



September 29, 2009

Senator Joseph Lieberman  
706 Hart Office Building  
Washington, DC 20510

Dear Senator Lieberman:

Recently, President Obama presented his proposal to restructure the financial regulatory system and to provide more protection for consumers. While there are elements of President Obama's proposal that are reasonable, I urge you to oppose two provisions of the proposal that would increase regulations and costs on community banks, thereby harming our borrowers and depositors.

While I believe that improvements can and should be made to enhance consumer protections, I also believe that creating a new regulatory agency for consumer financial products is the wrong approach.

The proposed agency will impose another layer of regulations on banks, which, in turn, will ultimately increase the cost of the financial products that we deliver to our customers.

Banks are examined on a regular basis to ensure their compliance with existing consumer laws; while non-bank financial companies, who made 94% of the high cost mortgage loans that have so damaged our economy, are not subject to such regulations.

This new agency would essentially separate "consumer protection" away from safety and soundness. Hence, it would separate the regulation of my business from the regulation of my products. Additionally, the agency would be empowered to mandate that banks offer specific products which would be designed by the government, whether our customers desired them or not. We are aware that the vast majority of the banking industry never made one subprime loan, yet we would all be subject to the mandates of this proposed agency. That is simply wrong.

Making improvements to enhance consumer protection under the existing legal and regulatory structures; particularly aimed at filling the gaps in regulation and supervision of non-bank financial providers, will be more successful and faster than a separate consumer regulator.

I believe that the creation of another layer of bureaucracy in the banking industry will not address the concerns of consumers, nor will it get to the core issue of regulating the non-bank lenders.

As you begin consideration of the Administration's regulatory restructuring plan, I hope that you will consider the implications of these issues and the impact they will have on our Connecticut communities and that you will oppose the creation of a regulatory agency for consumer financial products.

Sincerely,

A handwritten signature in black ink, appearing to read 'G. Reinhardt', written in a cursive style.

G. Frederick Reinhardt  
President

GFR/bjd

September 29, 2009

Congressman Jim Himes  
214 Cannon House Office Building  
Washington, DC 20515

Dear Congressman Himes:

Recently, President Obama presented his proposal to restructure the financial regulatory system and to provide more protection for consumers. While there are elements of President Obama's proposal that are reasonable, I urge you to oppose two provisions of the proposal that would increase regulations and costs on community banks, thereby harming our borrowers and depositors.

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Sincerely,

A handwritten signature in black ink, appearing to read "G. Reinhardt", with a long horizontal flourish extending to the right.

G. Frederick Reinhardt  
President

GFR/bjd



September 29, 2009

Senator Christopher Dodd  
448 Russell Senate Office Building  
Washington, DC 20510

Dear Senator Dodd:

Recently, President Obama presented his proposal to restructure the financial regulatory system and to provide more protection for consumers. While there are elements of President Obama's proposal that are reasonable, I urge you to oppose two provisions of the proposal that would increase regulations and costs on community banks, thereby harming our borrowers and depositors.

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Sincerely,

A handwritten signature in black ink, appearing to read "G. Reinhardt", with a stylized flourish at the end.

G. Frederick Reinhardt  
President

GFR/bjd