and it will be because regulators were unwilling to do their jobs but preferred to go for the short term profits.

Thank you for considering my comment,

E Harris
47 High Street
Philadelphia, PA 19144-2116