

Proposal from Citizens of the United States of America

It is time that we eliminate the privatization of profits and the socialization of losses.

Summary (one page)

US taxpayers are being asked to incur massive debt to recapitalize insolvent financial institutions. While a sound banking system is required to drive economic activity – **HOW** we implement this rescue is critical. If the rescue of these institutions is adopted as proposed, (the “good” bank / “bad” bank proposal) we will recapitalize the same management, Board of Directors and oversight structure that created these catastrophic circumstances in the first place. If adopted, this proposal will effectively shield them from having to bear responsibility for their actions. In addition, it will impose a debt upon us that is so burdensome it will strangle our capacity for economic growth, threaten our liberty and diminish future opportunity for our children. There is no measure of maturity, honor or decency in encumbering our children with massive debt to pay for our generation’s mistakes and the inept management of our affairs. We must demand an alternative course of action from our government. This Proposal offers such an alternative.

In this Proposal we citizens propose that in exchange for US taxpayer infusions of capital all of the securities representing the ownership of these businesses (see Provision #3 for the exception) will be treated as though the business had actually made a bankruptcy filing. When US taxpayers recapitalize the insolvent institutions, a new class of shares shall be issued. Those securities will: **(1) become the property of the US taxpayers and (2) be deposited into a Trust, called the Social Security Trust, for the benefit of all Social Security system participants.**

As the business activity of the citizenry revives the economic vitality of these institutions, the value of shares in those rescued institutions will increase. As they increase in value they will become the financial backbone for the Social Security system – a system that now has no real assets but for the social security taxes taken from future payrolls. The SST shall be managed by a **FIDuciary Oversight Board (FIDOB)** whose members shall; be experienced investment fiduciaries, report directly to the President of the United States and be subject to oversight by the General Accountability Office. When there is clear evidence that the rescued financial institutions are stable, the FIDOB may examine the prudence of selling the securities to the highest bidder in the marketplace. While such a program would require the President’s and GAO’s approval, the proceeds from a sale will remain as SST assets.

By implementing the actions proposed in this Petition, we citizens of the United States will:

- **recapitalize the financial infrastructure of the country,**
- **employ market-based principles consistent with the intent of our laws,**
- **substantially alleviate (not solve) the financial burden upon our children of paying for Social Security benefits we have promised to give ourselves,**
- **create a governance model grounded in and guided by an authentic fiduciary standard of care (not how banks or bank regulators operate now),**
- **establish a Trust with real assets that serve as a financial backbone for Social Security, and**
- **exemplify our President’s call for individual responsibility.**

Please visit www.sociallyresponsiblerescue.org to read the entire 7 page Petition and sign it.

Pass it along to friends, family and colleagues. Thank You.