



LARGE BANK

Comptroller of the Currency
Administrator of National Banks

Washington, DC 20219

PUBLIC DISCLOSURE

December 12, 2008

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

**Community Bank, National Association
Charter Number: 8531**

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Canton, NY 13617**

**Office of the Comptroller of the Currency
Upstate New York (Syracuse)
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NOTE: This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, and should not be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

Table of Contents

OVERALL CRA RATING	1
DEFINITIONS AND COMMON ABBREVIATIONS	2
DESCRIPTION OF INSTITUTION	6
SCOPE OF THE EVALUATION	7
FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW	8
STATE RATING	8
STATE OF NEW YORK STATE	8
STATE OF PENNSYLVANIA	22
APPENDIX A: SCOPE OF EXAMINATION	A-1
APPENDIX B: SUMMARY OF STATE RATINGS	B-1
APPENDIX C: MARKET PROFILES FOR FULL-SCOPE AREAS	C-1
APPENDIX D: TABLES OF PERFORMANCE DATA	D-1

Overall CRA Rating

Institution’s CRA Rating: This institution is rated **Satisfactory**.

The following table indicates the performance level of **Community Bank, National Association (CBNA)** with respect to the lending, investment, and service tests:

Performance Levels	Community Bank, National Association Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding			
High Satisfactory	X	X	X
Low Satisfactory			
Needs to Improve			
Substantial Noncompliance			

* The lending test is weighted more heavily than the investment and service tests when arriving at an overall rating.

The major factors that support this rating include:

- Lending levels that reflect a good responsiveness by CBNA to the credit needs of its assessment areas (AAs).
- An excellent distribution of loans among borrowers of different income levels throughout the AAs.
- An adequate distribution of loans among census tracts of different income levels throughout the AAs, along with an excellent ratio of loans originated inside the AAs.
- Flexible lending products that had a positive impact on the bank’s lending performance.
- Investments that reflect a good responsiveness to the credit and community development needs of the AAs.
- Service delivery systems that are accessible to census tracts and individuals of different income levels in the AAs.
- Good performance in providing community development services.

Definitions and Common Abbreviations

The following terms and abbreviations are used throughout this performance evaluation, including the CRA tables. The definitions are intended to provide the reader with a general understanding of the terms, not a strict legal definition.

Affiliate: Any company that controls, is controlled by, or is under common control with another company. A company is under common control with another company if the same company directly or indirectly controls both companies. A bank subsidiary is controlled by the bank and is, therefore, an affiliate.

Aggregate Lending: The number of loans originated and purchased by all reporting lenders in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the MA/assessment area.

Census Tract (CT): A small subdivision of metropolitan and other densely populated counties. Census tract boundaries do not cross county lines; however, they may cross the boundaries of metropolitan statistical areas. Census tracts usually have between 2,500 and 8,000 persons, and their physical size varies widely depending upon population density. Census tracts are designed to be homogeneous with respect to population characteristics, economic status, and living conditions to allow for statistical comparisons.

Community Development: Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet the size eligibility standards of the Small Business Administration's Development Company or Small Business Investment Company programs (13 CFR 121.301) or have gross annual revenues of \$1 million or less; or, activities that revitalize or stabilize low- or moderate-income geographies.

Effective September 1, 2005, the Board of Governors of the Federal Reserve System, Office of the Comptroller of the Currency, and the Federal Deposit Insurance Corporation have adopted the following additional language as part of the revitalize or stabilize definition of community development. Activities that revitalize or stabilize-

- (i) Low- or moderate-income geographies;
- (ii) Designated disaster areas; or
- (iii) Distressed or underserved nonmetropolitan middle-income geographies designated by the Board, Federal Deposit Insurance Corporation, and Office of the Comptroller of the Currency, based on-
 - a. Rates of poverty, unemployment, and population loss; or
 - b. Population size, density, and dispersion. Activities that revitalize and stabilize geographies designated based on population size, density, and dispersion if they help to meet essential community needs, including needs of low- and moderate-income individuals.

Community Reinvestment Act (CRA): the statute that requires the OCC to evaluate a bank's record of meeting the credit needs of its local community, consistent with the safe and sound operation of the bank, and to take this record into account when evaluating certain corporate applications filed by the bank.

Consumer Loan(s): A loan(s) to one or more individuals for household, family, or other personal expenditures. A consumer loan does not include a home mortgage, small business, or small farm loan. This definition includes the following categories: motor vehicle loans, credit card loans, home equity loans, other secured consumer loans, and other unsecured consumer loans.

Family: Includes a householder and one or more other persons living in the same household who are related to the householder by birth, marriage, or adoption. The number of family households always equals the number of families; however, a family household may also include non-relatives living with the family. Families are classified by type as either a married-couple family or other family, which is further classified into 'male householder' (a family with a male householder and no wife present) or 'female householder' (a family with a female householder and no husband present).

Full Review: Performance under the Lending, Investment, and Service Tests is analyzed considering performance context, quantitative factors (e.g., geographic distribution, borrower distribution, and total number and dollar amount of investments), and qualitative factors (e.g., innovativeness, complexity, and responsiveness).

Geography: A census tract delineated by the United States Bureau of the Census in the most recent decennial census.

Home Mortgage Disclosure Act (HMDA): The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and the income of applications, the amount of loan requested, the disposition of the application (e.g., approved, denied, and withdrawn). Beginning in 2004, the reports also include data on loan pricing, the lien status of the collateral, any requests for preapproval and loans for manufactured housing.

Home Mortgage Loans: Such loans include home purchase, home improvement and refinancings, as defined in the HMDA regulation. These include loans for multifamily (five or more families) dwellings, manufactured housing and one-to-four family dwellings other than manufactured housing.

Household: Includes all persons occupying a housing unit. Persons not living in households are classified as living in group quarters. In 100 percent tabulations, the count of households always equals the count of occupied housing units.

Limited Review: Performance under the Lending, Investment, and Service Tests is analyzed using only quantitative factors (e.g., geographic distribution, borrower distribution, total number and dollar amount of investments, and branch distribution).

Low-Income: Individual income that is less than 50 percent of the area median income, or a median family income that is less than 50 percent, in the case of a geography.

Market Share: The number of loans originated and purchased by the institution as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the MA/assessment area.

Median Family Income (MFI): The median income determined by the U.S. Census Bureau every ten years and used to determine the income level category of geographies. Also, the median income determined by the Department of Housing and Urban Development annually that is used to determine the income level category of individuals. For any given area, the median is the point at which half of the families have income above it and half below it.

Metropolitan Area (MA): Any metropolitan statistical area or metropolitan division, as defined by the Office of Management and Budget and any other area designated as such by the appropriate federal financial supervisory agency.

Metropolitan Division: As defined by Office of Management and Budget, a county or group of counties within a Metropolitan Statistical Area that contains a population of at least 2.5 million. A Metropolitan Division consists of one or more counties that represent an employment center or centers, plus adjacent counties associated with the main county or counties through commuting ties.

Metropolitan Statistical Area: An area, defined by the Office of Management and Budget, as having at least one urbanized area that has a population of at least 50,000. The Metropolitan Statistical Area comprises the central county or counties, plus adjacent outlying counties having a high degree of social and economic integration with the central county as measured through commuting.

Middle-Income: Individual income that is at least 80 percent and less than 120 percent of the area median income, or a median family income that is at least 80 percent and less than 120 percent, in the case of a geography

Moderate-Income: Individual income that is at least 50 percent and less than 80 percent of the area median income, or a median family income that is at least 50 percent and less than 80 percent, in the case of a geography.

Multifamily: Refers to a residential structure that contains five or more units.

Other Products: Includes any unreported optional category of loans for which the institution collects and maintains data for consideration during a CRA examination. Examples of such

activity include consumer loans and other loan data an institution may provide concerning its lending performance.

Owner-Occupied Units: Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

Qualified Investment: A qualified investment is defined as any lawful investment, deposit, membership share, or grant that has as its primary purpose community development.

Rated Area: A rated area is a state or multi-state metropolitan area. For an institution with domestic branches in only one state, the institution's CRA rating would be the state rating. If an institution maintains domestic branches in more than one state, the institution will receive a rating for each state in which those branches are located. If an institution maintains domestic branches in two or more states within a multi-state metropolitan area, the institution will receive a rating for the multi-state metropolitan area.

Small Loan(s) to Business(es): A loan included in 'loans to small businesses' as defined in the Consolidated Report of Condition and Income (Call Report) and the Thrift Financial Reporting (TFR) instructions. These loans have original amounts of \$1 million or less and typically are either secured by nonfarm or nonresidential real estate or are classified as commercial and industrial loans.

Small Loan(s) to Farm(s): A loan included in 'loans to small farms' as defined in the instructions for preparation of the Consolidated Report of Condition and Income (Call Report). These loans have original amounts of \$500,000 or less and are either secured by farmland, or are classified as loans to finance agricultural production and other loans to farmers.

Tier One Capital: The total of common shareholders' equity, perpetual preferred shareholders' equity with non-cumulative dividends, retained earnings and minority interests in the equity accounts of consolidated subsidiaries.

Upper-Income: Individual income that is at least 120 percent of the area median income, or a median family income that is at least 120 percent, in the case of a census tract.

Description of Institution

Community Bank, N.A. (CBNA) is an interstate bank headquartered in Canton, New York, and operating in the States of New York and Pennsylvania, where it operates as First Liberty Bank and Trust. CBNA is a wholly owned subsidiary of Community Bank Systems, Inc. (CBSI), a one-bank holding company. CBSI had total assets of \$4.7 billion as of December 31, 2007. CBSI's other subsidiaries include Benefit Plans Administrative Services, Inc., an employee benefits administration and consulting firm.

CBNA's operating subsidiaries include Community Investment Services, Inc. (CISI), a full service broker/dealer; Nottingham Advisors Inc., an investment management advisory firm; CBNA Insurance Agency, a full service property and casualty insurance company; Treasury Management Corporation (TMC), which provides treasury, cash management and investment services to the bank; CBNA Preferred Funding Corp; and First Liberty Service Corporation which provides banking related services to the Pennsylvania branches of the bank. CBNA's operating subsidiaries had no impact on the bank's capacity to lend in the AAs where it operates.

CBNA is one of the largest community banking franchises headquartered in Upstate New York. It is a full service interstate bank with 133 branches serving 25 counties spanning a wide range of Upstate New York and six counties in northeastern Pennsylvania. CBNA offers a wide range of financial services, with their primary focus on loans to consumers. In addition to traditional deposit and loan products, CBNA offers its customers insurance and investment products and trust services.

In 2007 CBNA acquired Tupper Lake National Bank, located in the heart of the New York's Adirondack Region. The acquisition added \$100 million in assets to CBNA, and extended the bank's footprint further east in New York.

As of September 30, 2008, CBNA had \$4.4 billion in total assets that included \$2.3 billion in net loans, representing 56% of total assets. The bank's loan mix consists of 62% real estate loans, 22% loans to individuals, 15% commercial and industrial loans, 1% agricultural loans, and 1% other loans. As of September 30, 2008, CBNA reported Tier 1 Capital of \$287 million.

CBNA operates in a competitive financial services market with consumer finance companies, large regional banks, credit unions, savings banks and community banks. CBNA is not subject to any known financial, legal or regulatory restrictions that would impede its ability to help meet the credit needs of its assessment area.

CBNA's last CRA exam was October 18, 2005, at which time the bank's performance was rated "Satisfactory."

Scope of the Evaluation

Evaluation Period/Products Evaluated

The evaluation period covered January 1, 2005, through December 31, 2007, for Home Mortgage Disclosure Act (HMDA) loans, small business loans, and small farm loans. HMDA loans include home purchase, home improvement and home mortgage refinance loans. The evaluation period for Community Development (CD) loans, investments, and services is October 18, 2005, through December 11, 2008. This represents the time period between the start of the bank's last and current CRA exams. The market share and peer comparisons are based on the information contained in the aggregate HMDA and Small Business/Farm Registers for 2007.

The peer comparisons in this report include only lenders who were required to file HMDA and Small Business/Farm Reports for 2007. Most lenders with significant mortgage loan activity operating in CBNA's 11 AAs were required to file a HMDA report for 2007. Small business reporting for 2007 was required only of bank and thrift institutions with assets of \$1.033 billion or more as of December 31 of the prior two calendar years' preceding the reporting year.

Data Integrity

We performed a data integrity exam of the loan information indicated above by reviewing the bank's recent internal audit of the data. The audit was of sufficient scope and quality for us to place reliance on its results. We took our own sample of the bank's loan sample to validate the quality of the audit work. We found the quality of the bank's data to be good, with no corrections of the submitted data required for this examination.

Selection of Areas for Full-Scope Review

In each state where the bank has an office, a full scope review was conducted of one or more assessment areas (AAs) within that state. Refer to the "Scope" section under each state rating for details regarding how the area or areas were selected and why they are representative of the bank's overall performance in that state.

Ratings

The bank's overall rating is a blend of the state ratings. In arriving at the overall rating, the greatest weight was given to the State of New York. Nine of the bank's 11 AAs are located in the State along with a substantial majority of the bank's branches, loan and deposit activity.

The state ratings are based primarily on those areas that received full-scope reviews. Refer to the "Scope" section under each state rating for details regarding how the areas were weighted in arriving at the overall state rating.

Fair Lending or Other Illegal Credit Practices Review

We found no evidence of discriminatory or other illegal credit practices inconsistent with helping to meet community credit needs.

State Rating

State of New York

CRA Rating for New York State: **Outstanding**

The Lending Test is rated:	Outstanding
The Investment Test is rated:	High Satisfactory
The Service Test is rated:	High Satisfactory

The major factors that support this rating include:

- Lending levels that reflect an excellent responsiveness by CBNA to the credit needs of its AAs.
- An excellent distribution of loans among borrowers of different income levels throughout the AAs.
- A good distribution of loans among census tracts of different income levels throughout the AAs, along with an excellent ratio of loans originated inside the AAs.
- Flexible lending products that had a positive impact on the bank's lending performance.
- Investments that reflect good responsiveness to the credit and community development needs of the AAs.
- Service delivery systems that are accessible to census tracts and individuals of different income levels in the AAs.
- Good performance in providing community development services.

Description of Institution's Operations in New York State

CBNA has nine AAs within the State of New York. They include the Northern Region Non-MSA, Southern Region Non-MSA, and portions of seven MSAs – the Binghamton MSA, the Buffalo-Niagara MSA, the Elmira MSA, the Rochester MSA, the Syracuse MSA, the Ithaca MSA and the Utica-Rome MSA. CBNA has 107 branches within the state, which represents 80% of the bank's total branch network. The State of New York represents 75% of CBNA's total deposits. As of June 30, 2007, the bank ranked thirty in the State for deposit market

share with 0.35% market share. During the evaluation period, CBNA originated 86% of its total HMDA, small business and small farm loans within New York.

Refer to the Market Profiles for the State of New York in Appendix C for detailed demographics and other performance context information for AAs areas that received full-scope reviews.

Scope of Evaluation in New York State

We conducted full-scope reviews of the Northern Region Non-MSA (Northern Region) and Southern Region Non-MSA (Southern Region) AAs as these two areas combined represent 80% of the bank's total lending in the state, 77% of the total number of branches, and 75% of the total deposits. The Southern Region AA was weighted somewhat more heavily as 42% of the statewide lending activity, 46% of the statewide deposits and 46% of the statewide branches are located there. Home mortgage lending was given the greatest weight when arriving at the bank's overall performance in lending based on the higher volume of home mortgage lending (75% of the number and 67% dollar volume of the overall lending activity). This was followed by small business loans. Small farm loans received the least weight of the products.

Of the home mortgage loan products, home improvement loans received the greatest weight, followed by home purchase loans, home mortgage refinance loans and multi-family unit loans. Fifty eight percent of Southern Region loans and 63% of Northern Region loans were for home improvement, 22% of Southern Region and 20% of Northern Region loans were for home purchase, 19% of Southern Region and 16% of Northern Region loans were for home mortgage refinance loans. Multi-family dwelling units represented less than one half percent of the bank's home mortgage lending activity in each full scope AA.

We made two community contacts in each of the full scope AAs. In the Northern Region AA, contacts were made with two non profit organizations with broad knowledge of the North Country area economic conditions, community development needs and credit needs. The contacts verified the need for affordable home financing and small business financing. The contacts emphasized the need for flexible terms for small business loans. For community development they emphasized the need for affordable multi-family dwelling housing, living wage job creation and products and services that address rural needs. The contacts believe the level of opportunities for community development loans and investments is good.

In the Southern Region, contacts were made with a non profit organization involved in home rehabilitation and improvement and another involved in economic development for the Southern Tier Region of the state. The contacts verified the ongoing need for affordable housing and small business financing. They emphasized the credit need for housing rehab and weatherization loans. For community development they emphasized the need for funding to rehab and demolish vacant buildings, build affordable rental housing for very low income families, create living wage jobs, and public transportation. The contacts believe the level of opportunities for community development loans and investments is good.

The need for affordable housing and small business related credit, investments, and services in both AAs were considered in our evaluation of CBNA's performance in the State of New York under the Lending, Investment, and Service Tests. Refer to the Market Profile section in Appendix C for more information.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test in New York State is rated "Outstanding." Based on full-scope reviews, the bank's performance in both the Northern Region and Southern Region AAs is excellent.

Lending Activity

Refer to Table 1 in the state of New York section of Appendix D for the facts and data used to evaluate the bank's lending activity.

The bank's overall leading lending product in both full scope AAs was home mortgage loans, representing 75% of the loans originated during the evaluation period in the two Full Scope AAs. This was followed by small business loans representing 18% of total loans evaluated and small farm loans at 7%.

CBNA's overall lending activity in the two full-scope AAs is excellent. CBNA's lending activity is excellent in the Southern Region AA. CBNA ranks first for deposits with a 23.43% market share as of June 30, 2007. Based on 2007 aggregate HMDA data, CBNA is the number one originator/purchaser of home improvement (40.29% market share) and home purchase loans (8.48%). CBNA ranked second for home mortgage refinance loans (7.34% market share), outranked only by a national mortgage company who was very active in subprime lending. Based on 2007 CRA aggregate data, CBNA is the number nine originator/purchaser of small loans to businesses (3.32% market share) and the number two originator/purchaser of small loans to farms (25.53% market share). CBNA ranked sixth (5.45% market share) when considering only small business loans made to small size businesses (businesses with \$1 million or less in gross annual revenue). In small business lending, CBNA is only outranked by only one bank. All other lenders ranking higher are credit card companies, with average loans less than \$10,000.

CBNA's lending activity in the Northern Region AA is excellent. In the Northern Region, CBNA ranks second for deposits with a 16.20% market share. Based on 2007 aggregate HMDA data, CBNA ranked first for originator/purchaser of home purchase loans (13.55% market share), home mortgage refinance loans (10.67% market share), and home improvement loans (60.86% market share). Based on 2007 CRA aggregate data, CBNA is the seventh ranked originator/purchaser of small loans to businesses (6.27% market share) and ranked third when only considering small loans to small size businesses with an 11.70% market share. All other lenders ranking higher are credit card companies, with average loans less than \$10,000. The bank is the largest originator/purchaser of small loans to farms (52.49% market share).

Distribution of Loans by Income Level of the Census Tract

The geographic distribution of CBNA's home mortgage loans, small loans to businesses, and small loans to farms reflects overall good penetration throughout the full scope AA census tracts. Performance is good in both full scope AAs.

Home Mortgage Loans

Refer to Tables 2, 3, 4 and 5 in the state of New York section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

The overall geographic distribution of home mortgage loans is good. The geographic distribution is good in both full scope AAs. The discussion of the geographic distribution of home mortgage loans that follows covers only moderate-income census tracts. There is no owner occupied housing in the one low-income census tract in the Northern AA and minimal owner occupied housing (.21%) located in low-income census tracts in the Southern Region AA. Although CBNA had lending activity for each mortgage loan product in low-income census tracts in the Southern AA, we did not believe a detailed discussion of this lending activity was of value.

The overall geographic distribution of home purchase loans is good. In the Southern Region AA, the portion of home purchase loans made in moderate-income census tracts is somewhat lower than the portion of owner-occupied housing units in those census tracts. In the Northern Region AA, the portion of home purchase loans made in moderate-income census tracts exceeds the portion of owner occupied housing units in those census tracts. CBNA's market share of home purchase loans originated in moderate-income census tracts in the Southern Region AA substantially met its overall market share of home purchase loans in the AA. CBNA's market share of home purchase loans originated in moderate-income census tracts in the Northern Region AA was somewhat lower than its overall market share of home purchase loans in the AA.

The overall geographic distribution of home improvement loans is excellent. In the Southern Region AA, the portion of home improvement loans made in moderate-income census tracts exceeded the portion of owner-occupied housing units that are in those census tracts. In the Northern Region AA, the portion of home improvement loans made in moderate-income census tracts was near to the portion of owner occupied housing units in those census tracts. CBNA's market share of home improvement loans originated in moderate-income census tracts exceeded the bank's overall market share of home improvement loans in the Southern Region AA and substantially met the overall market share in the Northern Region AA.

The overall geographic distribution of home mortgage refinance loans is good. In the Southern Region AA, the portion of home mortgage refinance loans made in moderate-income census tracts was near to the portion of owner-occupied housing units in those census tracts. In the

Northern Region AA, the portion of home mortgage refinance loans made in moderate-income census tracts exceeded the portion of owner-occupied housing units in those census tracts. CBNA's market share of home mortgage refinance loans originated in moderate-income census tracts substantially met the bank's overall market share of home mortgage refinance loans in the Northern Region AA and exceeded the overall market share in the Southern Region AA.

The overall geographic distribution of multi-family dwelling loans is adequate. In the Southern Region AA, the portion of multi-family dwelling loans made in moderate-income census tracts was near to the portion of multi-family dwelling units in those census tracts. CBNA made no multi-family dwelling unit loans in low-income census tracts where 5.77% of the AA's units are located. In the Northern Region AA, the portion of multi-family dwelling loans made in moderate-income census tracts exceeded the portion of multi-family dwelling units in those census tracts. In the Southern Region AA, CBNA's market share of multi-family loans in both low and moderate-income census tracts was significantly lower than its overall market share of these loans. In the Northern Region AA, the bank's market share in moderate-income census tracts exceeded its overall market share of multi-family dwelling loans. Multi-family dwelling loans represent a very small portion of CBNA's mortgage lending, with only 19 of these loans made in the Southern Region AA and 18 in the Northern Region AA during the evaluation period.

Small Loans to Businesses

Refer to Table 6 in the state of New York section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

The geographic distribution of small loans to businesses is good. In the Southern Region AA, the portion of loans made in both low and moderate-income census tracts was near to the portion of businesses that are within those census tracts. In the Northern Region AA, the portion of loans made in moderate-income census tracts was also near to the portion of businesses in those census tracts. CBNA made no business loans in the one low-income census tract in the Northern Region AA, where only .14% of the AAs businesses are located. In the Southern Region AA, the bank's market share for small business loans in both low and moderate-income census tracts exceeded its overall market share for small loans to businesses. In the Northern Region AA the bank's market share for small businesses located in moderate-income census tracts substantially met its overall market share.

Small Loans to Farms

Refer to Table 7 in the state of New York section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to farms.

The geographic distribution of small loans to farms is adequate. In the Southern Region AA, the portion of loans made in moderate-income census tracts exceeded the portion of farms that are within those census tracts. The bank did not make any farm loans in low-income

census tracts, where few farms are located (less than .28% of AA farms). In the Northern Region AA, the portion of loans made in moderate-income census tracts was significantly lower than the portion of farms in those census tracts. There are no farms located in the one low-income census tract located in the Northern Region AA. The bank's market share for small farm loans in moderate-income census tracts exceeded its overall market share for small loans to farms in the Southern Region AA. The bank's market share for small farm loans located in moderate-income census tracts in the Northern Region AA substantially met its overall market share of small farm loans.

Lending Gap Analysis

Reports detailing CBNA's lending activity over the evaluation period for home mortgage loans, small loans to businesses and farms were reviewed to identify gaps in the geographic distribution of loans. No unexplained conspicuous gaps were identified.

Inside/Outside Ratio

This portion of the evaluation was performed at the bank level. A substantial majority (94%) of the home mortgage loans, small business loans, small farm loans were made within the bank's AAs. By product, 96% of the bank's home mortgage loans, 90% of the small loans to businesses, 90% of the small loans to farms were within the bank's AAs. The home mortgage products were each close to the 95% overall in/out ratio. This performance was positively factored into the overall analysis of the geographic distribution of lending by income level of census tract.

Distribution of Loans by Income Level of the Borrower

The borrower distribution of CBNA's home mortgage loans, small loans to businesses and small farm loans reflects overall excellent dispersion among borrowers of different income levels and businesses of different sizes.

Home Mortgage Loans

The overall borrower distribution of home mortgage loans is excellent. In the evaluation of borrower distribution of home mortgage loans, we gave consideration to the portion of households living below the poverty level. The poverty level in the Southern Region is 12% and the Northern Region 15%. Due to reasons of affordability, it is unlikely that those with incomes below the poverty level would be involved in home mortgage financing. Accordingly, we considered this in evaluating the bank's lending distribution to low-income borrowers.

Refer to Tables 8, 9 and 10 in the state of New York section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

Home purchase loan borrower distribution is excellent. In the Southern Region the portion of loans made to moderate-income borrowers exceeded the portion of families defined as such.

The portion of loans made to low-income borrowers was lower than the percentage of families defined as such, but was excellent when considering the percentage of households living below the poverty level. In the Northern Region the portion of loans made to moderate-income borrowers was near to the portion of families defined as such. The portion of loans made to low-income families was lower than the percentage of families defined as such, but was excellent when considering the percentage of households living below the poverty level. CBNA's market share for home purchase loans made to both low and moderate income borrowers exceeded its overall market share of home purchase loans in both the Southern Region and Northern Region AAs.

Home improvement loan borrower distribution is excellent. The portion of loans made to moderate-income borrowers exceeded the portion of families defined as such in both the Southern and Northern Region AAs. In the Southern Region, the portion of loans made to low-income borrowers was near to the percentage of families defined as such, but was excellent when considering the percentage of households living below the poverty level. In the Northern Region the portion of loans made to low-income borrowers was somewhat lower than the portion of families defined as such, but was excellent when considering the percentage of households living below the poverty level. CBNA's market share for home improvement loans made to both low and moderate income borrowers exceeded its overall market share of home improvement loans in both the Southern Region and Northern Region AAs.

Home mortgage refinance loan borrower distribution is excellent. The portion of loans made to moderate-income borrowers exceeded the portion of families defined as such in the Southern Region AA. The portion of loans made to moderate-income borrowers was near to the portion of families defined as such in the Northern AA. In the Southern Region, the portion of loans made to low-income borrowers was somewhat lower than the percentage of families defined as such, but was excellent when considering the percentage of households living below the poverty level. In the Northern Region the portion of loans made to low-income borrowers was lower than the portion of families defined as such, but was excellent when considering the percentage of households living below the poverty level. CBNA's market share for home mortgage refinance loans made to moderate income borrowers substantially met its overall market share of home mortgage refinance loans in both the Southern Region and Northern Region AAs. The bank's market share for home mortgage refinance loans made to low income borrowers exceeded its overall market share of home mortgage refinance loans in both the Southern Region and Northern Region AAs.

Small Loans to Businesses

Refer to Table 11 in the state of New York section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

The borrower distribution of small loans to businesses is excellent. The portion of small loans to businesses (businesses with revenues of \$1 million or less) exceeded the portion of businesses defined as such in both full scope AAs. CBNA's market share of small loans to

businesses exceeded its overall market share for small loans to all businesses in both full scope AAs.

Small Loans to Farms

Refer to Table 12 in the state of New York section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to businesses.

The borrower distribution of small loans to farms is good. The portion of small loans to farms (farms with revenues of \$1 million or less) was near to the portion of farms defined as such in both full scope AAs. CBNA's market share of small loans to farms exceeded its overall market share for small loans to farms in both full scope AAs.

Community Development Lending

Refer to Table 1 Lending Volume in the state of New York section of Appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multi-family loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans, however.

CBNA's level of Community Development (CD) lending had a neutral impact on the evaluation of its lending performance in the State of New York. CBNA originated nine loans for \$2.6 million in its Southern Region AA. The loans were made to three nonprofit organizations. One of the organizations provides affordable housing services to low and moderate income residents of the AA. The other two organizations provide community service primarily to people of low and moderate income. CBNA originated six CD loans for \$505,000 in its Northern Region AA. The loans were made to four different non profit organizations, one which provides affordable housing services for people of low and moderate income, and others community services primarily serving people of low and moderate income.

Product Innovation and Flexibility

CBNA's innovative and flexible lending activity had a positive impact on the evaluation of its lending performance in the State of New York.

CBNA offers an affordable housing mortgage product called New York State Affordable Homeownership Grant Program for people of low or moderate-income through a number of non-profit agencies involved in affordable housing. These non-profit agencies provide grant funds to low and moderate-income first time homebuyers to cover the amount of the down payment. CBNA provides concurrent mortgage loans which feature an interest rate below the prevailing conventional mortgage rates (one-fifth to one-quarter of a percent below conventional rates) and pays for all closing costs. There were 49 loans for \$2.1 million made in the Northern Region AA and 12 loans for \$482,710 made in the Southern Region AA during the evaluation period.

CBNA participates in the Guaranteed Rural Housing Program (GRH), a loan program through the US Department of Agriculture. Applicants must meet the programs income limits. The program features mortgages with low or no down payment without Private Mortgage Insurance (PMI), 30-year loan terms, and liberal underwriting criteria. CBNA originated 18 loans for \$1.2 million in the Northern Region and 49 loans for \$3.3 million in the Southern Region during the evaluation period.

CBNA participates in three mortgage loan programs through the State of New York Mortgage Authority (SONYMA) which are beneficial to people with low or moderate income.

Closing Cost Assistance Loans (CCAL)

- No monthly payments.
- Forgiven after 10 years
- Minimum loan amount - \$1,000.00
- Maximum loan amount - \$5,000.00 or 5% of the loan amount.
- Cannot exceed the actual closing costs.
- Gifts from immediate family members are considered when calculating the amount.

The bank made four CCAL loans in the Southern Region AA for \$322,525 and two loans for \$155,200 in the Northern Region AA during the evaluation period.

Low Interest Rate:

- 1st Time Home Buyers with low down payment.
- Up to 97% LTV
- Borrower must have 3% of their own funds.
- CCAL is available.

The bank made two Low Interest Rate loans for \$186,240 in the Southern Region AA during the evaluation period.

Achieving the Dream:

- 30 Year term only
- Up to 97% LTV
- All applicants must complete a homebuyer education course.
- Not eligible for an applicant that has used 10% of their current or prior residence for a business in the past year.

The bank made one Achieving the Dream loan in the Southern Region AA for \$53,350 and one in the Northern Region AA for \$72,000 during the evaluation period.

CBNA is involved in a Wheels to Work program in its Southern Region AA. The program, sponsored by the Seneca County Division of Human Services, is designed to aid low and moderate-income individuals whose barrier to employment is reliable transportation. The goal is to help individuals maintain or gain employment by providing them with vehicles and other supportive services, including budgeting and car maintenance courses. CBNA provides

reduced interest rates on these installment loans, which are secured by the vehicles and guaranteed by the County. It also has relaxed underwriting requirements for the loans. The program is especially beneficial in this area as there is no public transportation available. The bank originated 22 loans for \$31 thousand under this program during the evaluation period.

CBNA participates in the Federal Home Loan Bank's First Home Club in conjunction with the St. Lawrence County Housing Council. The St. Lawrence County Housing Council first qualifies low and moderate-income first time homebuyers and provides homeownership counseling, after which they are referred to the bank to set-up a dedicated savings account. CBNA matches each \$1 saved by the applicant up to \$7,500 with \$4. At the time the mortgage is approved CBNA will grant a no-closing cost mortgage at lower than market interest rates. CBNA closed one loan for \$26 thousand in the Northern Region AA during the evaluation period.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on our limited-scope reviews, the bank's overall performance under the Lending Test in the limited scope AAs in New York State is not inconsistent with its performance in the full scope AAs. Refer to Tables 1 through 12 in Appendix D for the facts and data that support these conclusions.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Investment Test in New York State is rated High Satisfactory. Based on full-scope reviews, the bank's performance was good in both the Southern Region AA and the Northern Region AA.

Refer to Table 14 in the State of New York section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

The level of investment activity in the Southern Region Non MSA AA was good. Of the 23 current period investments totaling \$2.97 million, 89% was invested in mortgaged backed securities comprised of mortgage loans made to people of low and moderate income or to finance residences located in low and moderate income census tracts. The remaining current period investments were in municipal bonds that supported the revitalization/stabilization of low and moderate census tracts or middle income census tracts designated as distressed or underserved. None of the investments are considered innovative or complex. The responsiveness to the community development needs of the AA was adequate. The AA has a good number of investment opportunities based on discussions with bank management, community contacts and other resources.

The level of investment activity in the Northern Region Non MSA AA was good. Of the 27 current period investments totaling \$7.8 million, 58% was invested in mortgaged backed securities comprised of mortgage loans made to people of low and or moderate income or to

finance residences located in low and moderate income census tracts. Approximately 42% was invested in municipal bonds that supported the revitalization/stabilization of low and moderate census tracts or middle income census tracts designated as distressed or underserved. None of the investments are considered innovative or complex. The responsiveness to the community development needs of the AA was good. The AA has a good number of investment opportunities based on discussions with bank management, community contacts and other resources.

Conclusions for Area Receiving Limited-Scope Reviews

CBNA's overall performance in its limited scope AAs is not inconsistent with its rating in the full scope AAs. Please refer to Table 14 in the State of New York section of Appendix D for the facts and data that support these conclusions.

SERVICE TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Service Test in New York is rated "High Satisfactory". Based on full-scope reviews, the performance in the full scope AAs is good.

Retail Banking Services

Refer to Table 15 in the state of New York section of Appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

CBNA's delivery systems are accessible to census tracts and individuals of different income levels throughout the full-scope AAs. Accessibility is excellent in the Southern Region AA and adequate in the Northern Region AA.

In the Southern Region AA, the distribution of CBNA's offices in low and moderate-income census tracts exceeds the distribution of the population living in these areas.

In the Northern Region AA, CBNA's office distribution in moderate-income census tracts is somewhat lower than the distribution of the population living in these census tracts. There are no offices located in the one low-income tract in the AA, where only .73% of the AA population resides.

The branch network in the full-scope AAs was expanded by 11 branches since the last evaluation. The expansion was mainly the result of acquisitions made by CBNA. Two branches were closed in middle-income census tracts in the Southern Region AA. No branches were closed in the Northern Region AA. These closings did not adversely impact the accessibility of the bank's delivery systems, particularly in low and moderate income census tracts and to people of low and moderate income.

CBNA's hours and services offered throughout the full-scope AAs are good. Hours and services are good in both the Southern Region AA and Northern Region AA. Services offered are comparable among locations regardless of the income level of the census tract. Substantially all branch offices offer extended hours on various days of the week including Saturday hours, which are offered in several branches. Management sets branch hours based on customer needs and traffic patterns in each area.

CBNA offers services that provide easy access to funds for low-income people who receive government assistance. All CBNA branches in the full scope AA will cash government checks for non-customers for a fee. Federal government checks are cashed for free except for income tax refund checks. Recipients (customer or non-customer) of New York State Public Assistance through the Electronic Benefits Transfer Program (EBT) can withdraw funds from any CBNA ATM free of charge.

CBNA offers alternative delivery systems in the form of ATMs. A substantial majority of the bank's ATMs are located in the full-scope AAs. The geographic distribution of the bank's ATMs is similar to its branch distribution. Customers and non-customers alike can access their accounts through CBNA ATMs, which are connected to the NYCE, CIRRUS, PLUS and QUEST ATM systems. Customers may also use their CBNA ATM card to obtain cash at non-proprietary ATMs throughout the world, which bear the NYCE, CIRRUS, PLUS or START logos.

CBNA also offers alternative delivery systems of on-line banking, bank-by-phone and bank-by-mail. These services allow customers to obtain deposit and loan account information, make payments on CBNA loans, transfer funds, and pay other household bills. We did not place significant weight on these alternative delivery systems because no data was available to determine the impact of these retail-banking services on low and moderate-income census tracts and individuals.

Community Development Services

Management and bank employees support various organizations in the communities served by the bank by offering financial expertise to such groups. Numerous personnel are members of the boards of directors, finance committees and loan committees of organizations that provide community development services.

In the Southern Region AA, CBNA employees provide a good level of support to various community development service organizations. Employees participate in over 20 organizations, devoting approximately 702 hours to CD activities over the evaluation period. The organizations supported include organizations that support affordable housing for people with low and moderate-income, provide community service targeted to people with low and moderate-income and support economic development by financing small businesses that are involved in job creation and retention for people of low and moderate-income or in low or moderate income census tracts.

In the Northern Region AA, CBNA employees provide a good level of support to various community development service organizations. Employees participate in over 20 organizations devoting approximately 969 hours to CD activities over the evaluation period. The organizations supported include organizations that support affordable housing for people with low and moderate-income, provide community service targeted to people with low and moderate-income and support economic development by financing small businesses that are involved in job creation and retention for people of low and moderate-income, or in low or moderate income census tracts.

Conclusions for Areas Receiving Limited-Scope Reviews

Refer to Table 15 in the state of New York section of Appendix D for the facts and data that support these conclusions.

Based on limited scope reviews, CBNA's overall performance under the Service Test in the limited scope AAs is not inconsistent with its performance in the full scope AAs in New York State.

State Rating

State of Pennsylvania

CRA Rating for Pennsylvania:	Satisfactory
The Lending Test is rated:	Low Satisfactory
The Investment Test is rated:	High Satisfactory
The Service Test is rated:	Outstanding

The major factors that support this rating include:

- Lending levels that reflect an adequate responsiveness to the credit needs of its assessment area (AA).
- A poor distribution of loans among census tracts of different income levels throughout the AA.
- An excellent distribution of loans among borrowers of different income levels throughout the AA.
- Community development lending that had a positive impact on the bank's lending performance.
- No flexible lending products, thus a neutral impact on the bank's lending performance for this area.
- Investments that reflect good responsiveness to the credit and community development needs of the AA.
- Service delivery systems that are readily accessible to census tracts and individuals of different income levels in the AA.
- Good performance in providing community development services.

Description of Institution's Operations in the State of Pennsylvania

CBNA has two AAs within the State of Pennsylvania, the Scranton Wilkes Barre Hazelton MSA AA (SWB AA) and the PA Non MSA AA, which consists of 10 non MSA census tracts in three counties near the SWB AA. CBNA has 26 branches within the state, which represents 20% of the bank's total branch network. The State of Pennsylvania represents 25% of CBNA's total deposits. As of June 30, 2007, the bank ranked 33rd in the State for deposit market share with

0.34% market share. During the evaluation period, CBNA originated 14% of its total HMDA, small business and small farm loans within Pennsylvania.

Description of Institution's Operations in the State of Pennsylvania

Refer to the Market Profiles for the State of Pennsylvania in Appendix C for detailed demographics and other performance context information for the AA that received the full-scope review.

Scope of Evaluation in Pennsylvania

We conducted a full-scope review of the SWB AA in Pennsylvania. This is the bank's primary AA in Pennsylvania with 85% of its branches, 95% of its deposits and 85% of its loans made in the State. Home mortgage lending was given more weight when arriving at the bank's overall performance in lending based on the greater volume of home mortgage lending compared to small business and small farm lending. Of the home mortgage products, home improvement loans were given slightly more weight than home purchase and home mortgage refinance loans, due to the products greater activity during the evaluation period.

We conducted community contacts with two organizations located in the full scope AA during this evaluation. Both organizations are involved in affordable housing. The organizations confirmed the ongoing need for affordable housing and small business financing in the AA. Housing rehabilitation and home weatherization are both important CD needs in the AA. The needs for affordable housing and small business related credit, investments and services in the AA was considered in our evaluation of CBNA's performance in the State of Pennsylvania under the Lending, Investment and Service Tests. Refer to the Market Profile section in Appendix C for more information.

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test in the state of Pennsylvania is rated Low Satisfactory.

Lending Activity

Refer to Table 1 in the state of Pennsylvania section of Appendix D for the facts and data used to evaluate the bank's lending activity.

The bank's overall leading lending product in the Pennsylvania was home mortgage loans, representing 63% of the loans originated during the evaluation period. This was followed by small business loans representing 35% of total loans evaluated and small farm loans at 1%.

Among originated home mortgage loans, 49% were for home improvement, 22% were for home purchase, and 28% were for home mortgage refinance loans. Multi-family dwelling loans represented only .2% of the mortgage loans (four loans) and thus were not considered in the lending evaluation.

CBNA's overall lending activity is adequate. CBNA ranked fourth for deposits with a 8.24% market share as of June 30, 2007. Based on 2007 aggregate HMDA data, CBNA is the number two originator/purchaser of home improvement (9.31% market share). CBNA ranked 20th in the AA as originator/purchaser of home purchase loans with a 1.39% market share. CBNA ranked 25th in the AA as originator/purchaser of home mortgage refinance loans with a 1.15% market share.

Based on 2007 CRA aggregate data, CBNA was the fourteenth ranked originator/purchaser of small business loans (1.54% market share) in the AA, and fourth ranked originator/purchaser of small loans to farms (3.90% market share). Approximately one half of the lenders outranking CBNA for small business lending were national credit card companies.

Distribution of Loans by Income Level of the Census Tract

The geographic distribution of CBNA's home mortgage loans, small loans to businesses, and small loans to farms reflects overall poor penetration throughout the full scope AA census tracts.

Home Mortgage Loans

Refer to Tables 2, 3, 4 and 5 in the state of Pennsylvania section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's home mortgage loan originations/purchases.

The overall geographic distribution of home mortgage loans is poor. The discussion of the geographic distribution of home mortgage loans that follows covers only moderate-income census tracts. There is minimal owner occupied housing (.03%) located in low-income census tracts in the SWB Region AA.

The overall geographic distribution of home purchase loans is poor. The portion of home purchase loans made in moderate-income census tracts was lower than the portion of owner-occupied housing units in those census tracts. CBNA's market share of home purchase loans originated in moderate-income census tracts in the AA was lower than its overall market share of home purchase loans in the AA.

The overall geographic distribution of home improvement loans is poor. The portion of home improvement loans made in moderate-income census tracts was lower than the portion of

owner-occupied housing units that are in those census tracts. CBNA's market share of home improvement loans originated in moderate-income census tracts was somewhat lower than the bank's overall market share of home improvement loans in the AA.

The overall geographic distribution of home mortgage refinance loans is adequate. The portion of home mortgage refinance loans made in moderate-income census tracts was somewhat lower than the portion of owner-occupied housing units in those census tracts. CBNA's market share of home mortgage refinance loans originated in moderate-income census tracts was lower than the bank's overall market share of home mortgage refinance loans.

Small Loans to Businesses

Refer to Table 6 in the state of Pennsylvania section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to businesses.

The geographic distribution of small loans to businesses is poor. The portion of loans made in low income census tracts was significantly lower than the portion of businesses that are within those census tracts. The portion of loans made in moderate-income census tracts was lower than the portion of businesses in those census tracts. The bank's market share for small business loans in both low and moderate-income census tracts was lower than its overall market share for small loans to businesses.

Small Loans to Farms

Refer to Table 7 in the state of Pennsylvania section of Appendix D for the facts and data used to evaluate the geographic distribution of the bank's origination/purchase of small loans to farms.

The geographic distribution of small loans to farms is adequate. Although CBNA made no farm loans in low or moderate-income census tracts, there was very limited farm lending opportunities in low-income census tracts. Only .14% of the AAs farms are located in low-income census tracts and 3.2% of the AA farms located in moderate-income census tracts. According to 2007 Peer Small Business data, there were no farm loans made by lenders in low income census tracts in 2007 and only two made in moderate-income census tracts.

Lending Gap Analysis

Reports detailing CBNA's lending activity over the evaluation period for home mortgage loans, small loans to businesses and farms were reviewed to identify gaps in the geographic distribution of loans. No unexplained conspicuous gaps were identified.

Inside/Outside Ratio

This portion of the evaluation was performed at the bank level. A substantial majority (94%) of the home mortgage loans, small business loans, small farm loans were made within the bank's

AAs. By product, 96% of the bank's home mortgage loans, 90% of the small loans to businesses, 90% of the small loans to farms were within the bank's AAs. The home mortgage products were each close to the 95% overall in/out ratio. This performance was positively factored into the overall analysis of the geographic distribution of lending by income level of census tract.

Distribution of Loans by Income Level of the Borrower

The borrower distribution of CBNA's home mortgage loans, small loans to businesses and small farm loans reflects an overall excellent dispersion among borrowers of different income levels and businesses of different sizes.

Home Mortgage Loans

The overall borrower distribution of home mortgage loans is excellent. In the evaluation of borrower distribution of home mortgage loans, we gave consideration to the portion of households living below the poverty level. The poverty level in the SWB Region is 12%. Due to reasons of affordability, it is unlikely that those with incomes below the poverty level would be involved in home mortgage financing. Accordingly, we considered this in evaluating the bank's lending distribution to low-income borrowers.

Refer to Tables 8, 9 and 10 in the state of Pennsylvania section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's home mortgage loan originations and purchases.

Home purchase borrower loan distribution is excellent. The portion of loans made to moderate-income borrowers exceeded the portion of families defined as such. The portion of loans made to low-income borrowers was lower than the percentage of families defined as such, but was excellent when considering the percentage of households living below the poverty level. CBNA's market share for home purchase loans made to both low and moderate income borrowers substantially met its overall market share of home purchase loans in the AA.

Home improvement loan borrower distribution is excellent. The portion of loans made to moderate-income borrowers exceeded the portion of families defined as such. The portion of loans made to low-income borrowers was somewhat lower than the percentage of families defined as such, but was excellent when considering the percentage of households living below the poverty level. CBNA's market share for home improvement loans made to low income borrowers exceeded its overall market share of home improvement loans. The bank's market share for home improvement loans made to moderate income borrowers substantially met its overall market share of home improvement loans in the AA.

Home mortgage refinance loan borrower distribution is excellent. The portion of loans made to moderate-income borrowers exceeded the portion of families defined as such. The portion of loans made to low-income borrowers was lower than the portion of families defined as such, but was excellent when considering the percentage of households living below the poverty level. CBNA's market share for home mortgage refinance loans made to low income

borrowers substantially met its overall market share of home mortgage refinance loans. The bank's market share for home mortgage refinance loans made to moderate income borrowers was somewhat lower than its overall market share of home mortgage refinance loans in the AA.

Small Loans to Businesses

Refer to Table 11 in the state of Pennsylvania section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination and purchase of small loans to businesses.

The borrower distribution of small loans to businesses is good. The portion of small loans to businesses (businesses with revenues of \$1 million or less) was near to the portion of businesses defined as such. CBNA's market share of small loans to businesses exceeded its overall market share for small loans to all businesses in the AA.

Small Loans to Farms

Refer to Table 12 in the state of Pennsylvania section of Appendix D for the facts and data used to evaluate the borrower distribution of the bank's origination/purchase of small loans to businesses.

The borrower distribution of small loans to farms is excellent. The portion of small loans to farms (farms with revenues of \$1 million or less) exceeded the portion of farms defined as such. CBNA's market share of small loans to farms exceeded its overall market share for small loans to farms in the AA.

Community Development Lending

Refer to Table 1 Lending Volume in the state of Pennsylvania section of Appendix D for the facts and data used to evaluate the bank's level of community development lending. This table includes all CD loans, including multifamily loans that also qualify as CD loans. In addition, Table 5 includes geographic lending data on all multi-family loans, including those that also qualify as CD loans. Table 5 does not separately list CD loans, however.

CBNA's level of Community Development (CD) lending had a positive impact on the evaluation of its lending performance in the State of Pennsylvania. CBNA originated 20 CD loans for \$4.3 million in its SWB Region AA. The loans were made to four nonprofit organizations. Two of the organizations provide affordable housing services to low and moderate income residents of the AA. A loan to one of these organizations represented \$2.5 million of the total CD loans in the AA. The other two organizations include one organization which provides community service to people of low income and the other involved in the revitalization and stabilization low and moderate income neighborhoods.

Product Innovation and Flexibility

CBNA did not have any lending activity in innovative and flexible lending programs in the state of Pennsylvania during the evaluation period.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on our limited-scope AA review, the bank's overall performance under the Lending Test in the limited scope AA in Pennsylvania is stronger than its performance in the full scope AA. The PA Non MSA AA had excellent borrower loan distribution. The AA has no low or moderate-income census tracts, thus it did not have the possibility of weak geographic loan distribution as was the case in the full scope AA. The stronger performance in the limited scope AA, which represents only 15.43% of the lending activity in the state, did not change the rating assigned to the full scope AA. Refer to Tables 1 through 12 in Appendix D for the facts and data that support these conclusions.

INVESTMENT TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Investment Test in Pennsylvania is High Satisfactory. Based on the full-scope review, the bank's performance in the SWB Region AA was good.

Refer to Table 14 in the state of Pennsylvania section of Appendix D for the facts and data used to evaluate the bank's level of qualified investments.

The level of investment activity in the SWB AA was good. All \$13.3 million in current period investments was invested in mortgaged backed securities comprised of mortgage loans made to people of low and or moderate income or to finance residences located in low and moderate income census tracts. None of the investments are considered innovative or complex. The responsiveness to the community development needs of the AA was good. The AA has a good number of investment opportunities based on discussions with bank management, community contacts and other resources.

Conclusions for Area Receiving Limited-Scope Reviews

Refer to the Tables 14 in the state of Pennsylvania section of Appendix D for the facts and data that support these conclusions.

CBNA's performance in its limited scope AA was weaker than its rating in the full scope AA. The PA Non MSA AA, which contains only 5% of the bank's deposits in Pennsylvania, had no investments. The AA has a much lower level of investment opportunities than the full scope AA. The weaker performance in the limited scope AA did not affect the bank's rating under the Investment Test. Please refer to Table 14 in the State of Pennsylvania section of Appendix D for the facts and data that support these conclusions.

SERVICE TEST

Retail Banking Services

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the Service Test in Pennsylvania is rated "Outstanding." Based on full-scope review, the bank's performance in the SWB AA is excellent.

Refer to Table 15 in the State of Pennsylvania section of Appendix D for the facts and data used to evaluate the distribution of the bank's branch delivery system and branch openings and closings.

CBNA's delivery systems are readily accessible to census tracts and individuals of different income levels throughout the full-scope AA.

In the Full Scope AA, the distribution of CBNA's offices in low-income census tracts exceeds the distribution of the population living in these areas. The distribution of offices in moderate-income census tracts is near to the distribution of the population living in such census tracts.

There were three branch offices closed in middle-income census tracts during the evaluation period. These closings did not adversely impact the accessibility of the bank's delivery systems, particularly in low and moderate income census tracts and for people of low and moderate income.

CBNA's hours and services offered throughout the full-scope AA are good. Services offered are comparable among locations regardless of the income level of the census tract. Substantially all branch offices offer extended hours on various days of the week including Saturday hours, which are offered in several branches. Management sets branch hours based on customer needs and traffic patterns in each area.

CBNA offers services that provide easy access to funds for low-income people who receive government assistance. All CBNA branches in the full scope AA will cash government checks for non-customers for a fee. Federal government checks are cashed for free except for income tax refund checks. Recipients (customer or non-customer) of Pennsylvania Public Assistance through the Electronic Benefits Transfer Program (EBT) can withdraw funds from any CBNA ATM free of charge.

CBNA offers alternative delivery systems in the form of ATMs. A substantial majority of the bank's ATMs are located in the full-scope AA. The geographic distribution of the bank's ATMs is similar to its branch distribution. Customers and non-customers alike can access their accounts through CBNA ATMs, which are connected to the NYCE, CIRRUS, PLUS and QUEST ATM systems. Customers may also use their CBNA ATM card to obtain cash at non-proprietary ATMs throughout the world, which bear the NYCE, CIRRUS, PLUS or START logos.

CBNA also offers alternative delivery systems of on-line banking, bank-by-phone and bank-by-mail. These services allow customers to obtain deposit and loan account information, make payments on CBNA loans, transfer funds, and pay other household bills. We did not place significant weight on these alternative delivery systems because no data was available to determine the impact of these retail-banking services on low and moderate-income census tracts and individuals.

Community Development Services

CBNA's performance in providing community development services is good in its full scope AA.

Management and bank employees support various organizations in the communities served by the bank by offering financial expertise to such groups. Numerous personnel are members of the boards of directors, finance committees and loan committees of organizations that provide community development services.

In the full scope AA, CBNA employees provide a good level of support to various community development service organizations. Employees participate in over 10 organizations devoting approximately 384 hours to CD activities over the evaluation period. The organizations supported include organizations that support affordable housing for people with low and moderate-income, provide community service targeted to people with low and moderate-income and support economic development by financing small businesses that are involved in job creation and retention for people of low and moderate-income, or in low or moderate income census tracts.

Conclusions for Areas Receiving Limited-Scope Reviews

Refer to Table 15 in the state of Pennsylvania of Appendix D for the facts and data that support these conclusions.

Based on limited scope reviews, CBNA's overall performance under the Service Test in the limited scope AAs is weaker than its performance in the full scope AAs in Pennsylvania. The limited scope AA does not provide the opportunity for high level performance, as there are no low or moderate income census tracts in the AA. The AA is comprised of 10 middle-income census tracts. The weaker performance in the limited scope AA did not affect the bank's rating under the Service Test.

Appendix A: Scope of Examination

The following table identifies the time period covered in this evaluation, affiliate activities that were reviewed, and loan products considered. The table also reflects the metropolitan and nonmetropolitan areas that received comprehensive examination review (designated by the term “full-scope”) and those that received a less comprehensive review (designated by the term “limited-scope”).

Time Period Reviewed	Lending Test (excludes CD Loans): 1/1/05 to 12/31/07 Investment and Service Tests and CD Loans: 10/18/05 to 12/11/08	
Financial Institution		Products Reviewed
Community Bank, N.A. (CBNA) Canton, New York		
Affiliate(s)	Affiliate Relationship	Products Reviewed
NA		
List of Assessment Areas and Type of Examination		
Assessment Area	Type of Exam	Other Information
New York State Southern Region Non MSA Northern Region Non MSA Rochester MSA Syracuse MSA Binghamton MSA Utica/Rome MSA Buffalo/Niagara MSA Elmira MSA Ithaca MSA Pennsylvania Scranton/Wilkes-Barre/Hazleton MSA Pennsylvania – Non MSA	Full Scope Full Scope Limited Scope Limited Scope Limited Scope Limited Scope Limited Scope Limited Scope Limited Scope Limited Scope Full Scope Limited Scope	

Appendix C: Market Profiles for Full-Scope Areas

State of New York Full-Scope Areas

Institution ID: COMMUNITY Bank, N.A. – Charter # 8531

Southern Non-MSA-99999

Demographic Information for Full Scope Area: Southern Non-MSA-99999						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Census Tracts (Census Tracts/BNAs)	138	2.17	7.97	78.26	10.14	1.45
Population by Census Tract	531,508	0.70	6.78	82.23	9.96	0.32
Owner-Occupied Housing by Census Tract	147,435	0.21	5.26	84.97	9.56	0.00
Business by Census tract	33,533	2.37	7.86	80.41	9.32	0.03
Farms by Census Tract	2,124	0.28	2.12	90.35	7.25	0.00
Family Distribution by Income Level	137,634	18.74	19.04	23.54	38.68	0.00
Distribution of Low and Moderate Income Families throughout AA Census Tracts	51,995	0.87	9.66	83.02	6.45	0.00
Median Family Income HUD Adjusted Median Family Income for 2007 Households Below Poverty Level		41,761 50,900 12%	Median Housing Value 2000 Census Unemployment Rate (October 2008)	64,083 5.36%		

(*) The NA category consists of Census Tracts that have not been assigned an income classification.
Source: 2000 US Census and 2007 HUD updated MFI

CBNA's Southern Region AA consists of Allegany, Cattaraugus, Chautauqua, Cayuga, Schuyler, Seneca, Steuben and Yates counties in the non-MSA area of southern and southwestern New York State. The composition of the AA's census tracts by income level is 2% low-income, 8% moderate-income, 78% middle-income, 10% upper-income, and 1% with no income designation.

CBNA's ranks first out of 27 banks for deposit market share in the AA with 23.43% of deposits as of June 30, 2007. CBNA ranks first in the AA for number of branch offices, with 49 branch offices serving the AA as of October 2008.

The Southern Region AA is largely rural and is comprised of counties in southern and southwestern New York. Distressed middle-income non-metropolitan census tracts are located in Allegany, Cattaraugus, Schuyler and Steuben counties. These counties, along with Cayuga, Chautauqua and Seneca counties also have designated New York State Empire Zones, in which businesses can receive certain incentives for creating jobs in these targeted areas. Jamestown, which is located in Chautauqua County, has been designated as a Rural Renewal Community by the US Department of Housing and Urban Development. Finally there are identified brownfields in Allegany, Cattaraugus, Cayuga, Chautauqua and Steuben counties.

The three most western counties in the AA (Allegany, Cattaraugus, and Chautauqua counties) are home to three territories of the Seneca Nation of Indians. The Seneca Nation exercises control over 60 square miles of land in the area.

The local economy has been transforming from a manufacturing-based economy to a service-based economy for a number of years. Agriculture also plays a strong role in the economy. Some of the largest employers in the area include MRC Bearings, Bush Industries, and WCA Hospital. Incomes in the AA are generally below state and national averages. Chautauqua County has the second lowest household income of any New York State County and is just behind Bronx County.

According to 2005 US Census data the estimated median home values in the AA were as follows: Allegany County - \$62,500, Cattaraugus County - \$73,800, Chautauqua County - \$75,900, Cayuga County - \$93,100, Schuyler County - \$68,400, Seneca County - \$72,400, Steuben County - \$66,200, Yates County - \$75,600. The area's housing costs are relatively affordable. Nevertheless, the area is seeing an increase in the number of foreclosures which are being driven in part by high loan to value loans as well as adjustable rate mortgages that are resetting.

According to New York State Labor Department statistics, as of October 2008, the AA had an average unemployment rate of 5.36% compared to a 5.5% rate for the state of New York as a whole. While the overall unemployment rate for the AA as a whole is similar to the statewide average, the unemployment rate in the three most western counties of the AA area have been higher than both statewide and national unemployment rates

Community contacts identified several community development and credit need and credit needs in the area including loans for housing rehabilitation and weatherization; funds to rehab and/or demolish vacant buildings, affordable rental housing for very low income families and individuals, employment opportunities that provide living wages, and public transportation.

Institution ID: COMMUNITY Bank, N.A. – Charter # 8531

Northern Non-MSA-99999

Demographic Information for Full Scope Area: Northern Non-MSA-99999						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Census Tracts (Census Tracts/BNAs)	71	1.41	12.68	80.28	4.23	1.41
Population by Census Tract	301,747	0.73	14.15	81.97	2.82	0.33
Owner-Occupied Housing by Census Tract	72,908	0.00	7.58	89.71	2.71	0.00
Business by Census Tract	18,243	0.14	13.48	83.70	2.62	0.05
Farms by Census Tract	1,024	0.00	5.47	93.36	1.17	0.00
Family Distribution by Income Level	74,587	21.39	20.06	23.40	35.15	0.00
Distribution of Low and Moderate Income Families throughout AA Census Tracts	30,913	0.11	16.67	81.61	1.61	0.00
Median Family Income HUD Adjusted Median Family Income for 2007 Households Below Poverty Level		41,761 50,900 15%	Median Housing Value 2000 census Unemployment Rate (October 2008)		62,281 6.40%	

(*) The NA category consists of Census Tracts that have not been assigned an income classification.
Source: 2000 US Census and 2007 HUD updated MFI

CBNA’s Northern Region AA consists of the entire counties of Franklin, Jefferson, Lewis, Clinton, and St. Lawrence, and the northern portion of Essex County, in the non-MSA area of northern New York State. The composition of the AA’s census tracts by income level is 1% low-income, 13% moderate-income, 80% middle-income, 4% upper-income and 1% with no income designation.

CBNA ranks second out of 18 banks for deposit market share in the AA with 16.20% of AA deposits as of June 30, 2007. Community Bank ranks first in the AA for number of branch offices, with 33 offices as of October 2008.

The Northern Region AA is a largely rural and sparsely populated area located in the most northern part of New York State. The area has distressed middle-income non-metropolitan census tracts in Jefferson and Lewis counties and several New York State Empire Zones, in which businesses can receive certain incentives from the state for creating jobs in these targeted areas. With its close proximity to Canada and significant snow mobile interest the area has a lot of tourism activity. In addition, the area has a significant agribusiness with approximately 25% of the land mass in St. Lawrence County dedicated to agriculture. Fort Drum Military Base is located in Jefferson County and has contributed to ongoing efforts to attract jobs to the area. Currently there are approximately 17,500 personnel stationed at Fort Drum. That number is expected to climb to about 19,000 by 2012. The base also employs 3,700 civilians and is one of the largest employers in the region.

The ongoing growth of Fort Drum has contributed significantly to the need for and development of housing in the area. Base expansion has also helped to keep unemployment down. However, the base’s impact has largely been on Jefferson County. Other areas in the region are struggling, particularly St. Lawrence county which has seen a number of job losses in the past year and will experience additional job losses in the coming year with the anticipated

closing of the General Motors plant in Massena. According to New York State Labor Department statistics, as of October 2008, the AA had an average overall unemployment rate of 6.4% compared to 5.5% for the state as a whole.

According to 2005 US Census data the estimated median home values in the area were \$76,600 in Franklin County, \$96,300 in Jefferson County, \$86,100 in Lewis County, \$109,000 in Clinton County, \$131,000 in Essex County and \$72,900 in St. Lawrence County. Within a 20 mile radius of Fort Drum the housing market has remained relatively healthy and is largely driven by personnel from Fort Drum. Many of the military personnel who decide to buy a home use either VA loans or conventional financing for home purchases. Still many other military personnel choose to rent rather than purchase a home in the area which has lead to the ongoing development of affordable rental housing in the area.

We made two community contacts in the AA. The contacts verified the need for affordable home financing and small business financing. The contacts emphasized the need for flexible terms for small business loans. For community development they emphasized the need for affordable multi-family dwelling housing, living wage job creation and products and services that address rural needs. The contacts believe the level of opportunities for community development loans and investments is good.

State of Pennsylvania Full-Scope Area

Institution ID: COMMUNITY Bank, N.A. – Charter # 8531

Scranton Wilkes Barre Hazelton MSA-42540

Demographic Information for Full Scope Area: Scranton Wilkes Barre Hazelton MSA-42540						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Census Tracts (Census Tracts/BNAs)	168	0.60	12.50	74.40	12.50	0.00
Population by Census Tract	560,625	0.46	10.26	73.22	16.06	0.00
Owner-Occupied Housing by Census Tract	158,663	0.03	7.89	74.88	17.20	0.00
Business by Census Tract	32,403	3.38	10.18	69.83	16.60	0.00
Farms by Census Tract	719	0.14	3.20	72.18	24.48	0.00
Family Distribution by Income Level	148,520	19.02	18.75	22.88	39.34	0.00
Distribution of Low and Moderate Income Families throughout AA Census Tracts	56,099	0.37	14.68	75.22	9.73	0.00
Median Family Income		43,893	Median Housing Value		87,298	
HUD Adjusted Median Family Income for 2007		52,500	Unemployment Rate (October 2008)		6.20%	
Households Below Poverty Level		12%				

(*) The NA category consists of Census Tracts that have not been assigned an income classification.
 Source: 2000 US Census and 2007 HUD updated MFI

CBNA's Pennsylvania full scope AA consists of Lackawanna, Luzerne, and Wyoming counties in the Scranton/Wilkes-Barre/ Hazelton MSA. The composition of the AAs census tracts by income level is 1% low-income, 13% moderate-income, 74% middle-income and 13% upper-income. Scranton is the largest population center in the MSA.

CBNA's operates as First Liberty Bank & Trust in Pennsylvania. The bank ranks fourth in deposit market share at 8.24% as of June 30, 2007. As of October 2008 the CBNA had 22 branches in the AA, ranking only behind PNC Bank for number of branches in the AA.

For many years the area's employment was largely focused on manufacturing and industrial activities, including the mining industry. However, mining has declined significantly in the area. Currently, the major areas for employment in the AA area are education and health services; retail trade; manufacturing and government. The area's major employers include Proctor and Gamble, Tobyhanna Army Depot, Wyoming Valley Health Care System, and Mercy Hospital. The area serves as a major distribution hub for the region. However, transportation and distribution hiring is stagnant and the number of manufacturing jobs is declining. Most new jobs that are being created in the area are in low paying industries and occupations. The area's unemployment rate as of October 2008 stood at 6.2%. This was not only above the statewide unemployment rate of 5.4% but was also the highest rate among all MSAs in Pennsylvania.

On average, the population of the area is typically older and more blue collar and the region has not experienced any significant population growth. Credit conditions in the area are weakening and the number of homeowners facing foreclosure is increasing. With increasing foreclosures and stagnant population growth there is a growing inventory of homes for sale in the area. According to 2005 US Census Bureau data, median home values in the area were \$122,700 in Lackawanna County, \$103,700 in Luzerne County, and \$128,100 in Wyoming County. While the area has recently experienced some decline in home values, it has not been to the same degree as other areas of the country as the area did not experience a rapid increase in home values over the last few years.

We conducted community contacts with two organizations located in the full scope AA during this evaluation. Both organizations are involved in affordable housing. The organizations confirmed the ongoing need for affordable housing and small business financing in the AA. Housing rehabilitation and home weatherization are both important CD needs in the AA.

Appendix D: Tables of Performance Data

Content of Standardized Tables

References to the “bank” include activities of any affiliates that the bank provided for consideration (refer to Appendix A: Scope of the Examination). For purposes of reviewing the lending test tables, the following are applicable: (1) purchased loans are treated as originations/purchases and market share is the number of loans originated and purchased by the bank as a percentage of the aggregate number of reportable loans originated and purchased by all lenders in the MA/assessment area; (2) Partially geocoded loans (loans where no census tract is provided) cannot be broken down by income geographies and, therefore, are only reflected in the Total Loans in Core Tables 2 through 7 and part of Table 13; and (3) Partially geocoded loans are included in the Total Loans and % Bank Loans Column in Core Tables 8 through 12 and part of Table 13. Tables without data are not included in this PE. [Note: Do not renumber the tables.]

The following is a listing and brief description of the tables:

- Table 1. Lending Volume** - Presents the number and dollar amount of reportable loans originated and purchased by the bank over the evaluation period by MA/assessment area. Community development loans to statewide or regional entities or made outside the bank’s assessment area may receive positive CRA consideration. See Interagency Q&As __.12 (i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such loans. Refer to the CRA section of the Compliance Policy intranet page for guidance on table placement.
- Table 1. Other Products** - Presents the number and dollar amount of any unreported category of loans originated and purchased by the bank over the evaluation period by MA/assessment area. Examples include consumer loans or other data that a bank may provide, at its option, concerning its lending performance. This is a two-page table that lists specific categories.
- Table 2. Geographic Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of owner-occupied housing units throughout those geographies. The table also presents market share information based on the most recent aggregate market data available.
- Table 3. Geographic Distribution of Home Improvement Loans** - See Table 2.
- Table 4. Geographic Distribution of Home Mortgage Refinance Loans** - See Table 2.
- Table 5. Geographic Distribution of Multifamily Loans** - Compares the percentage distribution of the number of multifamily loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of multifamily housing units throughout those geographies. The table

also presents market share information based on the most recent aggregate market data available.

- Table 6. Geographic Distribution of Small Loans to Businesses** - The percentage distribution of the number of small loans (less than or equal to \$1 million) to businesses originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of businesses (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small business data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 7. Geographic Distribution of Small Loans to Farms** - The percentage distribution of the number of small loans (less than or equal to \$500,000) to farms originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies compared to the percentage distribution of farms (regardless of revenue size) throughout those geographies. The table also presents market share information based on the most recent aggregate market data available. Because small farm data are not available for geographic areas smaller than counties, it may be necessary to use geographic areas larger than the bank's assessment area.
- Table 8. Borrower Distribution of Home Purchase Loans** - Compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage distribution of families by income level in each MA/assessment area. The table also presents market share information based on the most recent aggregate market data available.
- Table 9. Borrower Distribution of Home Improvement Loans** - See Table 8.
- Table 10. Borrower Distribution of Refinance Loans** - See Table 8.
- Table 11. Borrower Distribution of Small Loans to Businesses** - Compares the percentage distribution of the number of small loans (less than or equal to \$1 million) originated and purchased by the bank to businesses with revenues of \$1 million or less to the percentage distribution of businesses with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the business. Market share information is presented based on the most recent aggregate market data available.
- Table 12. Borrower Distribution of Small Loans to Farms** - Compares the percentage distribution of the number of small loans (less than or equal to \$500,000) originated and purchased by the bank to farms with revenues of \$1 million or less to the percentage distribution of farms with revenues of \$1 million or less. In addition, the table presents the percentage distribution of the number of loans originated and purchased by the bank by loan size, regardless of the revenue size of the farm.

Market share information is presented based on the most recent aggregate market data available.

Table 13. Geographic and Borrower Distribution of Consumer Loans (OPTIONAL) - For geographic distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank in low-, moderate-, middle-, and upper-income geographies to the percentage distribution of households within each geography. For borrower distribution, the table compares the percentage distribution of the number of loans originated and purchased by the bank to low-, moderate-, middle-, and upper-income borrowers to the percentage of households by income level in each MA/assessment area.

Table 14. Qualified Investments - Presents the number and dollar amount of qualified investments made by the bank in each MA/AA. The table separately presents investments made during prior evaluation periods that are still outstanding and investments made during the current evaluation period. Prior-period investments are reflected at their book value as of the end of the evaluation period. Current period investments are reflected at their original investment amount even if that amount is greater than the current book value of the investment. The table also presents the number and dollar amount of unfunded qualified investment commitments. In order to be included, an unfunded commitment must be legally binding and tracked and recorded by the bank's financial reporting system.

A bank may receive positive consideration for qualified investments in statewide/regional entities or made outside of the bank's assessment area. See Interagency Q&As __.12 (i) - 5 and - 6 for guidance on when a bank may receive positive CRA consideration for such investments. Refer to the CRA section of the Compliance Policy intranet page for guidance on table placement.

Table 15. Distribution of Branch Delivery System and Branch Openings/Closings - Compares the percentage distribution of the number of the bank's branches in low-, moderate-, middle-, and upper-income geographies to the percentage of the population within each geography in each MA/AA. The table also presents data on branch openings and closings in each MA/AA.

Institution ID: COMMUNITY Bank, N.A. – Charter # 8531

1. Lending Volume

LENDING VOLUME		Geography: NEW YORK STATE AAS						Evaluation Period: JANUARY 1, 2005 TO DECEMBER 31, 2007				
MA/Assessment Area (2007):	% of Rated Area Loans (#) in MA/AA*	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
Full Review:												
Northern Non-MSA	38.48	5,498	218,221	1,440	78,086	632	30,258	6	505	7576	327,070	29.22
Southern Non-MSA	41.84	6,260	232,459	1,467	113,709	502	31,527	9	2,577	8,238	380,272	45.95
Limited Review:												
Binghamton MSA	1.40	183	6,313	33	1,533	59	1,994	0	0	275	9,840	1.32
Buffalo Niagara MSA	1.04	156	6,348	46	2,815	2	125	0	0	204	9,288	1.24
Elmira MSA	2.15	357	26,054	67	8,526	0	0	0	0	424	34,580	4.53
Ithaca MSA	2.02	379	52,757	16	2,142	1	83	1	16	397	54,998	0.61
Rochester MSA	8.18	1,201	56,258	352	24,556	57	2,530	0	0	1,610	83,344	11.16
Syracuse MSA	2.80	403	19,608	124	7,234	24	2,056	1	105	552	29,093	2.27
Utica Rome AA	2.10	279	13,841	124	6,715	11	475	0	0	414	21,031	3.71

* Loan Data as of December 31, 2007. Rated area refers to either state or multi-state MA rating area.

** The evaluation period for Community Development Loans is from October 18, 2005 to December 07, 2008.

*** Deposit Data as of June 30, 2007. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Table2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE			Geography: NEW YORK STATE AAS				Evaluation Period: JANUARY 1, 2005 TO DECEMBER 31, 2007					Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
Full Review:																
Northern Non-MSA-99999	1,171	32.99	0.00	0.00	7.58	9.91	89.71	87.96	2.71	2.13	13.48	0.00	8.17	14.64	6.96	
Southern Non-MSA-99999	1,398	39.38	0.21	0.14	5.26	4.15	84.97	85.98	9.56	9.73	8.47	14.29	7.26	8.80	6.58	
Limited Review:																
Binghamton MSA-13780	26	0.73	0.00	0.00	0.00	0.00	65.77	92.31	34.23	7.69	2.61	0.00	0.00	3.46	1.17	
Buffalo Niagara MSA-15380	19	0.54	0.00	0.00	11.43	10.53	88.57	89.47	0.00	0.00	2.11	0.00	7.69	1.85	0.00	
Elmira MSA-21300	209	5.89	0.49	0.00	10.87	8.61	59.09	58.85	29.55	32.54	7.52	0.00	5.45	7.32	8.71	
Ithaca MSA-27060	279	7.86	0.00	0.00	6.86	10.04	80.92	71.33	12.23	18.64	10.86	0.00	13.64	9.86	14.38	
Rochester MSA-40380	269	7.58	0.57	1.49	10.65	14.13	74.67	76.58	14.12	7.81	2.60	5.56	4.64	3.15	0.46	
Syracuse MSA-45060	127	3.58	0.00	0.00	23.32	29.92	57.98	55.91	18.69	14.17	2.31	0.00	3.21	2.36	0.96	
Utica Rome AA-46540	52	1.46	0.00	0.00	0.00	0.00	90.06	100.00	9.94	0.00	2.87	0.00	0.00	3.19	0.00	

* Based on 2007 Peer Mortgage Data (Eastern)

** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT		Geography: NEW YORK STATE AAS						Evaluation Period: JANUARY 1, 2005 TO DECEMBER 31, 2007							
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****	Over all	Low	Mod	Mid	Upp
Full Review:															
Northern Non-MSA-99999	3,437	40.79	0.00	0.03	7.58	6.81	89.71	92.55	2.71	0.61	60.80	0.00	54.25	61.95	17.86
Southern Non-MSA-99999	3,657	43.40	0.21	0.11	5.26	5.80	84.97	88.82	9.56	5.28	40.25	20.00	57.23	41.07	22.18
Limited Review:															
Binghamton MSA-13780	121	1.44	0.00	0.00	0.00	0.00	65.77	87.60	34.23	12.40	17.79	0.00	0.00	22.28	6.33
Buffalo Niagara MSA-15380	98	1.16	0.00	0.00	11.43	22.45	88.57	77.55	0.00	0.00	39.42	0.00	83.33	33.70	0.00
Elmira MSA-21300	88	1.04	0.49	0.00	10.87	9.09	59.09	54.55	29.55	36.36	7.55	0.00	10.20	5.74	10.98
Ithaca MSA-27060	37	0.44	0.00	0.00	6.86	13.51	80.92	83.78	12.23	2.70	3.86	0.00	6.90	3.68	3.03
Rochester MSA-40380	612	7.26	0.57	1.80	10.65	15.85	74.67	79.58	14.12	2.78	14.89	33.33	16.41	16.41	3.40
Syracuse MSA-45060	204	2.42	0.00	0.00	23.32	37.75	57.98	48.04	18.69	14.22	11.39	0.00	16.56	9.38	11.11
Utica Rome AA-46540	172	2.04	0.00	0.00	0.00	0.00	90.06	100.00	9.94	0.00	18.71	0.00	0.00	20.32	0.00

* Based on 2007 Peer Mortgage Data (Eastern)

** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE		Geography: NEW YORK STATE AAS		Evaluation Period: JANUARY 1, 2005 TO DECEMBER 31, 2007											
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% Owner Occ... Units***	% BANK**** Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	Over all	Low	Mod	Mid	Upp
Full Review:															
Northern Non-MSA-99999	872	32.59	0.00	0.00	7.58	8.37	89.71	89.91	2.71	1.72	10.68	0.00	9.28	10.76	14.00
Southern Non-MSA-99999	1,186	44.32	0.21	0.08	5.26	4.38	84.97	89.04	9.56	6.49	7.33	0.00	8.88	7.80	3.40
Limited Review:															
Binghamton MSA-13780	35	1.31	0.00	0.00	0.00	0.00	65.77	94.29	34.23	5.71	3.88	0.00	0.00	5.42	0.74
Buffalo Niagara MSA-15380	39	1.46	0.00	0.00	11.43	5.13	88.57	94.87	0.00	0.00	2.70	0.00	16.67	2.31	0.00
Elmira MSA-21300	59	2.20	0.49	0.00	10.87	8.47	59.09	57.63	29.55	33.90	2.59	0.00	1.19	2.89	2.56
Ithaca MSA-27060	48	1.79	0.00	0.00	6.86	4.17	80.92	83.33	12.23	12.50	2.11	0.00	0.00	1.83	5.41
Rochester MSA-40380	311	11.62	0.57	0.96	10.65	11.90	74.67	83.28	14.12	3.86	2.63	0.00	5.75	2.93	0.17
Syracuse MSA-45060	72	2.69	0.00	0.00	23.32	36.11	57.98	48.61	18.69	15.28	2.00	0.00	3.23	1.56	1.96
Utica Rome AA-46540	54	2.02	0.00	0.00	0.00	0.00	90.06	100.00	9.94	0.00	3.75	0.00	0.00	4.19	0.00

* Based on 2007 Peer Mortgage Data (Eastern)

** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY		Geography: NEW YORK STATE AAS						Evaluation Period: JANUARY 1, 2005 TO DECEMBER 31, 2007							
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography [*]				
	#	% of Total ^{**}	% of MF Units ^{***}	% BANK Loans ^{****}	% MF Units ^{***}	% BANK Loans	% MF Units ^{***}	% BANK Loans	% MF Units ^{***}	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
Northern Non-MSA-99999	18	28.13	0.60	0.00	26.05	33.33	68.86	66.67	4.49	0.00	41.18	0.00	60.00	36.36	0.00
Southern Non-MSA-99999	19	29.69	5.77	0.00	12.16	10.53	68.40	63.16	13.68	26.32	25.93	0.00	0.00	18.75	50.00
Limited Review:															
Binghamton MSA-13780	1	1.56	0.00	0.00	0.00	0.00	76.45	100.00	23.55	0.00	0.00	0.00	0.00	0.00	0.00
Buffalo Niagara MSA-15380	0	0.00	0.00	0.00	25.32	0.00	74.68	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Elmira MSA-21300	1	1.56	24.92	0.00	31.36	0.00	36.07	100.00	7.66	0.00	0.00	0.00	0.00	0.00	0.00
Ithaca MSA-27060	15	23.44	0.00	0.00	39.92	46.67	42.34	53.33	17.74	0.00	25.00	0.00	50.00	25.00	0.00
Rochester MSA-40380	9	14.06	4.59	22.22	16.52	0.00	66.65	77.78	12.24	0.00	40.00	100.00	0.00	41.67	0.00
Syracuse MSA-45060	0	0.00	0.00	0.00	36.88	0.00	56.46	0.00	6.67	0.00	0.00	0.00	0.00	0.00	0.00
Utica Rome AA-46540	1	1.56	0.00	0.00	0.00	0.00	98.46	100.00	1.54	0.00	50.00	0.00	0.00	50.00	0.00

^{*} Based on 2007 Peer Mortgage Data (Eastern)

^{**} Multi-family loans originated and purchased in the MA/AA as a percentage of all multi-family loans originated and purchased in the rated area.

^{***} Percentage of Multi Family Units is the number of multi family units in a particular geography divided by the number of multifamily housing units in the area based on 2000 Census information.

^{****} Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES		Geography: NEW YORK STATE AAS						Evaluation Period: JANUARY 1, 2005 TO DECEMBER 31, 2007							
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% of Business***	% BANK Loans	% of Business***	% BANK Loans	% of Business***	% BANK Loans	% of Business***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
Northern Non-MSA-99999	1,440	39.25	0.14	0.00	13.48	11.94	83.70	87.01	2.62	1.04	6.27	0.00	6.06	6.84	4.39
Southern Non-MSA-99999	1,467	39.98	2.37	2.32	7.86	7.77	80.41	81.60	9.32	8.32	3.32	4.56	3.82	3.58	2.16
Limited Review:															
Binghamton MSA-13780	33	0.90	0.00	0.00	0.00	0.00	77.80	90.91	22.20	9.09	1.48	0.00	0.00	1.87	0.00
Buffalo Niagara MSA-15380	46	1.25	0.00	0.00	14.70	10.87	85.30	89.13	0.00	0.00	0.10	0.00	0.09	0.17	0.07
Elmira MSA-21300	67	1.83	13.42	16.42	17.67	11.94	43.01	41.79	25.86	29.85	1.63	5.41	0.64	1.80	1.03
Ithaca MSA-27060	16	0.44	0.00	0.00	26.84	37.50	60.59	56.25	12.57	6.25	0.27	0.00	0.64	0.19	0.00
Rochester MSA-40380	352	9.59	1.94	9.94	13.52	13.92	67.53	70.17	16.87	5.97	1.65	11.28	2.02	1.84	0.47
Syracuse MSA-45060	124	3.38	0.00	0.00	25.55	22.58	55.20	56.45	19.25	20.97	0.29	0.14	0.34	0.35	0.26
Utica Rome AA-46540	124	3.38	0.00	0.00	0.00	0.00	94.46	100.00	5.54	0.00	0.43	0.14	0.00	0.71	0.10

* Based on 2007 Peer Small Business Data -- US and PR

** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

*** Source Data - Dun and Bradstreet (2007).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS Geography: NEW YORK STATE AAS Evaluation Period: JANUARY 1, 2005 TO DECEMBER 31, 2007																
MA/Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography [*]					
	#	% of Total ^{**}	% of Farms ^{**}	% BANK Loans	% of Farms [*]	% BANK Loans	% of Farms ^{**}	% BANK Loans	% of Farms ^{**}	% BANK Loans	% of Farms ^{**}	% BANK Loans	Overall	Low	Mod	Mid
Full Review:																
Northern Non-MSA-99999	632	49.07	0.00	0.00	5.47	1.27	93.36	98.42	1.17	0.32	52.49	0.00	50.00	53.76	100.00	
Southern Non-MSA-99999	502	38.98	0.28	0.00	2.12	2.39	90.35	77.69	7.25	19.92	25.53	0.00	75.00	24.34	36.23	
Limited Review:																
Binghamton MSA-13780	59	4.58	0.00	0.00	0.00	0.00	81.44	94.92	18.56	5.08	40.58	0.00	0.00	42.19	20.00	
Buffalo Niagara MSA-15380	2	0.16	0.00	0.00	2.31	0.00	97.69	100.00	0.00	0.00	2.21	0.00	11.11	3.39	0.00	
Elmira MSA-21300	0	0.00	2.40	0.00	11.20	0.00	60.00	0.00	26.40	0.00	0.00	0.00	0.00	0.00	0.00	
Ithaca MSA-27060	1	0.08	0.00	0.00	7.41	0.00	82.30	100.00	10.29	0.00	3.45	0.00	0.00	3.70	0.00	
Rochester MSA-40380	57	4.43	0.00	0.00	5.42	1.75	79.95	98.25	14.63	0.00	7.92	0.00	0.00	9.01	0.00	
Syracuse MSA-45060	24	1.86	0.00	0.00	14.80	16.67	56.58	62.50	28.62	20.83	13.11	0.00	7.69	20.90	2.78	
Utica Rome AA-46540	11	0.85	0.00	0.00	0.00	0.00	96.97	100.00	3.03	0.00	1.16	0.00	0.00	1.34	0.00	

^{*} Based on 2007 Peer Small Business Data -- US and PR

^{**} Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

^{***} Source Data - Dun and Bradstreet (2007).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE		Geography: NEW YORK STATE AAS						Evaluation Period: JANUARY 1, 2005 TO DECEMBER 31, 2007							
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*				
	#	% of Total**	% Families***	% BANK Loans****	% Families ¹	% BANK Loans**	% Families***	% BANK Loans**	% Families**	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
Northern Non-MSA-99999	1,171	32.99	21.39	7.36	20.06	19.70	23.40	29.77	35.15	43.17	14.53	18.92	16.51	12.68	14.67
Southern Non-MSA-99999	1,398	39.38	18.74	8.79	19.04	25.35	23.54	30.40	38.68	35.46	9.03	11.04	9.84	9.63	7.81
Limited Review:															
Binghamton MSA-13780	26	0.73	15.41	16.00	18.19	28.00	24.82	16.00	41.58	40.00	2.80	7.41	4.41	1.83	2.23
Buffalo Niagara MSA-15380	19	0.54	19.15	5.56	21.07	27.78	25.75	22.22	34.02	44.44	2.33	0.00	1.41	1.22	4.82
Elmira MSA-21300	209	5.89	18.68	11.17	18.27	27.18	22.96	29.61	40.09	32.04	8.20	9.38	8.65	10.22	6.62
Ithaca MSA-27060	279	7.86	19.02	9.71	17.72	28.78	23.35	23.74	39.91	37.77	11.34	9.72	13.27	11.93	10.36
Rochester MSA-40380	269	7.58	19.14	14.62	20.16	30.77	25.71	25.77	34.99	28.85	2.70	2.50	3.52	3.13	1.90
Syracuse MSA-45060	127	3.58	22.37	17.21	20.28	23.77	22.50	24.59	34.85	34.43	2.48	2.86	2.49	2.75	2.21
Utica Rome AA-46540	52	1.46	17.78	5.77	19.16	17.31	24.60	32.69	38.46	44.23	3.09	0.00	6.17	3.51	1.99

* Based on 2007 Peer Mortgage Data (Eastern)

** As a percentage of loans with borrower income information available. No information was available for 2.3% of loans originated and purchased by bank.

*** Percentage of Families is based on the 2000 Census information.

**** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

¹ Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT		Geography: NEW YORK STATE AAS						Evaluation Period: JANUARY 1, 2005 TO DECEMBER 31, 2007					Market Share*				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp		
	#	% of Total**	% Families***	% BANK Loans****	% Families ²	% BANK Loans****	% Families**	% BANK Loans****	% Families**	% BANK Loans****							
Full Review:																	
Northern Non-MSA-99999	3,437	40.79	21.39	15.08	20.06	22.65	23.40	29.56	35.15	32.71	60.69	68.52	66.98	59.67	55.08		
Southern Non-MSA-99999	3,657	43.40	18.74	15.77	19.04	27.43	23.54	29.21	38.68	27.59	40.17	51.00	47.43	40.86	31.10		
Limited Review:																	
Binghamton MSA-13780	121	1.44	15.41	24.79	18.19	23.14	24.82	15.70	41.58	36.36	17.99	35.48	17.86	15.49	15.00		
Buffalo Niagara MSA-15380	98	1.16	19.15	18.37	21.07	28.57	25.75	27.55	34.02	25.51	39.42	28.57	58.62	40.00	26.32		
Elmira MSA-21300	88	1.04	18.68	5.88	18.27	18.82	22.96	36.47	40.09	38.82	7.26	3.08	5.08	10.86	6.76		
Ithaca MSA-27060	37	0.44	19.02	2.70	17.72	21.62	23.35	21.62	39.91	54.05	3.86	0.00	2.27	3.81	5.85		
Rochester MSA-40380	612	7.26	19.14	18.60	20.16	24.58	25.71	30.73	34.99	26.08	14.81	17.56	13.18	15.16	14.75		
Syracuse MSA-45060	204	2.42	22.37	19.00	20.28	19.50	22.50	28.00	34.85	33.50	11.34	16.07	8.40	12.63	10.85		
Utica Rome AA-46540	172	2.04	17.78	14.62	19.16	23.98	24.60	27.49	38.46	33.92	18.77	27.78	17.20	17.86	17.97		

* Based on 2007 Peer Mortgage Data (Eastern)

** As a percentage of loans with borrower income information available. No information was available for 2.0% of loans originated and purchased by bank.

*** Percentage of Families is based on the 2000 Census information.

**** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

² Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE		Geography: NEW YORK STATE AAS						Evaluation Period: JANUARY 1, 2005 TO DECEMBER 31, 2007							
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share*				
	#	% of Total**	% Families***	% BANK Loans****	% Families ³	% BANK Loans****	% Families* **	% BANK Loans****	% Families* **	% BANK Loans**	Overall	Low	Mod	Mid	Upp
Full Review:															
Northern Non-MSA-99999	872	32.59	21.39	7.80	20.06	17.97	23.40	29.31	35.15	44.92	11.20	11.32	9.43	12.80	10.96
Southern Non-MSA-99999	1,186	44.32	18.74	9.29	19.04	20.53	23.54	29.12	38.68	41.06	7.65	9.91	7.46	7.80	7.23
Limited Review:															
Binghamton MSA-13780	35	1.31	15.41	12.90	18.19	29.03	24.82	16.13	41.58	41.94	3.42	7.41	2.41	1.77	4.46
Buffalo Niagara MSA-15380	39	1.46	19.15	5.26	21.07	26.32	25.75	28.95	34.02	39.47	2.97	0.00	2.13	2.70	4.17
Elmira MSA-21300	59	2.20	18.68	5.17	18.27	22.41	22.96	27.59	40.09	44.83	2.71	0.00	3.90	1.33	3.61
Ithaca MSA-27060	48	1.79	19.02	8.33	17.72	27.08	23.35	31.25	39.91	33.33	2.21	1.67	1.49	3.56	1.74
Rochester MSA-40380	311	11.62	19.14	15.18	20.16	26.40	25.71	28.38	34.99	30.03	2.77	3.23	3.57	2.81	2.10
Syracuse MSA-45060	72	2.69	22.37	21.74	20.28	24.64	22.50	23.19	34.85	30.43	2.16	4.05	1.82	2.45	1.79
Utica Rome AA-46540	54	2.02	17.78	9.26	19.16	18.52	24.60	33.33	38.46	38.89	3.97	7.69	4.30	4.72	3.02

* Based on 2007 Peer Mortgage Data (Eastern)

** As a percentage of loans with borrower income information available. No information was available for 3.7% of loans originated and purchased by bank.

*** Percentage of Families is based on the 2000 Census information.

**** Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

³ Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES Geography: NEW YORK STATE AAS Evaluation Period: JANUARY 1, 2005 TO DECEMBER 31, 2007									
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
Full Review:									
Northern Non-MSA-99999	1,440	39.25	52.26	76.04	88.68	7.99	3.33	6.27	11.70
Southern Non-MSA-99999	1,467	39.98	56.65	72.94	83.37	10.16	6.48	3.32	5.45
Limited Review:									
Binghamton MSA-13780	33	0.90	61.69	63.64	84.85	12.12	3.03	1.48	2.58
Buffalo Niagara MSA-15380	46	1.25	55.24	71.74	84.78	13.04	2.17	0.10	0.19
Elmira MSA-21300	67	1.83	59.92	79.10	64.18	22.39	13.43	1.63	3.52
Ithaca MSA-27060	16	0.44	60.20	87.50	50.00	31.25	18.75	0.27	0.59
Rochester MSA-40380	352	9.59	59.60	75.28	81.82	13.64	4.55	1.65	2.83
Syracuse MSA-45060	124	3.38	61.74	85.48	86.29	9.68	4.03	0.29	0.50
Utica Rome AA-46540	124	3.38	52.72	81.45	89.52	7.26	3.23	0.43	0.82

* Based on 2007 Peer Small Business Data -- US and PR

** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

*** Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2007).

**** Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 1.72% of small loans to businesses originated and purchased by the bank.

Table12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS									
				Geography: NEW YORK STATE AAS		Evaluation Period: JANUARY 1, 2005 TO DECEMBER 31, 2007			
MA/Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share*	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
Full Review:									
Northern Non-MSA-99999	632	49.07	96.97	95.73	88.13	10.13	1.74	52.49	56.83
Southern Non-MSA-99999	502	38.98	97.03	95.42	84.26	10.96	4.78	25.53	27.98
Limited Review:									
Binghamton MSA-13780	59	4.58	97.94	100.00	93.22	5.08	1.69	40.58	43.75
Buffalo Niagara MSA-15380	2	0.16	97.69	100.00	100.00	0.00	0.00	2.21	2.88
Elmira MSA-21300	0	0.00	96.80	0.00	0.00	0.00	0.00	0.00	0.00
Ithaca MSA-27060	1	0.08	95.47	100.00	100.00	0.00	0.00	3.45	4.00
Rochester MSA-40380	57	4.43	95.96	89.47	92.98	7.02	0.00	7.92	9.76
Syracuse MSA-45060	24	1.86	94.74	95.83	70.83	29.17	0.00	13.11	16.30
Utica Rome AA-46540	11	0.85	98.48	100.00	100.00	0.00	0.00	1.16	1.32

* Based on 2007 Peer Small Business Data -- US and PR

** Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

*** Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2007).

**** Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 0.08% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS		Geography: NEW YORK STATE AAS				Evaluation Period: October 18, 2005 TO DECEMBER 11, 2008			
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Review:									
Northern Non-MSA-99999	0	0	27	7,795,160	27	7,795,160	22.87	0	0
Southern Non-MSA-99999	2	5,459,126	23	2,969,293	25	8,428,419	24.73	0	0
Limited Review:									
Binghamton MSA-13780	0	0	2	3,118,425	2	3,118,425	9.15	0	0
Buffalo Niagara MSA-15380	0	0	0	0	0	0	0.00	0	0
Elmira MSA-21300	0	0	6	506,622	6	506,622	1.49	0	0
Ithaca MSA-27060	0	0	5	585,605	5	585,605	1.72	0	0
Rochester MSA-40380	0	0	6	5,898,101	6	5,898,101	17.30	0	0
Syracuse MSA-45060	0	0	14	7,749,766	14	7,749,766	22.74	0	0
Utica Rome AA-46540	0	0	0	0	0	0	0.00	0	0
Statewide	0	0	1	1,392	1	1,392	.00		

* 'Prior Period Investments' means investments made in a previous period that are outstanding as of the examination date.

** 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

Table 15. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS								Geography: NEW YORK STATE AAs				Evaluation Period: October 18, 2005 TO October 31, 2008 2007					
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings				Population					
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
Northern Non-MSA-99999	29.22	33	30.84	0.00	9.09	90.91	0.00	0	0	0	0	0	0	0.73	14.15	81.97	2.82
Southern Non-MSA-99999	45.95	49	45.79	2.04	8.16	81.63	8.16	0	2	0	0	-2	0	0.70	6.78	82.23	9.96
Limited Review:																	
Binghamton MSA-13780	1.32	2	1.87	0.00	0.00	100.0	0.00	0	0	0	0	0	0	0.00	0.00	68.99	31.01
Buffalo Niagara MSA-15380	1.24	2	1.87	0.00	0.00	100.0	0.00	1	0	0	0	+1	0	0.00	11.27	88.73	0.00
Elmira MSA-21300	4.53	2	1.87	50.00	0.00	0.00	50.00	0	0	0	0	0	0	3.26	17.11	53.53	23.89
Ithaca MSA-27060	0.61	1	.93	0.00	100.0	0.00	0.00	0	0	0	0	0	0	0.00	14.62	66.37	19.01
Rochester MSA-40380	11.16	11	10.28	9.09	27.27	54.55	9.09	0	0	0	0	0	0	1.04	11.97	72.68	13.21
Syracuse MSA-45060	2.27	4	3.74	0.00	25.00	50.00	25.00	1	0	0	0	+1	0	0.00	25.43	56.57	18.00
Utica Rome AA-46540	3.71	3	2.80	0.00	0.00	100.0	0.00	0	0	0	0	0	0	0.00	0.00	91.19	8.81

Table 1. Lending Volume

LENDING VOLUME		Geography: PENNSYLVANIA AA						Evaluation Period: JANUARY 1, 2005 TO DECEMBER 31, 2007				
MA/Assessment Area (2007):	% of Rated Area Loans (#) in MA/AA	Home Mortgage		Small Loans to Businesses		Small Loans to Farms		Community Development Loans**		Total Reported Loans		% of Rated Area Deposits in MA/AA***
		#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	#	\$ (000's)	
Full Review:												
Scranton Wilkes Barre Hazelton MSA-42540	84.57	1,652	94,459	1,020	102,912	15	382	20	4,274	2,707	202,027	94.80
Limited Review:												
PA Non-MSA-99999	15.43	366	17,629	102	4,566	26	875	0	0	494	23,070	5.20

* Loan Data as of December 31, 2007. Rated area refers to either state or multi-state MA rating area.

** The evaluation period for Community Development Loans is from October 19, 2005 to December 07, 2008.

*** Deposit Data as of June 30, 2007. Rated Area refers to either the state, multi-state MA, or institution, as appropriate.

Table2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE		Geography: PENNSYLVANIA AA					Evaluation Period: JANUARY 1, 2005 TO DECEMBER 31, 2007					Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans	% Owner Occ Units***	% BANK Loans						
Full Review:																
Scranton Wilkes Barre Hazelton MSA-42540	366	83.18	0.03	0.00	7.89	3.28	74.88	75.41	17.20	21.31	1.40	0.00	0.64	1.53	1.31	
Limited Review:																
PA Non-MSA-99999	74	16.82	0.00	0.00	0.00	0.00	100.00	100.00	0.00	0.00	7.77	0.00	0.00	7.77	0.00	

* Based on 2007 Peer Mortgage Data (Eastern)

** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 3. Geographic Distribution of Home Improvement Loans

Geographic Distribution: HOME IMPROVEMENT		Geography: PENNSYLVANIA AA					Evaluation Period: JANUARY 1, 2005 TO DECEMBER 31, 2007					Market Share (%) by Geography				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Over all	Low	Mod	Mid	Upp	
	#	% of Total**	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****	% Owner Occ Units***	% BANK Loans****						
Full Review:																
Scranton Wilkes Barre Hazelton MSA-42540	814	79.49	0.03	0.00	7.89	3.81	74.88	80.22	17.20	15.97	9.34	0.00	4.80	9.86	8.97	
Limited Review:																
PA Non-MSA-99999	210	20.51	0.00	0.00	0.00	0.00	100.00	100.00	0.00	0.00	24.92	0.00	0.00	24.92	0.00	

* Based on 2007 Peer Mortgage Data (Eastern)

** Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

*** Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

**** Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE		Geography: PENNSYLVANIA AA				Evaluation Period: JANUARY 1, 2005 TO DECEMBER 31, 2007					Market Share (%) by Geography [*]				
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp
	#	% of Total ^{**}	% Owner Occ ^{***} Units	% BANK Loans ^{****}	% Owner Occ Units ^{***}	% BANK Loans	% Owner Occ Units ^{***}	% BANK Loans	% Owner Occ Units ^{***}	% BANK Loans					
Full Review:															
Scranton Wilkes Barre Hazelton MSA-42540	468	85.56	0.03	0.00	7.89	4.27	74.88	76.07	17.20	19.66	1.19	0.00	0.40	1.25	1.30
Limited Review:															
PA Non-MSA-99999	79	14.44	0.00	0.00	0.00	0.00	100.00	100.00	0.00	0.00	3.80	0.00	0.00	3.80	0.00

^{*} Based on 2007 Peer Mortgage Data (Eastern)

^{**} Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

^{***} Percentage of Owner Occupied Units is the number of owner occupied units in a particular geography divided by the number of owner occupied housing units in the area based on 2000 Census information.

^{****} Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY		Geography: PENNSYLVANIA AA					Evaluation Period: JANUARY 1, 2005 TO DECEMBER 31, 2007					Market Share (%) by Geography [*]				
MA/Assessment Area:	Total Multifamily Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Overall	Low	Mod	Mid	Upp	
	#	% of Total ^{**}	% of MF Units ^{***}	% BANK Loans ^{****}	% MF Units ^{***}	% BANK Loans	% MF Units ^{***}	% BANK Loans	% MF Units ^{***}	% BANK Loans						
Full Review:																
Scranton Wilkes Barre Hazelton MSA-42540	4	57.14	6.46	0.00	23.06	0.00	60.87	75.00	9.60	25.00	0.00	0.00	0.00	0.00	0.00	
Limited Review:																
PA Non-MSA-99999	3	42.86	0.00	0.00	0.00	0.00	100.00	100.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	

^{*} Based on 2007 Peer Mortgage Data (Eastern)

^{**} Multi-family loans originated and purchased in the MA/AA as a percentage of all multi-family loans originated and purchased in the rated area.

^{***} Percentage of Multi Family Units is the number of multi family units in a particular geography divided by the number of multifamily housing units in the area based on 2000 Census information.

^{****} Multifamily loan distribution includes Home Purchases, Home Improvement and Refinances.

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES		Geography: PENNSYLVANIA AA						Evaluation Period: JANUARY 1, 2005 TO DECEMBER 31, 2007							
MA/Assessment Area:	Total Small Business Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography				
	#	% of Total**	% of Business***	% BANK Loans	% of Business***	% BANK Loans	% of Business***	% BANK Loans	% of Business***	% BANK Loans	Overall	Low	Mod	Mid	Upp
Full Review:															
Scranton Wilkes Barre Hazelton MSA-42540	1,020	90.91	3.38	0.69	10.18	4.41	69.83	77.75	16.60	17.16	1.54	0.66	0.68	1.99	0.81
Limited Review:															
PA Non-MSA-99999	102	9.09	0.00	0.00	0.00	0.00	100.00	100.00	0.00	0.00	1.75	0.00	0.00	2.18	0.00

* Based on 2007 Peer Small Business Data -- US and PR

** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

*** Source Data - Dun and Bradstreet (2007).

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS															Geography: PENNSYLVANIA AA				Evaluation Period: JANUARY 1, 2005 TO DECEMBER 31, 2007			
MA/Assessment Area:	Total Small Farm Loans		Low-Income Geographies		Moderate-Income Geographies		Middle-Income Geographies		Upper-Income Geographies		Market Share (%) by Geography*											
	#	% of Total**	% of Farms*	% BANK Loans	% of Farms*	% BANK Loans	% of Farms**	% BANK Loans	% of Farms**	% BANK Loans	Overall	Low	Mod	Mid	Upp							
Full Review:																						
Scranton Wilkes Barre Hazelton MSA-42540	15	36.59	0.14	0.00	3.20	0.00	72.18	93.33	24.48	6.67	3.90	0.00	0.00	4.26	4.35							
Limited Review:																						
PA Non-MSA-99999	26	63.41	0.00	0.00	0.00	0.00	100.00	100.00	0.00	0.00	6.82	0.00	0.00	7.32	0.00							

* Based on 2007 Peer Small Business Data -- US and PR

** Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

*** Source Data - Dun and Bradstreet (2007).

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE		Geography: PENNSYLVANIA AA						Evaluation Period: JANUARY 1, 2005 TO DECEMBER 31, 2007							
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total**	% Families***	% BANK Loans****	% Families ⁴	% BANK Loans**	% Families***	% BANK Loans****	% Families**	% BANK Loans****	Overall	Low	Mod	Mid	Upp
Full Review:															
Scranton Wilkes Barre Hazelton MSA-42540	366	83.18	19.02	8.67	18.75	21.39	22.88	24.57	39.34	45.38	1.46	1.40	1.42	1.15	1.68
Limited Review:															
PA Non-MSA-99999	74	16.82	18.54	7.04	20.21	19.72	23.23	29.58	38.02	43.66	8.45	4.35	7.95	6.33	10.46

* Based on 2007 Peer Mortgage Data (Eastern)

** As a percentage of loans with borrower income information available. No information was available for 5.2% of loans originated and purchased by bank.

*** Percentage of Families is based on the 2000 Census information.

**** Home purchase loans originated and purchased in the MA/AA as a percentage of all home purchase loans originated and purchased in the rated area.

⁴ Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT		Geography: PENNSYLVANIA AA				Evaluation Period: JANUARY 1, 2005 TO DECEMBER 31, 2007						Market Share [*]				
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Overall	Low	Mod	Mid	Upp	
	#	% of Total ^{**}	% Families ^{***}	% BANK Loans ^{****}	% Families ⁵	% BANK Loans ^{****}	% Families ^{**}	% BANK Loans ^{****}	% Families ^{**}	% BANK Loans ^{****}						
Full Review:																
Scranton Wilkes Barre Hazelton MSA-42540	814	79.49	19.02	14.30	18.75	20.51	22.88	27.59	39.34	37.59	9.25	10.83	8.70	10.29	8.50	
Limited Review:																
PA Non-MSA-99999	210	20.51	18.54	9.31	20.21	25.00	23.23	27.94	38.02	37.75	24.35	26.32	32.76	25.29	20.14	

^{*} Based on 2007 Peer Mortgage Data (Eastern)

^{**} As a percentage of loans with borrower income information available. No information was available for 2.9% of loans originated and purchased by bank.

^{***} Percentage of Families is based on the 2000 Census information.

^{****} Home improvement loans originated and purchased in the MA/AA as a percentage of all home improvement loans originated and purchased in the rated area.

⁵ Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE		Geography: PENNSYLVANIA AA						Evaluation Period: JANUARY 1, 2005 TO DECEMBER 31, 2007							
MA/Assessment Area:	Total Home Mortgage Refinance Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share [*]				
	#	% of Total ^{**}	% Families ^{***}	% BANK Loans ^{****}	% Families ⁶	% BANK Loans ^{**}	% Families [*]	% BANK Loans ^{****}	% Families ^{**}	% BANK Loans ^{**}	Overall	Low	Mod	Mid	Upp
Full Review:															
Scranton Wilkes Barre Hazelton MSA-42540	468	85.56	19.02	9.03	18.75	21.22	22.88	28.89	39.34	40.86	1.26	1.17	0.97	1.40	1.31
Limited Review:															
PA Non-MSA-99999	79	14.44	18.54	20.78	20.21	22.08	23.23	27.27	38.02	29.87	4.20	9.68	5.62	3.80	3.03

^{*} Based on 2007 Peer Mortgage Data (Eastern)

^{**} As a percentage of loans with borrower income information available. No information was available for 4.9% of loans originated and purchased by bank.

^{***} Percentage of Families is based on the 2000 Census information.

^{****} Home refinance loans originated and purchased in the MA/AA as a percentage of all home refinance loans originated and purchased in the rated area.

⁶ Data shown includes only One to Four-family and manufactured housing. (Property type of 1 or 2)

Table11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES		Geography: PENNSYLVANIA AA			Evaluation Period: JANUARY 1, 2005 TO DECEMBER 31, 2007				
MA/Assessment Area:	Total Small Loans to Businesses		Businesses With Revenues of \$1 million or less		Loans by Original Amount Regardless of Business Size			Market Share*	
	#	% of Total**	% of Businesses***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
Full Review:									
Scranton Wilkes Barre Hazelton MSA-42540	1,020	90.91	69.44	57.75	75.00	15.29	9.71	1.54	1.97
Limited Review:									
PA Non-MSA-99999	102	9.09	55.23	89.22	89.22	9.80	0.98	1.75	3.55

* Based on 2007 Peer Small Business Data -- US and PR

** Small loans to businesses originated and purchased in the MA/AA as a percentage of all small loans to businesses originated and purchased in the rated area.

*** Businesses with revenues of \$1 million or less as a percentage of all businesses (Source D&B - 2007).

**** Small loans to businesses with revenues of \$1 million or less as a percentage of all loans reported as small loans to businesses. No information was available for 1.07% of small loans to businesses originated and purchased by the bank.

Table12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS									
Geography: PENNSYLVANIA AA					Evaluation Period: JANUARY 1, 2005 TO DECEMBER 31, 2007				
MA/Assessment Area:	Total Small Loans to Farms		Farms With Revenues of \$1 million or less		Loans by Original Amount Regardless of Farm Size			Market Share	
	#	% of Total**	% of Farms***	% BANK Loans****	\$100,000 or less	>\$100,000 to \$250,000	>\$250,000 to \$1,000,000	All	Rev\$ 1 Million or Less
Full Review:									
Scranton Wilkes Barre Hazelton MSA-42540	15	36.59	96.38	100.00	100.00	0.00	0.00	3.90	4.69
Limited Review:									
PA Non-MSA-99999	26	63.41	100.00	96.15	100.00	0.00	0.00	6.82	7.50

* Based on 2007 Peer Small Business Data -- US and PR

** Small loans to farms originated and purchased in the MA/AA as a percentage of all small loans to farms originated and purchased in the rated area.

*** Farms with revenues of \$1 million or less as a percentage of all farms (Source D&B - 2007).

**** Small loans to farms with revenues of \$1 million or less as a percentage of all loans reported as small loans to farms. No information was available for 2.44% of small loans to farms originated and purchased by the bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS		Geography: PENNSYLVANIA AA				Evaluation Period: October 18, 2005 TO DECEMBER 11, 2008			
MA/Assessment Area:	Prior Period Investments*		Current Period Investments		Total Investments			Unfunded Commitments**	
	#	\$(000's)	#	\$(000's)	#	\$(000's)	% of Total	#	\$(000's)
Full Review:									
Scranton Wilkes Barre Hazelton MSA-42540	0	0	18	13,268,547	18	13,268,547	100.00	0	0
Limited Review:									
PA Non-MSA-99999	0	0	0	0	0	0	0.00	0	0

* 'Prior Period Investments' means investments made in a previous period that are outstanding as of the examination date.

** 'Unfunded Commitments' means legally binding investment commitments that are tracked and recorded by the institution's financial reporting system.

Table 15. Distribution of Branch Delivery System and Branch Openings/Closings

DISTRIBUTION OF BRANCH DELIVERY SYSTEM AND BRANCH OPENINGS/CLOSINGS								Geography: PENNSYLVANIA AA				Evaluation Period: October 18, 2005 TO October 31, 2008					
MA/Assessment Area:	Deposits	Branches						Branch Openings/Closings				Population					
	% of Rated Area Deposits in AA	# of BANK Branches	% of Rated Area Branches in AA	Location of Branches by Income of Geographies (%)				# of Branch Openings	# of Branch Closings	Net change in Location of Branches (+ or -)				% of Population within Each Geography			
				Low	Mod	Mid	Upp			Low	Mod	Mid	Upp	Low	Mod	Mid	Upp
Full Review:																	
Scranton Wilkes Barre Hazelton MSA-42540	94.80	22	84.62	4.55	9.09	63.64	22.73	0	3	0	0	-3	0	0.46	10.26	73.22	16.06
Limited Review:																	
PA Non-MSA-99999	5.20	4	15.38	0.00	0.00	100.00	0.00	0	0	0	0	0	0	0.00	0.00	100.00	0.00