

March 13, 2009

Robert E. Feldman, Executive Secretary  
Attention: Comments  
Federal Deposit Insurance Corporation  
550 17<sup>th</sup> Street, N.W.  
Washington, DC 20429

Re: RIN 3064-AD35

Dear Mr. Feldman:

Parkvale Bank has been part of our local community for many years, and we have served faithfully through booms and busts, recessions and expansions, and everything in between by acting and lending responsibly.

Parkvale Bank has not been part of the economic mess our nation is facing. We continue to remain stable, actively lending, and open for business. We have watched silently from Main Street as billions of dollars have been thrown at the mega-banks and Wall Street institutions and wondered, "Why?"

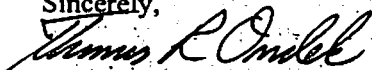
Our bank has always been a good corporate and community citizen. We thrive and survive based on our local decisions and local commitments. We need each other – not Wall Street – and that's why we are writing to you to express our frustration with Washington. Main Street community banks did not participate in the high-risk practices that led to the current economic crisis, and now we are being asked to pay for the sins of Wall Street. We are now being asked to pay (under the original FDIC proposal on February 27) a 20-basis-point special emergency assessment to help bolster the FDIC deposit insurance fund.

We understand the importance of the solvency of the FDIC fund. However, we are questioning if this special assessment, reduced to 10-basis-points due to our outrage and opposition, is the best method in the midst of our current economic mess. A special emergency assessment would weaken our country's strongest link to economic recovery right now – community banks. Just when community banks should be lending to small businesses and consumers to restore stability to the housing market and the financial sector, the FDIC's special emergency assessment would not free up credit restraints, but rather would have the opposite effect and redirect working capital from the community-at-large to an insurance fund.

The proposed Deposit Insurance Fund (DIF) increase to premium along with the emergency special assessment to replenish reserves to 1.15% over 7 years will place, most assuredly, an undue burden on sound community banks throughout the country. Better to replenish reserves in small increments over a 10 or 15-year period, rather than in larger increments, which would severely impact earnings. Or, better yet, why not impose a systemic risk premium on too-big-to-fail-institutions?

Please support efforts to increase the FDIC's line of credit at the Treasury to further demonstrate that the full faith and credit of the United States backs insured deposits. We know that all community banks are willing to work with the FDIC to find alternative ways to rebuild the DIF and we urge that any proposals set forth not ask common-sense community bankers to shoulder a disproportionate share of the burden so that we can continue to serve our customers

Sincerely,



Thomas R. Ondek  
Senior Vice President

cc: Mr. Camden R. Fine – President & CEO of ICBA