

**From:** Eric Newton [mailto:eric@iowabank.net]  
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It would be easy for a bank or financial institution to say ILCs should not be allowed by commercial entities as they would directly compete for a financial institutions business. But the issue is much larger than merely competitive reasons. Commercial entities such as publicly traded companies have a duty to their shareholders to provide increased value to shareholder via dividends and stock price appreciation thus to achieve these profitability and growth goals these commercial entities seek business opportunities outside their expertise to achieve these goals. I do not believe a commercial entity wants to enter the ILC (banking) arena to become bankers but merely to use it as a tool to achieve their goals of increased market share and increased profitability for their shareholders. I am for free enterprise and capitalism but the banking industry is too critical to this Nations economy to be entrusted to entities that have no experience or history in the financial industry. The Federal Reserve relies heavily on this Nations financial institutions to implement their interest rate policies to keep our economy vibrant which banks and other financial institutions are well suited to administer for the Fed. Would a large commercial entity be motivated to work hand-in-hand with the Federal Reserve to implement interest rate policies or would they be motivated to see their core commercial business interest succeed ahead of their banking interest? I believe the answer would be the latter as their need to enter the banking industry is necessitated by their need to have their commercial business interest succeed.

I understand there are other issues to be considered with this issue but I feel this single issue is at the heart of the debate and the reason why commercial entities should not be allowed to enter the financial industry.

Sincerely,

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