

Message

**From:** Alta Mantsch [amantsch@tollesonwealth.com]  
**Sent:** 8/5/2022 7:34:24 PM  
**To:** Comments [comments@fdic.gov]  
**CC:** Steve Westerheide [swesterheide@tollesonwealth.com]  
**Subject:** [EXTERNAL MESSAGE] June 3, 2022 - Joint Notice of Proposed Rulemaking; Request for Comment (RIN 3064-AF81)

Dear Madam or Sir:

We are writing to you on behalf of Tolleson Private Bank, a \$1B bank in Dallas, TX. We are a state nonmember bank and are regulated by the FDIC.

We are very pleased with the leadership the agencies have taken in soliciting input from banks on ways to update the CRA regulatory and supervisory framework.

We are committed to the goals of CRA and to meeting the credit and financial services needs of our customers and communities. We regularly meet with many community leaders in the Dallas area to learn about the needs of some of the most vulnerable communities throughout our city and hear how they think our institution can help. It is our firm belief that our impact is exponentially greater when we are using our unique skills and expertise to work with and through the many dedicated individuals and organizations who give so much to those communities. Additionally, we believe that collaboration with other interested organizations, financial institutions and regulatory agencies help us better understand the opportunities for succeeding in the mission that has thwarted us for so long. Since 2019, Tolleson Private Bank has operated under an approved CRA Strategic Plan.

Tolleson Private Bank was originally chartered to serve the high net worth/high income segment of the personal banking market. As Tolleson Wealth Management grew from being a single-family office to serving the needs of similarly situated individuals and families, this market was identified as one where there was need and demand for the Bank's products and services. The Bank's business model, resources, and expertise present challenges in addressing the credit needs of LMI neighborhoods, families, and individuals, particularly since its products have been designed for the market originally contemplated when the Bank was formed (e.g., mortgages are short-term, floating rate loans that are not recommended for LMI borrowers). However, the Bank's ability to "listen" to their customers and customize products and services to meet their needs presented unique opportunities to use the same strategy for community development and the Bank's Strategic Plan helps us make best use of our resources in the service of the CRA.

Since 2019, Tolleson Private Bank has operated under an approved CRA Strategic Plan. This Plan allows us to leverage our strengths to provide excellent, customized services in the form of community development lending, investments, and services throughout our Dallas market. The CRA proposal outlines some changes to the Strategic Plan option, and that section is the area for which we would like to provide comment.

*§\_\_.27(a) Alternative election.*

Tolleson has no comment to this section and finds these requirements reasonable.

*§\_\_.27(b) Data reporting.*

Tolleson has no comment to this section and finds these requirements reasonable.

*§\_\_.27(c) Plans in general.*

Tolleson has no comment to this section and finds these requirements reasonable.

*§\_\_.27(d) Public participation in plan development.*

Tolleson would like to request that each bank be given the option whether to post on the bank's website or publish the notice in at least one print newspaper or digital publication of general circulation. The current proposal states the option to publish in the newspaper is only an option if the bank does not maintain a website. The flexibility of this will allow for banks to better tailor the availability of this information to their communities.

*§\_\_.27(e) Submission of plan.*

Tolleson has no comment to this section and finds these requirements reasonable.

*§\_\_.27(f) Plan content.*

*(1) Appropriateness of strategic plan election.*

Tolleson would like to request the same levels of flexibility currently afforded to banks in the current CRA framework regarding how to structure performance tests and standards. Banks that opt to choose a strategic plan do so typically because the standard performance tests do not accurately reflect how they may best position their institution to contribute measurably to the community. Under the bank's current approved strategic plan, we have been able to go beyond similarly sized banks in terms of community development lending, investments, and services, because we can better focus our efforts in the community through these targets. Furthermore, when submitting the plan, the bank will be expected to explain the reasoning for the election of a strategic plan. For example, Tolleson does not offer traditional retail lending products suitable for the majority of the population, but we have the skills and background to provide customized community development solutions. The flexibility in the current strategic plan framework allows for us to leverage our strengths to serve our community to the best of our ability. If the Retail Lending Test's metrics-based methodology is required in the proposed strategic plan framework, then the available resources Tolleson has to provide to the community would likely be less well-utilized, as a shift in business model would be required to meet those goals, resulting in a lesser impact to the community as a whole.

*§\_\_.27(g) Plan approval timing.*

Tolleson largely finds these requirements reasonable; however, would prefer to require written confirmation of approval within the ascribed time frame by regulators to ensure sufficient documentation for examination purposes.

*§\_\_.27(h) Plan amendment.*

Tolleson has no comment to this section and finds these requirements reasonable.

We take pride in being engines of economic growth and support our clients and their families in the exact same pursuit. We also strive to provide to our community services and opportunities in the same fashion and in doing so, our staff engages much more seamlessly into the effort and derives far greater satisfaction and willingness to do more. The need to update CRA has existed for years and the need of the mission of CRA is greater now. We sincerely applaud the opportunity to provide this feedback, as the need will grow more pressing as technology and the financial services industry continue to evolve and the need of marginalized populations and areas deteriorate.

Thank you so much for your time and consideration of our input on this Proposed Rulemaking.

Sincerely,

Steve A. Westerheide and Alta Mantsch  
Tolleson Private Bank

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