



One Mission. Community Banks.®

CBAI Urges FDIC to Halt Industrial Loan Company Approvals and Closing the ILC Regulatory Loophole

CBAI has consistently opposed the mixing of banking and commerce, which industrial loan companies (ILCs) represent, because of the risks they pose to the financial system, our economy and American taxpayers. Our concerns are magnified by the lack of supervision and regulation (i.e., the 'loophole') of their parent holding companies by the Federal Reserve.

In a June 29, 2020 comment letter to the FDIC, CBAI expressed its opposition to the mixing of banking and commerce and urged a moratorium on approving deposit insurance applications until the unique risks posed by ILCs can be thoroughly explored in post-pandemic Congressional hearings, and for Congress to close the ILC 'loophole'. CBAI also urged public hearings to be held on each pending ILC application for deposit insurance before the FDIC acts on the application.

[Read CBAI Comment Letter to the FDIC »](#)

Community Bankers Association of Illinois

901 Community Drive, Springfield, IL 62703
217/529-2265 or 800/736-2224