



LARGE BANK

Comptroller of the Currency
Administrator of National Banks

Washington, DC 20219

PUBLIC DISCLOSURE

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COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Wilber National Bank
Charter Number: 2151

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Oneonta, NY 13820

Office of the Comptroller of the Currency

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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.

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Overall CRA Rating

Institution's CRA Rating: This institution is rated Satisfactory.

The following table indicates the performance level of Wilber National Bank with respect to the Lending, Investment, and Service Tests:

Performance Levels	Wilber National Bank Performance Tests		
	Lending Test*	Investment Test	Service Test
Outstanding		X	
High Satisfactory			X
Low Satisfactory	X		
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 good responsiveness by the bank to the credit needs of its Assessment Area (AA);
- An adequate distribution of loans among borrowers of different income levels and businesses of different sizes throughout the AAs;
- Adequate penetration of loans among census tracts of different income levels throughout the AAs, along with a good ratio of loans originated inside the AAs;
- Community development lending had a positive impact on lending performance;
- Investments that reflect excellent 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; and
- 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 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, and the disposition of the application (e.g., approved, denied, and withdrawn). Beginning in 2004, the reports also include additional 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 geography.

Description of Institution

Wilber National Bank (WNB) is a \$907 million community bank. It is a subsidiary of Wilber Corporation, a one bank holding company headquartered in Oneonta, New York. The bank's subsidiaries include Wilber REIT, Inc. which holds mortgage-related assets and Western Catskill Realty, LLC which holds foreclosed assets and other real estate. WNB operates 22 intrastate branches and two loan production offices (LPOs) in the Central and Capital Regions of New York State.

The 22 full-service branch banking officers are located in Otsego, Delaware, Schoharie, Chenango, Ulster, Broome, Saratoga and Onondaga counties. WNB has two loan production offices located in Clifton Park, NY, in Saratoga County, and Kingston, NY, in Ulster County. The loan production office in Kingston, NY, replaced a full-service office which closed on December 1, 2009, due to a lack of market penetration. WNB provides personal trust, agency, estate administration, and retirement planning services to individuals, as well as, custodial and investment management services to institutions through the bank's Trust and Investment Division. WNB also offers stocks, bonds, and mutual funds through a third party broker-dealer firm.

During the evaluation period, Wilber Corporation acquired Provantage Funding Corporation, a New York State Licensed mortgage banking company based in Clifton Park. In 2008, Provantage Funding Corporation was merged into the bank and now operates as Provantage Home Loans ("Provantage"), a division of the bank. During 2008, the bank sold its 62% ownership interest in Mang-Wilber LLC which operated as the bank's insurance agency subsidiary.

WNB's loan portfolio totals \$588 million, which represents 65% of total assets as of December 31, 2009. Lending is targeted toward small and mid-sized businesses and individuals through real estate mortgages and consumer loans. The loan portfolio consists of \$308 million or 52% in commercial loans, \$150 million or 26% in residential real estate loans, \$75 million or 13% in consumer loans, \$27 million or 4% in multi-family real estate loans, \$26 million or 4% in municipal or other loans, and \$2 million or <1% in farm loans. As of December 31, 2009, Tier One Capital totals \$70 million with another \$9 million in the reserve for loan and lease losses.

WNB operates in a competitive financial services market with competition from mortgage companies, large regional and community banks and a large, local credit union. WNB is not subject to any known financial, legal or regulatory restrictions that would impede its ability to help meet the credit needs of its AA.

WNB's performance at the last CRA examination as of March 20, 2006, was rated "Satisfactory."

Scope of the Evaluation

Evaluation Period/Products Evaluated

The evaluation period covers January 1, 2007 through December 31, 2009, for Home Mortgage Disclosure Act (HMDA) reportable loans, small business and small farm loans. HMDA loans include home purchase, home improvement and refinance loans. The evaluation period for Community Development (CD) loans, investments, and services is March 21, 2006 through April 7, 2010. The CD evaluation period 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 and 2008. The 2009 market share information was not available at the time of this examination. The aggregate HMDA and Small Business/Farm Reports are available for public review.

Data Integrity

An evaluation of the integrity of WNB's publicly filed loan data relating to home mortgage loans and small loans to businesses and farms was conducted in January 2010. The review included an evaluation of WNB's processes to ensure that data is reliable. In conjunction with this review, a sample of home mortgage and small business/small farm loans was tested. Testing was performed to ensure that the data on which we rely for our evaluation of the bank's performance under the CRA was accurate. The review revealed that the publicly available information filed by WNB could be relied upon for the purposes of this CRA evaluation.

Selection of Areas for Full-Scope Review

Of WNB's AAs, the AA in which WNB operated the majority of its branch offices, derived the majority of its deposits and originated the majority of its loans, throughout the evaluation period, is the non-MSA AA. Therefore, the non-MSA AA is the AA designated by WNB, on which a full-scope review was performed. WNB's non-MSA AA consists of Chenango, Delaware and Otsego Counties in their entirety.

We performed limited scope-reviews of WNB's MSA AAs which consist of the Albany-Schenectady-Troy (AST) MSA AA, Binghamton MSA AA, Kingston MSA, and Syracuse MSA AA. The AST MSA AA consists of all geographies in Schoharie County and selected geographies in Saratoga County. The Binghamton MSA AA consists of selected geographies in Broome County. The Kingston MSA consists of selected geographies in Ulster County. The Syracuse MSA AA consists of selected geographies in Onondaga County.

Ratings

WNB's overall CRA rating is based primarily on the AA that received a full-scope review. When arriving at the Lending Test conclusions, more weight was placed on WNB's performance in the non-MSA AA since this was the AA in which WNB operated the majority of its branch offices, derived the majority of its deposits and originated the majority of its loans.

In arriving at conclusions for the Lending Test, WNB's record of originating residential mortgage and small business and farm loans was equally weighted since loan volume over the evaluation period for these products was similar. WNB's record of originating residential mortgage loans was measured by evaluating WNB's home purchase, home improvement, and home mortgage refinance loan originations. WNB originated only a nominal number of residential mortgage loans for multi-family housing over the evaluation period. Therefore, an analysis of WNB's record of originating multi-family residential mortgage lending would not have been meaningful and was not performed.

Also, under the Lending Test, we gave greater weight to the borrower distribution of loans than we did to the geographic distribution of loans. This was based on the bank's full-scope AA having no low-income geographies and the limited amount of owner-occupied housing, businesses and farms located in the moderate-income geographies. Only 1.17% of the owner-occupied housing was located in moderate-income geographies in the 2007-2009 time period. The percentage of businesses located in moderate-income geographies was below 3% in the 2007-2009 time periods. There were no operating farms reported in moderate-income geographies in the 2007-2009 time periods.

WNB's overall rating is the consolidation of conclusions reached for each test in the full-scope AA with consideration of WNB's performance in the limited-scope AAs. The bank's overall rating is based primarily on the AA that received a full-scope review.

Community Contact

We made one community contact in the full-scope AA. We contacted an area economic development organization with broad knowledge of the area economic conditions, community development needs and credit needs. The contact verified the need for affordable small business financing and emphasized the need for flexible terms for small business loans. The contact believes there are opportunities for originating community development loans and investments in the area; however the contact also indicated the client base that works with the organization and eligible for community development lending in the area is very small.

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.

Conclusions with Respect to Performance Tests

LENDING TEST

Conclusions for Areas Receiving Full-Scope Reviews

The bank's performance under the lending test is rated "Low Satisfactory." Based on a full-scope review, the bank's performance in the non MSA AA is adequate.

Lending Activity

Refer to Tables 1 Lending Volume Appendix C for the facts and data used to evaluate the bank's lending activity.

The bank's overall primary lending products in the full-scope AA was home mortgage and small business lending, representing 51% and 47% respectively of the loans originated during the evaluation period. Small farm loans represented the remaining 2% of the total loans evaluated.

WNB's overall lending activity in the full-scope AA is good. As of June 30, 2007, and June 30, 2008, WNB's deposit market share within the non-MSA AA was 25.81% and 24.62%, ranking it 2nd in market share among institutions taking AA deposits for both years. In 2007 and 2008, four institutions including WNB garnered greater than 5% of the AA's deposit market. Institutions with more market share included two large regionally based banks and one small local community bank.

Based on 2008 aggregate HMDA data, WNB is ranked 3rd in market share (7.73%) based on number and 5th (5.68% market share) based on dollar amount for all home mortgage loan originations/purchases. This is improved from the 2007 aggregate HMDA data, when WNB ranked 5th based on number (4.56% market share) and 10th (5.77% market share) based in dollar amount for all home mortgage loan originations/purchases. The improvement in ranking reflects the merger with Provantage Home Loans. Prior to the merger into the bank, lending by Provantage was not included with the bank's results. Institutions with more market share included multi-national banks, large national banks and large regional banks.

Based on 2008 aggregate HMDA data, WNB ranked 6th in market share (5.43%) based on number and 4th (5.22% market share) based on dollar amount for all home purchase originations/purchases. This is improved from the 2007 aggregate HMDA data, when WNB ranked 8th based on number (3.22% market share) and 9th (3.31% market share) based on dollar amount for all home purchase loan originations/purchases. Institutions with more market share included multi-national, large national, large regional and large community banks.

Based on 2008 aggregate HMDA data, WNB ranked 1st in market share (23.80%) based on number and 2nd (16.16% market share) based on dollar amount for all home improvement originations/purchases. This is improved from the 2007 aggregate HMDA data, when WNB ranked 1st based on number (16.58% market share) and 4th (6.54% market share) based on dollar amount for all home improvement loan originations/purchases. Institutions with more market share in 2008 included one large community bank.

Based on 2008 aggregate HMDA data, WNB ranked 5th in market share (4.71%) based on number and 7th (4.32% market share) based on dollar amount for all home refinance originations/purchases. This is improved from the 2007 aggregate HMDA data, when WNB ranked 12th based on number (1.58% market share) and 21st (1.21% market share) based on dollar amount for all home refinance loan originations/purchases. Institutions with more market share in 2008 included multi-national, large national, large regional and large community banks.

Based on 2008 aggregate CRA data for loans to small businesses, WNB ranked 8th in market share (4.78%) based on number and 2nd (10.57% market share) based on dollar amount. This is comparable to the 2007 results when WNB ranked 9th based on number (4.18% market share) and 2nd (14.08% market share) based on dollar amount. Only one large local community bank had more market share in 2007 and 2008 based on dollar amount.

Based on 2007 aggregate CRA data for loans to small farms, WNB ranked 6th in market share (2.76%) based on the number and 6th (.70% market share) based on the dollar amount. This is less than the 2007 results when WNB ranked 4th based on number (2.89% market share) and 2nd (5.51% market share) based on dollar amount.

Distribution of Loans by Income Level of the Geography

The geographic distribution of WNB's home mortgage loans, small loans to businesses and small loans to farms reflects overall adequate penetration throughout the full-scope AA.

Home Mortgage Loans

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

The overall geographic distribution of home mortgage loans is adequate. The geographic distribution is adequate in the full-scope AA. The discussion of the geographic distribution of home mortgage loans that follows covers only moderate-income census tracts. There are no low-income census tracts in the full-scope AA, and there is only minimal owner-occupied housing (1.17%) located in a single moderate-income census tract in the full-scope AA.

During the evaluation period, WNB did not originate or purchase any home mortgage loans in moderate-income census tracts in the full-scope AA. In comparison, according to 2008 market share data, only 15 lenders originated/purchased 37 home mortgage loans totaling \$2.3 million in the single moderate-income census tracts. In 2007, 33 lenders originated 71 home mortgage loans totaling \$5.5 million. This demonstrates the difficulty originating loans in this moderate-income geography as home mortgage lending opportunities are limited.

Small Loans to Businesses

Refer to Table 6 in Appendix C 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 excellent. The full-scope AA does not include any low-income census tracts and only 2.51% of the businesses in the full-scope AA are located in the single moderate-income census tract. The portion of loans made in the moderate-income census tract was near to the portion of businesses that are within that census tract. The bank's market share for small business loans in the moderate-income census tract exceeded its overall market share for small loans to businesses.

Small Loans to Farms

Refer to Table 7 in Appendix C 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 not applicable. The full-scope AA does not include any low-income census tracts and there are no farms located in the single moderate-income census tract.

Lending Gap Analysis

Reports detailing WNB's lending activity over the evaluation period for home mortgage loans and small loans to businesses 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 majority (74%) of the home mortgage loans, small business loans, small farm loans were made within the bank's AAs. By product, 76% of the bank's home mortgage loans, 72% of the small loans to businesses, 92% of the small loans to farms were within the bank's AAs. The ratio of home mortgage products originated/purchased within the AA differed by product from the overall 76% in/out ratio for home mortgage loans with 65% of home purchase, 91% of home improvement and 73% of refinance loans originated/purchased within the designated AA's. 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 WNB's home mortgage loans, small loans to businesses and small farm loans reflects an overall adequate dispersion among borrowers of different income levels and businesses and farms of different sizes.

Home Mortgage Loans

The overall borrower distribution of home mortgage loans in the full-scope AA is adequate. 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 full-scope AA is 13%. 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 Appendix C 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 adequate. The portion of loans made to low-income borrowers was lower than the percentage of low-income families. The portion of loans made to moderate-income borrowers was somewhat lower than the portion of moderate-income families in the AA. WNB's market share for home purchase loans made to low-income borrowers exceeded its overall market share of home purchase loans in the full-scope AA. WNB's market share for home purchase loans made to moderate-income borrowers was somewhat lower than its overall market share of home purchase loans in the full-scope AA.

Home improvement loan borrower distribution is good. The portion of loans made to low-income borrowers was somewhat lower than the percentage of low-income families. The portion of loans made to moderate-income borrowers exceeded the portion of moderate-income families in the AA. WNB's market share for home improvement loans made to low- and moderate-income borrowers exceeded its overall market share of home improvement loans in the full-scope AA.

Home mortgage refinance loan borrower distribution is adequate. The portion of loans made to low-income borrowers was lower than the percentage of low-income families. The portion of loans made to moderate-income borrowers was somewhat lower than the portion of moderate-income families. WNB's market share for refinance loans made to low- and moderate-income borrowers was near to its overall market share of refinance loans in the full-scope AA.

Small Loans to Businesses

Refer to Table 11 in Appendix C 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 businesses is good. The portion of small loans to businesses (businesses with revenues of \$1 million or less) is somewhat lower than the portion of businesses defined as such in the full-scope AA. WNB's market share of small loans to businesses exceeded its overall market share for small loans to all businesses in the full-scope AA. The distribution by size of loans shows that approximately 89% of the loan originations are for \$100 thousand or less and 96% of the loan originations are for \$250 thousand or less. This is a good indication that business lending is primarily to small businesses.

Small Loans to Farms

Refer to Table 12 in the Appendix C 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 adequate. The portion of small loans to farms (farms with revenues of \$1 million or less) is somewhat lower than the portion of farms

defined as such in the full-scope AA. WNB's market share of small loans to businesses is near to its overall market share for small loans to all businesses in the full-scope AA. The distribution by size of loans shows that approximately 91% of the loan originations are for \$100 thousand or less and 95% of the loan originations are for \$250 thousand or less. This is a good indication that business lending is primarily to small farms.

Community Development Lending

Refer to Table 1 Lending Volume in Appendix C 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.

WNB's level of Community Development (CD) lending had a positive impact on the evaluation of its lending performance.

During the evaluation period, WNB originated a \$1.2 million loan to a business and two loans totaling \$262 thousand to a not-for-profit entity in a designated New York State Empire Zone. New York State's Empire Zone program was created to stimulate economic growth through a variety of tax incentives designed to attract new businesses to New York and to enable existing businesses to expand and create more jobs. WNB originated a \$100 thousand loan to a not-for-profit entity which provides services to predominantly low- and moderate-income individuals. During the evaluation period, WNB originated a \$1 million line of credit to a not-for-profit entity which promotes economic development in the AA. Currently, \$40 thousand is outstanding on this line. WNB also originated a \$170 thousand real estate construction loan through a local affordable housing agency to construct housing for low- and moderate-income families.

Although included in the small business loan data previously reported above, WNB also originated a \$300 thousand commercial real estate loan to the same not-for-profit entity that benefited from the \$1 million line of credit.

Over the evaluation period, WNB reported loans on the HMDA and CRA LARs located in Distressed Middle-Income Census Tracts, as designated by the federal banking regulators. The full-scope AA includes all of Chenango County which consists of 10 middle-income census tracts and 1 moderate-income census tract. All 10 middle-income census tracts are designated as Distressed Middle-Income Tracts. During the evaluation period, WNB originated or purchased 59 home mortgages totaling \$4.155 million in these Distressed Middle-Income Tracts. This includes 23 home purchase loans totaling \$1.853 million, 14 home improvement loans totaling \$218 thousand and 22 refinance loans totaling \$2.082 million. WNB also originated 52 small business loans totaling \$4.499 million in designated Distressed Middle-Income Tracts. WNB also originated one small farm loan totaling \$16 thousand in a designated Distressed Middle-Income Tracts.

Product Innovation and Flexibility

WNB makes use of innovative and flexible products to address a specific community credit need. Beginning June 26, 2006, most of the bank's AA's, including the entire area within the full-scope AA, were impacted by severe flooding. On July 1, 2006, the Federal Emergency Management Agency (FEMA) issued a notice of the Presidential declaration of a major disaster for the State of New York (FEMA-1650-DR), dated July 1, 2006, and related determinations. Between July 1, 2006, and October 31, 2006, WNB funded \$6.2 million in low interest loans to assist with home repairs, clean-up and other property damage for homeowners, businesses, and municipalities that were impacted by the flooding.

Through its subsidiary, Provantage Home Loans, WNB offers loans to first-time home buyers and FHA guaranteed loans as alternatives to traditional mortgage products. Additionally, in 2009, the bank received approval to begin originating affordable home mortgage loans with flexible terms under JP Morgan Chase's Rural Housing Program.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the lending test in the Albany-Schenectady-Troy MSA, the Binghamton MSA, the Kingston MSA and the Syracuse MSA is not inconsistent with the bank's overall adequate performance. Refer to Tables 1 through 13 in Appendix C 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 is rated "Outstanding." Based on full-scope reviews, the bank's performance in the non-MSA AA is excellent.

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

Beginning June 26, 2006, most of the bank's AA's, including the entire area within the full-scope AA, were impacted by severe flooding. On July 1, 2006, the Federal Emergency Management Agency (FEMA) issued a notice of the Presidential declaration of a major disaster for the State of New York (FEMA-1650-DR), dated July 1, 2006, and related determinations. During the evaluation period, WNB invested \$13.3 million in 13 bonds issued by several municipalities within the non-MSA AA with the purpose of repairing or rebuilding roads and bridges that were damaged or ruined during the flood. Completing these projects was vital to stabilizing and revitalizing these municipalities.

During the evaluation period, WNB maintained its \$2 million commitment to a Small Business Investment Corporation (SBIC) which serves the northeastern United States including New York State in which WNB operates and had the potential to benefit WNB's AA. WNB holds a limited partnership interest in the SBIC. During the evaluation period, WNB increased the amount outstanding under the commitment by \$200 thousand for a total outstanding of \$1.8 million.

Conclusions for Area Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the investment test in AST MSA AA (MSA 10580) AA, BINGHAMTON MSA AA (MSA 13780) AA, KINGSTON MSA AA (MSA 28740) AA, and SYRACUSE MSA AA (MSA 45060) AA is inconsistent with the bank's overall excellent performance under the investment test as management originated no community development investments in these areas. The bank's performance in these areas is weaker than the bank's overall performance. Refer to Table 14 in Appendix C 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 is rated "High Satisfactory." Based on full-scope review, the bank's performance in the non MSA is good.

Retail Banking Services

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

WNB's delivery systems are accessible to census tracts and individuals of different income levels throughout the full-scope AA. Accessibility is excellent in the full-scope AA as the distribution of WNB's offices in moderate-income census tracts exceeds the distribution of the population living in these areas. The full-scope AA does not include any low-income census tracts.

The branch network in the full-scope AA remains unchanged as no branches were opened or closed since the last evaluation.

WNB's hours and services offered throughout the full-scope AA is adequate. 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.

WNB 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 WNB ATMs, which are connected to the NYCE, PLUS, Exchange, tx and QUEST ATM systems. Customers may also use their WNB ATM card to obtain cash at non-proprietary ATMs throughout the world, which bear these logos.

WNB also offers alternative delivery systems of on-line banking, on-line bill pay, bank-by-phone and bank-by-mail. These services allow customers to obtain deposit and loan account

information, make payments on WNB 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

WNB's performance in providing community development services is good. The community development organizations supported by WNB representatives were responsive to the credit and service needs of WNB's non-MSA AA.

The following community development services in which WNB board members, executives and employees are involved serve WNB's non-MSA AA:

- A WNB regional president has served, throughout the evaluation period, as the Treasurer for a local economic development entity. The purpose of the agency is to assist private investment by businesses that will result in the creation of new jobs, the retention of existing jobs and the expansion of the county's tax base.
- WNB's President has served, throughout the evaluation period, as President of a local economic development corporation. The purpose of the corporation is to work with other economic development entities to promote economic growth through new and existing businesses.
- Since 2009, WNB's President has served as a Board member on the Finance Committee of a local not-for-profit hospital. The hospital is a stabilizing force in the community serving as the 4th largest employer in Otsego County and one of only two hospitals serving Otsego County.
- A WNB executive vice president has served, throughout the evaluation period, on the advisory board of a small business investment corporation (SBIC). The SBIC is a federally designated program to fund small business development and promote job creation. This SBIC's geographic target market includes New York State.

WNB provides office space free of charge to a not-for-profit entity with the purpose of providing financial education to small businesses.

Conclusions for Areas Receiving Limited-Scope Reviews

Based on limited-scope reviews, the bank's performance under the Service Test in AST MSA AA (MSA 10580), BINGHAMTON MSA AA (MSA 13780), KINGSTON MSA AA (MSA 28740) and SYRACUSE MSA AA (MSA 45060) is not inconsistent with the bank's overall good performance under the Service Test. Refer to Table 15 in Appendix C for the facts and data that support these conclusions.

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): 01/01/07 to 12/31/09 Investment and Service Tests and CD Loans: 03/21/06 to 04/07/10	
Financial Institution	Products Reviewed	
Wilber National Bank (WNB) Oneonta, New York	Home Mortgage Loans, Small Business and Farm Loans, CD Loans, Qualified CD Investments and Services	
Affiliate(s)	Affiliate Relationship	Products Reviewed
N/A	N/A	N/A
List of Assessment Areas and Type of Examination		
Assessment Area	Type of Exam	Other Information
Non-MSA AA Albany-Schenectady-Troy MSA #10580 Binghamton MSA #13780 Kingston MSA #28470 Syracuse MSA #45060	Full-Scope Limited-Scope Limited Scope Limited Scope Limited Scope	This AA does not arbitrarily exclude LMI areas.

Appendix B: Market Profiles for Full-Scope Areas

Demographic Information for Non-MSA AA

Demographic Information for Full-Scope Area: Non-MSA AA						
Demographic Characteristics	#	Low % of #	Moderate % of #	Middle % of #	Upper % of #	NA* % of #
Geographies (Census Tracts/BNAs)	41	0.00	2.44	90.24	4.88	2.44
Population by Geography	161,132	0.00	2.01	94.54	1.84	1.60
Owner-Occupied Housing by Geography	81,323	0.00	1.17	98.25	0.58	0.00
Businesses by Geography	12,679	0.00	2.51	96.98	0.47	0.04
Farms by Geography	924	0.00	0.00	99.89	0.11	0.00
Family Distribution by Income Level	41,504	19.48	20.83	22.81	36.87	0.00
Distribution of Low- and Moderate-Income Families throughout AA Geographies	16,733	0.00	2.19	97.50	0.31	0.00
Median Family Income HUD Adjusted Median Family Income for 2009 Households Below the Poverty Level	= \$41,761 = \$54,900 =13.27%				Median Housing Value = \$70,227 Unemployment Rate = 7.9% (April 2010)	

(*) The NA category consists of geographies that have not been assigned an income classification.
Source: 2000 U.S. Census, and 2009 HUD updated MFI.

WNB's Non-MSA AA consists of the entire counties of Chenango, Delaware, and Otsego in the non-MSA area of central New York State. The composition of the AA's census tracts by income level is 0% low-income, 2% moderate-income, 90% middle-income, 5% upper-income and 2% with no income designation. Seventeen of the bank's 22 branches are within the AA. WNB offers a traditional line of banking products and services for loans and deposits. WNB also offers trust services.

WNB ranks second out of 13 banks for deposit market share in the AA with 21.03% of AA deposits as of June 30, 2008. WNB also ranks second in the AA for number of branch offices, with 17 offices. Only NBT Bank and Trust Company, a \$5 billion institution headquartered in Norwich, NY, has more market share. Area competitors include large regional banks (Citizens), large and small community banks (NBT, National Bank of Delaware County), and credit unions.

The Non-MSA AA is a largely rural and sparsely populated area located in the central part of New York State. The area has distressed middle-income non-metropolitan census tracts in Chenango County and several New York State Empire Zones in all three counties, in which businesses can receive certain incentives from the state for creating jobs in these targeted areas. The economy in the AA is stable, but not necessarily thriving. Major area employers include county and local government, hospitals/healthcare facilities, and schools, universities and colleges. Each of the counties also has a modest number of small manufacturing

companies. Some of the major employers include Mirabito Fuel Group, Mead Westvaco, New York Central Mutual Insurance Company, The Raymond Corporation, Springbrook, Amphenol Aerospace, Clark Companies, Corning, Inc., and Kraft Foods. Tourism also plays a role in area employment. Otsego County is home to the Baseball Hall of Fame in Cooperstown, New York. The Catskill Mountains in Delaware County attracts skiers and has a significant level of second/vacation home ownership given the proximity to the New York Metropolitan Area.

According to New York State Labor Department statistics, as of April 2010, the AA had an average overall unemployment rate of 7.9% compared to 8.2% for the state as a whole.

According to 2009 US Census data the estimated median home values in the area were \$57,782 in Chenango County, \$74,913 in Delaware County, and \$75,903 in Otsego County.

We made one community contact in the AA. The contact verified the need for affordable small business financing. The contact emphasized the need for flexible terms for small business loans. The contact indicated that there is opportunity to become involved in community development loans and investments; however, the number of clients meeting the basic criteria for becoming eligible for loans and investments is low.

Appendix C: 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.

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 - NOT INCLUDED.** 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) – NOT INCLUDED 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.

Table 1. Lending Volume

LENDING VOLUME		Geography: New York				Evaluation Period: January 1, 2007 TO December 31, 2009						
MA/Assessment Area:	% 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:												
Non MSA AA	88.68	622	49,908	579	30,448	23	969	6	2,532	1,230	83,857	87.57
Limited Review:												
AST MSA AA (MSA 10580)	6.35	49	6,505	39	3,720	0	0	0	0	88	10,225	4.76
BINGHAMTON MSA AA (MSA 13780)	2.16	12	1,457	18	2,060	0	0	0	0	30	3,517	5.00
KINGSTON MSA AA (MSA 28740)	2.38	11	634	22	2,703	0	0	0	0	33	3,337	2.68
SYRACUSE MSA AA (MSA 45060)	0.43	0	0	6	1,410	0	0	0	0	6	1,410	0.00

* Loan Data as of December 31, 2009. Rated area refers to either the state or multi-state MA rating area.

** The evaluation period for Community Development Loans is March 21, 2006 to April 7, 2010.

*** Deposit Data as of June 30, 2009. Rated Area refers to either the state, multi-state MA, or institution, as appropriate

Table 2. Geographic Distribution of Home Purchase Loans

Geographic Distribution: HOME PURCHASE		Geography: New York					Evaluation Period: January 1, 2007 TO December 31, 2009					Market Share (%) by Geography*				
MA/Assessment Area:	Total Home Purchase 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:																
Non MSA AA	170	85.43	0.00	0.00	1.17	0.00	98.25	98.24	0.58	1.76	5.45	0.00	0.00	5.58	0.00	
Limited Review:																
AST MSA AA (MSA 10580)	24	12.06	0.00	0.00	44.63	41.67	55.37	58.33	0.00	0.00	0.96	0.00	1.85	0.65	0.00	
BINGHAMTON MSA AA (MSA 13780)	5	2.51	0.00	0.00	18.73	40.00	47.02	40.00	34.26	20.00	0.15	0.00	0.00	0.33	0.00	
KINGSTON MSA AA (MSA 28740)	0	0.00	0.00	0.00	19.35	0.00	68.61	0.00	12.04	0.00	0.00	0.00	0.00	0.00	0.00	
SYRACUSE MSA AA (MSA 45060)	0	0.00	0.00	0.00	0.00	0.00	50.59	0.00	49.41	0.00	0.00	0.00	0.00	0.00	0.00	

* Based on 2008 Peer Mortgage Data: Eastern Region.

** 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 housing 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		Evaluation Period: January 1, 2007 TO December 31, 2009				
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:																		
Non MSA AA	260	92.53	0.00	0.00	1.17	0.00	98.25	97.69	0.58	2.31	23.50	0.00	0.00	23.56	50.00			
Limited Review:																		
AST MSA AA (MSA 10580)	13	4.63	0.00	0.00	44.63	84.62	55.37	15.38	0.00	0.00	2.14	0.00	2.86	1.43	0.00			
BINGHAMTON MSA AA (MSA 13780)	2	0.71	0.00	0.00	18.73	0.00	47.02	50.00	34.26	50.00	0.51	0.00	0.00	0.00	1.43			
KINGSTON MSA AA (MSA 28740)	6	2.14	0.00	0.00	19.35	16.67	68.61	66.67	12.04	16.67	1.40	0.00	1.82	0.71	5.26			
SYRACUSE MSA AA (MSA 45060)	0	0.00	0.00	0.00	0.00	0.00	50.59	0.00	49.41	0.00	0.00	0.00	0.00	0.00	0.00			

* Based on 2008 Peer Mortgage Data: Eastern Region.

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

Table 4. Geographic Distribution of Home Mortgage Refinance Loans

Geographic Distribution: HOME MORTGAGE REFINANCE											Geography: New York					Evaluation Period: January 1, 2007 TO December 31, 2009				
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:																				
Non MSA AA	183	90.15	0.00	0.00	1.17	0.00	98.25	98.91	0.58	1.09	4.71	0.00	0.00	4.79	0.00					
Limited Review:																				
AST MSA AA (MSA 10580)	12	5.91	0.00	0.00	44.63	83.33	55.37	16.67	0.00	0.00	0.47	0.00	0.73	0.28	0.00					
BINGHAMTON MSA AA (MSA 13780)	3	1.48	0.00	0.00	18.73	33.33	47.02	33.33	34.26	33.33	0.22	0.00	1.11	0.00	0.00					
KINGSTON MSA AA (MSA 28740)	5	2.46	0.00	0.00	19.35	40.00	68.61	60.00	12.04	0.00	0.44	0.00	0.72	0.43	0.00					
SYRACUSE MSA AA (MSA 45060)	0	0.00	0.00	0.00	0.00	0.00	50.59	0.00	49.41	0.00	0.00	0.00	0.00	0.00	0.00					

* Based on 2008 Peer Mortgage Data: Eastern Region.

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

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

Table 5. Geographic Distribution of Multifamily Loans

Geographic Distribution: MULTIFAMILY		Geography: New York						Evaluation Period: January 1, 2007 TO December 31, 2009							
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	Over all	Low	Mod	Mid	Upp
Full Review:															
Non MSA	9	81.82	0.00	0.00	12.36	0.00	86.79	100.00	0.85	0.00	33.3	0.00	0.00	40.0	0.00
Limited Review:															
MSA 10580	0	0.00	0.00	0.00	5.52	0.00	94.48	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
MSA 13780	2	18.18	0.00	0.00	59.71	50.00	23.35	50.00	16.94	0.00	10.0	0.00	12.5	0.00	0.00
MSA 28740	0	0.00	0.00	0.00	50.94	0.00	47.52	0.00	1.54	0.00	0.00	0.00	0.00	0.00	0.00
MSA 45060	0	0.00	0.00	0.00	0.00	0.00	56.99	0.00	43.01	0.00	0.00	0.00	0.00	0.00	0.00

* Based on 2008 Peer Mortgage Data: Eastern Region.

** Multifamily loans originated and purchased in the MA/AA as a percentage of all multifamily loans originated and purchased in the rated area.

*** Percentage of multifamily units is the number of multifamily housing units in a particular geography divided by number of multifamily housing units in the area based on 2000 Census information.

Table 6. Geographic Distribution of Small Loans to Businesses

Geographic Distribution: SMALL LOANS TO BUSINESSES												Geography: New York		Evaluation Period: January 1, 2007 TO December 31, 2009				
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 Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	% of Businesses***	% BANK Loans	Overall	Low	Mod	Mid	Upp			
Full Review:																		
Non MSA AA	579	87.20	0.00	0.00	2.51	2.07	96.98	97.75	0.47	0.17	4.78	0.00	6.36	5.22	3.13			
Limited Review:																		
AST MSA AA (MSA 10580)	39	5.87	0.00	0.00	34.94	66.67	64.79	33.33	0.00	0.00	0.33	0.00	1.25	0.22	0.17			
BINGHAMTON MSA AA (MSA 13780)	18	2.71	0.00	0.00	44.38	88.89	27.00	11.11	28.62	0.00	0.69	1.51	0.99	0.82	0.08			
KINGSTON MSA AA (MSA 28740)	22	3.31	0.00	0.00	20.43	18.18	71.60	81.82	7.97	0.00	0.19	0.00	0.49	0.22	0.00			
SYRACUSE MSA AA (MSA 45060)	6	0.90	0.00	0.00	0.00	0.00	54.14	50.00	45.86	50.00	0.28	0.06	0.10	0.51	0.15			

* Based on 2008 Peer Small Business Data: US.

** 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 2009.

Table 7. Geographic Distribution of Small Loans to Farms

Geographic Distribution: SMALL LOANS TO FARMS															Geography: New York		Evaluation Period: January 1, 2007 TO December 31, 2009				
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:																					
Non MSA	23	100.00	0.00	0.00	0.00	0.00	99.89	100.00	0.11	0.00	2.76	0.00	0.00	2.86	0.00						
Limited Review:																					
AST MSA AA (MSA 10580)	0	0.00	0.00	0.00	62.61	0.00	37.39	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00						
BINGHAMTON MSA AA (MSA 13780)	0	0.00	0.00	0.00	26.56	0.00	40.63	0.00	32.81	0.00	0.00	0.00	0.00	0.00	0.00						
KINGSTON MSA AA (MSA 28740)	0	0.00	0.00	0.00	18.64	0.00	66.95	0.00	14.41	0.00	0.00	0.00	0.00	0.00	0.00						
SYRACUSE MSA AA (MSA 45060)	0	0.00	0.00	0.00	0.00	0.00	65.38	0.00	34.62	0.00	0.00	0.00	0.00	0.00	0.00						

* Based on 2008 Peer Small Business Data: US.

** 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 2009.

Table 8. Borrower Distribution of Home Purchase Loans

Borrower Distribution: HOME PURCHASE			Geography: New York				Evaluation Period: January 1, 2007 TO December 31, 2009					Market Share				
MA/Assessment Area:	Total Home Purchase Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Over all	Low	Mod	Mid	Upp	
	#	% of Total**	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****	% Families ***	% BANK Loans ****						
Full Review:																
Non MSA AA	170	85.43	19.48	10.00	20.83	17.50	22.81	25.00	36.87	47.50	5.39	9.52	3.98	3.85	6.25	
Limited Review:																
AST MSA AA (MSA 10580)	24	12.06	22.47	0.00	24.20	28.57	24.14	14.29	29.20	57.14	0.87	0.00	0.00	1.57	1.18	
BINGHAMTON MSA AA (MSA 13780)	5	2.51	19.63	0.00	18.37	50.00	22.20	0.00	39.80	50.00	0.16	0.00	0.57	0.00	0.00	
KINGSTON MSA AA (MSA 28740)	0	0.00	21.94	0.00	19.14	0.00	21.99	0.00	36.92	0.00	0.00	0.00	0.00	0.00	0.00	
SYRACUSE MSA AA (MSA 45060)	0	0.00	13.92	0.00	15.65	0.00	23.45	0.00	46.98	0.00	0.00	0.00	0.00	0.00	0.00	

* Based on 2008 Peer Mortgage Data: Eastern Region.

** 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 Families is based on the 2000 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 11% of loans originated and purchased by Bank.

Table 9. Borrower Distribution of Home Improvement Loans

Borrower Distribution: HOME IMPROVEMENT		Geography: New York						Evaluation Period: January 1, 2007 TO December 31, 2009							
MA/Assessment Area:	Total Home Improvement Loans		Low-Income Borrowers		Moderate-Income Borrowers		Middle-Income Borrowers		Upper-Income Borrowers		Market Share				
	#	% of Total**	% Families***	% BANK****	% Families***	% BANK****	% Families***	% BANK****	% Families***	% BANK****	Over all	Low	Mod	Mid	Upp
Full Review:															
Non MSA AA	260	92.53	19.48	13.73	20.83	24.03	22.81	29.81	36.87	33.05	22.0	31.0	23.2	22.4	17.5
Limited Review:															
AST MSA AA (MSA 10580)	13	4.63	22.47	50.00	24.20	20.00	24.14	10.00	29.20	20.00	2.17	9.09	3.70	0.00	0.00
BINGHAMTON MSA AA (MSA 13780)	2	0.71	19.63	0.00	18.37	0.00	22.20	0.00	39.80	100.00	0.52	0.00	0.00	0.00	1.35
KINGSTON MSA AA (MSA 28740)	6	2.14	21.94	60.00	19.14	20.00	21.99	0.00	36.92	20.00	1.44	13.6	0.00	0.00	0.00
SYRACUSE MSA AA (MSA 45060)	0	0.00	13.92	0.00	15.65	0.00	23.45	0.00	46.98	0.00	0.00	0.00	0.00	0.00	0.00

* Based on 2008 Peer Mortgage Data: Eastern Region.

** 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 Families is based on the 2000 Census information.

**** As a percentage of loans with borrower income information available. No information was available for 12% of loans originated and purchased by Bank.

Table 10. Borrower Distribution of Home Mortgage Refinance Loans

Borrower Distribution: HOME MORTGAGE REFINANCE												Geography: New York			Evaluation Period: January 1, 2007 TO December 31, 2009				
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***	% BANK Loans****	% Families***	% BANK Loans****	% Families***	% BANK Loans****	Over all	Low	Mod	Mid	Upp				
Full Review:																			
Non MSA AA	183	90.15	19.48	6.55	20.83	16.07	22.81	34.52	36.87	42.86	4.61	4.30	4.06	5.46	4.40				
Limited Review:																			
AST MSA AA (MSA 10580)	12	5.91	22.47	18.18	24.20	36.36	24.14	45.45	29.20	0.00	0.35	0.00	0.69	0.53	0.00				
BINGHAMTON MSA AA (MSA 13780)	3	1.48	19.63	0.00	18.37	50.00	22.20	0.00	39.80	50.00	0.00	0.00	0.00	0.00	0.00				
KINGSTON MSA AA (MSA 28740)	5	2.46	21.94	0.00	19.14	20.00	21.99	60.00	36.92	20.00	0.53	0.00	0.78	0.61	0.44				
SYRACUSE MSA AA (MSA 45060)	0	0.00	13.92	0.00	15.65	0.00	23.45	0.00	46.98	0.00	0.00	0.00	0.00	0.00	0.00				

* Based on 2008 Peer Mortgage Data: Eastern Region.

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

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

**** As a percentage of loans with borrower income information available. No information was available for 8% of loans originated and purchased by Bank.

Table 11. Borrower Distribution of Small Loans to Businesses

Borrower Distribution: SMALL LOANS TO BUSINESSES					Geography: New York		Evaluation Period: January 1, 2007 TO December 31, 2009		
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:									
Non MSA AA	579	87.20	71.30	58.55	88.60	7.25	4.15	4.78	7.33
Limited Review:									
AST MSA AA (MSA 10580)	39	5.87	73.42	76.92	76.92	10.26	12.82	0.33	0.79
BINGHAMTON MSA AA (MSA 13780)	18	2.71	73.64	55.56	66.67	16.67	16.67	0.69	1.38
KINGSTON MSA AA (MSA 28740)	22	3.31	75.07	36.36	72.73	18.18	9.09	0.19	0.14
SYRACUSE MSA AA (MSA 45060)	6	0.90	78.41	66.67	66.67	0.00	33.33	0.28	0.36

* Based on 2008 Peer Small Business Data: US.

** 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 - 2009).

**** 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 20% of small loans to businesses originated and purchased by the Bank.

Table 12. Borrower Distribution of Small Loans to Farms

Borrower Distribution: SMALL LOANS TO FARMS				Geography: New York		Evaluation Period: January 1, 2007 TO December 31, 2009			
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 \$500,000	All	Rev \$1 Million or Less
Full Review:									
Non MSA AA	23	100.00	98.38	65.22	91.30	4.35	4.35	2.76	2.20
Limited Review:									
AST MSA AA (MSA 10580)	0	0.00	98.32	0.00	0.00	0.00	0.00	0.00	0.00
BINGHAMTON MSA AA (MSA 13780)	0	0.00	98.44	0.00	0.00	0.00	0.00	0.00	0.00
KINGSTON MSA AA (MSA 28740)	0	0.00	99.15	0.00	0.00	0.00	0.00	0.00	0.00
SYRACUSE MSA AA (MSA 45060)	0	0.00	92.31	0.00	0.00	0.00	0.00	0.00	0.00

* Based on 2008 Peer Small Business Data: US.

** 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 - 2009).

**** 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 53% of small loans to farms originated and purchased by Bank.

Table 14. Qualified Investments

QUALIFIED INVESTMENTS		Geography: New York				Evaluation Period: January 1, 2007 TO December 31, 2009			
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:									
Non MSA AA			13	13,260	13	13,260	88%	0	0
Limited Review:									
AST MSA AA (MSA 10580)			0	0	0	0	0%	0	0
BINGHAMTON MSA AA (MSA 13780)			0	0	0	0	0%	0	0
KINGSTON MSA AA (MSA 28740)			0	0	0	0	0%	0	0
SYRACUSE MSA AA (MSA 45060)			0	0	0	0	0%	0	0
Statewide/Regional	1	1,600	2	200	2	1,800	12%	1	200

* 'Prior Period Investments' means investments made in a previous evaluation 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 Evaluation Period: January 1, 2007 TO December 31, 2009																	
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:																	
Non MSA AA	87.57	17	77.27	0.00	5.88	94.1	0.00	0	0	0	0	0	0	0.00	2.01	94.54	1.84
Limited Review:																	
AST MSA AA (MSA 10580)	4.76	2	9.09	0	0	100.	0	1	0	0	0	+1	0	0.00	39.62	58.07	0.00
BINGHAMTON MSA AA (MSA 13780)	5.00	1	4.54	0	0	100.	0	0	0	0	0	0	0	0.00	29.81	40.72	29.47
KINGSTON MSA AA (MSA 28740)	2.68	1	4.54	0	0	100.	0	0	1	0	0	-1	0	0.00	26.73	64.23	9.04
SYRACUSE MSA AA (MSA 45060)	0.00	1	4.54	0	0	0	100	1	0	0	0	0	+1	0.00	0.00	51.03	48.97