



**pennsylvania**  
DEPARTMENT OF BANKING

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717.787.2665 717.787.8773 | [www.banking.state.pa.us](http://www.banking.state.pa.us)

March 19, 2008

717-783-8340

Dear

This letter responds to the Bank Parity and Subsidiary Notice (the "Notice") you submitted on behalf of (the "Bank"), a Pennsylvania state-chartered bank, to the Commonwealth of Pennsylvania Department of Banking (the "Department") regarding the Bank's proposal to impose fees for, or in connection with, the prepayment of loans in parity with the ability of federal savings associations under the Federal Home Owners Loan Act, pursuant to Section 201(c)(ii) of the Pennsylvania Banking Code of 1965, 7 P.S. § 201(c)(ii). Specifically, the Bank intends to utilize 12 U.S.C. 1464(c) and Office of Thrift Supervision regulations applicable to federal savings associations at 12 C.F.R. §§ 560.34 and 560.2(b)(5) as the authority for the imposition of these fees.

Please be advised that the Department does not object to the Bank imposing prepayment fees pursuant to the above-noted statutory and regulatory authority, pursuant to Section 201(c)(ii) of the Pennsylvania Banking Code of 1965. The Department's non-objection is based upon the facts and representations as stated in the Notice provided to the Department. Any changes in the facts could result in an amendment or reversal of the Department's non-objection.

I trust this letter is responsive to your request. Please contact Joseph A. Moretz, Manager of Corporate Applications, of this office should you require additional explanation or information regarding this matter.

Very truly yours,

Timothy J. Blase  
Director – Bureau of  
Supervision and Enforcement