



-----Original Message-----

LETTER OF COMMENT NO. 11

From: FANRANGER@aol.com [mailto:FANRANGER@aol.com]
Sent: Thursday, March 19, 2009 08:15 PM Eastern Standard Time
To: Robert Herz
Subject: another idea

Mr Herz

Good evening again!

I have an idea that has merit for helping the banks raise capital without dilution

If the Federal Reserve where to lend to banks and investment banks and insurance companies perpetual certificates of preferred shares that are redeemable upon the event of the funds owed to the U.S. Government under the TARP being completely repaid. Until then, the certificate is booked into the equity box and sits on the asset side of the balance sheet listed as a restricted asset.

This certificate should be looked at as tangible equity for the face amount of the certificate. It is a guarantee. It is less costly than cash infusions and should help with the mark down of assets with long lives. It will improve equity to debt ratios and make the short sellers of equity go away

if you are interested in this idea please so advise and I can expand my thinking for FASB
Respectfully
Richard Solomon
