

March 14, 2006

Robert E. Feldman
Executive Secretary
Attn: Comments/ Legal EES
Federal Deposit Insurance Corporation
550 17th Street, NW
Washington, DC 20429

Dear Mr. Feldman:

As a long time member of the Board of Directors the proposed guidelines concerning Concentration in Commercial Real Estate Lending and Sound Risk Management practices as proposed by the four bank regulatory agencies generates tremendous concern to me.

All of our lending professionals have significant lending experience. The Board and management team are deeply concerned about the proposed arbitrary and mechanical new regulations concerning concentration of construction and / or commercial real estate exposures. The threshold tests proposed ignore the actual risk factors associated with our portfolio and these new regulations will require our mutual institution to increase its capital levels simply because we have a concentration in construction and commercial loans.

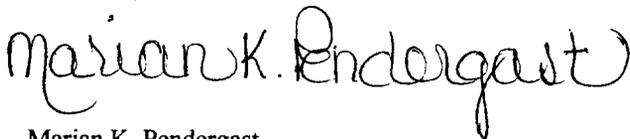
The establishments of these guidelines, while intended to encourage sound risk management practices for institutions that exceed the prescribed loan to capital guidelines, are likely to become mandates through the examination process.

I feel confident that the traditional safety and soundness examination process is still the best method to assess risk through the analysis of each financial institution.

The bank is committed to serve the financial needs of the community with a strong well capitalized institution.

Thank you in advance for your consideration of my concerns.

Sincerely yours,

A handwritten signature in cursive script that reads "Marian K. Pendergast". The signature is written in black ink and is positioned above the typed name.

Marian K. Pendergast