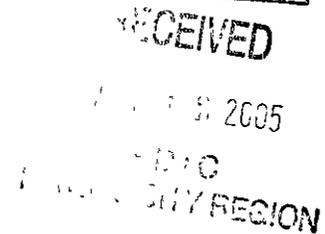


March 29, 2005



Federal Deposit Insurance Corporation
550 17th Street NW
Washington, DC 20429-9990

Ladies and Gentlemen:

Re: Bank CRA Revision

I write as C.E.O. of our holding company and on behalf of our affiliate banks. We are a multi-bank holding company with eight separate charters (seven national and one state) with approximately \$5.5 billion in assets at December 31, 2004

The new proposal will effectively cause us to have three separate CRA examinations within our company. We have two banks that are under \$250 million, five banks between the \$250 million to \$1 billion threshold, and the lead bank, Park National Bank, has assets in excess of \$1 billion. We very definitely do not believe that adding this additional category and a new community development test is of any benefit to our communities, our shareholders and our banks. It is simply unnecessary.

Adding the community development test for lending, services and investments is just another burden to the regulatory process. To have yet another test, which must be passed satisfactorily, provides absolutely no streamlining or relief of burdensome regulations in any shape or form.

We urge you to take into consideration the fact that banks under \$1 billion in asset size today control only 14% of industry assets! This happens to be the same level of control of small banks in 1995 when the current rule was adopted. What has changed since then? Big banks have become bigger, and using 1995 as a barometer, "small" banks would be now defined as \$1 billion or less. If the last ten years have been deemed satisfactory regarding CRA, it would seem the only needed change is to recognize the small vs. large bank dynamic, not impose an additional test! Said another way, simply retain the streamlined exam for banks under \$1 billion in assets, and index this to allow for adjustments in the future.

We have long believed, and I have frequently stated to anybody who would listen, that community banks first and foremost are required to be active in their communities. If they are not, they will not survive. It is quite simple. But this point seems to fall on deaf ears

The banking industry is the subject of continuing regulatory requirements to justify our existence. I strongly suggest that *the communities we serve justify our existence*, and if a community bank is not serving the needs of its community, their customers will go elsewhere. At the end of the day, that is the ultimate test of Community Reinvestment. Our banks clearly understand the marketplace penalty for failure to respond to community needs. We do not now need, nor have we ever needed, CRA as defined by Congress!

I am not so naïve as to think that our government will recognize common sense and logic when it comes to matters like this. But market discipline will continue to be the force that drives our success as a community bank. Market discipline represents the far more important community investment test. And yes, we will continue to do all within our power to comply, as we have successfully since inception, with burdensome CRA requirements. But, if we choose to be unresponsive to community needs, our customers can, and will, easily choose from a host of alternatives outside our banks.

We do not need "less" regulation as is currently being suggested by this proposal. Put us in the category of being adamantly opposed to this revision. We'll keep what we have instead

Sincerely,



C. Daniel DeLawder
Chairman

CDD/blk