



Penn-Northwest DEVELOPMENT CORPORATION

Affordable Solutions For Corporate Expansion

Subject: Comment Request– RIN 3064-AF99

Dear Mr. Sheesley,

My name is Rod Wilt, and I am the Executive Director of the Penn-Northwest Development Corporation. Our Certified Economic Development Organization has been a trusted resource for manufacturers and small businesses in Mercer County, Pennsylvania since 1985, driving economic development and nurturing a more vibrant and prosperous community. To launch and maintain their businesses, many of our members choose to work with community banks because they are equally invested in the growth of our community, and they provide tailored products to meet the needs of our county's entrepreneurs. However, this proposed rule change by the FDIC threatens the stability of community banks and their role in supporting hardworking customers not only in Mercer County but across the country.

In today's competitive banking landscape, smaller banks can no longer rely solely on deposits from their local client base to meet liquidity needs. Customers are also looking for opportunities to access financial services online or through mobile apps. In response to these market demands, banks have started to tap into more diverse funding streams, developing partnerships with innovative third parties that can provide modern tools and help secure the funding needed to best service customers. Despite the stability of these deposits, the FDIC's recent rule change would wrongly misclassify and heavily restrict access to them, undermining the ability of community banks to meet customer needs while also staying competitive in the larger market.

Before joining the Penn-Northwest Development Corporation, I served in the Pennsylvania State House of Representatives. During that time, I saw just how important community banks were for my constituents. These local institutions were mainstays in their business and personal lives, and they helped both individuals and enterprises acquire the essential loans and other financial services needed to purchase a home, run a business, or support any other personal or professional investments. If our local banks no longer have access to the capital needed to offer these services, it will usher in a declining economic environment with reduced lending options, tighter margins for small businesses, and an overall reduction in well-paying jobs and commercial activity.

At the heart of the Penn-Northwest Development Corporation is an unwavering commitment to the Mercer County community. Our Mercer County Industrial Growth Fund is a lending partner of our community banks. Our local banks and small businesses play an integral role in maintaining the vibrancy and prosperity we are developing in Mercer County. That is why the FDIC must leave this rule as it is so those in Pennsylvania and beyond can continue to receive the financial security they need.

Sincerely,


Rod Wilt
Executive Director, Penn-Northwest Development Corporation