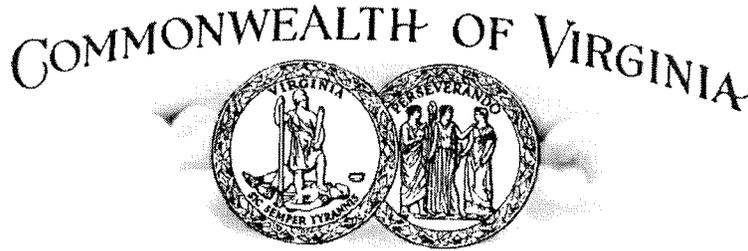


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**STATE CORPORATION COMMISSION  
BUREAU OF FINANCIAL INSTITUTIONS**

June 28, 2005

Jennifer J. Johnson, Secretary  
Board of Governors of the Federal Reserve System  
20th Street and Constitution Avenue, NW  
Washington, DC 20551

Re: Docket Number OP-1227  
Interagency Proposal on the Classification of the Commercial Credit Exposures

Dear Ms. Johnson:

I have reviewed the Interagency Proposal on the Classification of Commercial Credit Exposures and fail to see how it is an improvement over the current system. As a regulator, I see no advantage to the new system over the old. Many of the "new" considerations discussed, such as how collateral and guarantees mitigate loss, are already being factored into the current system by bankers and regulators. How putting more factors into the mix is going to increase consistency is beyond me. If there are currently inconsistencies, they will be magnified, not mitigated, by more factors to consider.

I could go on and on, but in the interest of your time and mine, let's just say I see this as more unnecessary regulatory burden being put on community banks. Given no significant enhancement to the current classification system, the proposal should be withdrawn.

Very truly yours,

John M. Crockett  
Deputy Commissioner

JMC/bbn