



12 CFR Part 354

RIN 3064-AF88

Parent Companies of Industrial Banks and Industrial Loan Companies;

Withdrawal of Proposed Rule

AGENCY: Federal Deposit Insurance Corporation.

ACTION: Proposed rule; withdrawal.

SUMMARY: The Federal Deposit Insurance Corporation (FDIC) is withdrawing a notice of proposed rulemaking relating to parent companies of industrial banks and industrial loan companies. If the FDIC decides to make changes in this area, it will do so through a future regulatory action.

DATES: The FDIC is withdrawing the proposed rule published at 89 FR 65556 (August 12, 2024) as of [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT:

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SUPPLEMENTARY INFORMATION:

Background

The FDIC is withdrawing the notice of proposed rulemaking described below. The FDIC no longer intends to issue a final rule with respect to this proposal. If the FDIC decides to make changes in this area, it will do so through a future regulatory action.

Parent Companies of Industrial Banks and Industrial Loan Companies

On August 12, 2024, the FDIC published a proposed rule that would have revised the criteria that the FDIC would consider when assessing risks presented to an industrial bank or industrial loan company (collectively, industrial bank) by its parent organization. The proposed amendments would have changed the scope of 12 CFR part 354 to include conversions involving a proposed industrial bank under section 5 of the Home Owners' Loan Act or other transactions as determined by the FDIC, changes of control or mergers of parent companies, and other instances when an industrial bank becomes a subsidiary of a company not subject to Federal consolidated supervision. Additionally, the proposed amendments would have clarified the relationship between written commitments and the FDIC's evaluation of the relevant statutory factors. The proposed amendments also would have set forth additional criteria that the FDIC would consider when assessing the risks presented to an industrial bank by its parent company and any affiliates and evaluating the institution's ability to function independently of the parent company and any affiliates.

The FDIC is separately soliciting information and comments from interested parties on how the FDIC reviews filings submitted by industrial banks. This feedback will inform potential changes to how the FDIC evaluates the statutory factors applicable to each filing in light of the unique aspects of industrial bank business plans and the broad range of companies that may seek to establish an industrial bank.

Withdrawal of Proposed Rule

The FDIC is withdrawing the proposed rule because, as noted above, it no longer intends to issue a final rule with respect to this proposal. If the FDIC decides to pursue future regulatory action in this area, it will do so by publishing a new proposed rule or other issuance consistent with the requirements of the Administrative Procedure Act, as applicable.

Federal Deposit Insurance Corporation.
By order of the Board of Directors.
Dated at Washington, DC, on July 15, 2025.
Debra A. Decker,
Executive Secretary.

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