

June 3, 2002

Dr. Lloyd W. Benjamin III
President, Indiana State University

Dr. Benjamin:

Thank you for providing me a copy of the Executive Summary of the new institute contemplated in support of Indiana State University's commitment to the financial services industry. And while there is much in the proposal that draws comment (all of it good) allow me focus on one key theme that emerged.

The financial services industry is one of the fastest growing in the US and the world. It also remains one of the most highly regulated industries in the world despite such landmark deregulating legislation as Gramm Leach Bliley. In fact there is compelling evidence that the evolution of financial services is so rapid that any traditional response is, and will remain, simply "too late with too little".

What then becomes of an industry charged with the critical role of intermediation between the creators and users of the nations and the world's wealth? Frankly, no one knows and more telling, there is no one institution focused on answering questions such as these.

My enthusiasm for the concept presented in the proposal comes from the explicit recognition of this situation and the suggestion and expectation that this institute would be the locus of research, application and education in search of appropriate responses to this and similar issues facing the financial services industry.

I commend you for this first step and look forward to the implementation plan that will make these ideas operational. Let me know how I might be of assistance.

Sincerely,



Donald F. Gongaware