



June 25, 2020

Robert E. Feldman
Executive Secretary
Attention: Comments
Federal Deposit Insurance Corporation
550 17th Street, N.W.
Washington, D.C. 20429

Via email to: comments@fdic.gov

Re: Proposed Rule: Parent Companies of Industrial Banks and Industrial Loan Companies
RIN 3064-AF31

Celtic Bank (the Bank) appreciates the opportunity to comment on the Federal Deposit Insurance Corporation's (FDIC) Notice of Proposed Rulemaking ("NPR") on the regulation of parents and affiliates of industrial banks announced by the FDIC on March 17, 2020 and published in the Federal Register on March 31, 2020.

Celtic Bank (the Bank) was issued an Industrial Loan Corporation Charter in 2001 by the State of Utah (changed in 2004 to "Industrial Bank"). The Bank specializes in small business finance, helping business owners with working capital, expansion, acquisition, construction, equipment financing, renewable energy finance, and real estate purchase/refinance. Celtic is one of the largest SBA lenders nationally. The Bank maintains one main office in Salt Lake City, with no branches or ATMs.

Celtic Bank generally agrees with the comments contained in the American Bankers Association (ABA) and the National Association of Industrial Bankers (NAIB) response letters. We also emphasize that **the proposed rule apply only prospectively**. Celtic Bank is already subject to supervision under a model developed by the FDIC and the Utah Department of Financial Institutions (UDFI) which ensures safe and sound operations between the Bank, the parent, and any affiliate. The Bank operates in an independent capacity with competent management and a strong CAMELS profile. The parent serves as a source of financial strength. While we understand the purpose of the proposed rule to codify existing practices utilized by the FDIC to supervise industrial banks and their parent companies, there is no policy rationale to apply additional regulatory requirements on the Bank at this time.

Sincerely,

A solid black rectangular box redacting the signature of Wade Newman.

Wade Newman

President