

March 13, 2009

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

Re: RIN 3064-AD35

“Choices are the hinges of destiny” (Edwin Markham)

Dear Mr. Feldman:

Since its inception in 1943, Parkvale Bank has played by the rules; lending responsibly, providing deposit opportunities to our customers and staying active in our communities. Repayment for all these years of service appears to be an increase to the normal FDIC assessment to community banks in addition to a 10-20 basis point special emergency assessment.

As Parkvale watches the financial services industry begin to crumble under the weight of impairment charges, loan loss reserves and a global recession that stretches out before us, it would appear foolish to let expediency drive a bad decision. Relying on the psychological inertia of quickly overcharging one end to make up for a shortfall on the other is not soundly based. Why rob Peter to pay Paul??

Community banks are one segment of the financial services industry that, to date, continues to function. We did not participate in the high-risk practices but are being asked to pay for those who did. By instituting these overburdening assessments, you may well be dooming this division as well by taking away the potential for millions in loans. To even the playing field, at minimum the agency should use assets minus tangible capital instead of deposits as the assessment base for any special assessment, so that large banks pay a greater share of the assessment.

With the availability of Treasury Department loan assistance to help meet the obligation of the FDIC's needs in covering losses of the mega-banks, it seems unnecessary to seek aid from the surviving link. The choice to borrow the funds is waiting to be employed and should be exercised for the mutual benefit of all.

Thank you for your continued support for the heart of America's banking industry – the Main Street community bank!

Sincerely

Patricia A. Lowe
Vice President
Manager, Branch Coordination
Parkvale Bank
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cc: Camden R. Fine, President and CEO, ICBA