

From: Christopher Hahin <Chris.Hahin@Illinois.gov>
Sent: Thursday, May 19, 2011 11:32 AM
To: !FHFA REG-COMMENTS
Subject: Comments regarding RIN 2590-AA42

This letter presents an opportunity to indicate my displeasure of how unwarranted pay and stock option grants to both banking and industrial executives have affected millions of families across the United States because it represents an opportunity for managers and presidents to take unnecessary risks that lead to the economic collapse of 2008. This sort of collapse should never reoccur.

By granting pay and bonuses to certain select employees that helped contribute to the collapse is reverse logic, since these incentives to take risk were a major cause of the collapse. A logical means to avoid this problem is to determine whether there has been sufficient cause to warrant a bonus. One way to change the incentives so that they don't adversely affect our economy is by using a bonus evaluation period of up to five years. The loans, credit instruments, and derivatives issued need to be objectively rated, and in a 5 year span, it can be readily determined whether the security was "good" or "bad" paper. The consideration for a bonus or pay increase should not be based solely on total volume and value issued, but also on the quality of the security.

If the market is flooded with bad paper again, and the reward for such bad behavior is more bonuses and pay increases, we will be repeating the same mistakes that occurred in 2008 and in the speculation binges that caused the Great Depression.

Thank you for your consideration,

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