

Hospitals & Asylums

90th Anniversary of the Deposit Insurance Fund HA-22-3-23

By Anthony J. Sanders

On Appeal from: Sanders, Tony J. *Deposit Insurance Fund ex rel. v. Janet Yellen Treasury Secretary et al.* Hospitals & Asylums [HA-22-6-22](#)

Silicon Valley Bank (SVB) had \$209 billion in assets at the end of 2022 according to the FDIC. The bank reported (\$175 billion in deposits), \$151.5 billion in uninsured deposits of which \$137.5 billion were held by US depositors. A \$42 billion run left SVB with negative \$980 million in cash equivalents, whereby the bank was failed and the FDIC appointed receiver. All depositors of this institution, and other banks that failed or were downgraded, will be made whole. The reason for the bank failures is a liquidity crisis due to the usuriously high rates of interest on unaffordable Federal Reserve overnight loans and temptation to over-invest in hold until maturity Treasury bonds,, due to widespread losses on the stock exchange. The most significant economic propaganda to be prohibited is that the FDIC may have stolen \$3 billion under cover of “unrealized losses”. Furthermore, the Fed needs to reduce interest rates from 4.75 percent to achieve their inflation target of 2.0 percent. The Treasury should also reduce inflation protected bonds towards the 2 percent target. A case is made to beg to pass a law to get the Deposit Insurance Fund (DIF) to pay their first genuine deposit insurance benefit to an individual in the ninety year history of the FDIC concealment, insure depositors embezzled by the Direct Express and Netspend of Inequity in 2021 and to re-establish FDIC as DIF.

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1. Silicon Valley Bank Failure

SVB had \$209 billion in assets at the end of 2022 according to the FDIC. The bank reported (\$175 billion in deposits), \$151.5 billion in uninsured deposits of which \$137.5 billion were held by US depositors (Fossum et al '23). After receiving recommendation from the boards of the FDIC and the Federal Reserve, and consulting with the President, Treasury Secretary Yellen approved actions enabling the FIDC to complete its resolution of Silicon Valley Bank, Santa Clara, California, in a manner that fully protects all deposits. Depositors will have full access to all their money starting Monday, March 13, 2023. No losses associated with the resolution of Silicon Valley Bank will be borne by taxpayers. A similar systemic risk exception will also be instituted for Signature Bank, New York, New York, which as closed by its state chartering authority. All depositors of this institution will be made whole. Shareholders and certain unsecured debt-holders will not be protected. Senior management has been removed. Any losses to the Deposit Insurance Fund to support uninsured

depositors will be recovered by a special assessment on banks. The Federal Reserve Board announced it will make available additional funding to eligible depository institutions to help assure banks have the ability to meet the needs of all depositors. SVB employees are reported to receive 1.5 times their basic pay pursuant to FDIC policy. Large banks, with the ability to profit from an estimated \$167 billion hold until maturity assets, remaining after a \$42 billion run, leaving \$133 billion in outstanding deposits, are sought to acquire the assets from the FDIC's infernal mail theft, with the collaboration of the California Department of Financial Protection and Innovation. Wells Fargo and Citigroup each have over \$1 trillion in deposits. JP Morgan Chase and Bank of America have over \$2 trillions (Mattehew '23).

The failure of Silicon Valley Bank was caused by a run on the bank. The bank's management chose to sell \$21 billion of bonds and arbitrarily declare a \$1.8 billion “unrealized loss” due to low 1.79 percent interest rates at the time, the current Treasury 10-year curve is 3.9 percent. Moody's was considering downgrading their rating. Bank management, with the help of Goldman Sachs, its adviser, chose to raise equity from the venture capital firm General Atlantic and also sell \$2.25 billion in new convertible bonds to the public, to shore up its balance sheet. Instead of reassuring investors, the bank's very smart client base of venture capitalists directed their portfolio clients to withdraw their deposits en masse (Sarkin et al '23). The Silicon Valley Bank collapse presents an interesting challenge to the theory that without insurance, depositors will exercise useful disciplinary oversight over banks. The vast majority of Silicon Valley Bank's deposits, 89 percent as of 2022, were not insured. Depositors had a huge incentive to monitor the bank, and they did. The bank's failure was precipitated by massive withdrawals, which were in turn precipitated by depositors reading an update on its finances posted on March 8, 2023, inferring that it was in trouble, and publicizing its finding on social media, encouraging people to panic (Matthews' 23).

SVB's failure is the largest shutdown of a US bank since Washington Mutual in 2008. California regulators closed down the tech lender on Friday March 10, 2023 and all insured depositors will have full access to their insured deposits by no later than Monday morning the 13th and uninsured depositors would get an “advance dividend within the next week”. SVB was one of America's 20 largest commercial banks and is now under the control of the US Federal Deposit Insurance Corporation after it became unable to pay back customers who withdrew their deposits. Founded in 1982, Silicon Valley Bank provided financing for almost half of US venture-backed technology and health care companies. They have been hurt by higher interest rates and dwindling venture capital. SVB had \$209 billion in total assets at the end of last year. The Dow fell by 345 points, or 1.1%, S&P 500 dropped 1.5% and NASDAQ Composite was 1.8% lower on Friday. After correction for robbery, Democratic Senator Elizabeth Warren called for SVB executive to hold the FDIC accountable (Maruf '23).

What a steal. \$209 billion, mostly hold till maturity assets, (for a \$42 billion run to negative \$984 million balance – concealed/censured/mail thefted by the FDIC) for only an arbitrary \$1.8 billion estimate of “insured losses” disbelieved by *Rodriguez, as Chapter 7 Trustee for the Bankruptcy Estate of Western Bancorp Inc. v. FDIC as receiver for United Western Bank* 589__ (2020). Depositors above the \$250,000 insured deposit limit and investors are justifiably flighty these days with some investors reporting assets only 25 percent of original value and other Biden voters merely declaring a 10 percent loss in value. SVB's error was that they did not merely invest the sale of their low 1.7% yield bonds in current 3.9% treasury bonds, to solve the moral hazard posed by their arbitrary loss claim. The FDIC's error was that they censured/mail thefted the \$42 billion size of the run and negative \$984 million from the news report, because they mail theft everything FDIC, and the FDIC is accused of either

defamatory collusion with major clients to embezzle or embezzlement. The FDIC seems to panic regarding both their impromptu decision-making they email the public about and also information that would result in sound decision-making by the bank robbing institutional defendant, that likes assets but views depositors as liabilities who can be sheered off by mail theft. There are concerns the contagion may spread. A trustworthy major bank is hoped to purchase \$209 SBV hold till maturity assets for assuming liability for uninsured deposits, but the FDIC is impossible to do business with and the Treasury has not taken responsibility for *Deposit Insurance Fund (DIF) ex rel v. Janet Yellen, Treasury Secretary*. Congress must beware of the extremely high cost of prior indiscriminate FDIC member bank bailouts, completely depleting the >\$128 billion (2022) DIF and costing the General Fund a bundle, rather than meticulously insuring actual losses to individual and corporate depositors with the DIF by the Treasury in pursuit of nominating and confirming three Directors to the DIF, rather than the so-called FDIC to be abolished, even if the Democratic majority in the Senate needs to be defeated by a recount of Presidential and midterm ballot stuffing under 3USC§15.

The FDIC was reported to have only \$128 billion in its deposit insurance fund. The Deposit Insurance Fund comes from assessments of member institutions. Massachusetts DIF charges its own premiums, meaning operating a bank there is more expensive. Banks don't like paying premiums, just past October they cried havoc when the FDIC proposed raising the price of deposit insurance, stating, "banks are in excellent financial condition, so the FDIC's action is a preemptive strike against the non-existent threat". Virtually every financial crisis in US and world history has involved runs on money instruments or money substitutes. Silicon Valley Bank was a classic run on money. Deposits at banks and credit unions are insured by the FDIC, but only up to \$250,000 per person, per bank. A 2020 report from the FDIC found that significant share of bank failures from 1980 to 2013 resulted in uninsured depositors losing some funds. From 1980 to 1987, as the savings and loan crisis began, some 24 percent of bank resolutions resulted in losses for depositors; from 2009 to 2013, after the financial crisis and reforms meant to protect deposits, 6 percent did. In the non-crisis period from 1992 to 2007, a staggering 65 percent of bank failures resulted in deposit losses (Matthews '23).

Since 1934 not a single depositor at an insured bank in Massachusetts has lost a dime. All deposits above the \$250,000 federal limit are insured by a private entity – the Depositors Insurance Fund (DIF). Massachusetts law requires banks and credit unions to pay premiums to the DIF, which in turn guarantees depositors in case of bank failure. Such failures are rare in Massachusetts these days; only one bank failed in the financial crisis, but in the S&L crisis in the '80s, 44 banks failed in the state, over a quarter of all banks. In each case, depositors were made whole. A number of states tried deposit insurance systems in the wake of the Panic of 1907, but all of them failed due either rapid deflation after World War I or the Great Depression a few years later. A few decades later, some states tried again to institute private deposit insurance programs; Ohio was the first, in 1956, while California, Iowa and Kansas were the last, in 1981. But most of these systems would up collapsing by the early 1990s, unable to pay what they owed. State funds couldn't supervise banks enough to discourage risk-taking, or charge them enough in premiums so that the fund could cover them in the event that their inevitable risk-taking inevitably led to big losses, due to bank's influence over state political systems to allow risk taking and disinclined to increase premiums. Massachusetts avoided this by using the FDIC as a backstop, transitioning in 1956 to cover only deposits in excess of the FDIC limit, unlike in Rhode Island, where banks mostly lacked any federal insurance. In 1985 the Massachusetts commissioner of banks required banks to get FDIC insurance too, resulting in an unusually resilient insurance system that withstood even the spree of the 1980s bank closures. Massachusetts banks held 5 to 6 percent more deposits over the FDIC's limit. Two moral hazards, the tendency of actors to take on more risks

if they're insulated from the consequences of those risks, have been identified regarding deposit insurance. If insufficiently funded, or lacking a formal government promise to rescue the fund if it becomes insolvent, private insurers can fall apart, also the bigger concern is that the existence of deposit insurance makes bank failures more common. For instance, when deposit insurance is generous clients have little reason to check up on the solvency of their bank. Economists who studied the Massachusetts system found little evidence of recklessness, and in fact found banks seemed more prudent (Matthews '23).

2. Peripheral legalities

The FDI Corporation is fundamentally flawed for two reasons. One the FDI Corporation acronym infringes on the often bank robbing Federal Bureau of Investigation (FBI), ie. US Private Vaults (2021). Two, the reference to a FDI Corporation is negligent insofar that the government banking regulator not only claims to register as a fictitious business with the Department of State, but in the course of never having paid a deposit insurance benefit from the DIF, is completely reliant on the goodwill of large banks to acquire arbitrarily failed institutions and even names FDIC Member banks on the back of cards that are not necessarily the same as the issuing corporation, who will ostensibly take responsibility for the financial institution, should they fail, essentially denying responsibility of the DIF for the insured depositor institution. When dealing with the FDIC the fundamental issue is that the DIF is not known to have ever paid a deposit insurance benefit in their 90 year history. The FDIC profits from resolving failing solvent institutions and criminally neglects genuinely bankrupt banks to avoid losses by instructing, aiding and abetting these banks to embezzle, to improve their balance sheet, specifically by mail theft. There is a distinct relationship in the law between theft by bank examiner 18USC§655, theft, embezzlement or misapplication by bank officer and employee 18USC§656 and theft or receipt of stolen mail matter generally in 18USC§1708 that constitute bank fraud under 18USC§1344. The criminal focus of banking regulators is, however, unfortunately on the privileged and often hypocritical topic of bank secrecy and laundering of monetary instruments, whereby bankers are instructed how to cooperate with often corrupt law and sanction enforcement and banking regulators, without necessarily providing due process of the ostensibly justified “embezzlement” - the true crime of banks. It has come to the attention of the International Court of Justice, and remains unresolved, due to misconduct on the part of Iran and need for an honest and non-violent US Treasury agent, that the United States is alleged to have abused the sanctions system, without due process, to engage in widespread embezzlement of *Certain Iranian Assets* (Islamic Republic of Iran v. United States of America) 2019 – present. There is deep concern that the corruption of law and sanctions enforcement is snowballing as they steal more money without due process, and invest that money into violent misconduct to justify stealing more money when they don't just rob innocent civilians, with the impunity of censorship, and the funds are lost between the thieves the Treasury is unable to recover from, if only by becoming the thief for want of due process.

The FDIC needs to treat their old school theft or receipt of stolen mail matter generally under 18USC§1708 that makes reference to embezzlement, in addition to cyber-security, whereas stealing and abstracting emails, and blocking Mail Apps from sending and receiving, seems to occur in 100 percent of their correspondences, which their annual report claims they are extremely diligent about responding to. What happens is the FDIC respond to emails, makes unsupported statements, and then the organization has a pang of conscience and abstracts the message, to, for instance, deny that a bank is failed, and instead provide an possibly unknown third party mailing address in the Kennedy assassinating state of Texas. Furthermore, the Mail App in Apple computers is hijacked so that

although it seems to send, the computer is, in fact, unable to send or receive email until the email address is used in a Microsoft computer, while Microsoft cures the sending and receiving block on the Mail App, it is the Microsoft vulnerability to document alteration that is exploited to abstract the FDIC email records. The FDIC is therefore incommunicado, and correspondence is directed to the Treasury Secretary, in her capacity as payor of the DIF, for judgment or authorization by the FDIC or banking regulator. This mail theft is new phenomenon that developed over the past decade, in conspiracy, with the theft of medical products 18USC§670, from the mail, beginning with the theft and adulteration to discredit the \$10 billion annual online pharmaceutical industry distributing non-controlled generic prescription drugs manufactured in India, that now extends to nine out of ten online mail order medicines and natural medicines, whether or not they are domestic or international, that have been arbitrarily subjected to bank blocks. The United States is especially ordered to remove any impediments arising to the free exportation of goods required for humanitarian needs, such as (FDIC emails) (i) medicines and medical devices...To this end, the United States must ensure that licenses and necessary authorizations are granted and that payments and other transfers of funds are not subject to any restriction in so far as they relate to the goods and services referred to above in paragraph 98 of *Alleged Violations of the 1955 Treaty of Amity, Economic Relations, and Consular Rights* (Islamic Republic of Iran v. United States of America) Order No. 175 3 October 2018.

Shareholders and the former CEO, who may be required to reinvest \$3.6 million in shares he withdrew in February (Marino '23), are obligated to help find a buyer able to sustain share value and morale. Silicon Valley Bank has a duty to sue to the CHIPS Act illegal semiconductor subsidy for unfair competition in this third brazen robbery of the Treasury, trains and now a second run on the banks by Senator "Semiconductor" Sherrod Brown (D-OH), Chairman of the Senate Committee on Banking, Housing and Urban Development pursuant to the Sherman Anti-Trust Act 15USC§1 & §2 to secure +/- \$200 million from Norfolk Southern to pay the initial \$10,000 per evacuee cash settlement of a life time health and real estate study pursuant to the Uniform Relocation Assistance and Real Property Acquisition Policies Act 42USC§4601 and its implementing regulations 49CFR§241 to redress negligence of the Transportation Secretary with the judgment of the Ohio Department of Commerce. The Texas Department of Banking must hold FDIC's Deposit Insurance Fund (DIF) accountable for the resolution of the Direct Express and Netspend of Inequity in Austin, Texas. It is hypothesized that, due to their practice of failing profitable institutions, selling them to other banks and not paying depositors, compromised by their new non-negotiable pattern of mail theft, the FDIC has never paid any genuine deposit insurance benefits to an individual in their 90 year history of concealing the Deposit Insurance Fund (DIF) from everyone but Congresses's matching funds for occasional, outrageously expensive, bank bailouts *Rodriguez, as Chapter 7 Trustee for the Bankruptcy Estate of Western Bancorp Inc. v. FDIC as receiver for United Western Bank* 589 __ (2020).

The legality of the Treasurer's debt ceiling, debt default threat gambit brings into question the integrity of a Treasurer, whose concerns about the FDIC were silenced by Semiconductor Sherrod Brown, Chairman of the Senate Committee on Banking, Housing and Urban Development. The continuing concealment of the Direct Express and Netspend of Inequity of fall 2021 in Austin, Texas, failure of any disabled worker or veteran in Washington DC to receive a direct deposit in November 2021 and US Private Vault robbery by the FBI in mid-2021 at that confirmation hearing for Fed Chairman Powell was so negligent, not only did the US economy contract in the first two quarters of 2022, but the Bureau of Economic Analysis is failing to recognize this recession in their third and fourth quarter 2022 overestimates 18USC§1033. The Federal Reserve seems to be unwisely raising interest rates to protect Yellen from being replaced by someone else from the Federal Reserve, who is not so easily

mistaken about why the stock exchange is down because the Treasury is selling more than 3% of GDP deficit, or the 2% inflation target for that matter of T-bond and Fed lending honor. Yellen may be unable to communicate with the Speaker of the House without engaging the corrupt President to make good on her terroristic threats and defaults, of which SVB is just a sample of FDIC non-discrimination.

For the Republican part, the Speaker of the House should expel George Anthony Devolder Santos for being an organized embarrassment to Ron DeSantis, Anthony Sanders and Washington DC bank robbery practices of Congress under the Constitution, that are not well received in real States. The Treasury obviously needs a witness to ensure service to the Speaker of the House is treasonless despite the omnipresence of Semiconductor Sherrod in a home that accidentally voted for him, but has no intention of making the same mistake again. Speaker of homelessness might be a more apt description of the political solution, always requiring unilateral criticism to effect the slightest independent thought, after unanimous passage of the Energy Department's low confidence Wuhan COVID origin theory. Republican nonsense meets the Democratic poisoners of those trying to right their tricked nearly rights, whenever bills pass and/or they engage in bipartisan acts – poison nonsense. Congress has not legislated a meaningful law in decades, theoretically because of the need for a split ticket vote, whereby the majority is from the opposite party as the President, currently denied by Biden ballot stuffing, that has not been adequately contested to produce a Republican majority in Senate, to neutralize the incredibly corrupt Cabinet, that must be brought to the Speaker of the House to avoid or check violent Biden leaks and especially remove the nuclear holocaust button from the anarchy equation. It is highly encouraged to utilize the new Speaker of the party of the President in hopes that a non-violent Republican might be instruct-able and lead Congress away from Nancy Pelosi's Permanent Select Committee on Intelligence to a more parliamentary stage of split ticket voting. Congress has not written anything but counterfeit money since John Conyers (D-MI) quit, and has not passed any true laws for many decades.

Progress Ohio reports the last twenty years of Ohio politics have been defined by Republican corruption scandals that began in 2001 and hopefully ended in 2020 with accursed Ohio Speaker Larry Householder being best described as committing theft or bribery concerning programs receiving Federal Funds under 18USC§666 rather than racketeering, a crime of violence. In 2005 Governor Bob Taft pleaded no contest to four ethics violations for failing to report thousands of dollars of gifts, including from a Generation Now lobbyist. At this same time Joe Deters, then Ohio Treasurer, was involved in a pay to play scandal and demoted to his long time prison of Hamilton County Prosecutor, until he was promoted to Justice of the Supreme Court by Governor DeWine at the time President Biden and Senator Sherrod Brown temporarily murdered Buffalo Bills football player Damar Hamlin in a game with the Cincinnati Bengals in early January 2023 during a penniless Bipartisan Infrastructure Bill bridge building speech across the river from the un-prosecuted University of Cincinnati Medical School unwashable cardiotoxic monoclonal antibody animal laboratory leak in Hamilton (Hamlin?) County. Queen Elizabeth II died on September 8, 2022, the day President Biden came to Ohio to execute Senator Sherrod Brown's \$20 billion FY 22 lead portion of the illegal \$250 semiconductor market subsidy in the CHIPS Act of 2022. The semiconductor subsidy has been converted to 100 percent loan from some bizarre, characteristically Trumanesque, treasonous formulation of not repaying the Treasury unless caught communicating with a foreign nation of concern, eg. China is stealing manufacturing jobs propaganda he unusually advocates as a Democrat from a unusually financially corrupt Republican held state or, it must be added, for instance murdering our long-time friend Queen Elizabeth II who is descended from the ancient Ohio enemy King George III at the exact moment I was using the semiconductor in my smartphone to do some writing at a park

with cabins dating from 1760 to 1790. To honor 96 year old Queen Elizabeth, beyond the grave, it must be constantly enforced against the inexorable ignorance of these corrupt, white, male, Democrats, until they are removed from office for corruption and treason, the semiconductor subsidy has been converted to 100 percent loan, with the interest rate and repayment schedule to be determined by the Trustee under 15USC§77bbb.

Ohio Senator “Semiconductor” Sherrod Brown, former disaster insurance overestimating schmooze, and Federal Student Aid Chief Operating Officer, Richard Cordray, former spamming Ohio Treasurer and Attorney General, conspired to rob the entire \$777 billion FY 23 Treasury balance remaining from my COVID relief audit, after the Treasury balance was entirely depleted by Cordray's unaccountable student loan repayment pause in September 2021 and embezzling my life savings, while in Washington DC on September 24, 2021 under 26USC§7214 although it may be Democrats, Sherrod Brown, Richard Cordray and Joseph Biden, who should be routinely prosecuted by the federal court for racketeering due to their threats and violence in the course of their outrageously unaccountable money laundering 18USC§1951 and §1956 were the Hobbes Act not so often abused by the non-self incriminating Federal Bureau of Investigation (FBI) whose politicizations smell like a male pig being fried to violence, otherwise non-violent pork barrel politics. Art. 22 (h-i) of the United Nations Educational, Scientific and Cultural Organization Recommendations on the Status of Higher Education Personnel reaffirms the strong correlation between violence and failure to provide open and honest accounting. The Ohio Senator Sherrod Brown Semiconductor subsidy bears a strong resemblance to the Nuclear deal former Ohio Speaker Larry Householder is facing sentencing for insofar that the patently illegal market subsidy is not clearly marked as lending and the bankruptcy of the state and federal government is not taken into consideration in making these deals with the development.

On July 30, 2020 a federal grand jury indicted the Ohio Speaker of the House in a federal racketeering conspiracy involving approximately \$60 million paid to a 501(c)(4) entity to pass and uphold a billion-dollar nuclear plant bailout. Larry Householder, 61, of Glenford, Ohio, four other individuals and 501(c)(4) entity Generation Now were previously charged by a criminal complaint that was unsealed on July 21. According to court documents, from March 2017 to March 2020, the enterprise received millions of dollars in exchange for Householder's and the enterprise's help in passing House Bill 6, a billion-dollar bailout that saved two failing, Ohio nuclear power plants from closing. In March 2017, Householder began receiving quarterly \$250,000 payments from the related-energy companies into the bank account of Generation Now. The defendants allegedly spent millions of the company's dollars to support Householder's political bid to become Speaker, to support House candidates they believed would back Householder, and for their own personal benefit. The racketeering conspiracy as charged in this case is punishable by up to 20 years in prison. The case is being investigated by the FBI. Deputy Criminal Chief Emily N. Glatfelter, Assistant United States Attorney Matthew C. Singer, as well as Assistant Deputy Criminal Chief Timothy Mangan and Assistant United States Attorney Megan Gaffney Painter, are representing the United States in this case (Thornton 23).

Lawmakers stripped Householder of his speakership shortly after he was indicted in July 2020 and he won re-election that fall. In February 2021 Generation Now agreed to forfeit its assets, including nearly \$1.5 million seized from organization bank accounts, Neil Clark, one of the accused, committed suicide in a Naples park in March 2021. In June 2021, nearly a year later, House lawmakers voted for only the second time in state history to expel a sitting member. The bipartisan vote passed 75 to 21 with several local Republican lawmakers opposing. They were found guilty on March 9, 2023 (Baker '23) and are awaiting sentencing. Sam Randazzo, former chair of the Public Utilities Commission of

Ohio, is now a defendant in the state of Ohio's bogus civil conspiracy case arising out of HB 6, whereby he ensured ratepayers were not stuck with the bill, after First Energy one of the nuclear power beneficiaries paid \$4 million to an organization linked to him, shortly before he was appointed PUCO chair, with the expectation he act in First Energy's interest with respect to HB6 (Kowalski '22) . The Justice Department reports FirstEnergy Corp. signed a deferred prosecution settlement in July 2021, agreeing to pay a \$230 million penalty for conspiring to bribe public officials and others. Ohio Speaker Larry Householder, co-defendants and sentencing judge may wish to sue for the correct federal charge of theft or bribery concerning programs receiving Federal Funds under 18USC§666 for which the sentence is a fine and up to 10 years in prison.

The President's Federal Student Loan forgiveness is another fraud of significance to the banking industry. It is significant that Federal Student Aid (FSA) Chief Operating Officer Richard Cordray (D-OH), a former Ohio Attorney General and Treasurer and Obama Administration Consumer Protection Bureau chief, conspired with Senator Sherrod Brown Semiconductor Subsidy to rob the entire Federal Treasury balance of my accounting, I am a former and part-time Ohio resident and have previously been served by email with both of them to ignore their unaccountable nonsense and disaster insurance overestimates, respectively, as a matter of personal property of the United States under 18USC§2112 in addition to embezzling my life savings while in Washington DC on September 24, 2021. After going bankrupt due to student loan repayment pause in the fall of 2021, and not counting up the \$1.6 trillion in COVID relief remaining until February 2022, only to be bankrupted again, mostly by the unaffordable threat of the President's August 24, 2022 proposal to radically expand student loan forgiveness beyond the confines of current law, and also the CHIPS Act semiconductor subsidy. The Treasury balance has forgiven \$200 billion of federal student loans to clean the slate after the repayment pause ending January 2023. The Biden Student loan forgiveness proposal is moot except for the permanent, student loan forgiveness of the disabled and certain public servants in 20USC§1087 *et seq* under Rule 21(2)(b) of the Rules of Practice of the United States Supreme Court. To be fair to the Biden Administration's social cause and prevent the most frequent Attorney General error inciting rampage shooting under Art. 22 (h)(i) of the Recommendations on the Status of Higher Education Personnel (1997) - No garnishment under 150 percent of the poverty line under 20USC§1085(o) and partial financial hardship to calculate income based repayment of 15 percent of the amount which the borrowers income exceeds 150 percent of the poverty line under 20USC§1098e(3)(B). to be fair, private student loan lenders are encouraged to adopt similar safeguards against usury and should sue to reduce Fed interest rates to 2 percent by offering to charge the same rate of interest as federal student loans (currently 5 percent).

Biden-Harris Administration must be convicted of disclosing the proposed online student loan forgiveness form in contempt of temporary injunction of the 8th Circuit Court to stuff the ballot box with a 10 percent majority Democrat, young white voters, from majority Republican under 18USC§605 for the Republican Congress to reconsider the highest voter turnout since before 1900 during the 2020 US Census under 18USC§245(b)(1)(a) and Art. 2 Sec. 1 of the US Constitution. Remove a former Attorney General from FSA Chief Operating Officer for failure to collect or produce an open and honest current year accounting, to reduce record rampage shooting rates under 26USC§7214(3). Exclude student loan revenues and expenditures from the ED budget pursuant to the Federal Credit Reform Act 2USC§661a(5)(A)(C). FSA must produce the first open and honest Annual Financial Report of total student loan repayments, without loss to sharing, total expenditures, and federal borrowing. There is \$777 billion FY 23 to finance student loans with \$6.88 billion interest by fiscal year end 2023 and into perpetuity. To get completely out of bankruptcy due to student loans, the

Federal Treasury is obligated to pay \$750 million arrears to UNESCO for non-payment of dues from 2011-2021 to do UNESCO justice on the topics of hyperinflation in tuition for higher education, adequate student loans to pay for tuition, room and board, ED and FSA budgets, school rampage shootings, biosphere reserves and world heritage sites. It is interesting to note, the order to bus children long distances to desegregate schools in *Brown v. Board of Education of Topeka*, 347 U.S. 483 (1954) could be construed as the forcible transfer of children of the group to another group, a crime of genocide, for which Vladimir Putin and Maria Lvova-Belova were issued an arrest warrant by the Prosecutor of the International Criminal Court on 17 March 2023, that was overruled, whereas It is essential to recognize the right of members of national minorities to carry on their own educational activities in Art. 5(1)(c) of the UNESCO Convention against Discrimination in Education (1962). It should be remembered that the US Supreme Court seems to have incited the Uvalde school shooting to avoid giving due process to the Texas Department of Banking in regards to the in direct violation of the warning to not communicate with agencies other than the State of Texas, in Texas, to prevent Kennedy assassination re-enactments, preferring to publish, within a week, the frivolous lawsuit *City of Austin, Texas v. Reagan National Advertising of Austin, LLC, et al* 596 US __ (2022).

3. CHIPS Act Semiconductor Indenture

It is necessary to clarify that semi-conductor manufacturing companies receive loans that they will have to repay, in time, with reasonable rates of interest, and not illegal multi-billion gifts pursuant to the language abused in the Sec. 101 of the CHIPS Act of 2022 P.L. 117-167 and sections 9902, 9904, and 9906 of the William M. (Mac) Thornberry National Defense Authorization Act for Fiscal Year 2021 (15USC§4652, 4654, and 4656; Public Law 116-283, whereas there is a necessity for regulation of trust indentures pursuant to 15USC§77bbb. The language of the act is unconstitutionally vague regarding the terms of interest and repayment of this financial assistance to what should be a profitable industry, and currently only describes any sort of repayment occurring as punishment if that company should deal with a "foreign entity of concern". This gift subsidy categorically overruled and all semiconductor subsidy payments are converted to loans, at a reasonable rate of interest and repayment schedule to be determined by the Trustee, because the gifts fail to provide adequate security to the United States for the patently illegal market subsidy, that is not considered prudent. Murdering Queen Elizabeth II on the day the first payment was made on September 8, 2022, is merely a flourish to defend the extremely offensive xenophobic language, in which repayment to the Treasury is couched, whereas the semiconductor grants scheme is in fact treason, because in conjunction with the proposed wholesale student loan forgiveness plan, by another Ohio politician, it would immediately bankrupt the federal Treasury balance ability to pay, in a very unsatisfactory way we struggle with everyday, and in a few years completely bankrupt the federal Treasury balance, for a second time since September 2021.

As it is written this bill does not provide adequate security to make a withdrawal from the balance and it is important that any subsidy paid includes a clear repayment plan. The reasoning of this federal investment is mostly that gift subsidies are particularly illegal because they not only provide an unfair advantage to a certain national industry, this unfair advantage is unsustainable, without more gifts, and the net effect on the economy is certain to be negative, especially when the money is repaid and/or withdrawn from the stock exchange, for its stated manufacturing facility purpose, and the economy is depressed. Denying that this patently illegal market subsidy is a stock buyback does not fully explain how much of this money is intended to green the stock exchange, and for how long. The Trustee Report must inform the public of their financial planning, because transparency is needed to understand possible future shocks to the market, and analyze the effectiveness of this market insurance type

semiconductor subsidy overestimate, so that this Defense Production Act subsidy, can be continued or diversified, more honestly, into other industries, as part of the portfolio of the Federal Treasury Balance.

The national public interest and the interest of investors in notes, bonds, debentures, evidences of indebtedness, and certificates of interest or participation therein, which are offered to the public, are adversely affected—(1) when the obligor fails to provide a trustee to protect and enforce the rights and to represent the interests of such investors, notwithstanding the fact that (A) individual action by such investors for the purpose of protecting and enforcing their rights is rendered impracticable by reason of the disproportionate expense of taking such action. Practices of the character above enumerated have existed to such an extent that, unless regulated, the public offering of notes, bonds, debentures, evidences of indebtedness, and certificates of interest or participation therein, by the use of means and instruments of transportation and communication in interstate commerce and of the mails, is injurious to the capital markets, to investors, and to the general public etc. under 15USC77bbb. It should be adequate to amend the word grant to loan in 15USC§4652(C)(III). A two percent annual percentage rate of interest, repayable when the manufacturer goes into production seems fair.

There is heart-felt concern that the CHIPS Act illegal market subsidy for semiconductor manufacturers is corrupt. Queen Elizabeth II died on September 8, 2022, the day President Biden came to Ohio to execute Senator Sherrod Brown's \$20 billion FY 22 lead portion of the illegal \$250 semiconductor market subsidy in the CHIPS Act of 2022. Joe Deters, long-time Hamilton County Prosecutor, was promoted to Justice of the Supreme Court by Governor DeWine at the time President Biden and Senator Sherrod Brown temporarily murdered Buffalo Bills football player Damar Hamlin in a game with the Cincinnati Bengals in early January 2023 during a penniless Bipartisan Infrastructure Bill bridge building speech across the river from the un-prosecuted University of Cincinnati Medical School unwashable cardiotoxic monoclonal antibody animal laboratory leak in Hamilton (Hamlin?) County. A speaking engagement at Miami University, with fanciful accounting for the indenture of college semiconductor technical certification programs, revealed that 7,000 were currently employed in the construction of a semiconductor plant in Ohio, and investments had been made in institutions of higher education were led by the University of Cincinnati semiconductor program. A software engineer, recently re-employed at lower pay after being laid-off by the tech industry, explained that he would have to be trained to manufacture semiconductors.

After robbing the Treasury, Norfolk Southern trains and Silicon Valley Bank, the semiconductor subsidy must be considered armed and dangerous and brought to anti-trust justice – a loan with 2 percent annual interest rate effective immediately, that begins to be repayable within one quarter of the manufacturer going into production., for a ten to thirty year sentence to account for the civil trial of the so-called “laundering of monetary instruments”. To prevent the spread of both unwashable cardiotoxin endemic to the University of Cincinnati animal laboratory and MRSA heart attack pens favored by identity thieves nationwide, it is imperative that the University of Cincinnati medical school abolish their cardiotoxic animal laboratory research facility and the Public Health Department disposes of the peculiar unwashable and establishes a program. The most notoriously economically destabilizing murders associated with this cardiotoxic animal laboratory leak are Queen Elizabeth II, Damar Hamlin, Slobodan Milosevic, Milan Babic and maybe World Health Organization Director General Lee Jong-wook 's stroke. To graduate from this heart attack it is necessary for UC Medical School to distinguish the unwashable cardiotoxin from the methicillin resistant Staphylococcus aureus (MRSA) heart attack pens used by identity thieves. The unwashable cardiotoxin may be unique to UC Medical School that

distributes the poison nationally and world-wide. Chemical weapons and first degree murder by poison come with a death penalty whereas biological weapons carry only a ten year sentence pursuant to the The Doctors' Trial: *United States of America v. Karl Brandt, et al* (1947) and Nuremberg Code (1949) . Detecting and treating the unwashable cardiotoxic monoclonal antibody requires that the patient not contact the contaminated fabric or paper, and not wash the fabrics suspected of being contaminated due to chest pain, because they will contaminate the entire wash. When I returned after more than a decade from nearly dying in a massive attack on the Cincinnati community in Clifton near UC, that left dozens of mattresses on the curb, I returned on a Greyhound bus only to be squirted with a pen by the passenger in front of me, when right in front of UC Medical School. For instance, just yesterday, a Hamilton County Deputy Sheriff, who without probable cause, temporarily tattooed a rural pedestrian's social security number on his hand with a pen, while being reassured that “my record is as clean as a whistle because the false accusations led to a nefarious truth”, that is suspected of squirting heart attacking MRSA a few feet when clicked. This also occurred in Hot Springs, Arkansas the year before in similar circumstances involving a pack of nursing students in the library and cafe targeting people who had been identified by the police, and anyone else they too a liking to.

MRSA heart attacks admitted to the hospital had a 50 percent chance of dying in the 1970s before speedy thoracic surgery became the norm. Today the objective is to clinically treat the MRSA hear attack with doxycycline, or clindamycin for children under age 8 and pregnant women. Damar Hamlin was brought out of a medically induced coma the instant doxycycline was prescribed as the broad spectrum antibiotic of choice to treat heart attacks. MRSA may also be treated with a saline bath to sterilize MRSA lesions throughout the body and Hawthorn, the supreme herb for the heart, leaf and/or berry tincture or pill, to instantly absorb the lesion and completely eliminate discomfort, that would otherwise re-infect. Hawthorn treats the entire constellation of symptoms associated with congestive heart failure – hypercholesterolemia, arrhythmia and high or low blood pressure (but is contraindicated for use with certain heart rhythm altering high blood pressure medicines) but does not treat infection. It is important to understand that Staphylococcus and Streptococcus combine to cause toxic shock syndrome to be sure to get Pneumovax to cure overnight and prevent *Streptococcus pyogenes*, amongst 21 other strains of Streptococcus the most common infection of the heart, lung and brains in vaccinated people, that specifically causes both strep throat in adolescents and rheumatic heart disease in adults, that often targets AV nodes. Pneumovax lasts five to the advertised ten years and unlike flu or COVID vaccines actually works to cure and prevent. Pneumovax mitigates the danger of MRSA infections and eliminates the most common infection of the heart – *Streptococcus pyogenes*. It is interesting to note that in the north of the state, where there was some sort of conspiracy between police and school bus drivers, the identity theft biological weapon of choice, at the time of being FBI community informant investigated by an overzealous police officer, was chicken pox/shingles, that was instantly cured with witch hazel astringent, where other adult identity theft victims were covered with itchy scabs for three weeks with prescription antivirals.

Having feloniously targeted Silicon Valley Bank for short sale, the unfair competition posed by semiconductor subsidy self-interest, requires further study to prevent identity theft and corporate espionage of Silicon Valley Bank tech companies via the FDIC and/or acquiring large financial institution. It is advised that the California Department of Financial Protection and Innovation take care to seal the record, the instant it is agreed that all depositors have been made whole, to prevent identity theft and corporate espionage against the free market Silicon Valley semiconductor and tech industry corporate competition with the novel semiconductor subsidy, so that there is no long-term injury to consumer confidence associated with the transient liquidity crisis, caused by a social media

incited run on Silicon Valley Bank or any further harm associated with the semiconductor subsidy. To solve the underlying unfair competition, semiconductor subsidy loans must be extended on equally charitable terms (2 percent rate of interest?), to established semiconductor manufacturers seeking to expand semiconductor production and other tech companies seeking to diversify into semiconductor manufacturing, who have historically been located in Silicon Valley in California. Semiconductors have been falsely associated with the unlawful Permanent Select Committee on Intelligence by virtue of Nancy Pelosi's district in San Francisco, California bolstered by her long-time Speakership. The false association between the computer industry and corrupt influence of (artificial) intelligence must be eliminated from the entire industry to avoid more Windows 8 like disasters via open and honest accounting and business practices. Furthermore, the economic disruption caused by Fed lending and Treasury bond interest rates, more or less than the 2 percent inflation target, must be neutralized, and a generous 2 percent annual rate of interest is advised. Therefore there are three points of order regarding the semiconductor subsidy. One, the semiconductor subsidy must not be allowed to engage in unfair competition with the established tech industry, that must be included in loans on equal terms, or continue their pattern of treasury, train and bank robbery. Two, having murdered Queen Elizabeth II, on day one, the semiconductor subsidy has violated their own bizarre terms of not being obligated to repay the Treasury unless they should communicate with a foreign entity of concern, a Trustee must be appointed to ensure the indenture of all semiconductor manufacturing subsidy payments at a reasonable rate of interest – 2 percent, with repayment deferred until production generates revenues under 15USC§77bbb. Three, to be crystal clear on the legality of market subsidies, Congress must amend the word grant to loan in 15USC§4652(C)(III).

4. 2022 FDIC Annual Report

To do the Silicon Valley Bank failure justice, it is necessary to review the 2022 Annual Report of the FDIC for fault and mail theft. The 2021 Annual Report indicated that the reason for the “Great Swipe of fall 2021” is that (on my 48th birthday) the Federal Financial Institutions Examination Council in Arlington, Virginia, where the US State Department is also headquartered, published Authentication and Access to Financial Institution Services and Systems; August 11, 2021, teaching banks how to embezzle without remorse, three days before President elect Joseph Biden nuked the Enriquillo Plantain Garden Fault, in Haiti on August 14, 2021, killing 2,220 people in addition to the 220,000 killed in the January 2010 earthquake, in flagrant violation of 18USC§1956, §655 and Atomic Energy Act 42USC§2122. The President blew his concealment by embezzling his COVID auditor and now Biden, his Secretary of State Blinken and his nuclear weapons financing predecessor Trump are all disqualified to hold federal office pursuant to the prohibition on assisting nuclear proliferation through provision of financing 22USC§6303. Trump initially attempted to limit nuclear weapon activity spending at \$9.2 billion FY 17 and FY 18, against 3 percent inflationary pressures, after which time he caved into their claim for compensation in a major “nuclear weapons modernization” violation of the Nuclear Non-Proliferation Treaty (NPT), inflating 21 percent to \$11.1 billion FY 19, 13 percent to \$12.5 billion FY 20, 23 percent to \$15.4 billion FY 21 before stabilizing with 0.6 percent growth to \$15.5 billion FY 22. Between FY 17 and FY 22 nuclear weapons activities spending by DOE increased 68 percent, 11 percent annually. To do the highly enforced 3 percent agency spending inflation target justice DOE nuclear weapons activities spending needs to be limited to \$10.9 billion and total DOE spending to \$39 billion plus revenues made from recycling nuclear weapons stockpiled in excess of the 2,200 warhead limit and oceanic heating and cooling railcars. Biden's nuking of the Enriquillo Plantain Garden Fault in Haiti and East Anatolian Fault in Turkey and Syria is a grave breach of Art. 147 of the Fourth Geneva Convention Relative to the Protection of Civilians in Times of

War (1949) that occurred right before the Great Swipe of 2021 and Silicon Valley Bank run of 2023, respectively. Financial security is irrationally linked, by the principle of non-use of force, to the bipartisan legislation of a nuclear weapon recycling program to enforce the 1,700 deployed to 2,200 nuclear warhead limit from the most recent 2012 Nuclear Non-Proliferation Treaty conference to replace the New START Treaty conspiracy with Russia that must be repealed from 10USC§498(f).

The 2022 FDIC Annual Report states: At the end of September 2022, the FDIC insured deposits of \$9.9 trillion in approximately 865 million accounts at 4,755 institutions, supervised 2,765 institutions, and managed 156 active receiverships with total assets of nearly \$1.1 billion. The report falsely associates rising interest rates with unrealized losses on investment securities held on bank balance sheets, concealing responsibility of the artificially high Fed and t-bond interest rates for the erosion of the value of real estate and other assets, and affect borrowers' ability to repay loans. An unrealized loss is a "paper" loss that results from holding an asset that has decreased in price, but not yet selling it and realizing the loss. SVB made it clear that the sale of bonds at less than the current rate of interest is not an unrealized loss. This must be distinguished the 10 to 75 percent loss of value of stocks that is an unrealized loss. The sale of older, lower yield bonds at the agreed upon rate, 1.78 percent in the case of the recently liquidated SVB bonds, does not constitute an unrealized loss because they were paid out at the agreed upon rate upon reaching maturity and the obvious thing to do is invest in the current overly generous 3.9 percent t-bond rate. The 3.9 percent T-bond interest rate is however in excess of the 2 percent inflation target and this moral hazard has elicited terroristic threats from the Treasury, falsely associating arbitrary and capricious bond default with the arbitrary and capricious debt ceiling debate. Public debt statistics fail to take into consideration the retirement of debt because an annual count of new securities sold is needed to subtract the actual amount of federal deficit spending from, determine balance available to the General Fund. Unrealized losses are distinctly associated with losses involved with hold till maturity securities, specifically the penalized early sale of bonds, and uninsured declines in value of public stocks.

Estimates of insured deposits are derived primarily from quarterly financial data submitted by IDIs to the FDIC and represent the accounting loss that would be realized if all IDIs were to fail and the acquired assets provided no recoveries. As of September 30, 2022 and December 31, 2021, estimated insured deposits for the DIF were \$9.9 trillion and \$9.7 trillion, respectively. The DIF balance rose to a record \$128.2 billion as of December 31, 2022, compared to the year-end 2021 balance of \$123.1 billion. The DIF U.S. Treasury securities investment portfolio balance was \$122.4 billion as of December 31, 2022, an increase of \$7.8 billion over the year-end 2021 portfolio balance of \$114.6 billion. Interest revenue totaled \$1.2 billion for 2022, compared to nearly \$1 billion for 2021 – a \$293 million increase resulting from rising interest rates. Additionally, the DIF balance reflects an unrealized loss on U.S. Treasury securities of \$2.8 billion in 2022, compared to an unrealized loss of \$1.2 billion in 2021. As of the third quarter of 2022, the reserve ratio was 1.26 percent, one basis point lower than the previous year, well below the statutory minimum of 1.35 percent and FDIC Board set Designated Reserve Ratio for the DIF of 2.0 percent since 2010. The FDIC Board adopted a new Restoration Plan in September 2020 to restore the DIF to at least 1.35 percent by September 30, 2028 to incorporate an increase in the assessment rate schedules of 2 basis points for all insured depository institutions, effective January 1, 2023. In October 2022, the Board voted to maintain the 2.0 percent ratio for 2023. Additionally, as part of the long-term DIF management plan, the FDIC suspended assessment dividends indefinitely when the fund reserve ratio exceeds 1.5 percent. In lieu of dividends, progressively lower assessment rates will become effective when the reserve ratio exceeds 2.0 percent and 2.5 percent.

The FDIC Board adopted a 2023 Operating Budget of \$2.41 billion, which represents a 6.5 percent increase over last year's budget. The budget included an increase in the authorized workforce of 220 full-time equivalent employees, primarily aimed at the FDIC's bank supervision and other core mission responsibilities, bringing the 2023 authorized staffing total to 6,310. FDIC expenditures increased slightly compared to 2021. Spending totaled \$1.92 billion— approximately \$340 million (or 15.0 percent) less than the 2022 FDIC Operating Budget of \$2.26 billion and \$50 million (or 2.7 percent) more than 2021 spending of \$1.87 billion. Underspensing in 2022 was largely driven by a stable banking sector with no failures during the year, limited travel for bank exams during the first three quarters as a result of the pandemic, and delays in facilities and IT modernization efforts. The \$2.26 billion operating budget is 15 percent more than \$1.97 billion in 2022 spending, 2.7 percent more than \$1.87 billion in spending in 2021. The operating budget for 2023 is estimated at \$2.41 billion, however taking into consideration 3 percent growth to deal with the SBV failure and downgrading real spending is estimated to be -18 percent less \$2.03 billion

The FDIC is considering updates to the Statement of Policy Regarding Bank Merger Transactions. In March 2022, the FDIC Board approved a proposed Statement of Principles for Climate-Related Financial Risk Management for Large Financial Institutions. Bankruptcies and other disruption in the crypto-asset industry in 2022 highlighted the risks of these activities, as well as consumer confusion regarding deposit insurance; not to mention regulatory confusion regarding the obligation of the Treasury balance to purchase deficits in excess of 3 percent of GDP. Section 7 of the Federal Deposit Insurance Reform Conforming Amendments Act of 2005 mandates that the FDIC regularly report on unbanked populations and bank efforts to bring individuals and families into the mainstream banking system. Despite the economic challenges posed by the COVID-19 global pandemic, nearly 96 percent of U.S. households were banked in 2021 and 4.5 percent were unbanked. In 2021, 11.3 percent of Black households and 9.3 percent of Hispanic households were unbanked, compared to 2.1 percent of White households. Threats from malicious cyber actors continue to be a significant and evolving risk for banks and their service providers.

After their role teaching unbankrupted banks, with more liabilities than assets, to remorseless embezzle to reduce their obligations they can ill afford, the 2021 Direct Express and Netspend of inequity theft by bank examiner, as it pertains to theft and embezzlement by bank officers and employees, is a serious concern under 18USC§655. There is concern that between March 16, 2020, and September 2, 2022, nearly all examination activity occurred off-site. The FDIC resumed regular on-site examination activity on September 6, 2022, and is committed to having an on-site presence at every examination. During 2021, the agency documented lessons learned, and embedded into its policies best practices from virtual examinations and from industry feedback in response to a 2021 request for information. The FDIC expects that leveraging these best practices will allow examiners to conduct a greater amount of examination activity off-site going forward than during the pre- pandemic period. The FDIC will continue to embrace technology when appropriate to increase examination efficiency and effectiveness. Examiners make supervisory recommendations, including Matters Requiring Board Attention (MRBA), in Reports of Examination (ROE) and other examination-related communications to address these risks. Well-managed banks engaged in traditional, non-complex activities typically receive periodic, point-in-time safety and soundness and consumer protection examinations that are carried out over a few weeks, while the largest and most complex FDIC-supervised institutions are subject to continuous safety-and-soundness supervision carried out through targeted reviews during the course of an examination cycle. By law, risk management point-in-time examinations are conducted

every 12 months, which can be extended to 18 months under certain circumstances, generally on an alternating basis with the appropriate state banking department. The continuous examination process includes on-site targeted reviews of areas the examiner determines are necessary to complete a full-scope examination; ongoing monitoring and assessment of an institution's risks, policies, procedures, and financial condition; and frequent communication with institution management. Supervisory letters are issued to the board and institution management after each targeted review to convey examiner findings. Other ad hoc written communications to management may also be issued based on ongoing monitoring activities or other intervening supervisory events or activities. Additionally, at the end of the continuous examination cycle, an ROE is issued.

In March and April 2022, the FFIEC provided training on the sections of the *BSA (Bank Secrecy Act)/AML (Anti-Money Laundry) Examination Manual* issued in December 2021: Introduction - Customers (new), Charities and Nonprofit Organizations, Independent Automated Teller Machine Owners or Operators, and Politically Exposed Persons. As the Federal Open Market Committee first signaled plans to raise interest rates in 2022, the FDIC expanded its off-site monitoring activities to institute a call program for institutions potentially vulnerable to rising interest rates. FDIC staff contacted a group of institutions based on their volume of available-for-sale securities. During these calls, the staff inquired about bank managements' plans and strategies for managing potentially elevated levels of unrealized losses. In June 2016, the Financial Accounting Standards Board (FASB) introduced the CECL methodology for estimating allowances for credit losses, replacing the incurred-loss methodology. CECL became effective for primarily larger institutions or SEC filers starting January 1, 2020. Smaller reporting companies, and nonpublic companies will begin CECL adoption in 2023, unless they elected early adoption.

At the beginning of 2022, digital assets reached a combined market capitalization of \$3 trillion, up from approximately \$273 billion just two years earlier. In April 2022, the FDIC issued FIL-16-2022, *Notification of Engaging in Crypto-Related Activities*, which asked supervised institutions to notify the FDIC if they are engaging in, or planning to engage in, crypto-asset-related activities. In July 2022, the FDIC also issued FIL-35-2022, *Advisory to FDIC-Insured Institutions Regarding FDIC Deposit Insurance and Dealings with Crypto Companies*. The FDIC established the Crypto-Assets Risks Interdivisional Working Group. In March 2022, the SEC released Staff Accounting Bulletin No. 121 (SAB 121) to express staff views regarding the accounting for entities that have obligations to safeguard crypto-assets held for their platform users. The bulletin provides that an entity, including a financial institution, should present a liability on its balance sheet to reflect its obligation to safeguard the crypto-assets held for its platform users at the fair value of the crypto-assets. On March 9, 2022, the White House issued Executive Order 14067, *Ensuring Responsible Development of Digital Assets*. In October 2022, the Financial Stability Oversight Council (FSOC) issued its *Report on Digital Asset Financial Stability Risks and Regulation*, which contains ten recommendations in response to the Executive Order mandate. Basel Committee on Banking Supervision's standards pertaining to cryptocurrency were finalized December 16, 2022 with the "same risk, same activity, same treatment," principles.

Liquid asset positions remained adequate following unprecedented deposit inflows during the pandemic. Although deposit levels began to decrease for the first time since 2018, deposits still comprise a larger proportion of funding compared to pre-pandemic times. Loan-to-deposit ratios remain below pre-pandemic levels despite recent loan growth. Notably, some institutions deployed excess deposits into longer-term investment securities to obtain higher yields. The upward trajectory of

interest rates led to net unrealized losses for institutions with long-duration bond portfolios. These depreciated securities, coupled with a moderate decline in deposits, could potentially impact liquidity and access to funding if market interest rates continue to rise. Inflation and rising interest-rates have also affected the industry's sensitivity to interest-rate risk. Besides growing unrealized losses, higher interest rates have pushed deposit costs higher as financial institutions seek to stay competitive. While institutions' net interest income expanded in 2022, deposit and borrowing costs may increase at a faster pace than asset yields, constraining margin growth. Other negative effects of inflation and higher interest rates include higher overhead, a reduction in mortgage banking and prepayment activity, and potentially increased credit costs from reduced obligor cash flows. Until inflationary conditions abate and the rising interest-rate cycle ends, the industry will face a number of challenges that affect earnings, asset quality, liquidity, capital, and sensitivity to market risk. Financial institutions are likely to be affected by both the physical and transition risks associated with climate change. Together these are generally referred to as climate-related financial risks. Physical risks generally refer to the harm to people and property arising from acute, climate-related events, such as hurricanes, wildfires, floods, and heatwaves, as well as chronic shifts in the climate, including higher than average temperatures, changes in precipitation patterns, sea level rises, and ocean acidification. Transition risks generally refer to stresses to certain financial institutions or sectors arising from the shifts in public investment, consumer and business preferences, or technologies associated with a transition toward reduced carbon reliance. While physical and transition risks are separate and distinct risks faced by the financial system, both may materially increase the risks posed to a financial institution's financial condition.

On March 31, 2022, the FASB issued Accounting Standards Update No. 2022-02 (ASU 2022-02), "Financial Instruments – Credit Losses (Topic 326): Troubled Debt Restructurings and Vintage Disclosures," which eliminates the recognition and measurement guidance for TDRs for all institutions once they adopt the CECL methodology and, instead, introduces enhanced financial statement disclosure requirements related to "modifications to borrowers experiencing financial difficulty." On October 24, 2022, the FDIC published in the *Federal Register* a final rule to amend the deposit insurance assessment regulations applicable to large and highly complex institutions that have adopted the CECL methodology and FASB's ASU 2022-02 by including "modifications to borrowers experiencing financial difficulty" in the description of two financial measures—the underperforming assets ratio and the higher-risk assets ratio—used to determine deposit insurance assessments. Under the final rule, a refinance does not include a modification to a loan that would have otherwise met the definition of a refinance, but that results in the classification of a loan as a "modification to borrowers experiencing financial difficulty," for large or highly complex institutions that have adopted ASU 2022-02, or that results in the classification of a loan as a TDR, for all remaining large or highly complex institutions.

Certain large banking organizations and nonbank financial companies designated by FSOC for supervision by the FRB are periodically required to submit resolution plans to the FDIC and FRB. Each resolution plan, commonly known as a "living will," must describe the company's strategy for a rapid and orderly resolution under the U.S. Bankruptcy Code in the event of material financial distress or failure of the company. The eight most systemically important domestic banking organizations submitted resolution plans on or before July 1, 2021, and each firm's resolution plan included core elements—such as capital, liquidity, and recapitalization strategies under 12CFR§360.10. After the Board approved a moratorium on IDI resolution plan submissions in April 2019, in June 2021 the FDIC resumed requiring resolution plan submissions for IDIs with \$100 billion or more in assets, as described in the June 2021 *Statement on Resolution Plans for Insured Depository Institutions*. The

FDIC's Recordkeeping for Timely Deposit Insurance Determination regulation (12 CFR Part 370) became effective on October 1, 2019. Under this rule, an IDI that has two million or more deposit accounts for two consecutive quarters must implement the IT system and recordkeeping capabilities needed to calculate the amount of deposit insurance coverage available for each deposit account in the event of its failure. Under the Dodd-Frank Act, failed or failing financial companies are expected to file for reorganization or liquidation under the U.S. Bankruptcy Code, similar to any failed or failing nonfinancial company. If resolution under the Bankruptcy Code would result in serious adverse effects to U.S. financial stability, Title II of the Dodd-Frank Act provides a back-up authority for resolving a company for which the bankruptcy process is not viable.

In May 2022, the FDIC issued a final rule that prohibits any person or organization from making misrepresentations about FDIC deposit insurance, or misusing the FDIC's name or logo. The rule implements Section 18(a)(4) of the FDI Act, which prohibits any person or organization from: 1) making false or misleading representations about deposit insurance; 2) using the FDIC's name or logo in a manner that would imply that an uninsured financial product is insured or guaranteed by the FDIC; or 3) knowingly misrepresenting that any deposit liability, obligation, certificate, or share is insured, or the extent or manner of deposit insurance. The FDIC responded to 98.8 percent of written complaints within time frames established by corporate policy, and acknowledged 100 percent of all consumer complaints and inquiries within 14 days. The top five identified products in consumer complaints and inquiries about FDIC-supervised institutions, as percent of total volume, included credit cards (24 percent), checking accounts (23 percent), consumer lines of credit and installment loans (15 percent combined), and residential real estate (5 percent). The FDIC helped consumers receive approximately \$6.2 million in refunds and voluntary compensation from financial institutions as a result of the assistance received from the NCDA in 2022. The FDIC investigates IDI failures to identify potential claims against directors, officers, securities underwriters and issuers, financial institution bond carriers, appraisers, attorneys, accountants, mortgage loan brokers, title insurance companies, and other professionals who may have caused losses to IDIs that failed and FDIC receiverships. The FDIC pursues meritorious claims against these parties that are expected to be cost effective. During 2022, the FDIC recovered \$47.3 million from professional liability settlements and judgments. The FDIC authorized 12 professional liability lawsuits during 2022. As part of the sentencing process, for those convicted of criminal wrongdoing against an insured institution that later failed, a court may order a defendant to pay restitution or to forfeit funds or property to the receivership. The FDIC, working with the Department of Justice in connection with criminal restitution and forfeiture orders issued by federal courts and independently in connection with restitution orders issued by the state courts, collected \$4.2 million in 2022. As of December 31, 2022, there were 1,635 active restitution and forfeiture orders (down from 1,753 at year-end 2021).

The Office of Minority and Women Inclusion (OMWI) ensures diversity, equity, inclusion, and accessibility (DEIA) are key to the FDIC's work as a premier federal agency and steward of the U.S. banking system. For the 2021 reporting period, 172 or 22 percent of the 774 FDIC-supervised banks with 100 or more employees submitted their diversity self-assessments. Since 2020, significant new sources of private and public funding have become available to support FDIC-insured MDIs and Community Development Financial Institutions (CDFIs), collectively known as "mission-driven banks." This includes up to \$9 billion in funding from the Treasury through the Emergency Capital Investment Program, as well as \$3 billion in new grant funding for CDFIs, including up to \$1.2 billion set aside for minority lending institutions. At the end of 2021, the FDIC created a new permanent organization, the Office of Minority and Community Development Banking (OMCDB), to support the

agency's ongoing strategic and direct engagement with MDIs and CDFIs. Executive Order 14028, Improving the Nation's Cybersecurity directs the U.S. government agencies to adopt a Zero Trust Architecture (ZTA). This order was reinforced on January 26, 2022, with the release of Office of Management and Budget Memorandum M-22-09, Moving the Government Toward Zero Trust Cybersecurity Principles. Zero Trust moves away from the traditional perimeter-based security architectures that rely on implicit trust within the computing environment. Instead, trust is continuously assessed and explicitly granted to provide Just-in-Time (JIT) and just enough access to enterprise resources.

The FDIC continues to "play" a leading role in supporting the global development of deposit insurance, bank supervision, and bank resolution systems, but has yet to "pay" their first genuine deposit insurance benefit from their Deposit Insurance Fund (DIF). In 2022, this included working closely with regulatory and supervisory authorities from around the world, as well as international standard-setting bodies and multilateral organizations, such as the International Association of Deposit Insurers (IADI), the Association of Supervisors of Banks of the Americas (ASBA), the Basel Committee on Banking Supervision (BCBS), the Financial Stability Board (FSB), the International Monetary Fund (IMF), and the World Bank. As a founding member, the FDIC joined IADI in celebrating its 20th Anniversary in 2022. Acting FDIC Chairman Gruenberg provided keynote speeches at the anniversary celebration in September and at the Annual General Meeting in October. The only failure self-reported by the FDIC is that they have not yet implemented the Basel III framework response to the global financial crisis. The net stable funding ratio finalized on 31 October 2014 requires banks to maintain a stable funding profile in relation to their on- and off-balance sheet activities, thus reducing the likelihood that disruptions to a bank's regular sources of funding will erode its liquidity position in a way that could increase the risk of its failure and potentially lead to broader systemic stress. The current failure could have been avoided by agreeing to the 100% minimum Liquidity Coverage Ratio (LCR) requirement applies from 1 January 2019, with the requirement having been phased-in gradually since 2015.

The DIF balance was reported to be \$128.2 billion at December 31, 2022, an increase of \$5.1 billion from the year-end 2021 balance, however this may be an underestimate due to their confusion regarding unrealized losses. The DIF has certainly not yet begun to publicly pay deposit insurance benefits and is extremely vulnerable to all sorts of fraud and confusion as the result of never having paid a deposit insurance benefit. The DIF's comprehensive income is reported to have remained stable year-over-year; \$5.1 billion in 2022 compared to \$5.2 billion in 2021. Assessment revenue was \$8.3 billion for 2022, compared to \$7.1 billion for 2021. The \$1.2 billion year-over-year increase was primarily due to assessment base growth and higher assessment rates. The DIF's interest revenue on UST securities for 2022 was \$1.2 billion, compared to nearly \$1.0 billion in 2021. The \$0.3 billion year-over-year increase resulted from maturities being reinvested in higher yielding securities. The DIF recognized an unrealized loss on UST securities of \$2.8 billion in 2022, compared to a \$1.2 billion unrealized loss in 2021, but that does not toll the early sale requirement for the use of the term. The increase in the unrealized loss was attributed to a substantial rise in interest rates during 2022. Disregarding nonsense regarding unrealized losses, reporting of assessment (\$7.9 or \$8.3 billion?) and interest revenue (\$1.2 or \$3.1 billion?) is inconsistent, however having been criticized for the operating budget overestimate the \$1.8 billion operating expenses paid seems uncontested.

Deposit Insurance Fund Select Terroristics

(millions of dollars)

	2022	2021	2020
Revenue	9,607	8,153	8,796
Operating Expenses	-1,883	-1,843	-1,846
Insurance and Other Expenses (includes provision for losses)	-79	-137	-155
True Income	7,645	6,173	N/a
Net Income	7,803	6,448	7,105
Comprehensive Income	5,077	5,244	7,550
Insurance Fund Balance	128,218	123,141	117,897
Hypothetical Balance	131,715	124,070	“
Fund as Percentage of Insured Deposits (reserve ratio)	1.26%	1.26%	1.29%

Source: 2022 Annual Report of the FDIC pg. 113

The accounting for the DIF does not add up. Revenues less operating expenses and insurance should yield an exact Net Income to contribute to the Deposit Insurance Fund (DIF) that is not doubted by unexplained, and irregularly accounted for, comprehensive income category. Revenues also require explanation assessment and interest income. To begin to reconcile DIF accounting new rows called 'true income' and 'hypothetical balance' to consider true income in a mathematically sound fashion, have been inserted, disregarding 2020 whereas the base fund balance must be accepted. The \$131.7 billion hypothetical balance is nearly the same as the \$131.2 billion Trust Fund balance sheet without adjustment for unrealized losses, the FDIC admits are not applicable because the FDIC has not intention of withdrawing funds early. The detailed balance sheet on pages. 122-124 is not copied because it is more or less the same. FDIC operating expenditures totaled \$1.9 billion in 2022, including \$1.9 billion in ongoing operations, \$25 million in receivership funding, and \$42 million for the OIG; down from a high of about \$2.3 in 2013. The 2022 aggregate budget (for ongoing operations, receivership funding, OIG, and investment spending) was \$2.3 billion, while actual expenditures for the year were \$1.9 billion, about \$41 million higher than 2021 expenditures. Actual expenditures occurred as follows: \$1.1 billion, or 59 percent, to the Supervision and Consumer Protection program; \$221 million, or 11 percent, to the Receivership Management program; \$329 million, or 17 percent, to the Insurance program; and \$241 million, or 13 percent, to Corporate General and Administrative expenditures. From 2013-2022 investment spending, IT, totaled \$121 million, and is estimated at \$6 million for 2023, down from a high of \$22.5 million in 2021. Cash equivalents are Special U.S. Treasury Certificates with overnight maturities valued at prevailing interest rates established by the U.S. Treasury's Bureau of the Fiscal Service.

The Federal Deposit Insurance Corporation (FDIC) is the independent deposit insurance agency created by Congress in 1933 to maintain stability and public confidence in the nation's banking system. Provisions that govern the FDIC's operations are generally found in the Federal Deposit Insurance

(FDI) Act, as amended (12USC§1811, et seq). In accordance with the FDI Act, the FDIC, as administrator of the Deposit Insurance Fund (DIF), insures the deposits of banks and savings associations (insured depository institutions). In addition to being the administrator of the DIF, the FDIC is the administrator of the Federal Savings and Loan Insurance Corporation (FSLIC) Resolution Fund (FRF). The FRF is a resolution fund responsible for the sale of the remaining assets and the satisfaction of the liabilities associated with the former FSLIC and the former Resolution Trust Corporation. Pursuant to the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (Dodd-Frank Act), the FDIC also manages the Orderly Liquidation Fund (OLF). Established as a separate fund in the U.S. Treasury (Treasury), the OLF is inactive and unfunded until the FDIC is appointed as receiver for a covered financial company. A covered financial company is a failing financial company (for example, a bank holding company or nonbank financial company) for which a systemic risk determination has been made as set forth in section 203 of the Dodd-Frank Act. The Dodd-Frank Act (Public Law 111-203) granted the FDIC authority to establish a widely available program to guarantee obligations of solvent IDIs or solvent depository institution holding companies (including affiliates) upon a liquidity event determination during times of severe economic distress. The program would not be funded by the DIF but rather by fees and assessments paid by all participants in the program. If fees are insufficient to cover losses or expenses, the FDIC must impose a special assessment on participants as necessary to cover the shortfall. Any excess funds at the end of the liquidity event program would be deposited in the General Fund of the Treasury. The Dodd-Frank Act also created the Financial Stability Oversight Council of which the Chairman of the FDIC is a member and expanded the FDIC's responsibilities to include supervisory review of resolution plans (known as living wills) and backup examination authority for systemically important bank holding companies and nonbank financial companies supervised by the Federal Reserve Board. The living wills provide for an entity's rapid and orderly resolution in the event of material financial distress or failure.

The FDIC, as administrator of the DIF, insures the deposits of IDIs and resolves failed IDIs upon appointment of the FDIC as receiver in a manner that will result in the least possible cost to the DIF. The DIF is primarily funded from deposit insurance assessments and interest earned on investments in U.S. Treasury securities. Other available funding sources, if necessary, are borrowings from the Treasury, the Federal Financing Bank (FFB), Federal Home Loan Banks, and IDIs. The FDIC has borrowing authority of \$100 billion from the Treasury and a Note Purchase Agreement with the FFB, not to exceed \$100 billion, to enhance the DIF's ability to fund deposit insurance. A statutory formula, known as the Maximum Obligation Limitation (MOL), limits the amount of obligations the DIF can incur to the sum of its cash, 90 percent of the fair market value of other assets, and the amount authorized to be borrowed from the Treasury. The MOL for the DIF was \$227.5 billion and \$222.5 billion as of December 31, 2022 and 2021, respectively. The FDIC, as receiver, is responsible for managing and disposing of the assets of failed institutions in an orderly and efficient manner. The assets held by receiverships, conservatorships, and bridge institutions (collectively, resolution entities), and the claims against them, are accounted for separately from the DIF assets and liabilities to ensure that proceeds from these entities are distributed according to applicable laws and regulations. Therefore, income and expenses attributable to resolution entities are accounted for as transactions of those entities. The FDIC, as administrator of the DIF, bills resolution entities for services provided on their behalf. Cash equivalents are short-term, highly liquid investments consisting primarily of U.S. Treasury Overnight Certificates. The FDI Act requires that the DIF funds be invested in obligations of the United States or in obligations guaranteed as to principal and interest by the United States.

The DIF's investments in U.S. Treasury securities are classified as available-for-sale (AFS). Securities

designated as AFS are shown at fair value. Unrealized gains and losses are reported as other comprehensive income but should intrude from the Interest in US Treasury Securities table into other tables such as the operations budget and balance sheets. Any realized gains and losses are included in the Statement of Income and Fund Balance as components of net income, but should be excluded. Income on securities is calculated and recorded daily using the straight-line method. These unrealized losses to \$126.3 billion in US Treasury Notes and Bonds did not occur as a result of changes in market interest rates, as assumed. The FDIC explains they do not intend to sell the securities and is not likely to be required to sell them before their maturity date, thus, the FDIC does not consider these securities to be other than temporarily impaired at December 31, 2022. However, \$2.2 billion of the \$3.0 billion reported as total unrealized losses occurred over a period of 12 months or longer, with an aggregate related fair value of \$62.8 billion applied to the affected securities. The aggregate related fair value of all securities with unrealized losses was \$112.9 billion as of December 31, 2022.

As of December 31, 2022, the FDIC, as receiver, managed 132 active receiverships; no new receiverships were established in 2022. The resolution entities held assets with a total book value of \$943 million as of December 31, 2022 and \$1.5 billion as of December 31, 2021. The majority of these assets are cash, investments, and other receivables, totaling \$909 million and \$1.4 billion, respectively. The remaining assets held by resolution entities are assets in liquidation of \$34 million as of December 31, 2022 and \$87 million as of December 31, 2021. The DIF records a contingent liability and a loss provision for DIF-insured institutions that are likely to fail when the liability is probable and reasonably estimable, absent some favorable event such as obtaining additional capital or merging. The contingent liability is derived by applying expected failure rates and loss rates to the institutions based on supervisory ratings, balance sheet characteristics, and projected capital levels. The Unclaimed Deposits Amendments Act of 1993 (UDAA), Public Law 103-44, amended the FDI Act effective June 28, 1993 (codified as 12USC§1822 (e)). In accordance with the UDAA, the FDIC delivers to the appropriate states insured bank deposits not claimed within 18 months of the date when the FDIC initiates payment of insured deposits as a part of a bank failure, unless the appropriate state declines to accept custody. After receipt, states have custody of the deposits for 10 years, during which time a state treats deposits as unclaimed property. At the end of the 10 years, states are required to transfer any remaining unclaimed deposits to the FDIC and those deposits become the FDIC's property. As of December 31, 2022 and 2021, states have returned \$38 million and \$103 million, respectively, of unclaimed insured deposits to the FDIC, which the DIF recognized as revenue.

The banking industry's financial condition and performance remained stable in 2022 amidst economic uncertainty. During 2022, no institutions failed. According to the third quarter 2022 financial data submitted by DIF-insured institutions, the banking industry reported net income for the first nine months of \$196 billion, a decrease of 9.4 percent from the same period a year ago. The decrease in net income was the result of a return to positive provision expenses and higher noninterest expenses which offset gains in net interest income as described below. Noninterest expenses for the first nine months of 2022 were up \$28.7 billion from the same time period a year ago driven by higher advertising and marketing expenses, consulting and advisory expenses, and data processing expenses. Although net income declined, the rising interest-rate environment has improved bank margins. Although net income declined, the rising interest-rate environment has improved bank margins. Due to the decline in net income and growth in higher-risk assets, risk-based capital ratios declined in third quarter 2022 from the same quarter in 2021. The contingent liability increased as of December 31, 2022, compared to December 31, 2021. In addition to the recorded contingent liabilities, the FDIC has identified risks in the financial services industry that could result in additional losses to the DIF, should potentially

vulnerable insured institutions ultimately fail. Inflation, rising interest rates, and geopolitical uncertainties continue to challenge bank profitability, credit quality, and loan growth. In connection with purchase and assumption agreements for resolutions, the FDIC, in its receivership capacity, generally indemnifies the purchaser of a failed institution's assets and liabilities in the event a third party asserts a claim against the purchaser unrelated to the explicit assets purchased or liabilities assumed at the time of failure. The FDIC, in its corporate capacity, is a secondary guarantor if a receivership is unable to pay. These indemnifications generally extend for a term of six years after the date of institution failure.

The FDIC deposit insurance assessment system is mandated by section 7 of the FDI Act and governed by part 327 of title 12 of the Code of Federal Regulations (12 CFR Part 327). The risk-based system requires the payment of quarterly assessments by all IDIs. Annual assessment rates averaged approximately 4.0 cents and 3.6 cents per \$100 of the assessment base in 2022 and 2021, respectively. In response to the Dodd-Frank Act, the FDIC implemented several changes to the assessment system and developed a comprehensive, long-term fund management plan. The FDIC Board of Directors designates a reserve ratio for the DIF and publishes the designated reserve ratio (DRR) before the beginning of each calendar year, as required by the FDI Act. Accordingly, in October 2022, the FDIC published a notice maintaining the DRR at 2 percent for 2023. The FDIC suspended dividends indefinitely, and, in lieu of dividends, prescribes progressively lower assessment rates when the reserve ratio exceeds 2 percent and 2.5 percent. The Dodd-Frank Act increased the minimum reserve ratio for the DIF to 1.35 percent, up from the previous statutory minimum of 1.15 percent. If the reserve ratio falls below 1.35 percent, or the FDIC projects that it will within six months, the FDIC generally must implement a Restoration Plan that will return the DIF to 1.35 percent within eight years. As of September 30, 2022 and December 31, 2021, the DIF reserve ratio was 1.26 percent. On January 9, 2017, the FDIC filed suit in the United States District Court for the District of Columbia (and amended this complaint on April 7, 2017), alleging that Bank of America, N.A. (BoA) underpaid its insurance assessments for multiple quarters based on the underreporting of counterparty exposures. In total, the FDIC alleges that BoA underpaid insurance assessments by \$1.12 billion, including interest for the quarters ending March 2012 through December 2014. BoA has failed to pay these past due amounts. Pending resolution of this matter, BoA has fully pledged security with a third-party custodian pursuant to a security agreement with the FDIC. As of December 31, 2022, the total amount of unpaid assessments (including accrued interest) was \$1.20 billion.

As of December 31, 2022 and 2021, financial assets recognized and measured at fair value on a recurring basis include cash equivalents of \$2.6 billion and \$4 billion, respectively, and the investment in U.S. Treasury securities of \$122.4 billion and \$114.6 billion, respectively. The valuation is considered a Level 1 measurement in the fair value hierarchy, representing quoted prices in active markets for identical assets. Other financial assets and liabilities, measured at amortized cost, are the receivables from resolutions, assessments receivable, interest receivable on investments, other short-term receivables, and accounts payable and other liabilities. The FRF-FSLIC and the former RTC received \$43.5 billion and \$60.1 billion from the U.S. Treasury, respectively, to fund losses from thrift resolutions prior to July 1, 1995. In *United States v. Winstar Corp.*, 518 U.S. 839 (1996), the Supreme Court held that when it became impossible following the enactment of FIRREA in 1989 for the federal government to perform certain agreements to count goodwill toward regulatory capital, the plaintiffs were entitled to recover damages from the United States. The contingent liability associated with the nonperformance of these agreements was transferred to the FRF on August 9, 1989, upon the dissolution of the FSLIC. The FRF can draw from an appropriation provided by Section 110 of the

Department of Justice Appropriations Act, 2000 (Public Law 106-113, Appendix A, Title I, 113 Stat. 1501A-3, 1501A-20), such sums as may be necessary for the payment of judgments and compromise settlements in the goodwill litigation. This appropriation is to remain available until expended. All known goodwill cases have been litigated, including the last remaining goodwill case that was resolved in 2015.

The FDIC is the Government Accounting Office (GAO's) only regular client. The GAO claimed responsibility for transmitting a computer virus that killed the Apple computer of this Netspend and is thought to be too obsessed with aggravated identity theft during their investigations and payment prevention, to scientifically audit financial documents, that invariably go uncriticized for decades. The Independent Audit failed to criticize the intrusion of unrealized losses into the DIF balance sheet as not being a generally accepted accounting principle, unfair. Although the DIF's financial statements present the DIF's financial position, the intrusion of unrealized losses, cannot be construed as fair, because the fraudulent concept, results in inconsistencies in reporting and the SBV collapse after making similar erroneous, moot, statements regarding unrealized losses, obviously compromises the banking industry. A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or combination of deficiencies, in internal control over financial reporting that is less severe than a material weakness, yet important enough to merit the attention by those charged with governance. As used by the DIF balance sheet, unrealized losses constitute a significant deficiency, so severe, that it compromises the mathematical integrity of the overview.

The 2022 GAO audit continued to identify deficiencies in FDIC's controls over contract documentation and payment review processes that collectively represent a significant deficiency in FDIC's internal control over financial reporting. GAO found two instances where an oversight manager did not adhere to the contract pricing schedule, one miscalculated contract, three instances where contract documentation was not properly maintained in the FDIC's Contract Electronic File (CEFile) and document were not signed by a contracting officer, as required by FDIC's Acquisition Policy Manual and two instances in which contract documentation was stored on employee's hard drives. While these deficiencies do not individually or collectively constitute a material weakness, FDIC's deficiencies related to contract documentation and payment review processes are important enough to merit the attention of those charged with governance of FDIC. The GAO provides a disservice insofar that they do not detect the novel intrusion of unrealized losses into the DIF margin, nor, worst of all, after many decades as an accessory to FDIC negligence, GAO does not note that the DIF has never paid a deposit insurance benefit to an individual in its 90 year history. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. The Fraud Reduction and Data Analytics Act of 2015 was signed into law on June 30, 2016. As part of the Framework, management identifies potential fraud areas and implements and evaluates key controls as proactive measures to prevent fraud. FDIC management performs due diligence in areas of suspected or alleged fraud. At the conclusion of due diligence, the matter is either closed or referred to the Office of Inspector General for investigation.

Martin J. Gruenberg was sworn in as Chairman of the FDIC Board of Directors on January 5, 2023. Travis Hill was sworn in as Vice Chairman of the FDIC Board of Directors on January 5, 2023. Jonathan McKernan was sworn in as a member of the Board of Directors of the Federal Deposit Insurance Corporation on January 5, 2023. Michael J. Hsu became Acting Comptroller of the Currency on May 10, 2021. Rohit Chopra was confirmed as Director of the Consumer Financial Protection Bureau (CFPB) on October 12, 2021. Jelena McWilliams was sworn in as the 21st Chairman of the FDIC on June 5, 2018, and served in that capacity until her resignation of February 4, 2022. Acting Inspector General Tyler Smith reports: The FDIC plays a unique role in support of the U.S. financial system. The FDIC insures nearly \$10 trillion in deposits at more than 4,700 banks, supervises over 3,200 banks, and oversees the \$125 billion Deposit Insurance Fund (DIF) that protects bank depositor accounts and resolves failing banks. About 52 million Americans have invested in digital assets and 136 FDIC-insured banks have ongoing or planned digital asset activities. The FDIC is custodian of about 1.8 petabytes of sensitive and Personally Identifiable Information (PII) relating to failed banks and more than 4,700 insured banks. A total of 21 percent of the FDIC workforce was eligible to retire in 2022, and that figure climbs to 38 percent within 5 years (2027). The FDIC awards nearly \$600 million in contracts every year. Over a 5-year period, the FDIC awarded more than 2,600 contracts valued at \$2.85 billion.

The Board of Governors of the Federal Reserve (Federal Reserve Board) stated that U.S. financial stability may be affected by sudden adverse events. These events may include cyber attacks, climate change risk, and global instability. The U.S. financial system also faces risks arising internationally from outside the United States through “a contagious spread of a financial crisis” across regions and countries. In failures for banks, broker-dealers, financial market utilities, insurance companies, and other systemically important organizations that could require the FDIC to exercise its expansive resolution authorities. The Organization for Economic Co-operation and Development (OECD) also noted that the transition to low-carbon economies may result in financing risks for stranded or obsolete assets and production processes that do not support renewable energy. The 60 largest banks financed \$4.6 trillion in loans to fossil fuel companies between 2016 and 2021. During the financial crisis of 2008-2011, several large financial firms—such as Lehman Brothers, Bear Stearns, and AIG—were not eligible for FDIC receiverships. In response, Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (Dodd-Frank Act) was enacted and designed to address this gap, and granted Orderly Liquidation Authority (OLA) to the FDIC. OLA presents unique challenges for the FDIC because this authority has not been invoked, and the FDIC has limited information and experience with financial market utilities, insurance companies, and broker-dealers that may require OLA resolutions.

The banking sector faces risks related to the Government’s response to the pandemic crisis. In 2020 and 2021, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) and the American Rescue Plan were enacted, and these laws provided funds for the Paycheck Protection Program (PPP) in the amount of \$814 billion. The PPP has been administered through the Nation’s banks. More than 2,600 FDIC-supervised financial institutions originated over 3 million PPP loans, totaling approximately \$267 billion. It is estimated that fraud in the PPP could be as high as \$117.3 billion, and banks may suffer losses as a result of fraudulent loans. It is estimated that fraudulent loans in the PPP may amount to \$117.3 billion. For example, the SBA OIG’s Inspection of SBA’s Implementation of the Paycheck Protection Program reported that nearly 55,000 PPP loans worth about \$7 billion went to potentially ineligible businesses or fraudulent recipients and 1.9 million loans were disbursed where the loan participants did not submit loan forgiveness applications—a key fraud indicator. Further, as of

October 2022, the Government has brought charges against 1,616 defendants related to 1,050 criminal cases involving more than \$1.2 billion in pandemic relief program funds.

The Department of the Treasury's Office of Foreign Assets Control (OFAC) administers economic and trade sanctions that prohibit domestic banks from conducting transactions with a number of entities sanctioned by the United States. For example, the U.S. recently imposed additional sanctions against Russia in response to a crisis presented by the invasion of Ukraine. If banks do not have sufficient compliance programs to adhere to the U.S. sanctions, they may face increased legal, compliance, operational, and reputational risks, and significant enforcement actions. OFAC regulations require that financial institutions block or reject transactions subject to sanctions, thereby limiting sanctioned parties' access to funding. In addition, banks must notify OFAC of blocked or rejected transactions within 10 days of their occurrence and report all blocked property to OFAC annually by September 30. In addition, banks are required to file Suspicious Activity Reports with the Financial Crimes Enforcement Network (FinCEN) for potential evasion of the sanctions. If a bank's compliance program is inadequate, it faces increased legal, compliance, operational, and reputational risks and significant enforcement action. In February 2022, the U.S. announced sanctions against major Russian banks and specific Russian individuals. FinCEN provided a list of red flag indicators of evasion of sanctions, such as the use of third parties to shield the identity of sanctioned persons, the use of shell companies for wire transfers, and non-routine foreign exchange transactions.

The FSOC 2022 Annual Report recognized that a cybersecurity incident could threaten U.S. financial stability. FSOC stated that the "financial sector is vulnerable to malicious cyber incidents, including ransomware, denial-of-service attacks, data breaches, and non-malicious cyber incidents." The financial industry suffered the largest number of data breaches in 2021 when compared to 20 other industries, according to Verizon's 2022 Data Breach Incident Report.²⁰ In November 2022, FinCEN reported 1,251 ransomware-related incidents at U.S. banks in 2021—which is more than double the 602 ransomware events reported in 2020. Further, the total value of these ransomware events in 2021 was about \$886 million, which was 68 percent more than in 2020 (\$527 million). Further, 74 percent of bank leaders surveyed stated that their institution had experienced one or more ransomware attacks, with 63 percent of institutions paying the ransom demanded, according to VMWare.²¹ Banks incur significant costs from ransomware attacks (beyond paying the ransom), including "data restoration, investigation and response, regulatory and legal fines, and brand damage. The FDIC, along with other banking regulators, promulgated a rule requiring banks to notify the FDIC about certain computer security incidents within 36 hours of the event; this rule became effective on May 1, 2022. Banks must notify the primary bank regulator when a computer-security incident materially disrupted or degraded, or is reasonably likely to materially disrupt or degrade, a banking organization's ability to carry out its banking operations, the bank's business lines, or operations. According to FDIC data, between May 1 and July 31, 2022, banks reported 41 cybersecurity incidents under the new rule. The FDIC does not currently have processes in place to ensure that reported incidents are recorded.

The Executive Order on Ensuring Responsible Development of Digital Assets (March 9, 2022), defined digital assets as a of distributed ledger technology." Asset markets have been extremely volatile The crypto over the last 3 years. The total market capitalization of crypto assets fluctuated from about \$132 billion in January 2019 rising to \$3 trillion in November 2021, and falling by about two-thirds to \$1 trillion in 10 months (September 2022). As of December 2022, crypto asset market capitalization fell further to \$840 billion. According to the Comprehensive Framework for Responsible Development of Digital Assets, approximately 52 million Americans have purchased digital assets.

In May 2022, a working paper from the Federal Reserve Bank of Minneapolis found bias in conventional mortgage data processed between 2018 and 2020. Specifically, data indicates that Black applicants were 2.9 percent more likely to have their mortgage denied than White applicants, and Asian and Latinx applicants were 2.2 percent and 1.5 percent more likely to face denials, respectively, than White applicants. In October 2022, the White House Office of Science and Technology Policy issued a Blueprint for an AI Bill of Rights that identified five principles and associated practices to help guide the design, use, and deployment of automated systems to protect the American public in the age of Artificial Intelligence (AI).⁵² These principles include: Protection from unsafe or ineffective automated systems; Protection from discrimination by algorithms and systems; Data privacy; Explanation of how an automated system is being used and why it contributes to outcomes; and Access to personnel who will remedy problems encountered. According to a report from cybersecurity firm Comparitech, there were 330 ransomware attacks on state and local government organizations between 2018 and October 2022 that impacted data for over 230 million individuals with ransom demands totaling \$36.5 million. FDIC IT systems also contain sensitive information, such as PII that includes names, Social Security Numbers, and bank account numbers for FDIC employees and depositors of failed financial institutions; confidential bank examination information, including supervisory ratings; and sensitive financial data, including credit card numbers.

5. Usury Free Basel III Notice of Proposed Rule-making

In the FDIC Annual Report Chairman Gruenberg reported the Basel Committee on Banking Supervision reached a final agreement on modifications to the Basel III international regulatory framework in December 2017. This final agreement would strengthen the regulatory framework for large banking organizations by strengthening capital requirements for market risk exposures, improving the capital requirement for financial derivatives, and simplifying the measurement of operational risk for regulatory capital purposes. He does not explain that the two basic components of the Basel III framework are the 100 percent liquidity coverage ratio (LCR) and net stable funding ratio (NSFR). The NSFR could have resolved the Bureau of Fiscal Service monopolization of direct deposits underlying the Direct Express and Netspend of Inequity in Austin, Texas before negligently laundered, theft or embezzlement by bank officer or employee was incited by theft by bank examiner under 18USC§655 - Federal Financial Institutions Examination Council. Authentication and Access to Financial Institution Services and Systems. Arlington, Virginia. August 11, 2021. The LCR could have prevented Silicon Valley Bank and other banks from failing, or being downgraded, due to inadequate liquid assets to cope with withdrawals. The Basel Committee however does not seem to think 100 percent LCR is 100 percent liquidity, and a run might result in alteration of the ratio, although this defies impervious 100 percent LCR mathematics. Further American peculiarity involving unrealized losses captures the FDIC hypothetically stealing \$3 billion “unrealized losses” from the Deposit Insurance Fund Balance by inviting reliance on a false, forged or counterfeit statement as described in 18USC§1007 – 2022 FDIC Annual Report (undated).

In the best light, under the influence of the notoriously ignorant Senate Committee on Banking, Housing and Urban Development swore, on the holy “unrealized losses” caused by the falsely associated infernal interest rate hikes, all three directors in on the same day - January 5, 2023. The grievance against Fed interest rate hikes and high interest rate Treasury inflation protected securities is bona fide, in this context however, unrealized losses are meaningless. Unrealized losses are not realized unless an individual or institution is penalized for selling hold until maturity securities early, and should not be permitted to intrude on balance sheets and operational budgets, except in the table on

Investment in US Securities on page 127 of the 2022 FDIC Annual Report, no matter how important it is to protest, for different reasons, usuriously high Fed and Treasury interest rates. The global economic bubble that is doomed because the central bank interest rate usury is not combatting inflation, it is hyperinflation, usury, pure and simple, and that transfers to high private lending rates and unaffordable overnight Fed loans, that would have been useful in the SVB run. In conjunction with the decline in stock and crypto value, the Treasury inflation protected interest rate is manifesting as a liquidity crisis whereas banks are over-investing in hold-till maturity Treasury bonds and securities to avoid losses, viciously incurred by excessively selling Treasury bonds and securities in excess of three percent of GDP. Furthermore, the Treasury has been making terroristic threats falsely associating the statutory debt ceiling with debt default although Office of Management and Budget public debt statistics refuse to retire debt, ostensibly in order to be able to calculate balance available by subtracting the true deficit from debt accumulation for the year.

To reassure investors it must be made clear that the Treasury has agreed that 3rd and 4th quarter 2022 GDP estimates by the Bureau of Economic Analysis are overestimated, because they did not take into consideration the declines in 1st and 2nd quarter, before conspiring with the World Bank to grossly overestimate Gross World Product (GWP), and this a crime against the business of (market) insurance by the Commerce Department under 18USC§1033. Stock market and crypto-currency holdings have plummeted in value, with some investors reporting 25 percent of original value and others only a 10 percent loss, due to the delay in bond buyback when the market contracted, followed by the GDP overestimate that also took time to solve, and has not yet resulted in compensation. Having been embezzled of life savings in 2021, embezzlement seems to be a favorite torture of President Biden, whereas the embezzlement peculiarity is distinctly associated with his murderous priority to nuke tectonic faults under money laundering statute, in close conspiracy with Secretary of State Antony J. Blinken, ignorantly silenced by Senator “Semiconductor” Sherrod Brown, Chairman of the Senate Committee on Banking, Housing and Urban Development, all of whom are consequently disqualified to hold federal office, just like nuclear non-proliferation treaty 2,200 warhead limit breaker former President Trump under 22USC§6303 regardless of the obvious ballot stuffing in the 2020 and 2022 elections, or dubious innocence of our personal robber “Semiconductor Sherrod” under 18USC§2112 and §1956.

The cause of the 1st and 2nd quarter 2022 recession must be attributed to the concealment of the Direct Express and Netspend of Inequity that came to fruition in fall of 2021, by the hearing that had been convened to insure depositors therefrom, but Secretary Yellen's concerns about the FDIC were silenced and Powell was re-confirmed Fed Chairman, on his rosy picture of the soundness of the banking sector, without taking into consideration the massive embezzlement, by bank examiner it turns out, the DIF, as paid out by the Treasury, was, and is, liable for, because of the unruly, mail theft prone parties to “Murdaugh”, and genuine bankruptcy of Netspend, but it turns out the DIF has not paid a single Deposit Insurance benefit in their 90 year history under the concealment of the Committee that created it 18USC§1956 and ostensible goodwill of bankers blissfully paying FDIC assessments. It was not until the beginning of third quarter that I, an embezzlement victim, realized a market subsidy could be justified due to the economic contraction and 3 percent of GDP limit on deficit sales, only to be sabotaged by the 3rd and 4th quarter massively unaccountable GDP overestimates of the recovery 18USC§2112. Unlike all other pondered uses of the GDP statistic, it is not moot that an accurate GDP statistics is needed to calculate daily limits on the sale of Treasury securities to the market, and purchasing the debt in excess of 3 percent of GDP from the Treasury balance remaining from COVID relief \$777 billion FY 23, as if the Federal Reserve were still happily counterfeiting under

31USC§5153 and not conspiring with the international usury propaganda in furtherance of the extremely low marks for economists, worldwide, given by the three year Great Recession, although a recession theoretically cannot last longer than six months, before it become a depression in the annual GDP statistic.

There is no harder and faster rule for safeguarding the stock (and now crypto) markets, than the three percent of GDP limit on Treasury debt sales, abused by the European Union that prudently invented it, as a condition of membership, rather than lawful method to insure the market against economic downturn. Crypto currency will need to be taken into consideration in the next bond buyback because it is equally harmed when the Treasury unfairly depletes available investment in excess of 3 percent of GDP. Unfair competition by extremely high deficit governments, usually engaged in emergency subsidies for the middle class, must not be allowed to impoverish the market, as occurred for three years during the Great recession, but was prevented by the 3 percent of GDP rule during the COVID pandemic. It is interesting to note that the true cause of the COVID pandemic is the censorship of the economic concept of affordable from the mantra regarding safe, effective and (censored) affordable prescription for hydrocortisone, eucalyptus, lavender, peppermint or salt helps water cure coronavirus colds; mentholiptus cough drop cures both severe acute respiratory infection (SARS-CoV-2) and influenza; echinacea cures respiratory syncytial virus (RSV), SARS and flu (John 1: 26)(Luke 3: 7)(1 Peter 3: 21)(Mark 6: 24). Unfair competition seems to be the motive, whereby the federal government is actively robbing investments anyway they can, to be comparatively solvent, eg. Sell bonds to a fault, although this is such a petty and immature line of reasoning it would be dismissed, if so much of their activity were not similarly predicated in irrational jealousy, like the megamurders in Iraq and Syria could not stop Muslims from now outnumbering Christians, and the constant enforcement the 3 percent of GDP rule takes this ballot stuffing administration of fault nuking economic fallout, without any more free money from the Fed. The day for bond buyback is today, however it is difficult to estimate exactly how long the fraudulent GDP overestimate red the last bond buyback green market, and the exact amount of GDP, but to do justice, it must be done. 3 percent of GDP limit on deficit sales is the best available rule of economic law for enforcement, and it would not do to waste investors' time and shaky confidence, in sustainable economic growth, without safe, effective and affordable remedy.

The Commerce Department needs to be sued for false statements under 18USC§1001 due to the damages to wealth caused by the crime affecting market insurance 18USC§1033 the Treasury balance will have to pay for. The Commerce Department has been a chronic statistical problem since the Census Bureau terminated the Annual Statistical Abstract in 2011 and the 2020 Census is the likely source of personally identifying information used to stuff the ballot in the racially charged Presidential election of that year 18USC§245(b)(1)(A). The Bureau of Economic Analysis overestimated the 4th quarter GDP, after the error in their fourth draft of the third quarter was discovered, cannot be tolerated. Using the reported -1.6 percent Q1, -0.6 percent Q2 and +3.2 percent Q3 growth from the annual 2021 statistic of \$23,315.1 billion, it is estimated the GDP in 2022 was Q1 \$22,942.0 billion, Q2 \$22,804.4 billion, Q3 \$23,534.1 billion, +0.9 percent more than 2021, subsequently economic growth is believed to be overestimated and with the bank failures in the first quarter of 2023 it seems best to leave 2022 and 1st quarter 2023 at \$23,534.1 billion for market insurance purposes. The BEA estimated a GDP of \$25,723.9 billion Q3, in the fourth quarter, and is now estimating 2.7 percent growth Q4, in the first quarter, when the Treasury was informed of the chronic overestimate, and is believed to have corrected bond sales, but could not lend credibility to the economic growth overestimates, in light of the bank failures and down-gradings believed to have stalled economic growth out at 0.9 percent for 2022, after a miraculous recovery from two quarters of recession, whereby the year should almost certainly be a

depression, but for the grace of bond buyback. Therefore to estimate the size of the current bond buyback, to get the attention of the BEA regarding the actual costs to the Treasury and damages to the economy caused by their ridiculously high overestimate, that fails to take into consideration 1st and 2nd quarter contractions, it is necessary to calculate the difference between three percent of the two GDPs, for the one quarter it fooled the Treasury. \$771.7 billion minus \$706 billion equals \$65.7 billion divided by four yields a \$16.4 billion bond buyback, nearly exactly the same size as the \$15 billion buyback in September 2022 that yielded 3.2 percent growth, \$730 billion and spared the year an economic depression, although the FDIC has not yet insured the author's embezzled life savings and surely deserved one.

Appendix

90th Anniversary of the Deposit Insurance Fund Act of 2023

A BILL

To re-establish the Federal Deposit Insurance Corporation (FDIC) as the Deposit Insurance Fund (DIF) by immediately amending only 12USC§1811

To amend FDIC jurisdiction from United States District Court to United States Bankruptcy Court at 12USC§1819(2)(4).

To edit nonexistent Sec. 409 of the Federal Deposit Insurance Corporation Improvement Act of 1991 that needs to be amended to Clearing Organization Netting Sec. 404 of Federal Deposit Insurance Corporation Improvement Act of 1991 12USC§4404 as referenced in 11USC§109 and stop naming members on insured debit cards.

To amend Non-discrimination at 12USC§1830 from:

'It is not the purpose of this chapter to discriminate in any manner against State nonmember banks or State savings associations and in favor of national or member banks or Federal savings associations, respectively. It is the purpose of this chapter to provide all banks and savings associations, with the same opportunity to obtain and enjoy the benefits of this chapter.' to:

'It is the purpose of this chapter that banks, savings associations and depositor institutions do not discriminate against the Obligation of Beneficiary's Bank to Pay and Give Notice to Beneficiary in the Uniform Commercial Code 4A-404, on the basis of race, color, national origin, tribe, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance program.'

To pay the applicant Public Trustee >\$20,000 with leave to appeal (to the Senate) for \$250,000 to resolve the first ever Deposit Insurance Fund (DIF) Treasury payment to an individual 12USC§1821 - SSA BNC # 21T2379J53688-HA

To insure all the deposits embezzled in the Great Swipe of Fall 2021 with 6 percent interest 12USC§1822(e).

To beg to DIF, the Direct Express and Netspend of inequity, in Austin, Texas, the Treasury must first exhaust the up to \$200 million fine against Direct Express under the Sherman Anti-Trust Act, to pay the thousands of insured depositors with their tax and social security information and make a good faith effort to pay uninsured, short-changed 'not a gift card' purchasers embezzled by the Bureau of Fiscal Service authorized Direct Express government direct deposit monopoly, that may need to be abolished, whereas it theoretically bankrupted a much smaller Netspend, who may or may not be fit to continue to retail the Obligation of Beneficiary's Bank to Pay and Give Notice to Beneficiary in the Uniform Commercial Code 4A-404.

To bolster consumer confidence after the Silicon Valley Bank run on liquidity constraints of 2023, the Treasury has assured insured and uninsured depositors will be made whole, at no cost to the General Fund, but to enjoy their rights uninsured depositors in all regions must neither panic, nor be stuck with second rate investments, bank errors and FDIC mail theft; and to neutralize the unfair competition posed by the semiconductor subsidy, the word grant must be amended to loan in 15USC§4652(C)(III), and 100 percent indenture accounted for by the Semiconductor Subsidy Trustee 15USC77§bbb.

To have the Ohio Department of Commerce Industrial Compliance Operating Board under Ohio RC 121.084) require Norfolk Southern pay +/- \$200 million to afford every person evacuated from the East Palestine train derailment chemical spill \$10,000 cash to enroll them in a life-time health and real estate study, enable them to permanently relocate if they want, with a total of up to \$40,000 per capita coming from Norfolk Southern, and the leave to sue for home insurance and chemical industry liability pursuant to the the Uniform Relocation Assistance and Real Property Acquisition Policies Act 42USC§4601 and its implementing regulations 49CFR§241.

To adopt the Basel III framework that provides mostly for the 100 percent liquidity coverage ratio (LCR) and net stable funding ratio (NSFR). The NSFR could have resolved the Bureau of Fiscal Service monopolization of direct deposits underlying the Direct Express and Netspend of Inequity in Austin, Texas before negligently laundered, theft or embezzlement by bank officer or employee was incited by theft by bank examiner under 18USC§655 - Federal Financial Institutions Examination Council. Authentication and Access to Financial Institution Services and Systems. Arlington, Virginia. August 11, 2021. The 100 percent LCR could have prevented Silicon Valley Bank and other banks from failing, or being downgraded, due to inadequate liquid assets to cope with withdrawals and spared the DIF a \$3 billion unrealized loss theft investigation under 18USC§641.

To catch the FDIC hypothetically stealing \$3 billion “unrealized losses” from the \$128 - \$131 billion (2022) Deposit Insurance Fund Balance by inviting reliance on a false, forged or counterfeit statement, as described in 18USC§1007 – 2022 FDIC Annual Report (undated) – and prohibit further intrusion of the unrealized losses from the Interest on US Treasury Securities table into the balance sheets, operational budget and other tables.

To abolish penalties for early withdrawal of (certain) Treasury bonds and pay annual rate of interest as the Trust Funds have always accounted, unless deemed a run, whereas cash equivalents are Special U.S. Treasury Certificates with overnight maturities valued at prevailing interest rates established by the U.S. Treasury’s Bureau of the Fiscal Service under 31USC§306(c)(2) and 31CFR§1.1(b).

To require the Bureau of Fiscal Service to reduce the par yield curve for cash equivalent Treasury bond and securities made available to the public at interest rates significantly less than the 2.0 percent

inflation target, to adopt a disciplined counter-hyperinflationary strategy and encourage fair competition with the deficit in excess of 3 percent of GDP beleaguered stock and crypto currency exchanges under 31USC§306(c)(2) and 31CFR§1.1(b).

To require the Board of Governors of the Federal Reserve to vote to discount their interest rates from the usurious, hypocritical, internationally conspiratorial, counter-hyperinflationary emergency rate of 4.75 percent to the achieve the disciplined 2.0 percent inflation target pursuant 12USC§248(r)(2)(A) (iii), §343(3) and §357.

To prohibit the Treasury from falsely associating the arbitrary debt ceiling with the capricious threat to default on the debt, three or more Freedom of Information Act (FOIA) requests are needed for the Bureau of Fiscal Services Bureau of Public Debt to publish statistics on both the retirement of public debt to reduce the overestimate of the Office of Management and Budget, as well as the actual amount of public debt, sold by the Treasury on an annual basis, under 31USC§306(c)(2) and 31CFR§1.1(b) in order to calculate the balance available by subtracting the true federal deficit pursuant to the Anti-deficiency Act of 1982 31USC§1502.

To sue the Bureau of Economic Analysis pursuant to the Freedom of Information Act (FOIA) to provide new records to the public pertaining to the true amount of the current Gross Domestic Product (GDP) re-estimated from 2022 Q3 at \$23,534.1 billion, from the \$25,723.9 billion Q3 reported 18USC§1001, that obviously failed to contract for the 1st and 2nd quarter recession, and after several bank failures in the first quarter the Treasury balance shall pay \$16.4 billion for a bond-buyback to enforce the three percent of GDP limit on deficit sales to insure the market against the damage caused by the criminal GDP overestimate 18USC§1033, 15CFR§4.3(c), 15CFR§4.10(b)(1) and 15CFR Appendix A to Part 4 (3).

To pay for the reasonable costs for the Bureau of the Census to sustain re-publication of the Annual Statistical Abstract wrongfully discontinued in 2011 pursuant to 15USC§1525, 15CFR§4.3(c), and 15CFR Appendix A to Part 4 (2).

To amend federal torture statute to comply with Arts. 2, 4 and 14 of the Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment (1987) by repealing the phrase “outside the United States (altered in 2009)” from 18USC§2340A(a) and amends Exclusive Remedies at §2340B so: The legal system shall ensure that the victim of an act of torture obtains redress and has an enforceable right to fair and adequate compensation, including the means for as full rehabilitation as possible. In the event of the death of the victim as a result of an act of torture, their dependents shall be entitled to compensation pursuant to Art. 14 of the Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment (1987) and *Armed Activities on the Territory of the Congo (Democratic Republic of the Congo v. Uganda)* 1999-2022.

Be it enacted in the House and Senate assembled